

**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

**CARROLLTON-FARMERS BRANCH
INDEPENDENT SCHOOL DISTRICT**

**FOR THE FISCAL YEAR ENDED
AUGUST 31, 2019**

**1445 North Perry Road
Carrollton, Texas 75011-5186**

Prepared By:
Division of Business Services
Tonya Tillman, Associate Superintendent
for Business Services



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INTRODUCTORY SECTION



CERTIFICATE OF BOARD

**CARROLLTON-FARMERS BRANCH
INDEPENDENT SCHOOL DISTRICT**

Name of School District


Dallas/Denton

County

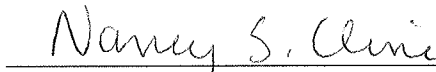
057-903

Co.-Dist. Number

We, the undersigned, certify that the attached annual financial report of the Carrollton-Farmers Branch Independent School District was reviewed and (check one) ☒ approved _____ disapproved for the year ended August 31, 2019 at a meeting of the Board of Trustees of such school district on the 16th day of January, 2020.



Signature of Board Secretary



Signature of Board President

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





December 18, 2019

Formal Transmittal of the Comprehensive Annual Financial Report (CAFR)

To the Citizens and Board of Trustees of the Carrollton-Farmers Branch Independent School District:

The CAFR of the Carrollton-Farmers Branch Independent School District (the District) for the fiscal year ended August 31, 2019, is hereby submitted. The report includes the unmodified opinion of our independent auditors, Hankins, Eastup, Deaton, Tonn & Seay, P.C. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. This report includes all funds of the District. The CAFR for the year ended August 31, 2019, is presented in conformance with the reporting model adopted by the Governmental Accounting Standards Board ("GASB") in their Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999. The CAFR also adheres to guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA) and the Association of School Business Officials International (ASBO).

Generally Accepted Accounting Principles (GAAP) requires 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). MD&A is intended to give the reader an easy-to-understand overview of the school district's financial position and results of operations for the year. 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.

The remainder of this transmittal highlights the governance structure, the mission, the accomplishments and initiatives, the economic conditions and outlook, and the financial activities of the District.

Copies of this report will be provided to Moody's Investment Service, Fitch Investor Service, Standard and Poors and any other interested parties.

Profile of the District

GENERAL EDUCATION

As its mission states, together with families and community we commit all district resources to guide the learning of each student to graduate as: a responsible individual; a passionate life-long learner; a complex thinker; and effective communicator. Based on the philosophy that every child can learn, the District provides educational opportunities for students regardless of their needs and their abilities.

Towards that end, the District provides a fully comprehensive instructional program in grades K-12 with a pre-kindergarten program. The District is committed to quality learning environments for all students offering a diversified curriculum that advocates the tailoring of instruction to individual student needs.

The Carrollton-Farmers Branch Independent School District embraces character values and ethics as fundamental to both educating and equipping our students to be productive, contributing members of society.

In addition to the regular curriculum, the District provides a comprehensive Career and Technology Education (CTE) program, including 16 career clusters which are organized around broad career fields. There are 79 individual career pathways in the 16 career clusters as show below:

Agriculture, Food & Natural Resources	Hospitality & Tourism
Architecture & Construction	Human Services
Arts, Audio Visual Tech & Communications	Information Technology
Business, Management, & Administration	Law, Public Safety, Corrections & Security
Education & Training	Manufacturing
Finance	Marketing, Sales & Service
Government & Public Administration	Science, Technology, Engineering & Mathematics
Health Science	Transportation, Distribution & Logistics

In addition to numerous CTE courses, high schools provide in-depth career pathway study through five academies. These academies are open to all incoming 9th grade high school students through an application process:

1. Media Arts and Technology
2. Biomedical Professions
3. International Business
4. Law and Criminal Justice
5. Math, Engineering, Technology, & Sciences

Additionally, STEM (Science, Technology, Engineering, and Mathematics) is embedded in curriculum for every student in CFB. Five STELLAR STEM Academies provide further enrichment in STEM, including digital learning, robotics, and technology for elementary students.

The fine arts program includes drama, speech, debate, choir, band, orchestra, theatre, elementary music, elementary art, secondary art, dance, and drill team. Over 22,000 students are involved district-wide in the fine arts program at various levels. Fine Arts Academies were started at four elementary campuses in 2018-19.

The Carrollton-Farmers Branch Independent School District demonstrates its commitment to educational excellence through the comprehensive programs developed for gifted and talented students in kindergarten through twelfth grade. Over 1,900 identified students participate in broad-based, advanced programs. Having a child-centered education program as its primary goal, the Carrollton-Farmers Branch ISD offers a two-tiered multifaceted program. These services are offered through the Academic Creative Education (ACE) program and the Leading Exceptional Academic Producers (LEAP) program. The structure of the District's programs forms an inverted pyramid model beginning as a broad base designed to discover and nurture the intellectual talents of the young child and gradually move into specific specialized course offerings. Classroom teachers who work with gifted students are required to receive at least thirty hours of gifted education training.

Bus transportation is available to those children who live more than two miles from the school that they would normally attend. Additionally, students who attend more than one school to participate in career and technology or bilingual programs receive transportation between schools during school hours. Special education students are eligible for transportation services when need is established.

DESCRIPTION OF THE ENTITY

The Carrollton-Farmers Branch ISD is an independent public educational agency operating under applicable laws and regulations of the State of Texas. A seven-member Board of Trustees elected to staggered three-year terms by the District's residents autonomously governs the District. The Carrollton-Farmers Branch ISD Board of Education ("Board") is the level of government, which has oversight responsibility and control over all activities related to public school education within the District. The District receives funding from local, state and federal government sources and must comply with all the requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined in generally accepted accounting principles. The public elects board members who have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

The Texas Education Agency and Southern Association of Colleges and Schools provide the District's K-12 education accreditation. Enrollment in the District's 5 high, 6 middle, and 24 elementary, and alternative or special program centers was 25,598 for the 2018-2019 fiscal year.

The District encompasses 53.42 square miles in northwest Dallas County with a smaller portion in southeast Denton County. The District provides instructional services to children who live in portions of Carrollton, Farmers Branch, Addison, Coppell, Dallas, and Irving. Demographic information for the largest of these cities is included below. The source of the information is: U.S. Census Bureau, American FactFinder: QuickFacts, 2013-2017 American Community Survey

City of Carrollton – Demographics:

Population - 136,879; Male 49.1%, Female 50.9%

Population by Race:

- ❖ White 41.0%
- ❖ Black 9.3%
- ❖ Hispanic or Latino Origin 33.5% (of any race)
- ❖ American Indian 0.4%
- ❖ Asian or Pacific Islander 14.6%
- ❖ Other Race 0.0%
- ❖ Two or more races 2.4%

Median age - 36.9

- Persons under 5 years old 6.2%
- Persons over 18 years old 76.0%
- Persons 65 and over 10.1%

Economic Characteristics:

- Median household income \$73,218
- Median family income \$82,794
- Per capita income \$34,096

Housing Characteristics:

- ✓ Owner-occupied housing units 59.6%
- ✓ Renter-occupied housing units 40.4%
- ✓ Vacant housing units 3.1%

Area - 36.6 square miles

Source: U.S. Census Bureau, American FactFinder: QuickFacts, 2013-2017 American Community Survey

City of Dallas – Demographics:

Population - 1,345,047; Male 49.6%, Female 50.4%

Population by Race:

- ❖ White 29.1%
- ❖ Black 24.3%
- ❖ Hispanic or Latino Origin 41.7% (of any race)
- ❖ American Indian 0.3%
- ❖ Asian or Pacific Islander 3.4%
- ❖ Other Race 0.0%
- ❖ Two or more races 2.6%

Median age - 32.5

- Persons under 5 years old 7.8%
- Persons over 18 years old 74.5%
- Persons 65 and over 9.8%

Economic Characteristics:

- Median household income \$47,285
- Median family income \$51,220
- Per capita income \$31,260

Housing Characteristics:

- ✓ Owner-occupied housing units 41.5%
- ✓ Renter-occupied housing units 58.5%
- ✓ Vacant housing units 10.0%

Area - 384.7 square miles

Source: U.S. Census Bureau, American FactFinder: QuickFacts, 2013-2017 American Community Survey

City of Farmers Branch – Demographics:

Population - 40,209; Male 48.6%, Female 51.4%

Population by Race:

- ❖ White 39.5%
- ❖ Black 5.3%
- ❖ Hispanic or Latino Origin 46.2% (of any race)
- ❖ American Indian 0.4%
- ❖ Asian or Pacific Islander 6.5%
- ❖ Other Race 0.0%
- ❖ Two or more races 4.7%

Median age - 36.4

- Persons under 5 years old 6.6%
- Persons over 18 years old 77.5%
- Persons 65 and over 13.9%

Economic Characteristics:

- Median household income \$65,810
- Median family income \$70,679
- Per capita income \$33,214

City of Farmers Branch – Demographics - continued:

Housing Characteristics:

- ✓ Owner-occupied housing units 54.7%
- ✓ Renter-occupied housing units 45.3%
- ✓ Vacant housing units 6.4%

Area - 12.1 square miles

Source: U.S. Census Bureau, American FactFinder: QuicksFacts, 2013-2017 American Community Survey

City of Irving – Demographics:

Population - 242,242; Male 49.8%, Female 50.2%

Population by Race:

- ❖ White 24.1%
- ❖ Black 13.3%
- ❖ Hispanic or Latino Origin 42.1% (of any race)
- ❖ American Indian 0.4%
- ❖ Asian or Pacific Islander 18.1%
- ❖ Other Race 0.0%
- ❖ Two or more races 3.0%

Median age - 31.9

- Persons under 5 years old 8.5%
- Persons over 18 years old 72.7%
- Persons 65 and over 7.4%

Economic Characteristics:

- Median household income \$58,196
- Median family income \$63,263
- Per capita income \$28,670

Housing Characteristics:

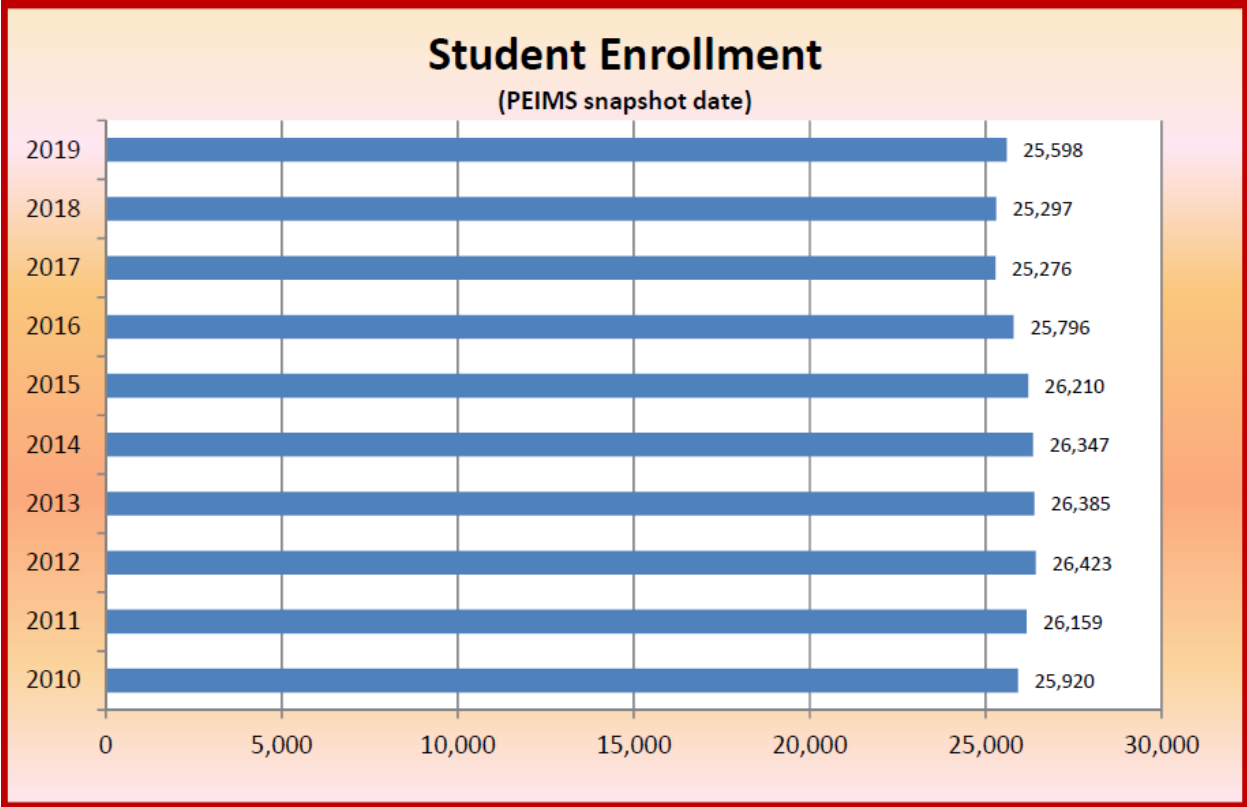
- ✓ Owner-occupied housing units 37.7%
- ✓ Renter-occupied housing units 62.3%
- ✓ Vacant housing units 6.2%

Area - 67.6 square miles

Source: U.S. Census Bureau, American FactFinder: QuickFacts, 2013-2017 American Community Survey

The District offers a comprehensive instructional program from pre-kindergarten through grade 12. The Texas Education Agency accredits all schools in the District. Along with the regular curriculum, the District offers programs for gifted and talented students, advanced placement courses, career and technology education, services for children with disabilities from birth through 22 years of age, and bilingual education programs. The District has one of the leading technology programs in the state. All campuses are connected to a wide-area network and have direct Internet access. The broad range of elective courses and extracurricular activities includes athletics, fine arts, internship work experience, and special-interest activities. Other programs include drug awareness, research skills, environmental topics, advanced technology, and after-school enrichment. During the summer, students participate in a variety of summer recreation programs and summer school academic and enrichment courses. A large community education program provides academic and enrichment opportunities for adults and youngsters.

The District has an extensive Internet website with individual home pages for all departments and campuses. At www.cfbisd.edu, families can locate a wealth of information including a school locator package that identifies the schools which serve residential addresses.



FINANCIAL POLICIES

Internal Controls The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management. Management believes the District's internal controls provide reasonable assurance errors or irregularities that could be material to the financial statements would be detected within a timely period by employees in the normal course of performing their assigned functions.

Budgetary Controls In addition, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Board of Trustees. Activities in the General Fund, Food Service Special Revenue Fund and Debt Service Fund are included in the District's formally adopted budget. Budgets for Special Revenue Fund (other than Food Service Fund) and Capital Projects Fund are prepared on a project basis, based on grant regulations or applicable bond ordinances. Budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is maintained at the fund-function level as required by the Texas Education Agency. The Board of Trustees has delegated authority for functional changes to the Accounting Department. Budget transfers from one functional category to another functional category are reviewed and approved/disapproved by Accounting Department personnel. However, budget changes that would increase/decrease the overall fund are taken to the Board of Trustees for their approval before any action regarding the proposed change is made.

The District's interactive, on-line budgetary accounting and control system provides many useful reports to assist District personnel in administering, monitoring and controlling the implementation of the budget. The system provides many checks on account balances to insure that funds are not over-expended at the budgetary control account level. If sufficient funds are not available at the budgetary control account level, purchase orders and checks requisitions cannot be generated.

INDEPENDENT AUDIT

The Texas Education Code requires an annual audit of all public schools. This audit must be on an organization-wide basis and include all fund types and account groups that are the accounting responsibility of the District. The audit is performed by an independent certified public accountant firm selected by the District's Board of Trustees. The auditor's report has been included in this report.

ORGANIZATION OF THE DISTRICT

The Board of Trustees of the Carrollton-Farmers Branch ISD (the Board) is a seven-member body. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general compliance laws and rules applicable to the District are followed in the expenditure of the District's funds, and approves the annual budget resolution and tax rate adoption.

MAJOR INITIATIVES

Capital Projects Since 1990, in five separate elections, the voters of the Carrollton-Farmers Branch Independent School District have authorized over \$950 million in general obligation bonds. The most recent election in 2018 was for \$350.935 million alone and passed by more than 65 percent of the votes. The District has issued \$109.220 million of the outstanding bonds from the 2018 bond election. The scheduled projects include improvements and upgrades to all campuses as well as renovations to two middle schools.

Our citizens have always put the education of children first because there is a realization that children are the leaders of tomorrow. With the exploding usage of technology and the need to update aging facilities, all previous bond referendums in the District have been approved by the citizens who reside within the District boundaries.

MAJOR INITIATIVES – continued

In addition to renovations, repairs and new construction, there are technology projects ongoing within the District. The technology initiatives include improvements to the network infrastructure, computer hardware and software. The District maintains a fiber optic network to provide connectivity for over 16,000 computers. The focus is on integrating wireless, mobile handheld devices into the classroom to enable students and staff flexible, wireless access to online instructional applications.

Educational Services The Educational Services division of CFB ISD has organized several significant documents and research studies into a framework that guides our work. The foundation of this framework is our district vision statement, district goal with supporting objectives, and the Standards Based Instructional System.

The vision of the Carrollton-Farmers Branch Independent School District is *Learn More. Achieve More.*

The mission of the Carrollton-Farmers Branch Independent School district is *Continuous Improvement.*

The goal of the Carrollton-Farmers Branch ISD is *High Achievement for Each Student.*

To achieve this goal, four guiding objectives have been identified:

1. Continuously improve student learning;
2. Continuously improve the learning environment for students and staff;
3. Continuously improve operational effectiveness;
4. Continuously improve community support.

The six components of a Standards Based Instructional System include: clear, high standards, fair assessments, curriculum framework, instructional materials, aligned instruction, and safety nets.

In CFB, we value the Principles of Teaching, Learning, and Curriculum and the Principles of Best Practice.

The principles of teaching include the following:

- The teacher matters;
- Focused teaching promotes accelerated learning;
- Clear expectations and continuous feedback activate learning;
- Good teaching builds on students' strengths and respects individuals' differences;
- Good teaching involves modeling what students should learn.

The principles of learning include the following:

- Effort produces achievement;
- Learning is about making connections;
- We learn with and through others;
- Learning takes time;
- Motivation matters.

The principles of curriculum include the following:

- The curriculum should focus on powerful knowledge;
- All students should experience a "Thinking Curriculum";
- The best results come from having an aligned instructional system.

Best practice principles remind us to keep our work student-centered while addressing students' cognitive and social domains.

Planning structures help focus our work. These are: Understanding by Design, Professional Learning Communities and the Driven by Data Protocol. Classroom strategies that support the successful implementation of the curriculum are Marzano's Nine, Content Literacy, AVID, and GLAD strategies for English Language Learners.

Information Useful in Assessing the District's Economic Condition

ECONOMIC CONDITIONS AND OUTLOOK

Carrollton-Farmers Branch Independent School District is located in north central Texas on the northern edge of Dallas. The District overlaps a small area of the City of Dallas, and includes most of the City of Carrollton and about 70 percent of the City of Farmers Branch as well as portions of the Cities of Irving, Addison, and Coppell.

The local economy remains strong in the Dallas-Fort Worth area. The diversity of the businesses located here and the range of housing available combined with the transportation grid and proximity to Dallas-Fort Worth and Alliance airports provide a degree of protection from the economic cycles that is not available to most school districts.

The Dallas-Fort Worth area is an important center of trade, finance and other major services. It is also a critical point in the national transportation complex. The District itself is a primary warehousing and distribution center. Due in part to the transportation infrastructure, cost of doing business, and workplace, the Metroplex draws many new corporations and individuals to the area each year. Major businesses have located their corporate headquarters here.

The district's largest taxpayer is only 0.98% of the taxable value of the district. This lack of dependence on a single employer or business segment means that the loss of even a large business will not have a significant negative impact on the education of children, or imperil the future payment of obligations.

The location of the District along Interstate 35, Interstate 635, Bush Tollway and the Dallas North Tollway together with its proximity to the Dallas-Fort Worth International Airport (approximately eight miles from the District), has provided a major impetus for growth in the northwest quadrant of Dallas County and the school district. The upgrading of the road system within the metroplex continues to be a plus for the District. A combination of interstate highways, state highways, a light rail system and toll roads ensures that residents can easily commute to jobs anywhere in the metroplex and serves as a magnet for the location of new businesses coming into the area. The Dallas Area Rapid Transit (DART) light rail system has major stops in the District. The Cities of Carrollton and Farmers Branch have initiated plans in these transit areas for high-density housing, retail, restaurants and offices in a quality urban environment. These projects are underway in various areas of the cities. A major highway widening project was completed for Interstate 35, which will further encourage growth and development.

The Valwood Improvement Authority was created in 1974 as the Farmers Branch-Carrollton Flood Control District, thus extending the development of industrial land along the Trinity River flood plain as the largest planned industrial/business park in Dallas County. Wholly contained within the Cities of Carrollton and Farmers Branch, the Authority has major freeway access, rail and motor line services.

Valley Ranch, a mixed-use development of 2,400 acres, is located south of Beltline Road and north of the LBJ Freeway. Approximately 1,800 acres of the development are located within the District and approximately 1,200 of those acres are devoted to residential property.

Las Colinas, a mixed-use development of some 12,000 acres, lies immediately east of the Dallas-Fort Worth International Airport. This master-planned community contains quality residential areas, business parks, shopping centers, green-belt areas, several country clubs, an equestrian center, office parks, luxury hotels, a complete recording and sound studio for motion picture production, hospital facilities, and a community college. Some 4,300 acres of Las Colinas lie within the District. While construction has been sporadic, there has been significant new activity in both commercial and residential projects.

La Villita, a unique community in Las Colinas, is an upscale 200 acre development containing multi-family, small office buildings, single-family and town home development. The District opened an elementary school in La Villita in 2008 and has secured a site for a middle school. The District will build a multi-purpose facility in the La Villita area that will house the network operating center along with other facility capabilities. La Villita's site is rich in water features, particularly the 30 acre Lake Royal and its two canals. Small parks and plazas are scattered

ECONOMIC CONDITIONS AND OUTLOOK – continued

throughout the community, giving residents places to gather. There is also a system of hiking and biking trails, both paved and natural-surface along the Elm Fork of the Trinity River. While enrollment is stagnant or declining in most areas of the District, Las Colinas and specifically the La Villita community continues to grow.

A major redevelopment project was initiated in Addison in 2007 where 2,400 older apartments were torn down and replaced with a complete new urban environment. This development includes a 12 acre waterfront park with open spaces, an amphitheater, a neighborhood park, 500,000 sq. ft. of office space, 6,000 housing units and retail businesses. Additional redevelopment projects are also underway on a smaller scale in both the cities of Carrollton and Farmers Branch.

Construction has commenced in the last remaining large area of undeveloped land known as Mercer Crossing in the city of Farmers Branch. Mercer Crossing is a mixed-use development that will include two main areas: urban commerce and residential. These areas plan to have 656 single-family and 1,750 multi-family units as well as an amenity center, amphitheater, senior living, hotel, and commercial buildings. The Mercer Crossing residential area will consist of six separate neighborhoods. Construction is expected to continue over the coming years. Several other multi-family projects have been completed along with one commercial project.

Long-term Financial Planning The District has maintained its fund balance to insure that the needed resources are available to provide for current operations and unexpected situations. Trends identified in budgeting for subsequent fiscal years include:

- If the future follows recent trends, our taxable values will increase. We are projecting a steady increase since the District had a taxable value increase in the 2012-13 through 2018-19 budget years.
- Federal revenue sources are not expected to increase over current levels.
- In an election held on November 8, 2016, voters residing in the District passed a Tax Ratification election which increased the District's maintenance and operations tax rate from \$1.04 per \$100 of taxable property to \$1.17 per \$100 of taxable value. Based on past history, collection percentages will remain 99% or more.
- The passage of HB 3 in June of 2019 significantly changed school finance for Texas school districts. The legislation focused on increasing teacher pay, reducing property taxes, and school finance reform. The bill: compresses the General Fund tax rate from \$1.17 to \$1.06835, increases the basic allotment from \$5,140 to \$6,160, switches the state funding calculation from using prior year property values to current year property values, and allows only a 2.5% growth in property tax revenue.

HIGHER EDUCATION

Several major universities and colleges are located within a 40-mile radius of the District. Among these universities are:

<u>Institution</u>	<u>Location</u>
Austin College	Sherman, Texas
Collin County Community College District (2 campuses)	Collin County, Texas
Dallas Baptist University	Dallas, Texas
Dallas County Community College District (8 campuses)	Dallas County, Texas
Texas A&M at Commerce	Commerce, Texas
Southern Methodist University	Dallas, Texas
Texas Christian University	Fort Worth, Texas
Texas Wesleyan College	Fort Worth, Texas
Texas Woman's University	Denton, Texas
University of North Texas	Denton, Texas
University of Texas at Arlington	Arlington, Texas
University of Texas at Dallas	Richardson, Texas

Awards and Acknowledgements

SERVICE EFFORTS AND ACCOMPLISHMENTS

Accountability Ratings

The 85th Texas Legislature passed House Bill (HB) 22, establishing three domains for measuring the academic performance of districts and campuses: Student Achievement, School Progress, and Closing the Gaps. Seventy percent of the accountability rating is based on either Student Achievement or School Progress, whichever is the higher grade. Student Achievement (Domain 1) includes STAAR tests; college, career, military readiness; and graduation rates. School Progress (Domain 2) includes how much improvement students made from one year to the next on STAAR tests, or how well they did in relation to comparable campuses, whichever is greater. The remaining 30 percent is based on performance in the Closing the Gaps area (Domain 3) which looks at how well schools do educating children in up to 14 different student groups.

On August 15, 2019, TEA released the 2018-19 academic accountability rating for districts and campuses. CFBISD earned an 89 (B) overall in 2018-19 with the following Domain scores:

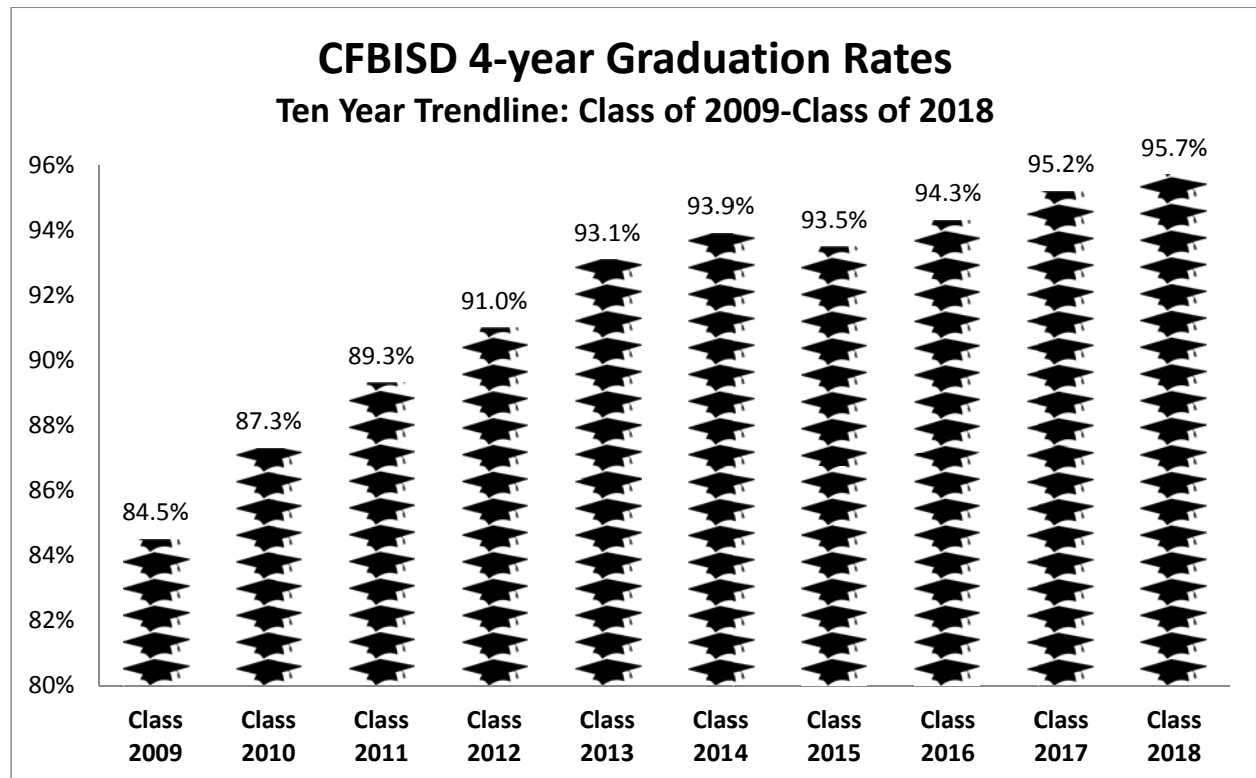
- Student Achievement 87 (B)
- School Progress 89 (B)
- Closing the Gaps 89 (B)

Associate's Degree:

Through Early College High School, 53 students earned an Associate's Degree in the Class of 2019 representing 77% of their graduating class.

4-Year Graduation Rate:

CFBISD graduation rate exceeds the State of Texas (90%) with a rate of 95.7% for class of 2018.



College Readiness Indicators

Designed to measure Evidence-based Reading and Writing (EBRW) and Mathematics aptitude, SAT is administered by the College Board. SAT scores range from 200-800.

SAT Results	Mean SAT Scores			
Seniors (Class of 2019)	#Tested	EBRW	Math	Total
National	2,220,087	531	528	1059
State	237,665	515	507	1022
District	1,472	490	492	982
Creekview High School	432	503	512	1,015
Early College	73	516	553	1,069
Ranchview High School	187	491	481	972
Smith High School	351	487	490	977
Turner High School	427	474	469	943

The PSAT 8/9 and PSAT/NMSQT measures knowledge and skills that research shows are most essential for college and career readiness and success. The score range for Evidence-based Reading and Writing (EBRW) and Mathematics is 160-760. For students in their junior year of high school, the PSAT is also the National Merit Scholarship Qualifying Test. The National Merit Semifinalists and National Merit Commended Recipients are selected from the highest scores on the PSAT.

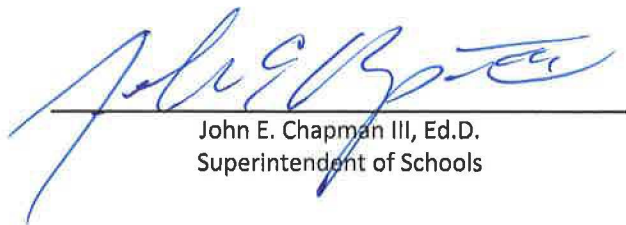
2018-19 PSAT/NMSQT	Average PSAT Scores			
Juniors (Class of 2020)	# Tested	EBRW	Math	Total Score
National	1,746,720	512	501	1013
State	222,558	484	479	963
District	1,295	470	466	936
Creekview High School	296	484	492	976
Early College	84	535	538	1074
Ranchview High School	181	467	468	935
Smith High School	346	460	450	910
Turner High School	388	453	445	898

OTHER INFORMATION

- The District has been awarded the Certificate of Excellence in Financial Reporting by the Association of School Business Officials (ASBO) for forty-two consecutive years. This award is for school districts whose comprehensive annual financial reports substantially conform to the recommended principles and standards of financial reporting adopted by that organization. We believe that our current report continues to conform to the Certificate of Excellence Program requirements, and we will again submit it to ASBO for review.
- The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the year ended August 31, 2018. The District has achieved this prestigious award forty-one consecutive years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy generally accepted accounting principles and applicable legal requirements.
- A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we will submit it to the GFOA to determine its eligibility for another certificate.
- The 2018-19 Budget Document, produced by the Finance Department, received the Meritorious Budget Award for excellence from the Association of School Business Officials (ASBO) International.
- In 1999, the 76th Texas Legislature approved legislation requiring the commissioner of education in consultation with the comptroller of public accounts to develop a rating system for school district financial accountability. The 77th Texas Legislature in 2001 subsequently adopted rules for the implementation and administration of the financial accountability rating system known as School FIRST, Financial Integrity Rating System of Texas. The financial accountability rating system benefits the public by having in place a system to ensure that school districts will be held accountable for the quality of their financial management practices and achieve improved performance in the management of their financial management practices and achieve improved performance in the management of their financial resources. The Carrollton-Farmers Branch Independent School District has received a Superior Achievement rating since the implementation of the rating system in the 2002-03 fiscal year.
- The Carrollton-Farmers Branch ISD was named one of the Best Communities for Music Education through a nationwide survey sponsored by the National Association of Music Merchants (NAMM) Foundation, its American Music Conference (AMC) division and a partnership of leading national associations working to promote the benefits of active participation in music and music education. It is the 11th time that CFB ISD made the list.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the business office and tax office. Special thanks to Michelle Seese, Director of Accounting; Vicki Pippin, CPA-Director of Financial Reporting; and Scott Roderick, CPA-Chief Financial Officer; for their assistance in the preparation of this document. In addition, thanks to the Board of Trustees for their continued commitment to the students and staff of the District and for their excellent leadership.



John E. Chapman III, Ed.D.
Superintendent of Schools



Tonya Tillman, CPA
Associate Superintendent for Business Services



Scott Roderick, CPA
Chief Financial Officer



Michele Seese,
Director of Accounting



Vicki Pippin, CPA
Director of Financial Reporting

**Carrollton-Farmers Branch
Independent School District**

Principal Officials

Board of Trustees

Board Member	Current Term Began	Current Term Expires	Position	Occupation
Nancy S. Cline	2017	2020	President	Civil Engineer
Guillermo William Ramos	2019	2022	Vice President	Attorney
Tara Hrbacek	2019	2022	Secretary	Manager of Financial Operations
Candace Valenzuela	2017	2020	Assistant Secretary	College Application Consultant
Sally Derrick	2018	2021	Member	Registered Nurse
John Mathews	2018	2021	Member	Retired Educator
Randy Schackmann	2019	2022	Member	Consultant – Non-Profit Organizations



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Carrollton-Farmers Branch
Independent School District
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

August 31, 2018

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

**Carrollton-Farmers Branch
Independent School District**

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended August 31, 2018.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Tom Wohlleber'.

Tom Wohlleber, CSRM
President

A handwritten signature in black ink, reading 'Siobhán McMahon'.

Siobhán McMahon, CAE
Chief Operating Officer

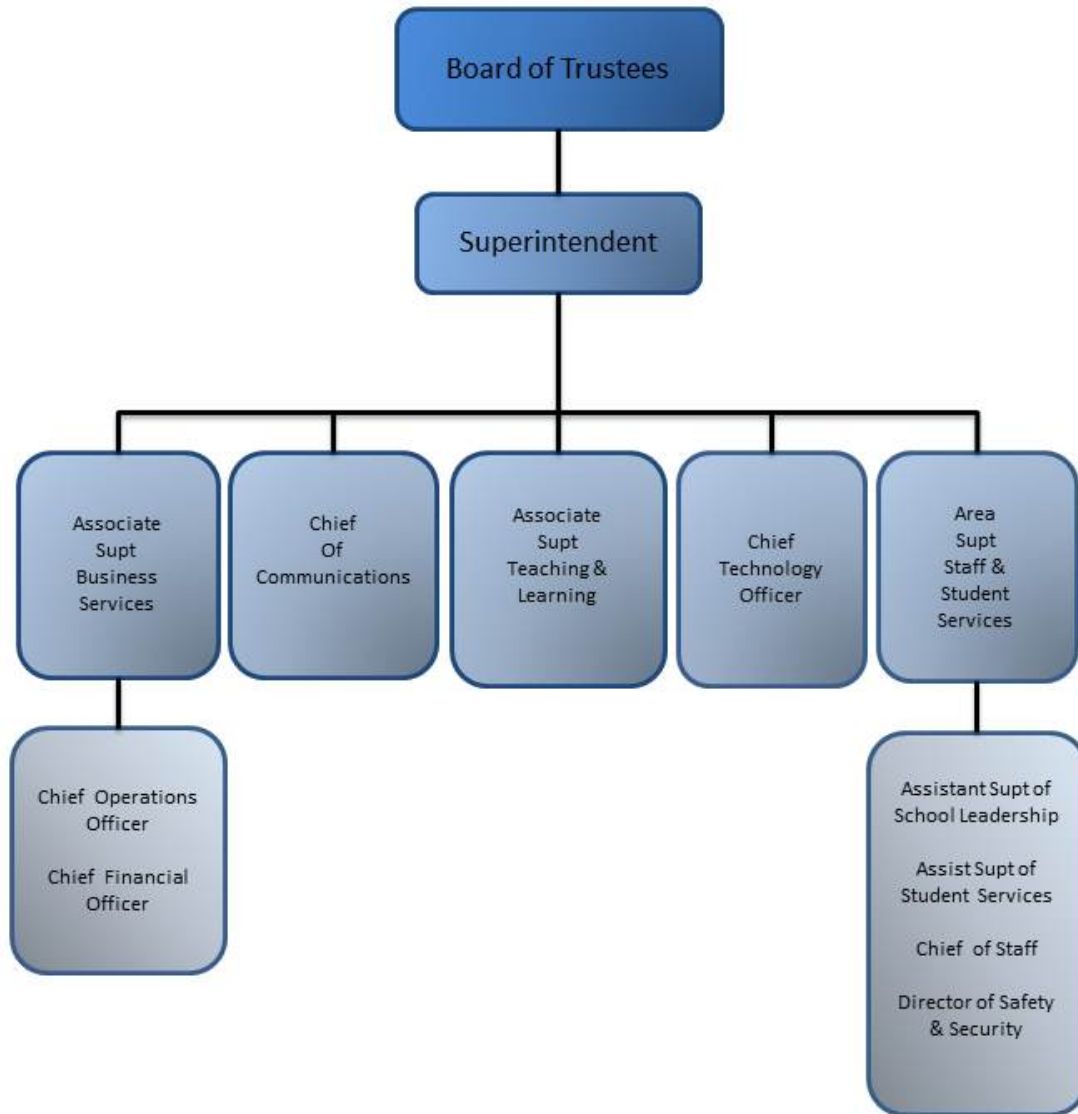
Appointed Officials

Name	Position	Years of Service
John E. Chapman III, Ed.D.	Superintendent of Schools * Total School district experience 21 years	2 years *
Tonya Tillman, CPA	Associate Superintendent for Business Services * Total School district experience 20 years	8 years *
Georgeanne Warnock	Associate Superintendent for Educational Services * Total School district experience 20 years	20 years *

Officials Issuing Report

Name	Position	Years of Service
Tonya Tillman, CPA	Associate Superintendent for Business Services * Total School district experience 20 years	8 years *
Scott Roderick, CPA	Chief Financial Officer * Total School district experience 15 years	12 years *
Vicki Pippin, CPA	Director of Financial Reporting * Total School district experience 16 years	16 years *
Michele, Seese	Director of Accounting * Total School district experience 15 years	3 years *

Carrollton-Farmers Branch ISD Organizational Chart 2018-19



**Carrollton-Farmers Branch
Independent School District**

Consultants and Advisors

Architects

Stantec Architecture
5717 Legacy Drive, Suite 250
Plano, Texas 75024

Corgan Associates
401 North Houston Street
Dallas, Texas 75202

Huckabee and Associates
1755 Wittington Place, Suite 100
Farmers Branch, Texas 75234

Engineers

Estes McClure and Associates
3608 West Way
Tyler, Texas 75703

Bond Counsel

Norton Rose Fulbright US, LLP
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201

Financial Advisor

Hilltop Securities, Inc
777 Main Street, Suite 1200.
Fort Worth, Texas 76102

General Counsel

Walsh Gallegos Trevino Russo
& Kyle P.C.
105 Decker Court, Suite 600
Irving, Texas 75062

Depository Bank

Wells Fargo Bank, N.A.
1445 Ross Avenue
Dallas, Texas 75202

Fiscal Agents

The Bank of New York Mellon
2001 Bryan Street 10th Floor
Dallas, Texas 75201

Auditors

Hankins, Eastup, Deaton, Tonn & Seay,
P.C.
902 North Locust
Denton, Texas 76202





FINANCIAL SECTION



**HANKINS, EASTUP, DEATON,
TONN & SEAY**
A PROFESSIONAL CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS

902 NORTH LOCUST
P.O. BOX 977
DENTON, TX 76202-0977

TEL: (940) 387-8563
FAX (940) 383-4746

Independent Auditors' Report

To the Board of Trustees
Carrollton-Farmers Branch Independent School District
Carrollton, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Carrollton-Farmers Branch Independent School District (the District), as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District'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, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of August 31, 2019, and the respective changes in financial position 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 management's discussion and analysis on pages 5 through 16 and budgetary comparison information on pages 69 and 76, pension information on pages 70 through 73 and 77 and other post-employment benefit information on pages 74, 75 and 77, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the 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, other supplementary information, required Texas Education Agency schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance, and is also not a required part of the basic financial statements.

The other supplementary information, required Texas Education Agency schedules, 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 other supplementary information, required Texas Education Agency schedules, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section 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 December 18, 2019 on our consideration of the District's internal control over financial reporting and on our test 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.

Hankins, Eastup, Deaton, Tonn & Seay

Hankins, Eastup, Deaton, Tonn & Seay, PC
Denton, Texas

December 18, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Carrollton-Farmers Branch Independent School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended August 31, 2019. Please read it in conjunction with the District's transmittal letter at the front of this report and the financial statements, which follow this section beginning on page 17.

FINANCIAL HIGHLIGHTS

- The District's total combined assets and deferred outflows of resources as presented on the government-wide Statement of Net Position exceeded liabilities and deferred inflows of resources by \$321.4 million. The net position of the District increased by \$39.7 million during the year ended August 31, 2019.
- The District's governmental funds financial statements reported combined ending fund balances of \$315.3 million. Of this amount, \$1.0 million is nonspendable fund balance, \$13.0 million is committed fund balance, and \$92.1 million is unassigned fund balance in the General Fund. The remaining fund balance of \$209.2 million is comprised of \$0.5 million in nonspendable fund balance, \$197.0 million in restricted fund balance, \$1.0 million in committed fund balance, and \$10.7 million in assigned fund balance.
- In 2018-19, a transportation department was created to assume the role vacated by the dissolution of Dallas County Schools to provide student transportation. Prior to 2018-19, the District had outsourced transportation services and had contracted with Dallas Country Schools since 2004-05. The district hired 146 positions to staff the new transportation department.
- Numerous construction projects were undertaken during the year including: landscaping projects at four campuses, building additions and renovations to two elementary schools, Signature Program additions at nine campuses, exterior improvements to one high school, three demolition projects to two elementary school buildings and one science center, and construction on a new multi-purpose building in Irving. At year end, construction-in-progress consisted of 17 open projects.
- The District implemented GASB 68 during 2014-15. A pension liability of \$93.3 million was recorded in the 2018-19 government-wide financial statements for its proportionate share of the TRS's net position liability.
- The District implemented GASB 75 during 2017-18. An OPEB liability of \$103.7 million was recorded in the 2018-19 government-wide financial statements for its proportionate share of the TRS's net OPEB liability.
- The general fund reported a fund balance this year of \$106.1 million, which is an increase of \$5.8 million from the prior year fund balance of \$100.3 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

The basic financial statements include two kinds of statements that present different views of the District:

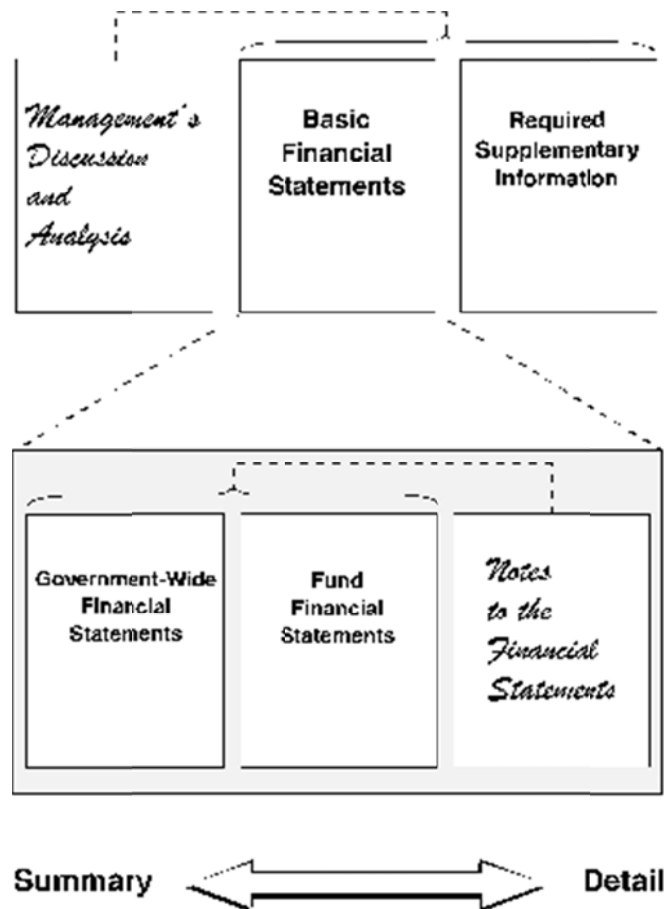
- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District's operations in *more detail* than the government-wide statements.
 - The *governmental funds* statements tell how *general government* services were financed in the short term as well as what remains for future spending.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- *Proprietary fund* statements offer *short- and long-term* financial information about the activities the government operates *like businesses*, such as workers' compensation self-insurance.
- *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 shown belong.

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. The federal financial assistance (federal awards) section includes the schedule of expenditures of federal awards, the independent auditor's reports on internal control and compliance and other related reports and schedules. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-1. Required Components of the District's Annual Financial Report



MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

<i>Type of Statement</i>	Fund Statements			
	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
<i>Scope</i>	Entire Agency's government (except fiduciary funds) and the Agency's component units	The activities of the district that are not proprietary or fiduciary	Activities the District operates similar to private business: self insurance	Instances in which the district is the trustee or agent for someone else's resources
<i>Required financial statements</i>	* Statement of net position	* Balance sheet	* Statement of net position	* Statement of fiduciary assets and liabilities
	* Statement of activities	* Statement of revenues, expenditures & changes in fund balances	* Statement of revenues, expenses and changes in fund net position	
<i>Accounting basis and measurement focus</i>	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
<i>Type of asset/liability information</i>	All assets, deferred outflows, liabilities and deferred inflows, both financial and capital, short-term and long-term	Only assets and deferred outflows expected to be used up and liabilities and deferred inflows that come due during the year or soon thereafter, no capital assets included	All assets, deferred outflows, liabilities and deferred inflows, both financial and capital, and short-term and long-term	All assets, deferred outflows, liabilities and deferred inflows, both short-term and long-term; the Agency's funds do not currently contain capital assets, although they can
	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	

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 deferred outflows of resources; and liabilities and deferred inflows of resources. 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 it has changed. Net position (the difference between the District's assets plus deferred outflows of resources minus liabilities minus deferred inflows of resources) 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, you need to consider additional non-financial factors such as changes in the District's tax base and state funding structure.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The government-wide financial statements of the District include the category: *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. Property taxes and grants finance most of these activities. Also included are business-type activities which include the District's after-school program.

Fund Financial Statements

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

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

The District has three kinds of funds:

- *Governmental funds* - Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information (reconciliations) that explain the relationship (or differences) between them.
- *Proprietary funds* - Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information.
 - We use *internal service funds* to report activities that provide supplies and services for the District's other programs and activities-such as the District's Workers' Compensation Self-Insurance Fund.
 - We use *enterprise funds* to account for activities for which users are charged a fee for providing goods and services. The District's sole enterprise fund accounts for the After the Bell program which provides child care services.
- *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 assets and liabilities. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position. As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The District's combined net position increased between fiscal years 2018 and 2019 – increasing by \$39.8 million or 14.1% to \$321.4 million at August 31, 2019 (see Table A-1).

Table A-1
The District's Net Position
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current & Other Assets	\$ 359.7	\$ 246.5	\$ 8.4	\$ 7.8	\$ 368.1	\$ 254.3
Capital Assets	413.6	409.0	-	-	413.6	409.0
Total Assets	\$ 773.3	\$ 655.5	\$ 8.4	\$ 7.8	\$ 781.7	\$ 663.3
Deferred Charge for Refunding	\$ 3.1	\$ 3.8	\$ -	\$ -	\$ 3.1	\$ 3.8
Deferred Outflow TRS Pension	83.1	71.3	-	-	83.1	71.30
Deferred Outflow TRS Pension	15.9	1.4	-	-	15.9	1.40
Deferred Outflow of Resources	\$ 102.1	\$ 76.5	\$ -	\$ -	\$ 102.1	\$ 76.5
Current Liabilities	\$ 31.8	\$ 19.6	\$ 0.2	\$ 0.2	\$ 32.0	\$ 19.8
Long Term Liabilities	458.4	376.7	-	-	458.4	376.7
Total Liabilities	\$ 490.2	\$ 396.3	\$ 0.2	\$ 0.2	\$ 490.4	\$ 396.5
Deferred Inflow Related to TRS	\$ 72.0	\$ 61.7	\$ -	\$ -	\$ 72.0	\$ 61.7
Deferred Inflow of Resources	\$ 72.0	\$ 61.7	\$ -	\$ -	\$ 72.0	\$ 61.7
Net Position						
Net Investment in Capital						
Assets	\$ 317.7	\$ 276.2	\$ -	\$ -	\$ 317.7	\$ 276.2
Restricted	75.0	98.2	-	-	75.0	98.2
Unrestricted	(79.5)	(100.4)	8.2	7.6	(71.3)	(92.8)
Total Net Position	\$ 313.2	\$ 274.0	\$ 8.2	\$ 7.6	\$ 321.4	\$ 281.6

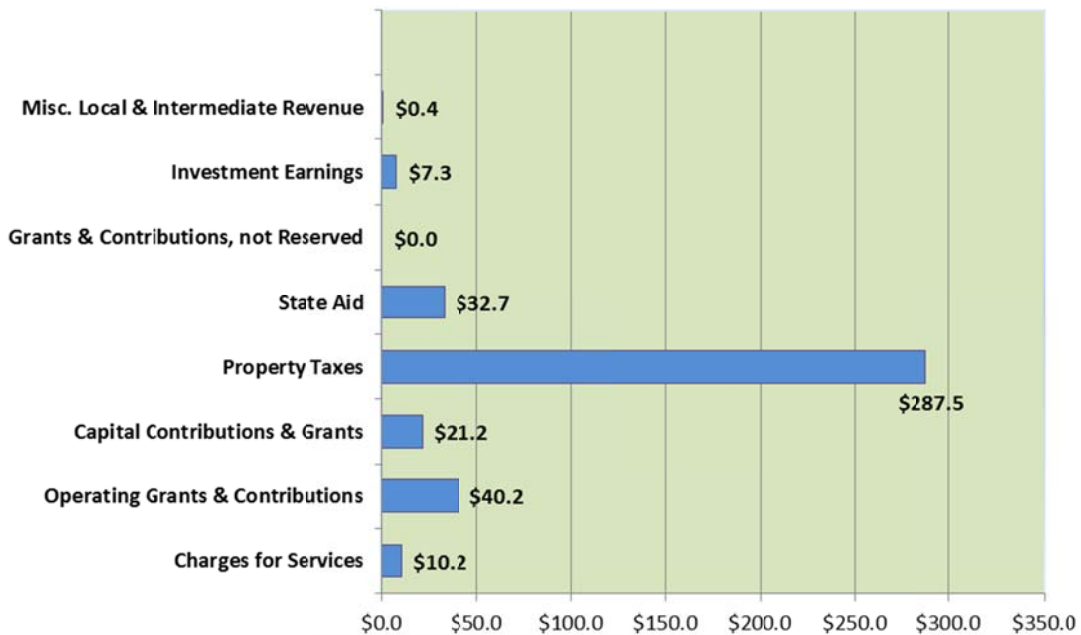
Portions of the net position are either restricted as to the purposes for which they can be used or they are net investment in capital assets. Unrestricted net position increased by \$21.5 million.

Changes in net position. The District's total revenues were \$399.5 million representing an increase of \$69.4 million or 21.0%. State Aid – Formula Grants increased in 2019 by \$5.5 million or 8.2%. Operating Grants and Contributions increased 1105.0% or \$44.2 million. The majority of this increase relates to the negative adjustment brought about by the implementation in 2018 of the new OPEB standards implemented by the Government Accounting Standards Board (GASB) and changes in retiree benefits provided by TRS-Care, the TRS retiree healthcare plan. Investment earnings were \$7.3 million representing an increase of \$3.8 million or 108.57% due to the increase in interest rates.

The total cost of all programs and services was \$357.7 million, an increase over the previous year of \$103.2 million or 40.6%. Payments to the tax increment fund increased \$3.3 million due to appreciation in property values in the Irving Tax Increment Zone. Contracted Instructional Services between schools increased by \$11.0 million or 131.0%. Debt services decreased \$0.9 million as current and past bond refundings have reduced interest requirements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Figure A-3 District Sources of Revenue for Fiscal Year 2019 (in millions of dollars)



Governmental Activities

- The District's tax rate consists of two separate components, a General Fund rate and a Debt Service rate. Taxes are calculated by dividing the assessed property value (less exemptions, if applicable) by 100 and multiplying the result by the tax rate. The Dallas Central Appraisal District and the Denton Central Appraisal District determine property values for the Carrollton-Farmers Branch ISD. The Debt Service rate is set to pay debt principal and interest for the fiscal year. The Debt Service rate decreased by \$0.0110 per \$100 assessed valuation. In November of 2016, the voters approved a Tax Ratification Election (TRE) and the Maintenance and Operation Tax rate was increased \$0.13 from \$1.04 to \$1.17 per \$100 assessed valuation. The 2018-19 property values increased 9.2% over 2017-18.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table A-2
Changes in the District's Net Position
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<u>Revenues</u>						
<u>Program Revenues</u>						
Charges for Services	\$ 5.3	\$ 5.5	\$ 4.9	\$ 4.9	\$ 10.2	\$ 10.4
Operating Grants & Contributions	40.2	(4.0)	-	-	40.2	(4.0)
Capital Contributions & Grants	21.2	19.0	-	-	21.2	19.0
<u>General Revenues</u>						
Property Taxes	287.5	268.9	-	-	287.5	268.9
State Aid - Formula Grants	32.7	27.2	-	-	32.7	27.2
Grants & Contributions Not Restricted	-	-	-	-	-	-
Investment Earnings	7.1	3.5	0.2	-	7.3	3.5
Miscellaneous Local & Intermediate Revenue	0.4	0.3	-	-	0.4	0.3
Dissolution of Dallas Co. Schools	-	4.8	-	-	-	4.8
Total Revenues	\$ 394.4	\$ 325.2	\$ 5.1	\$ 4.9	\$ 399.5	\$ 330.1
<u>Expenses</u>						
Instruction & Instructional Related	\$ 183.8	\$ 122.9	\$ -	\$ -	\$ 183.8	\$ 122.9
Instructional Leadership and School Leadership	22.3	14.2	-	-	22.3	14.2
Guidance, Social Work, Health & Transportation	23.2	15.3	-	-	23.2	15.3
Food Services	14.5	13.6	-	-	14.5	13.6
Extracurricular	7.3	7.1	-	-	7.3	7.1
General Administration	8.0	5.3	-	-	8.0	5.3
Plant Maintenance & Security	27.4	21.4	-	-	27.4	21.4
Data Processing Services	8.0	5.4	-	-	8.0	5.4
Community Services	0.4	0.3	-	-	0.4	0.3
Debt Services	5.6	6.5	-	-	5.6	6.5
Contracted Instructional Services Between Schools	19.4	8.4	-	-	19.4	8.4
Payments to Tax Increment Fund	32.2	28.9	-	-	32.2	28.9
Other Intergovernmental Charges After the Bell Child Care	1.1	1.0	-	-	1.1	1.0
	-	-	4.5	4.2	4.5	4.2
Total Expenses	\$ 353.2	\$ 250.3	\$ 4.5	\$ 4.2	\$ 357.7	\$ 254.5
Increase/(Decrease) in net position	\$ 41.2	\$ 74.9	\$ 0.6	\$ 0.7	\$ 41.8	\$ 75.6
Beginning net position	274.0	344.9	7.6	6.9	281.6	351.8
Prior Period Adjustment	-	(145.8)	-	-	-	(145.8)
Special Items	(2.0)	-	-	-	(2.0)	-
Ending net position	\$ 313.2	\$ 274.0	\$ 8.2	\$ 7.6	\$ 321.4	\$ 281.6

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table A-3 presents the cost of each of the District's largest functions as well as each function's *net cost* (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what state revenues as well as local tax dollars funded.

- The cost of all District activities this year was \$357.8 million, an increase of \$103.2 million or 40.5% over the prior year. Most functional categories did not encounter significant changes; however, functional categories 11-61 for 2017-18 were reduced by \$42.3 million due to GASB 75 which makes the comparative differences by function appear large. The District strives to reduce costs through continued evaluation of processes to gain efficiencies where possible.
- The amount that our taxpayers paid for these activities through property taxes was \$287.5 million.
- \$10.3 million were paid by those who directly benefited from the programs.
- Operating grants and contributions totaled \$40.2 million.

Table A-3
Net Cost of Selected District Functions
(in millions of dollars)

	<u>Total Cost of</u>			<u>Net Cost of</u>		
	<u>Services</u>		<u>% Change</u>	<u>Services</u>		<u>% Change</u>
	<u>2019</u>	<u>2018</u>		<u>2019</u>	<u>2018</u>	
11 Instruction	\$ 170.6	\$ 112.2	52.05%	\$ 146.9	\$ 118.5	23.97%
13 Curriculum & Staff Development	7.9	6.9	14.49%	4.5	3.9	15.38%
23 School Leadership	17.9	11.3	58.41%	17.0	14.0	21.43%
31 Guidance, Counseling, & Evaluation	12.4	7.8	58.97%	11.3	9.3	21.51%
35 Food Service	14.6	13.6	7.35%	2.0	0.9	122.22%
51 Plant maintenance and Operations	25.2	20.1	25.37%	24.2	21.9	10.50%
53 Data Processing Services	8.0	5.4	48.15%	7.8	5.9	32.20%

Financial Analysis of the District's Funds

Governmental Funds The District's accounting records for general governmental operations are maintained on a modified accrual basis as prescribed by the *Financial Accountability System Resource Guide*, Texas Education Agency, with the revenues being recorded when available and measurable to finance expenditures of the fiscal period. Expenditures are recorded when services or goods are received and the fund liabilities are incurred. The general governmental operations include the following major funds: General, City of Irving TIF #1, Debt Service, and Capital Projects Fund.

- Revenues from general governmental functions totaled \$394.9 million, an increase of \$28.8 million from the preceding year. Property taxes were the largest source of revenue received by the District. The District's total taxable values increased \$1.8 billion or 9.2% which resulted in an increase of property tax revenue of \$18.7 million or 6.9%. The Debt Service requirements for principal and interest decreased from the prior year and with the increase in property values in the District, the Debt Service tax rate decreased by \$.0110.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Expenditures for general governmental operations totaled \$414.0 million during fiscal year 2019. The total increase in expenditures was \$76.0 million. The largest increase in expenditures was \$26.5 million in the functional category of Facilities Acquisition and Construction. Remaining outstanding bonds from the 2004 bond authorization of \$300.165 million were used for final projects including an elementary expansion, a high school exterior improvement project, and Signature Program improvements at multiple elementary campuses. The functional category of Instruction increased by \$3.8 million. The increase in instruction was due to: a 3.0% salary increase, 13 teaching units added for the signature programs Fine Arts and STEM Academies, and additional teaching units to reduce elementary class sizes in excess of 22:1. Payments to the Tax Increment Fund increased \$3.3 million due to the appreciation of values in the Irving Tax Increment Zone. The largest decrease was \$2.1 million to the Debt Service function as past bond refundings have reduced interest requirements.
- On November 6, 2018, voters approved a bond authorization of \$350.935 million. In March of 2019, \$116.7 million of new debt was issued. Bond funds will be used to fix electrical, mechanical, plumbing and roofing issues and all campuses will receive upgrades. Athletic improvements are scheduled to be made with selected middle schools receiving full-sized tracks. Standridge Stadium will receive lighting upgrades at the north end of the stadium and improvements to visitor seating, restrooms and locker rooms. Fine arts improvements will be made to several middle schools and three high schools will receive auditorium improvements. At year end, district officials were finalizing plans to implement Phase I of the bond project early in the 2019-20 fiscal year.
- TIF funds were also utilized during 2018-19 to fund numerous construction projects. A major TIF project continues in the construction of a Multipurpose Facility in Irving. When completed, this facility will house the network operating center for the entire district as well as a banquet area and a full-size kitchen to be utilized for various district and school functions. TIF funds were also used for an elementary addition and Signature Program improvements at several elementary campuses within the TIF zone.
- The governmental funds reported a combined fund balance of \$315.3 million, an increase of \$100.5 million. The combined fund balance was comprised of a fund balance increase in the General Fund of \$5.8 million and a fund balance increase in the Debt Service Fund of \$0.3 million. There were a number of factors that contributed to the increase in the General Fund fund balance including: increased property tax revenue due to property value growth with the District, an increase in State funding due to the additional allocation from the Available School Fund, and higher interest rates which increased the amount of investment income earned. Carrollton-Farmers Branch ISD continues to evaluate operations to be more efficient and to find cost savings without adversely affecting student performance. Reduction measures include energy savings programs and realignment of programs to reduce the need for additional personnel. The City of Irving TIF # 1 (Tax Increment Fund) fund balance decreased \$21.2 million due to numerous construction projects going on within the tax increment zone. At year-end, the Multipurpose Facility was in the completion stages of construction with a planned completion date of April 2020. Increasing property values within the tax increment zone has continued to increase revenue and will help offset construction costs. The Capital Projects Fund balance increased \$111.2 million due to the issuance of \$116.7 million of new debt. Out of the combined fund balances, \$1.5 million constitutes nonspendable fund balance, \$13.0 million has been committed in the general fund for building construction and repairs, technology capital replacements, transportation upgrades, and safety and security enhancements. Unassigned fund balance of \$92.1 million is available for the general operations of the District. The remainders of the fund balances are either restricted, committed, or assigned fund balances to indicate that it is not available for new spending because constraints have been placed on the funds due to bond projects, debt service and other obligations of the District.
- The budget is legally adopted at the fund and function level. Any budget changes that would increase/decrease the overall fund are taken to the Board of Trustee for approval before any action regarding the proposed change is made. During 2018-19 the following amendments were made, thus amending the originally adopted budget: year-end 2017-18 purchase orders were rolled into 2018-19, the Technology Learning Center building was sold and the funds received were used for technology upgrades, unused performance pay was transferred to be used for network infrastructure and to complete one-to-one

MANAGEMENT'S DISCUSSION AND ANALYSIS

devices at campuses, and a final amendment for a \$6.5 million transfer out to be used for Athletic and Facility upgrades and to better match revenues and expenditures.

General Fund Budgetary Highlights

- Over the course of the year, the District revised its budget several times. Actual expenditures were \$9.9 million below final budget amounts.
- Function 51, Facilities Maintenance and Operations, was favorable in the amount of \$1.4 million. This variance can be attributed to the new utility rates the District has in place and also an effort to reduce costs in all areas.
- Function 34, Student (Pupil) Transportation experienced a positive variance due to a number of unfilled positions during the year.
- Function 53, Data Processing Services was favorable by \$1.5 million. Technology upgrades were budgeted for but the work was not completed and paid for until after year end.
- Revenues available were \$2.4 million over the final budget amount. State program revenues accounted for \$1.6 million of that increase due to greater than expected ADA (average daily attendance) for the year and additional special education funding provided under Senate Bill 500.

Capital Assets and Debt Administration

Capital Assets

- At August 31, 2019, the District had invested \$413.6 (net of depreciation) million in a broad range of capital assets, including land, buildings, equipment, and vehicles. (See Table A-4.) This amount represents a net increase (including additions and deductions) of \$4.6 million or 1.1% over last year. There were multiple ongoing projects during 2018-19 including additions and renovations at two elementary campuses, landscaping and Signature Program campus improvements, landscaping projects, and construction of a new Multipurpose Facility Building. At year end, construction-in-progress consisted of 17 open projects. There were three demolition projects completed: two elementary school buildings and a science center. The District sold the Technology Learning Center building along with the land. Also, ten new buses were purchased to add to the bus fleet.

Table A-4
District's Capital Assets
Net of Accumulated Depreciation
(in millions of dollars)

	Governmental Activities		Total % Change
	<u>2019</u>	<u>2018</u>	
Land	\$ 60.9	\$ 61.4	-0.81%
Buildings, building improvements & land improvements (net)	307.9	332.0	-7.26%
Construction in progress	31.2	2.2	1318.18%
Furniture and equipment (net)	13.6	13.4	1.49%
Totals at historical costs	<u>\$ 413.6</u>	<u>\$ 409.0</u>	1.12%

MANAGEMENT'S DISCUSSION AND ANALYSIS

Debt Administration

At year-end, the District had \$231.0 million in bonds and notes outstanding due in more than one year. (See below Table A-5.) More detailed information about the District's debt is presented in the Notes to the Financial Statements, pages 50-52.

Table A-5
District's Long Term Debt
(in millions of dollars)

	Governmental		Total %
	<u>2019</u>	<u>2018</u>	<u>Change</u>
Bonds Payable	\$ 231.0	\$ 178.8	29.19%
Net Pension Liability	93.3	85.7	8.87%
Net OPEB Liability	103.7	84.7	-
Other Long Term Debt Payable	30.4	27.5	10.55%
Sub-Total	\$ 458.4	\$ 376.7	21.69%
Less Current Portion	(33.5)	(36.6)	-8.47%
Total due in more than one year	<u>\$ 424.9</u>	<u>\$ 340.1</u>	24.93%

In the State of Texas, Non-Chapter 41 school district bond sales are guaranteed by the Permanent School Fund (PSF). Chapter 41 school districts must purchase bond insurance independently if the state's permanent bond guarantee fund does not have the capacity to cover all issues. The two ratings that the district receives on bond sales are: one with the state permanent guarantee and one without (called underlying). The District's underlying bond rating is shown on the graph below. Under the PSF, the ratings are Aaa for Moody's Investors Service and AAA for Standard & Poor's Corporation.

Bond Ratings-Underlying

The District's bonds presently carry
Aa1 rating from Moody's Investors Services
AA+ from Standard & Poor's Corporation

Economic Factors and Next Year's Budgets and Rates

- Assessed values used for the 2020 budget preparation increased \$2,007.3 million or 9.2% from 2019.
- General operating fund spending per student in the 2020 budget increases from \$9,268 to \$10,382 (excluding the Chapter 41 and Tax Increment Financing payments). This is a 12.0% increase.
- The District's enrollment in 2019 was 25,598, an increase of 301 or 1.1% over 2018. The District is not anticipating significant student growth in 2020.
- The District's attendance rate remained at 95.0% in 2019, the same as in 2018.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The 86th Texas Legislature was guided by the Texas Commission on Public Finance report that was issued in December 2018 and Governor Gregg Abbott's identified priorities. The result was HB 3 which overhauled school finance. HB 3 can be broken down into 4 major policy areas: support teachers and rewards teacher excellence, focus on learning and improving student outcomes, increases funding and equity, and reduces and reforms property taxes and recapture. The legislation focused on increasing teacher pay, reducing property taxes and school finance reform. HB 3 increased the basic allotment from \$5,140 to \$6,160 and a percentage of the increase is required to be used on compensation adjustments. The law states that 30% of a district's budget increase must go to increases in compensation and 75% of this total must go to teachers, librarians, counselors, and nurses, with priority given to veteran to classroom teachers (greater than 5 years of experience). The bill compresses the General Fund tax rate from \$1.17 to \$1.06835 and the state funding calculation switch from using prior year property values to current year property values. The new funding system allows only a 2.5% growth in property tax revenue.

General Fund expenditures are budgeted to decrease 2.53% to \$286.6 million under the original 2019 budgeted amounts of \$294.0 million. For 2019-20, the District implemented a compensation package that included 6.25% for classroom teachers with more than five years of experience, 5% for classroom teachers with five or less years of experience, 5% for nurses, counselors, librarians, 4% for hourly employees, and 3.5% for all other employees. The District has set aside funds to purchase new buses to help replace the aging fleet. The District will move forward with the technology initiative that will address mobile devices and upgrades of campus network operating centers. The District continues to analyze all areas of operations to find savings without impacting student achievement.

General fund revenues are budgeted to increase \$5,114,929 or 1.76% over the 2018-19 beginning budgeted revenue and other sources. The majority of the increase is attributable to school finance reform implemented by the passage of HB 3. The increase in state revenue is due to the new law adjusting numerous funding formulas with the most significant being the increase to the basic allotment from \$5,140 to \$6,160.

If these estimates are realized, the District's budgetary general fund balance is not projected to increase or decrease by the close of the 2020 fiscal year.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Director of Financial Reporting, Vicki Pippin, at 1445 N. Perry Road, Carrollton, Texas 75011-5186, (972) 968-6115, e-mail pippinv@cfbisd.edu.

BASIC FINANCIAL STATEMENTS



CARROLLTON-FARMERS BRANCH ISD
STATEMENT OF NET POSITION
AUGUST 31, 2019

EXHIBIT A-1

		1	2	3
		Primary Government		
Data			Business	
Control		Governmental	Type	
Codes		Activities	Activities	Total
ASSETS				
1110	Cash and Cash Equivalents	\$ 351,246,506	\$ 8,326,877	\$ 359,573,383
1220	Property Taxes - Delinquent	4,837,591	-	4,837,591
1230	Allowance for Uncollectible Taxes	(1,679,261)	-	(1,679,261)
1240	Due from Other Governments	3,577,893	-	3,577,893
1250	Accrued Interest	26,995	385	27,380
1260	Internal Balances	3,950	(3,950)	-
1290	Other Receivables, Net	138,249	78,163	216,412
1300	Inventories	1,491,767	-	1,491,767
	Capital Assets:			
1510		60,877,236	-	60,877,236
1520	Buildings, Net	307,917,952	-	307,917,952
1530	Furniture and Equipment, Net	13,641,105	-	13,641,105
1580	Construction in Progress	31,168,992	-	31,168,992
1000	Total Assets	773,248,975	8,401,475	781,650,450
DEFERRED OUTFLOWS OF RESOURCES				
1701	Deferred Charge for Refunding	3,092,091	-	3,092,091
1705	Deferred Outflow Related to TRS Pension	83,127,804	-	83,127,804
1706	Deferred Outflow Related to TRS OPEB	15,922,340	-	15,922,340
1700	Total Deferred Outflows of Resources	102,142,235	-	102,142,235
LIABILITIES				
2110	Accounts Payable	11,600,989	23,112	11,624,101
2140	Interest Payable	570,364	-	570,364
2150	Payroll Deductions and Withholdings	2,026,938	-	2,026,938
2160	Accrued Wages Payable	16,023,397	208,149	16,231,546
2180	Due to Other Governments	757,814	-	757,814
2300	Unearned Revenue	818,626	-	818,626
	Noncurrent Liabilities:			
2501	Due Within One Year	33,519,329	-	33,519,329
2502	Due in More Than One Year	227,880,349	-	227,880,349
2540	Net Pension Liability (District's Share)	93,264,004	-	93,264,004
2545	Net OPEB Liability (District's Share)	103,726,479	-	103,726,479
2000	Total Liabilities	490,188,289	231,261	490,419,550
DEFERRED INFLOWS OF RESOURCES				
2605	Deferred Inflow Related to TRS Pension	39,222,072	-	39,222,072
2606	Deferred Inflow Related to TRS OPEB	32,800,811	-	32,800,811
2600	Total Deferred Inflows of Resources	72,022,883	-	72,022,883
NET POSITION				
3200	Net Investment in Capital Assets	317,720,113	-	317,720,113
	Restricted:			
3820	Restricted for Federal and State Programs	3,650,334	-	3,650,334
3850	Restricted for Debt Service	12,747,170	-	12,747,170
3890	Restricted for Other Purposes	58,576,333	-	58,576,333
3900	Unrestricted	(79,513,912)	8,170,214	(71,343,698)
3000	Total Net Position	\$ 313,180,038	\$ 8,170,214	\$ 321,350,252

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

CARROLLTON-FARMERS BRANCH ISD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes	Program Revenues			
	1 Expenses	3 Charges for Services	4 Operating Grants and Contributions	5 Capital Grants and Contributions
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
11 Instruction	\$ 170,622,557	\$ 1,276,664	\$ 22,452,249	\$ -
12 Instructional Resources and Media Services	5,198,648	17,399	179,825	-
13 Curriculum and Staff Development	7,946,558	8,183	3,444,362	-
21 Instructional Leadership	4,335,939	-	405,793	-
23 School Leadership	17,913,915	116,135	799,255	-
31 Guidance, Counseling and Evaluation Services	12,347,141	71,032	1,016,512	-
32 Social Work Services	70,786	-	3,336	-
33 Health Services	3,263,839	113	151,544	-
34 Student (Pupil) Transportation	7,485,246	-	272,512	-
35 Food Services	14,534,511	2,609,412	9,901,534	-
36 Extracurricular Activities	7,304,647	832,217	2,124	-
41 General Administration	8,011,455	-	390,800	-
51 Facilities Maintenance and Operations	25,229,596	385,481	618,592	-
52 Security and Monitoring Services	2,162,091	1,512	57,801	-
53 Data Processing Services	7,969,245	-	145,742	-
61 Community Services	356,269	709	308,171	-
72 Debt Service - Interest on Long Term Debt	4,710,649	-	-	-
73 Debt Service - Bond Issuance Cost and Fees	972,043	-	-	-
91 Contracted Instructional Services Between Schools	19,431,441	-	-	-
95 Payments to Juvenile Justice Alternative Ed. Prg.	27,313	-	-	-
97 Payments to Tax Increment Fund	32,207,884	-	-	21,187,238
99 Other Intergovernmental Charges	1,118,504	-	-	-
[TG] Total Governmental Activities:	353,220,277	5,318,857	40,150,152	21,187,238
BUSINESS -TYPE ACTIVITIES:				
01 Enterprise Funds-After the Bell	4,543,693	4,946,156	-	-
[TB] Total Business-Type Activities:	4,543,693	4,946,156	-	-
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 357,763,970	\$ 10,265,013	\$ 40,150,152	\$ 21,187,238
Data				
Control General Revenues:				
Codes Taxes				
MT	Property Taxes, Levied for General Purposes			
DT	Property Taxes, Levied for Debt Service			
SF	State Aid - Formula Grants			
GC	Grants and Contributions not Restricted			
IE	Investment Earnings			
MI	Miscellaneous Local and Intermediate Revenue			
S1	Special Item - Gain on Debt Retirement			
S2	Special Item - Disposition of Asset			
TR	Total General Revenues & Special Items			
CN	Change in Net Position			
NB	Net Position - Beginning			
NE	Net Position - Ending			

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

Net (Expense) Revenue and Changes in Net Position		
6	7	8
Primary Government		
Governmental Activities	Business Type Activities	Total
\$ (146,893,644)	-	\$ (146,893,644)
(5,001,424)	-	(5,001,424)
(4,494,013)	-	(4,494,013)
(3,930,146)	-	(3,930,146)
(16,998,525)	-	(16,998,525)
(11,259,597)	-	(11,259,597)
(67,450)	-	(67,450)
(3,112,182)	-	(3,112,182)
(7,212,734)	-	(7,212,734)
(2,023,565)	-	(2,023,565)
(6,470,306)	-	(6,470,306)
(7,620,655)	-	(7,620,655)
(24,225,523)	-	(24,225,523)
(2,102,778)	-	(2,102,778)
(7,823,503)	-	(7,823,503)
(47,389)	-	(47,389)
(4,710,649)	-	(4,710,649)
(972,043)	-	(972,043)
(19,431,441)	-	(19,431,441)
(27,313)	-	(27,313)
(11,020,646)	-	(11,020,646)
(1,118,504)	-	(1,118,504)
(286,564,030)	-	(286,564,030)
-	402,463	402,463
-	402,463	402,463
(286,564,030)	402,463	(286,161,567)
245,670,910	-	245,670,910
41,861,258	-	41,861,258
32,722,997	-	32,722,997
6,100	-	6,100
7,125,351	160,665	7,286,016
350,487	-	350,487
327,737,103	160,665	327,897,768
1,548,836	-	1,548,836
(3,550,316)	-	(3,550,316)
325,735,623	160,665	325,896,288
39,171,593	563,128	39,734,721
274,008,445	7,607,086	281,615,531
\$ 313,180,038	\$ 8,170,214	\$ 321,350,252

CARROLLTON-FARMERS BRANCH ISD
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2019

Data Control Codes	10 General Fund	City of Irving TIF #1	50 Debt Service Fund
ASSETS			
1110 Cash and Cash Equivalents	\$ 122,277,804	\$ 56,898,148	\$ 12,770,032
1220 Property Taxes - Delinquent	4,027,935	-	809,656
1230 Allowance for Uncollectible Taxes	(1,425,779)	-	(253,482)
1240 Due from Other Governments	1,407,298	-	-
1250 Accrued Interest	25,120	-	221
1260 Due from Other Funds	3,662,274	-	-
1290 Other Receivables	7,065	-	-
1300 Inventories	968,330	-	-
1000 Total Assets	<u>\$ 130,950,047</u>	<u>\$ 56,898,148</u>	<u>\$ 13,326,427</u>
LIABILITIES			
2110 Accounts Payable	\$ 1,912,884	\$ 6,454,870	\$ -
2150 Payroll Deductions and Withholdings Payable	2,026,938	-	-
2160 Accrued Wages Payable	14,921,797	-	-
2170 Due to Other Funds	2,792,402	-	-
2180 Due to Other Governments	757,814	-	-
2300 Unearned Revenue	37,655	-	8,893
2000 Total Liabilities	<u>22,449,490</u>	<u>6,454,870</u>	<u>8,893</u>
DEFERRED INFLOWS OF RESOURCES			
2601 Unavailable Revenue - Property Taxes	2,439,370	-	527,320
2600 Total Deferred Inflows of Resources	<u>2,439,370</u>	<u>-</u>	<u>527,320</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3410 Inventories	968,330	-	-
Restricted Fund Balance:			
3450 Food Service	-	-	-
3470 Capital Acquisition and Contractual Obligation	-	-	-
3480 Retirement of Long-Term Debt	-	-	12,790,214
3490 Tax Increment Financing	-	50,443,278	-
Committed Fund Balance:			
3545 Campus Activity Funds	-	-	-
3545 Safety and Security Enhancements	3,000,000	-	-
3545 Technology Capital Replacements	4,000,000	-	-
3545 Transportation Upgrades	3,000,000	-	-
3545 Building Construction, Repairs, & Renovations	3,000,000	-	-
Assigned Fund Balance:			
3590 Education, Technology, & Operational Funds	-	-	-
3590 Athletic District-Wide Facility Upgrades	-	-	-
3600 Unassigned Fund Balance	92,092,857	-	-
3000 Total Fund Balances	<u>106,061,187</u>	<u>50,443,278</u>	<u>12,790,214</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 130,950,047</u>	<u>\$ 56,898,148</u>	<u>\$ 13,326,427</u>

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

60 Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 124,181,532	\$ 25,028,387	\$ 341,155,903
-	-	4,837,591
-	-	(1,679,261)
-	2,170,595	3,577,893
295	705	26,341
-	39,950	3,702,224
-	1,184	8,249
-	523,437	1,491,767
<u>\$ 124,181,827</u>	<u>\$ 27,764,258</u>	<u>\$ 353,120,707</u>
\$ 1,625,676	\$ 1,540,850	\$ 11,534,280
-	-	2,026,938
-	1,098,311	16,020,108
-	905,704	3,698,106
-	-	757,814
-	772,078	818,626
<u>1,625,676</u>	<u>4,316,943</u>	<u>34,855,872</u>
-	-	2,966,690
-	-	2,966,690
-	523,437	1,491,767
-	3,126,897	3,126,897
122,556,151	-	122,556,151
-	-	12,790,214
-	8,133,055	58,576,333
-	1,010,105	1,010,105
-	-	3,000,000
-	-	4,000,000
-	-	3,000,000
-	-	3,000,000
-	4,153,051	4,153,051
-	6,500,770	6,500,770
-	-	92,092,857
<u>122,556,151</u>	<u>23,447,315</u>	<u>315,298,145</u>
<u>\$ 124,181,827</u>	<u>\$ 27,764,258</u>	<u>\$ 353,120,707</u>



CARROLLTON-FARMERS BRANCH ISD
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
AUGUST 31, 2019

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$ 315,298,145
1 The District uses internal service funds to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position.	8,199,424
2 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.	808,794,998
3 Accumulated depreciation has not been included in the governmental fund financial statements.	(395,189,713)
4 Bonds payable have not been included in the governmental fund financial statements.	(230,980,000)
5 Premium on issuance of debt were not recognized on the balance sheet for governmental funds.	(26,285,596)
6 For debt refunding, the difference between the acquisition price and the net carrying amount of the debt has been deferred and amortized in the government-wide financial statements.	3,092,091
7 Deferred inflows reported as unavailable revenue in the governmental fund financial statements were recorded as revenue in the government-wide financial statements.	2,966,690
8 Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the governmental fund financial statements, an interest expense is reported when due.	(570,364)
9 Compensated absences are accrued in the government-wide financial statements but not in the governmental fund financial statements.	(2,182,415)
10 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 was a Deferred Resource Outflow in the amount of \$83,127,804, a Deferred Resource Inflow in the amount of \$39,222,072 and a net pension liability in the amount of \$93,264,004. This resulted in a decrease in Net Position in the amount of (\$49,358,272).	(49,358,272)
11 Included in the items related to debt is the recognition of the District's proportionate share of the TRS OPEB liability required by GASB 75. The net position related to TRS was a Deferred Resource Outflow in the amount of \$15,922,340, a Deferred Resource Inflow in the amount of \$32,800,811 and a net OPEB liability in the amount of \$103,726,479. This resulted in a decrease in Net Position in the amount of (\$120,604,950).	(120,604,950)
19 Net Position of Governmental Activities	\$ 313,180,038

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

CARROLLTON-FARMERS BRANCH ISD
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes	10 General Fund	City of Irving TIF #1	50 Debt Service Fund
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 250,814,854	\$ 19,351,690	\$ 42,253,976
5800 State Program Revenues	43,106,117	-	455,307
5900 Federal Program Revenues	5,235,078	-	-
5020 Total Revenues	299,156,049	19,351,690	42,709,283
EXPENDITURES:			
Current:			
0011 Instruction	140,009,202	-	-
0012 Instructional Resources and Media Services	3,973,833	-	-
0013 Curriculum and Instructional Staff Development	4,275,924	-	-
0021 Instructional Leadership	3,893,993	-	-
0023 School Leadership	16,005,703	-	-
0031 Guidance, Counseling and Evaluation Services	11,073,564	-	-
0032 Social Work Services	67,523	-	-
0033 Health Services	3,056,753	-	-
0034 Student (Pupil) Transportation	8,289,429	-	-
0035 Food Services	77,672	-	-
0036 Extracurricular Activities	4,959,101	-	-
0041 General Administration	7,099,450	24,435	-
0051 Facilities Maintenance and Operations	23,844,711	-	-
0052 Security and Monitoring Services	2,104,395	-	-
0053 Data Processing Services	6,575,106	-	-
0061 Community Services	64,397	-	-
Debt Service:			
0071 Principal on Long-Term Debt	-	18,865,936	33,810,000
0072 Interest on Long-Term Debt	-	-	6,062,775
0073 Bond Issuance Cost and Fees	-	15,661	8,750
Capital Outlay:			
0081 Facilities Acquisition and Construction	737,494	21,593,286	-
Intergovernmental:			
0091 Contracted Instructional Services Between Schools	19,431,441	-	-
0095 Payments to Juvenile Justice Alternative Ed. Prg.	27,313	-	-
0097 Payments to Tax Increment Fund	32,207,884	-	-
0099 Other Intergovernmental Charges	1,118,504	-	-
6030 Total Expenditures	288,893,392	40,499,318	39,881,525
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	10,262,657	(21,147,628)	2,827,758
OTHER FINANCING SOURCES (USES):			
7911 Capital Related Debt Issued (Regular Bonds)	-	-	-
7915 Transfers In	-	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	-
8911 Transfers Out (Use)	(6,500,000)	-	-
7080 Total Other Financing Sources (Uses)	(6,500,000)	-	-
SPECIAL ITEMS:			
7918 Special Item - Resource	2,014,241	-	-
1200 Net Change in Fund Balances	5,776,898	(21,147,628)	2,827,758
0100 Fund Balance - September 1 (Beginning)	100,284,289	71,590,906	9,962,456
3000 Fund Balance - August 31 (Ending)	\$ 106,061,187	\$ 50,443,278	\$ 12,790,214

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

60 Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,376,021	\$ 7,526,265	\$ 321,322,806
-	3,219,142	46,780,566
-	21,572,765	26,807,843
1,376,021	32,318,172	394,911,215
-	11,111,053	151,120,255
-	32,773	4,006,606
-	3,319,899	7,595,823
-	260,070	4,154,063
-	143,012	16,148,715
-	589,179	11,662,743
-	-	67,523
-	129	3,056,882
-	4,841	8,294,270
-	12,952,401	13,030,073
-	517,934	5,477,035
-	126,198	7,250,083
-	240	23,844,951
-	1,722	2,106,117
-	-	6,575,106
-	308,180	372,577
-	6,063,177	58,739,113
-	-	6,062,775
944,299	3,333	972,043
6,844,214	1,533,120	30,708,114
-	-	19,431,441
-	-	27,313
-	-	32,207,884
-	-	1,118,504
7,788,513	36,967,261	414,030,009
(6,412,492)	(4,649,089)	(19,118,794)
109,220,000	-	109,220,000
-	6,500,000	6,500,000
8,400,683	-	8,400,683
-	-	(6,500,000)
117,620,683	6,500,000	117,620,683
-	-	2,014,241
111,208,191	1,850,911	100,516,130
11,347,960	21,596,404	214,782,015
\$ 122,556,151	\$ 23,447,315	\$ 315,298,145

CARROLLTON-FARMERS BRANCH ISD
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2019

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$ 100,516,130
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 net income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase net position.	570,488
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2019 capital outlays is to decrease net position.	33,031,786
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.	(22,345,886)
Current year long-term debt principal payments on bonds payable are expenditures in the fund financial statements but are shown as reductions in long-term debt in the government-wide financial statements.	33,810,000
Current year bond proceeds are other financing sources in the fund financial statements but are shown as an increase in the liabilities in the government-wide financial statements. The net proceeds of \$117,620,683 include \$109,220,000 par amount of bonds plus \$8,400,683 of premium paid.	(117,620,683)
Current year payment to escrow agent for refunded debt are other uses in the fund financial statements but are shown as reductions in long-term debt in the government-wide financial statements. The net payment of \$24,929,114 included bonds of \$23,215,000 (par amount), plus a \$1,548,836 gain on debt retirement, less accrued interest of \$221,991.	26,255,959
Interest is accrued on outstanding debt in the government-wide financial statements whereas in the fund financial statements, interest expenditures are reported when due.	(243,608)
The liability for accrued compensated absences is not recognized in the governmental funds. The effect of recording the current year's liability is to increase net position.	23,674
Premiums on bonds issued are recognized in the fund financial statements as other financing sources but they are amortized over the term of the bonds in the government-wide financial statements.	2,176,450
Amortization of deferred charges on bond refundings is not recognized in the governmental funds. The effect of recording current year's amortization is to decrease net position.	(358,725)
Revenue from property taxes is unavailable in the fund financial statements until they are considered available to finance current expenditures, but such revenues are recognized when assessed net of allowance for uncollectible accounts in the government-wide statements.	149,249
In the statement of activities, the gain on asset disposals are reported whereas in the governmental funds, the proceeds from the sale increase financial resources. The change in net position differs	(6,105,630)

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

CARROLLTON-FARMERS BRANCH ISD
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2019

EXHIBIT C-4

from the change in fund balances by the cost of assets disposed.

The implementation of GASB 68 required that certain expenditures be de-expended and recorded as deferred outflows of resources. Pension contributions made after the measurement date of August 31, 2018, caused the ending net position to increase by \$241,233. Additional pension expense recorded in the government-wide financial statements under GASB 68 caused a decrease in net position of \$8,942,449. The net effect of these items is to decrease net position by \$8,701,216.	(8,701,216)
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The implementation of GASB 75 required that certain expenditures be de-expended and recorded as deferred outflows of resources. OPEB contributions made after the measurement date of August 31, 2018 caused the ending net position to increase by \$56,810. Additional OPEB expense recorded in the government-wide financial statements under GASB 75 caused a decrease in net position of \$2,043,205. The net effect of these items is to decrease net position by \$1,986,395.	(1,986,395)
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Change in Net Position of Governmental Activities

\$ 39,171,593

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

CARROLLTON-FARMERS BRANCH ISD
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AUGUST 31, 2019

EXHIBIT D-1

	Business-Type Activities -	Governmental Activities -
	Total Enterprise Funds	Internal Service Fund
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 8,326,877	\$ 10,090,603
Accrued Interest	385	654
Due from Other Funds	-	1
Other Receivables	78,163	130,000
Total Assets	8,405,425	10,221,258
LIABILITIES		
Current Liabilities:		
Accounts Payable	23,112	66,709
Accrued Wages Payable	208,149	3,289
Due to Other Funds	3,950	169
Accrued Expenses	-	1,146,343
Total Current Liabilities	235,211	1,216,510
Noncurrent Liabilities:		
Other Long-Term Debt - Due in More than One Year	-	805,324
Total Noncurrent Liabilities	-	805,324
Total Liabilities	235,211	2,021,834
NET POSITION		
Unrestricted Net Position	8,170,214	8,199,424
Total Net Position	\$ 8,170,214	\$ 8,199,424

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

CARROLLTON-FARMERS BRANCH ISD
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

	Business-Type Activities -	Governmental Activities -
	Total Enterprise Funds	Internal Service Fund
OPERATING REVENUES:		
Local and Intermediate Sources	\$ 4,946,156	\$ 1,487,643
Total Operating Revenues	<u>4,946,156</u>	<u>1,487,643</u>
OPERATING EXPENSES:		
Payroll Costs	4,120,281	139,177
Professional and Contracted Services	151,896	42,273
Supplies and Materials	215,011	-
Other Operating Costs	56,505	921,208
Total Operating Expenses	<u>4,543,693</u>	<u>1,102,658</u>
Operating Income	<u>402,463</u>	<u>384,985</u>
NONOPERATING REVENUES (EXPENSES):		
Earnings from Temporary Deposits & Investments	160,665	185,503
Total Nonoperating Revenues (Expenses)	<u>160,665</u>	<u>185,503</u>
Change in Net Position	563,128	570,488
Total Net Position - September 1 (Beginning)	<u>7,607,086</u>	<u>7,628,936</u>
Total Net Position - August 31 (Ending)	<u><u>\$ 8,170,214</u></u>	<u><u>\$ 8,199,424</u></u>

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

CARROLLTON-FARMERS BRANCH ISD
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

EXHIBIT D-3

	Business-Type Activities	Governmental Activities -
	Total Enterprise Funds	Internal Service Fund
<u>Cash Flows from Operating Activities:</u>		
Cash Received from User Charges	\$ 5,346,744	\$ 1,507,653
Cash Payments to Employees for Services	(4,131,857)	(139,058)
Cash Payments for Insurance Claims	-	(950,346)
Cash Payments for Suppliers	(212,309)	-
Cash Payments for Other Operating Expenses	(208,401)	(61,784)
Net Cash Provided by Operating Activities	794,177	356,465
<u>Cash Flows from Investing Activities:</u>		
Interest and Dividends on Investments	160,280	190,153
Net Increase in Cash and Cash Equivalents	954,457	546,618
Cash and Cash Equivalents at Beginning of Year	7,372,420	9,543,985
Cash and Cash Equivalents at End of Year	<u>\$ 8,326,877</u>	<u>\$ 10,090,603</u>
<u>Reconciliation of Operating Income to Net Cash</u>		
<u>Provided by Operating Activities:</u>		
Operating Income:	\$ 402,463	\$ 384,985
Effect of Increases and Decreases in Current Assets and Liabilities:		
Decrease (increase) in Receivables	400,588	20,000
Increase (decrease) in Accounts Payable	2,702	(19,501)
Increase (decrease) in Accrued Wages Payable	(11,576)	119
Increase (decrease) in Estimated Claims	-	(29,138)
Net Cash Provided by Operating Activities	<u>\$ 794,177</u>	<u>\$ 356,465</u>

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

CARROLLTON-FARMERS BRANCH ISD
STATEMENT OF FIDUCIARY ASSETS & LIABILITIES
FIDUCIARY FUNDS
AUGUST 31, 2019

	Agency Funds
<hr/>	
ASSETS	
Cash and Cash Equivalents	\$ 1,009,877
Other Receivables	876
	<hr/>
Total Assets	\$ 1,010,753
	<hr/> <hr/>
LIABILITIES	
Accounts Payable	\$ 43,615
Due to Other Governments	71,446
Due to Student Groups	895,692
	<hr/>
Total Liabilities	\$ 1,010,753
	<hr/> <hr/>

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Carrollton-Farmers Branch 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 promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in the Statement on Auditing Standards No. 69 of the American Institute of Certified Public Accountants; 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.

Reporting Entity

The Board of Trustees (the “Board”) is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by the Governmental Accounting Standards Board (“GASB”) in its Statement No. 14, “The Financial Reporting Entity,” as amended by GASB 39 “Determining Whether Certain Organizations Are Component Units.” There are no component units included within the reporting entity.

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 Carrollton-Farmers Branch Independent School District’s nonfiduciary activities. Internal service fund activity is eliminated to avoid overstatement of revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation. *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 Elementary and Secondary 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 proprietary funds appear as due to/due from on the governmental fund balance sheet and proprietary fund statement of net position. All interfund transactions between governmental funds and internal service funds are eliminated on the government-wide statements. Interfund activities between governmental and fiduciary funds are included in the statement of net position as receivable or payable to external parties (consistent with the nature of the fiduciary fund).

The fund financial statements provide information 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 operation in a separate column.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Government-Wide and Fund Financial Statements - continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues result from providing goods and services in connections 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 production of goods and services, such as materials and labor and direct overhead. All other expenses are nonoperating.

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 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. The effect of interfund activity has been eliminated from the government-wide financial statements. Agency funds also use the accrual basis of accounting however, they have no measurement focus.

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, deferred outflows of resources, current liabilities, deferred inflows of resources 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 due and payable. The District considers all revenues available if they are collectible within 60 days after year end.

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 benefits terms. Investments are reported at fair value.

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.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

The Proprietary Fund Types 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 Statement of Net Position. The fund equity is segregated into net investment in capital assets, restricted net position, and unrestricted net position.

Fund Accounting

The District reports the following major governmental funds:

1. **The General Fund** – The General fund is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
2. **City of Irving TIF #1** – The District accounts for property taxes collected for the City of Irving Tax Increment Finance #1 Zone (Local Special Revenue Fund) to pay for District projects identified in the project plan to be constructed in the zone for educational facilities and maintenance for operating such facilities.
3. **Debt Service Fund** – 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.
4. **Capital Projects Fund** – The proceeds from long-term financing and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in a capital projects fund.

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

Governmental Funds:

1. **Nonmajor Special Revenue Funds** – The District accounts for resources restricted to, or designated for, a specific purpose by the District or a grantor in a special revenue fund. Federal, State, and Local financial assistance is accounted for in a Federal, State, or Local Revenue Fund, and sometimes unused balances must be returned to the grantor at the close of specified project periods.

Proprietary Funds:

2. **Enterprise Fund (After the Bell)** – Utilized by the District to account for activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities. The District's sole enterprise fund accounts for the After the Bell program.
3. **Internal Service Fund (Workers Compensation Fund)** – Revenues and expenses related to services provided to organizations inside the District on a cost reimbursement basis are accounted

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

for in an internal service fund. The District's sole internal service fund accounts for the Workers' Compensation Fund.

Fiduciary Funds:

4. **Agency Funds** – The District accounts for resources held for others in a custodial capacity in agency funds. The District's two agency funds are the Student Activity Fund and the Educational Purchasing Cooperative of North Texas (EPCNT) fund.

Cash and Cash Equivalents

For purpose of the statement of cash flows for proprietary and similar fund-types, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

Interfund Receivables and Payables

Activities between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

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 they are imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the school fiscal year. The assessed value of the certified roll, upon which the levy for the 2019 fiscal year was based upon, was \$21,725,959,172.

Taxes are due on October 1 and become delinquent by February 1 following the October 1 levy date. Current tax collections for the year ended August 31, 2019 were 99.47% of the tax levy.

The tax rates assessed for the year ended August 31, 2019 to finance general fund operations and the payment of principal and interest on general obligation long-term debt were \$1.1700 and \$0.2000 per \$100 valuation, respectively, for a total of \$1.3700 per \$100 valuation.

Investments

The District's general policy is to report money market investments and short-term participating interest-earning investments contracts at amortized cost and to report nonparticipating interest-earning 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Inventories

The consumption method is used to account for inventories of instructional, technology, maintenance and other operating supplies. Under this method, these items are carried in an inventory account of the respective fund at average cost and are subsequently charged to expenditures when consumed. Although food commodities are received at no cost, their fair market value is supplied by the Texas Department of Agriculture and recorded as inventory. In the governmental funds, a non-spendable fund balance indicates that inventories are unavailable as current expendable financial resources.

Prepayments

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded using the consumption method in both government-wide and fund financial statements. The prepaid items have been identified as a non-spendable fund balance since it is not available for other subsequent expenditures.

Capital Assets

Capital assets, which include land, buildings, furniture and equipment are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements with total project cost of \$100,000 or greater are capitalized as projects when constructed.

Land improvements, buildings, furniture and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	50
Buildings Improvements	20
Portable Classrooms	20
Vehicles	10
Furniture	10
Office Equipment	5
Computer Equipment	5
Music Equipment	10
Other Equipment	10

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Liability for Compensated Absences

Employees are allowed to accrue five days of state personal leave and five days of local sick leave each year without limit. The District pays a portion of accrued sick leave to retiring personnel meeting state eligibility requirements for retirement. The payment is limited to state and local leave days accumulated while employed in the District at the approved substitute teacher pay rate up to a ceiling of \$5,000. The District has accrued \$2,182,415 for accumulated sick leave that is reflected in the government-wide financial statements.

Teachers and administrative personnel do not receive paid vacations but are paid only for the number of days they are required to work each year (187 days for teachers and 230 days for administrative personnel).

Maintenance employees are granted vacation leave in varying amounts. In the event of termination an employee is reimbursed for unused accumulated leave. The District has no liability for unused vacation pay since all vacation is used or lost if not taken each year. Vacation pay is charged to operations when taken by the employees of the District.

Long-Term Debt

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Gains or losses on bond refundings are recorded as deferred outflows of resources and amortized over the lesser of the remaining life of the old debt or the life of the new debt using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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 issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures. Gains or losses on refunding are not recognized in these financial statements.

Net Position and Fund Balance

Government-Wide Financial Statements

When the District incurs an expense for which it may use either restricted or unrestricted net position, it uses restricted net position first unless unrestricted net position will have to be returned because they were not used. 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, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Government Wide Financial Statements - Continued

Restricted for Food Service – The component of net position that reports the difference between assets and liabilities of the Food Service Activities that consists of assets with constraints placed on their use by the Department of Agriculture.

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

Restricted for Tax Increment Zone – The component of net position that reports the property taxes collected for the zone to pay for District projects identified in the project plan to be constructed in the zone for educational facilities and maintenance for operating such facilities.

Unrestricted – The portion of net position that is not reported in Net Investment in Capital Assets, Restricted for Food Service, Restricted for Debt Service, or Restricted for Tax Increment Zone.

Encumbrance Accounting

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas Law, appropriations lapse at August 31, and encumbrances outstanding at that time are to either be canceled or appropriately provided for in the subsequent year's budget. Encumbrances outstanding at August 31, 2019 that were in the subsequent year's budget are:

General Fund	\$ 3,646,345
Special Revenue Fund-Food Service	771,080
City of Irving TIF	30,259,693
Capital Projects Fund	<u>4,737,742</u>
Total	<u>\$ 39,414,860</u>

Data 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 insure accuracy in building a statewide database for policy development and funding plans.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

The amount of state foundation revenue a school district earns for a year can and does vary until the time when final values for each of the factors in the formula become available. Availability can be as late as midway into the next fiscal year. It is at least reasonably possible that the foundation revenue estimates as of August 31, 2019 will change.

NOTE 2. FUND BALANCES

Beginning with the fiscal year ended August 31, 2011, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

Fund Balance Classification – The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Non-spendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified inventories as being non-spendable as these items are not expected to be converted to cash.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. TIF funds are to be used to fund capital projects within the TIF zones. Debt service resources are to be used for future servicing of the District's bonded debt and are restricted through debt covenants. Capital projects fund resources are to be used for future construction and renovation projects and are restricted through bond orders and constitutional law. Food service and other Federal and State grant resources are restricted because their use is restricted pursuant to the mandates of the National School Lunch and Breakfast Program or other grant requirements.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action to the District's Board of Trustees. The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This can also be done through adoption and amendment of the budget. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board of Trustees has committed resources as of August 31, 2019 for campus activities, construction, maintenance, safety and security enhancements, transportation upgrades, and technology projects.

Assigned – This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees delegating this responsibility to other individuals in the District. Under the District's adopted policy, only Board of Trustees may assign amounts for specific purposes.

Unassigned – This classification includes all amounts not included in other spendable classifications, including the residual fund balance of the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Trustees has provided otherwise in its commitment or assignment actions.

NOTE 2. FUND BALANCES - CONTINUED

The details of the fund balances are included in the Governmental Funds Balance Sheet and are described below:

General Fund

Inventories of \$968,330 in the General Fund are considered non-spendable fund balance. The Board of Trustees through board resolution committed \$3,000,000 for building construction, repairs and renovations, \$3,000,000 for safety and security enhancements, \$4,000,000 for technology capital replacements, and \$3,000,000 for transportation upgrades.

The General Fund has unassigned fund balance of \$92,092,857 at August 31, 2019.

Other Major Funds

The Debt Service Fund has restricted funds of \$12,790,214 at August 31, 2019 consisting primarily of property tax collections that are restricted for debt service payments on bonded debt. The Capital Projects Fund has restricted funds of \$122,556,151 consisting of proceeds from long-term financing and revenues and expenditures related to construction and other capital asset acquisitions. The City of Irving Tax Increment Finance Zone Fund (Local Special Revenue Fund) has restricted funds of \$50,443,278 consisting of property taxes collected for the zone to pay for District projects identified in the project plan to be constructed in the zone for educational facilities and maintenance for operating such facilities.

Other Funds

Inventories of \$523,437 in the National Breakfast and Lunch Program Fund are considered non-spendable fund balance. The fund balance of \$1,040,105 of the Campus Activity Fund (a special revenue fund) is shown as committed due to a board resolution committing those funds to campus activities. The following special revenue funds are restricted by Federal or State grant restrictions or by contractual provisions:

National Breakfast and Lunch Program	\$ 3,126,897
City of Farmers Branch TIF #1	7,137,649
City of Farmers Branch TIF #2	<u>995,406</u>
Total	<u>\$ 11,259,952</u>

NOTE 3. CASH AND INVESTMENTS

The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

At August 31, 2019, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing saving accounts included in temporary investments) was \$80,630,095 and the bank balance was \$83,951,420. The District's cash deposits at August 31, 2019 and during the year ended August 31, 2019 were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name. Section 2257 of the Texas Government Code requires deposits of a public entity shall be secured by eligible securities. The total value of the eligible securities to secure a deposit of public funds must be an amount not less than the amount of the deposit of public funds, increased by the amount of any accrued interest

NOTE 3. CASH AND INVESTMENTS - CONTINUED

and reduced to the extent that the United States or instrumentality of the United States insures the deposit. In certain circumstances, the total value of the eligible securities to insure a deposit of public funds of a school district must be an amount not less than 110% of the amount of the uninsured deposit.

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

- a. Depository: Wells Fargo;
- b. The market value of securities pledged as of the date of the highest combined balance on deposit was \$75,615,143;
- c. The highest combined balances of cash, savings, and time deposit accounts amounted to \$66,168,966 and occurred during the month of December, 2018;
- d. Total amount of FDIC coverage at the time of the highest combined balance was \$250,000.

Legal and contractual provisions governing deposits and investments:

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

Statutes and the District's investment policy authorized the District to invest in the following investments as summarized in the following table:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U.S. Treasury Obligations	* 2 years	None	None
U.S. Agencies Securities	* 2 years	None	None
Letters of Credit	* 2 years	None	None
Certificates of Deposit	* 2 years	None	None
Repurchase Agreements	90 days	None	None
Securities Lending Program	1 year	None	None
Banker's Acceptance	270 days	None	None
Commercial Paper	270 days	None	None
No-Load Money Market Mutual Funds	90 days	None	None
No-Load Mutual Funds	2 years	None	None
Guaranteed Investment Contracts	* 2 years	None	None
Investment Pools	-	None	None

*based on more restrictive local policy

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

NOTE 3. CASH AND INVESTMENTS - CONTINUED

The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

Cash and investments as of August 31, 2019 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	\$ 359,573,383
Fiduciary Funds:	
Cash and Investments	<u>1,009,877</u>
Total Cash and Investments	<u>\$ 360,583,260</u>

Cash and investments at August 31, 2019 consist of the following:

Cash on Hand	\$ 48,860
Savings and Checking Accounts	13,394,040
Certificates of Deposit	-
Money Markets	67,236,056
Lone Star	31,434,947
Texpool	216,936,458
TexStar	<u>31,532,899</u>
Total Cash and Investments	<u>\$ 360,583,260</u>

Disclosure relating to interest rate risk

Interest rate risk is the risk that changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The District's investment policy limits the maturity of certificates of deposit and other investments to no more than two years at the time of purchase. The District's practice is to hold all certificates of deposit until maturity. The District's investment policy has no specific maturity restrictions for public funds investment pools, however, the District manages its exposure to interest rate risk by investing mainly in investment pools which purchase a combination of shorter term investments with an average maturity of less than 60 days thus reducing the interest rate risk. The District monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The District has no specific limitations with respect to this metric.

As of August 31, 2019, the District did not invest in any securities which are highly sensitive to interest rate fluctuations.

As of August 31, 2019, the District had the following investments:

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

NOTE 3. CASH AND INVESTMENTS - CONTINUED

Investment Type	Amount	Weighted Average Maturity
Certificates of Deposit	\$ -	
Lone Star	31,434,947	27 days
Texpool	216,936,458	36 days
TexStar	31,532,899	22 days
Total	<u>\$ 279,904,304</u>	

Disclosure relating to credit risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. All investments in certificates of deposit are fully covered by federal depository insurance. Presented below is the minimum rating required by (where applicable) the Public Funds Investment Act, the District's investment policy, or debt agreements, and the actual rating as of year-end for each investment in public funds investment pools.

Investment Type	Amount	Minimum Legal Rating	Rating of Year End
Lone Star	\$ 31,434,947	N/A	AAA
Texpool	216,936,458	N/A	AAAm
TexStar	31,532,899	N/A	AAAm
Total	<u>\$ 279,904,304</u>		

Concentration of credit risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer. As of August 31, 2019, other than external investment pools, collateralized deposits, and Certificates of Deposits, the District did not have 7% or more of its investments in one issuer.

Custodial credit risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Public Funds Investment Act and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least the bank balance less FDIC insurance at all times.

As of August 31, 2019, the District deposits with financial institutions in excess of federal depository insurance limits were fully collateralized. All certificates of deposits are fully covered by Letters of Credit.

The District is a voluntary participant in Lone Star, Texpool, and TexStar.

NOTE 3. CASH AND INVESTMENTS - CONTINUED

The State Comptroller of Public Accounts exercises oversight responsibility over the external pooled funds. The pooled funds operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The external pooled funds use amortized cost rather than fair value to report net assets to compute share price. Accordingly the fair value of the positions of the pooled funds is the same as the value of the external pool shares.

Fair Value Measurements

The District categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

Instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The fair value of the certificates of deposit and U.S. Government Agency Bonds at August 31, 2019 was determined based on level 2 inputs. The District estimates the fair value of these investments using inputs such as interest rates that are observable at commonly quoted intervals.

The District's investment in State Investment Pools (statewide 2a7-like external investment pools) are not required to be measured at fair value but are measured at amortized cost.

NOTE 4. DELINQUENT TAXES RECEIVABLE

Delinquent taxes are prorated between maintenance and debt service 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.

At August 31, 2019, the components of delinquent taxes receivables are as follows:

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

NOTE 4. DELINQUENT TAXES RECEIVABLE - CONTINUED

	General Fund	Debt Service Fund	Total
Delinquent Taxes	\$ 2,884,935	\$ 561,246	\$ 3,446,181
Related Penalty and Interest	1,143,000	248,410	1,391,410
	<u>\$ 4,027,935</u>	<u>\$ 809,656</u>	<u>\$ 4,837,591</u>

At August 31, 2019, an allowance for uncollectible taxes is provided for the following:

	General Fund	Debt Service Fund	Total
Personal Property	\$ 1,387,189	\$ 246,595	\$ 1,633,784
Real Property	38,590	6,887	45,477
	<u>\$ 1,425,779</u>	<u>\$ 253,482</u>	<u>\$ 1,679,261</u>

NOTE 5. RECEIVABLES FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of August 31, 2019, are summarized below. All federal grants shown below are passed through the TEA and are reported on the combined financial statements as Receivables from Other Governments. Furthermore, there are times whenever overpayment is received from a State Agency and money may be due to other governments.

	General Fund	Debt Service	Nonmajor Governmental Funds	Total
Federal Grants	\$ 76,475	\$ -	\$ 2,170,595	\$ 2,247,070
Texas Education Agency	1,321,651	-	-	1,321,651
City of Farmers Branch	1,811	-	-	1,811
City of Irving	7,361	-	-	7,361
	<u>\$ 1,407,298</u>	<u>\$ -</u>	<u>\$ 2,170,595</u>	<u>\$ 3,577,893</u>

NOTE 6. OTHER RECEIVABLES

Other receivables as of August 31, 2019, for the District's individual major funds, nonmajor, and internal service fund in the aggregate are as follows:

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

NOTE 6. OTHER RECEIVABLES - CONTINUED

	General Fund	Debt Service Funds	Capital Projects Funds	Nonmajor Governmental Funds	Total
NSF Checks	\$ 180	\$ -	\$ -	\$ 60	\$ 240
Other	6,885	-	-	1,124	8,009
	<u>\$ 7,065</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,184</u>	<u>\$ 8,249</u>

NOTE 7. INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at August 31, 2019 consisted of the following individual fund receivables and payables:

	Receivables	Payables	Purpose
Major Funds:			
General Fund	\$ 3,662,274	\$ 2,792,402	Cash shortage and payroll transfers
Non-Major Funds:			
Federal Funds	39,950	905,704	Cash shortage and payroll transfers
Internal Service Fund	1	169	Payroll transfers
Enterprise Fund	<u>-</u>	<u>3,950</u>	Payroll transfers
Total	<u>\$ 3,702,225</u>	<u>\$ 3,702,225</u>	

All amounts due are scheduled to be repaid within one year.

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

NOTE 8. CAPITAL ASSET ACTIVITY

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

Governmental Activities:	Primary Government				
	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Non-Depreciable Assets					
Land	\$ 61,365,108	\$ -	\$ (487,872)	\$ -	\$ 60,877,236
Construction In Progress	2,235,266	28,933,726	-	-	31,168,992
Total Non-Depreciable Assets	63,600,374	28,933,726	(487,872)	-	92,046,228
Depreciable					
Land Improvements	1,547,408	1,013,024	-	-	2,560,432
Buildings and Improvements	690,873,433	433,893	(19,264,381)	-	672,042,945
Furniture and Equipment	39,863,806	2,651,143	(369,556)	-	42,145,393
Total Depreciable Assets	732,284,647	4,098,060	(19,633,937)	-	716,748,770
Less Accumulated Depreciation for:					
Land Improvements	972,757	78,353	-	-	1,051,110
Buildings and Improvements	359,405,810	19,912,908	(13,684,403)	-	365,634,315
Furniture and Equipment	26,481,439	2,354,625	(331,776)	-	28,504,288
Total Accumulated Depreciation	386,860,006	22,345,886	(14,016,179)	-	395,189,713
Total Capital Assets, Net	\$ 409,025,015	\$ 10,685,900	\$ (6,105,630)	\$ -	\$ 413,605,285

Depreciation expense was charged to governmental functions as follows:

Governmental Function	Depreciation	Function
Instruction	\$ 12,828,446	11
Instructional Resources and Media Services	997,904	12
Curriculum and Instructional Staff Development	233,059	13
Instructional Leadership	43,335	21
School Leadership	983,816	23
Guidance, Counseling and Evaluation Services	196,582	31
Social Work Services	84	32
Health Services	68,557	33
Student (Pupil) Transportation	642,670	34
Food Services	1,862,787	35
Extracurricular Activities	1,876,271	36
General Administration	503,531	41
Facilities Maintenance and Operations	740,831	51
Security and Monitoring Service	4,661	52
Data Processing Services	1,363,352	53
Total Depreciation Expense	\$ 22,345,886	

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

NOTE 9. UNEARNED REVENUE

Unearned revenue at year end consisted of the following:

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
Other Receipts	\$ 37,655	\$ 8,893	\$ 467,491	\$ 514,039
State Textbook Fund	-	-	304,587	304,587
	<u>\$ 37,655</u>	<u>\$ 8,893</u>	<u>\$ 772,078</u>	<u>\$ 818,626</u>

Resources that have been received, but not yet earned are recorded as unearned revenue.

NOTE 10. DEBT ISSUANCE AND DEFEASED DEBT

In 2018, the City of Irving and the City of Farmers Branch approved amendments to the TIF participation agreements to include utilization of available funds for payments on bonds (principal and interest) issued by the District to fund costs related to zone school projects.

The District had available funds from its Irving TIF and Farmers Branch TIF and used a portion of those funds to defease the tax-exempt bonds from its Series 2013A bond issue that was used to build or renovate qualified education facilities. The identified zone school projects related to the 2013A series were additions at Ranchview High School, Freeman Elementary, and McLaughlin-Strickland Elementary. The par amount of refunded Series 2013A bonds was \$15,415,000. These funds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds until the bonds are called at par on February 15, 2023.

The District also had available funds from its Irving TIF to use a portion of those funds to defease the tax-exempt bonds from its Series 2012 bond issue that was related to the Las Colinas Elementary project. The par amount of the refunded Series 2012 bond issue was \$7,800,000. These funds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds until the bonds are called at par on February 15, 2022.

In April 2019, the District issued \$109,220,000 (par value) in Unlimited Tax School Building Bonds, Series 2019 with interest rates of 3.00% to 5.00%. The net proceeds of \$116,964,829.87 (\$109,220,000 par amount of the bonds plus \$8,400,682.65 of premium paid on the bonds less \$655,852.78 of underwriting fees and other issuance costs) will be used to provide construction funds to make campus improvements, school renovations, and upgrades.

On August 31, 2019, \$34,225,000 of defeased bonds remain outstanding due to the December 2017 refunding and the 2019 refunding by the Irving and Farmers Branch TIFs.

As of August 31, 2019, \$234,265,000 of bonds from the November 2018 election were authorized by bond election and not issued.

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

NOTE 11. LONG-TERM DEBT

Unlimited Tax Bonds

The District issues unlimited tax bonds for the governmental activities to provide for the acquisition and construction of major capital facilities. Unlimited tax bonds are direct obligations and pledge the full faith and credit of the District. Bonded indebtedness of the District is reflected in the Statement of Net Position.

Current requirements for principal and interest expenditures are payable solely from future revenues of the Debt Service Fund which consists principally of property taxes collected by the District and interest earnings.

Unlimited tax bonds outstanding as of August 31, 2019 are as follows:

Purpose and Lawful Authority	Maturity Year	Interest Rate	Original Amount	Amount Outstanding 09/01/18	Issued	Retired/ Refunded	Amount Outstanding 08/31/19
Unlimited Tax Refunding Bonds, Series 2010	2020	3.00% to 5.00%	63,565,000	6,875,000	-	3,355,000	3,520,000
Unlimited Tax School Building and Refunding Bonds, Series 2012	2032	2.00% to 5.00%	54,965,000	30,545,000	-	9,805,000	20,740,000
Unlimited Tax School Building Bonds, Series 2013A	2033	2.00% to 5.00%	41,250,000	34,445,000	-	16,315,000	18,130,000
Unlimited Tax Refunding Bonds, Series 2013B	2025	2.00% to 5.00%	28,700,000	21,215,000	-	2,685,000	18,530,000
Unlimited Tax Refunding Bonds, Series 2015	2031	2.00% to 5.00%	23,655,000	21,245,000	-	1,265,000	19,980,000
Unlimited Tax Refunding Bonds, Series 2015A	2032	2.00% to 5.00%	23,495,000	18,590,000	-	4,730,000	13,860,000
Unlimited Tax Refunding Bonds, Series 2016	2027	3.00% to 5.00%	48,420,000	32,260,000	-	10,325,000	21,935,000
Unlimited Tax Refunding Bonds, Series 2017	2029	2.00% to 5.00%	13,800,000	13,610,000	-	8,545,000	5,065,000
Unlimited Tax School Building Bonds, Series 2019	2039	3.00% to 5.00%	109,220,000	-	109,220,000	-	109,220,000
				<u>\$ 178,785,000</u>	<u>\$ 109,220,000</u>	<u>\$ 57,025,000</u>	<u>\$ 230,980,000</u>

Debt service requirements are as follows:

Year Ending August 31	General Obligation Principal	Interest	Total Requirement
2020	\$ 32,170,000	\$ 11,206,228	\$ 43,376,228
2021	36,415,000	7,827,738	44,242,738
2022	17,590,000	6,516,288	24,106,288
2023	15,360,000	5,732,263	21,092,263
2024	15,035,000	5,009,838	20,044,838
2025-2029	59,690,000	15,658,175	75,348,175
2030-2034	33,335,000	5,839,613	39,174,613
2035-2039	21,385,000	1,755,119	23,140,119
	<u>\$ 230,980,000</u>	<u>\$ 59,545,259</u>	<u>\$ 290,525,259</u>

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

NOTE 11. LONG-TERM DEBT – CONTINUED

There are a number of limitations and restrictions contained in the unlimited tax school building and refunding bond indenture. Management has indicated that the District is in compliance with all significant limitations and restrictions at August 31, 2019.

Changes in Long-Term Liabilities:

	Balance 9/1/2018	Additions	Reductions	Balance 8/31/2019	Due Within One Year
Governmental Activities					
General Obligation Bonds	\$ 178,785,000	\$ 109,220,000	\$ 57,025,000	230,980,000	\$ 32,170,000
Premium on Bonds	23,403,766	8,400,683	5,518,853	26,285,596	-
Workers' Compensation Claims Payable	1,980,805	921,208	950,346	1,951,667	1,146,343
Accrued Compensated Absences	2,206,089	165,703	189,377	2,182,415	202,986
Net Pension Liability	85,666,908	7,597,096	-	93,264,004	-
Net Other Post-Employment Benefits (OPEB)	84,651,041	19,075,438	-	103,726,479	-
Long-term Liabilities	<u>\$ 376,693,609</u>	<u>\$ 145,380,128</u>	<u>\$ 63,683,576</u>	<u>\$ 458,390,161</u>	<u>\$ 33,519,329</u>

The accrued liabilities of the workers' compensation self-insurance plan and the accrued compensated absences are reflected in the long-term liabilities as part of the governmental activities. The internal service funds are used to liquidate the claims payable. The general fund and special revenue funds are used to liquidate accrued compensated balances. The net pension liability is the District's proportionate share of the collective net pension liability and the net OPEB liability is the District's proportionate share of the collective net OPEB liability.

NOTE 12. GENERAL FUND FEDERAL SOURCE REVENUES

During the current year, general fund federal source revenues consisted of the following:

Program or Source	CFDA Number	Amount
Direct Cost		
School Health and Related Services	N/A	\$ 4,761,254
Indirect Cost Reimbursement	84.010A	205,295
Indirect Cost Reimbursement	84.027A	188,345
Indirect Cost Reimbursement	84.173A	3,898
Indirect Cost Reimbursement	84.365A	41,802
Indirect Cost Reimbursement	84.424A	11,937
Indirect Cost Reimbursement	84.367A	22,547
		<u>\$ 5,235,078</u>

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

NOTE 13. REVENUE FROM LOCAL AND INTERMEDIATE SOURCES

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

	General Fund	City of Irving TIF #1	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
Property Taxes	\$ 244,641,581	\$ -	\$ 41,737,435	\$ -	\$ -	\$ 286,379,016
Penalties and Interest	853,723	-	150,180	-	-	1,003,903
Tax Increment Fund	-	18,047,791	-	-	3,138,900	21,186,691
Investment Earnings	3,525,161	1,303,625	366,361	1,375,416	369,285	6,939,848
Food Sales	-	-	-	-	2,603,990	2,603,990
Tuition from Patrons	675,751	-	-	-	-	675,751
Insurance Proceeds	-	-	-	-	-	-
Co-Curricular	378,193	-	-	-	1,168,756	1,546,949
Rent	385,270	-	-	-	-	385,270
Gifts and Bequest	6,100	-	-	-	198,426	204,526
Enterprising	-	-	-	-	41,212	41,212
Other	349,075	274	-	605	5,696	355,650
	<u>\$ 250,814,854</u>	<u>\$ 19,351,690</u>	<u>\$ 42,253,976</u>	<u>\$ 1,376,021</u>	<u>\$ 7,526,265</u>	<u>\$ 321,322,806</u>

NOTE 14. DEFINED BENEFIT PENSION PLAN

Plan Description

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

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

Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; on the Internet at: https://www.trs.texas.gov/TRS%20Documents/cafr_2018.pdf; or by calling (512) 542-6592.

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

NOTE 14. DEFINED BENEFIT PENSION PLAN - CONTINUED

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 above.

Contributions

Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements, if as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 thru 2017. The 85th Texas Legislature, General Appropriations Act (GAA) affirmed that the employer contribution rates for fiscal years 2018 and 2019 would remain the same.

Contribution Rates		
	2018	2019
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers	6.8%	6.8%
Carrollton-Farmers Branch ISD 2019 Employer Contributions		\$ 5,969,420
Carrollton-Farmers Branch ISD 2019 Member Contributions		\$ 13,914,040
Carrollton-Farmers Branch ISD 2019 NECE On-Behalf Contributions		\$ 7,664,748

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 and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers 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.

NOTE 14. DEFINED BENEFIT PENSION PLAN – CONTINUED

- When any part or all of an employee's salary is paid by federal funding source or a privately sponsored source, from non-educational and general, or local funds.

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

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.
- When a school district does not contribute to the Federal Old-Age, Survivors and Disability Insurance (OASDI) Program for certain employees, they must contribute 1.5% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

Actuarial Assumptions

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

Valuation Date	August 31, 2017 rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	6.907%
Long-term expected Investment Rate of Return	7.25%
Inflation	2.30%
Salary Increases Including Inflation	3.05% to 9.50%
Payroll Growth Rate	2.50%
Benefit Changes During the Year	None
Ad hoc Post Employment Benefit Changes	None

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

The single discount rate used to measure the total pension liability was 6.907%. The single discount rate was based on the expected rate of return on pension plan investments of 7.25 percent and a municipal bond rate of 3.69 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was sufficient to finance the benefit payments until the year 2069. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2069, and the municipal bond rate was applied to all benefit payments after that date. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2018 are summarized as follows:

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

NOTE 14. DEFINED BENEFIT PENSION PLAN - CONTINUED

Asset Class	Target Allocation	Real Return Geometric Basis	Long-Term Expected Portfolio Real Rate of Return*
Global Equity			
U.S.	18%	5.7%	1.0%
Non-U.S. Developed	13%	6.9%	0.9%
Emerging Markets	9%	8.9%	0.8%
Directional Hedge Funds	4%	3.5%	0.1%
Private Equity	13%	10.2%	1.3%
Stable Value			
U.S. Treasuries	11%	1.1%	0.1%
Absolute Return	0%	-	-
Stable Value Hedge Funds	4%	3.1%	0.1%
Cash	1%	-0.3%	-
Real Return			
Global Inflation Linked Bonds	3%	0.7%	-
Real Assets	14%	5.2%	0.7%
Energy and Natural Resources	5%	7.5%	0.4%
Commodities	0%	-	-
Risk Parity			
Risk Parity	5%	3.7%	0.2%
Inflation Expectation			2.3%
Volatility Drag	0%		-0.8%
Total	<u>100%</u>		<u>7.2%</u>

* The Expected Contribution to Returns incorporates the volatility drag resulting from the conversion between Arithmetic and Geometric mean returns.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (6.907%) in measuring the Net Pension Liability.

	1% Decrease in Discount Rate (5.907%)	Discount Rate (6.907%)	1% Increase in Discount Rate (7.907%)
Carrollton-Farmers Branch ISD's proportionate share of the net pension liability.	\$ 140,757,746	\$ 93,264,004	\$ 54,815,003

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

At August 31, 2019, Carrollton-Farmers Branch Independent School District reported a liability of \$93,264,004 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to Carrollton-Farmers Branch School District. The amount recognized by Carrollton-Farmers Branch School 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 Carrollton-Farmers Branch School District were as follows:

District's Proportionate share of the collective net pension liability	\$ 93,264,004
State's Proportionate share that is associated with the District	125,313,395
Total	<u>\$ 218,577,399</u>

NOTE 14. DEFINED BENEFIT PENSION PLAN - CONTINUED

The net pension liability was measured as of August 31, 2017 and rolled forward to August 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2017 rolled forward to August 31, 2018. 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, 2017 thru August 31, 2018.

At August 31, 2018 the employer's proportion of the collective net pension liability was 0.1694402%, a decrease of 36.8% from its proportionate share of 0.2679216% at August 31, 2017.

Changes Since the Prior Actuarial Valuation

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

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

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

For the year ended August 31, 2019, Carrollton-Farmers Branch Independent School District recognized pension expense of \$709,977 and revenue of \$709,977 for support provided by the State.

At August 31, 2019, Carrollton-Farmers Branch Independent School 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 581,331	\$ 2,288,330
Changes in actuarial assumptions	33,626,166	1,050,819
Differences between projected and actual investments earnings	4,846,864	6,616,482
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	38,104,023	29,266,441
Contributions paid to TRS subsequent to the measurement date	5,969,420	-
Total	\$ 83,127,804	\$ 39,222,072

The \$5,969,240 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended

NOTE 14. DEFINED BENEFIT PENSION PLAN - CONTINUED

August 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended August 31:	Pension Expense Amount
2020	\$ 11,379,954
2021	7,655,904
2022	6,618,441
2023	7,228,512
2024	4,756,253
Thereafter	\$ 297,248

NOTE 15. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN

Plan Description

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

OPEB Plan Fiduciary Net Position

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

Benefits Provided

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

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

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

NOTE 15. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN - CONTINUED

TRS-Care Monthly for Retirees		
	<u>Medicare</u>	<u>Non-Medicare</u>
January 1, 2018 thru December 31, 2018		
Retiree*	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree* and Children	468	408
Retiree and Family	1,020	999

* or surviving spouse

Contributions

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

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

Contribution Rates		
	2018	2019
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%
Carrollton-Farmers Branch ISD 2019 Employer Contributions		\$ 1,498,846
Carrollton-Farmers Branch ISD 2019 Member Contributions		\$ 1,174,550
Carrollton-Farmers Branch ISD 2019 NECE On-Behalf Contributions		\$ 1,985,195

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

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

NOTE 15. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN - CONTINUED

The total OPEB liability in the August 31, 2017 valuation was rolled forward to August 31, 2018. The actuarial valuation was determined using the following actuarial assumptions. The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2017 TRS pension actuarial valuation was rolled forward to August 31, 2018:

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

Additional Actuarial Methods and Assumptions

Valuation Date	August 31, 2017 rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.69%
Aging Factors	Based on specific plan experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs
Payroll Growth Rate	2.5%
Projected Salary Increases	3.05% to 9.50%, including inflation
Election Rates	Normal Retirement: 70% participation prior to age 65 and 75% participation after age 65
Ad hoc Post Employment Benefit Changes	None

Discount Rate

A single discount rate of 3.69% was used to measure the total OPEB liability. There was a change of .27 percent in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.69%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (2.69%)	Current Single Discount Rate (3.69%)	1% Increase in Discount Rate (4.69%)
District’s proportionate share of the Net OPEB Liability:	\$123,819,105	\$103,726,479	\$88,162,948

NOTE 15. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN - CONTINUED

Healthcare Cost Trend Rates Sensitivity Analysis

The following presents the net OPEB liability of the plan using the assumed healthcare cost trend rate, as well as what the OPEB liability would be if it were calculated using a trend rate that is one-percentage lower or one-percentage point higher than the assumed healthcare cost trend rate:

	1% Decrease (7.5%)	Current Healthcare Cost Trend Rate (8.5%)	1% Increase (9.5%)
District's proportionate share of the Net OPEB Liability:	\$87,199,731	\$103,726,479	\$125,170,879

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

At August 31, 2019, the District reported a liability of \$103,726,479 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	\$ 103,726,479
State's Proportionate share that is associated with the District	143,890,807
Net Pension Liability	<u><u>\$ 247,617,286</u></u>

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

At August 31, 2018 the employer's proportion of the collective Net OPEB Liability was 0.207740%, an increase of 6.7% compared to the August 31, 2017 proportionate share of 0.194662%.

Changes Since the Prior Actuarial Valuation –

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

- The total OPEB liability as of August 31, 2018 was developed using the roll forward method of the August 31, 2017 valuation.
- Adjustments were made for retirees that were known to have discontinued their health care coverage in fiscal year 2018. This change increased the total OPEB liability.
- The health care trend rate assumption was updated to reflect the anticipated return of the Health Insurer Fee (HIF) in 2020. This change increased the total OPEB liability.
- Demographic and economic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2017. This change increased the total OPEB liability.

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

NOTE 15. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN - CONTINUED

- The discount rate changed from 3.42 percent as of August 31, 2017 to 3.69 percent, as of August 31, 2018. This change lowered the total OPEB liability \$2.3 billion.

The following are changes of benefit terms that affected measurement of the Total OPEB liability during the measurement period. The 85th Legislature, Regular Session, passed the following statutory changes in House Bill 3976 which became effective on September 1, 2017:

- Created a high-deductible health plan that provides a zero cost for generic prescriptions for certain preventive drugs and proves a zero premium for disability retirees who retired as a disability retiree on or before January 1, 2017 and are not eligible to enroll in Medicare.
- Created a single Medicare Advantage plan and Medicare prescription drug plan for all Medicare-eligible participants.
- Allowed the System to provide other, appropriate health benefit plans to address the needs of enrollees eligible for Medicare.
- Allowed eligible retirees and their eligible dependents to enroll in TRS-Care when the retiree reaches 65 years of age, rather than waiting for the next enrollment period.
- Eliminated free coverage under TRS-Care, except for certain disability retirees enrolled during Plan years 2018 through 2021, requiring members to contribute \$200 per month toward their health insurance premiums.

For the year ended August 31, 2019, the District recognized OPEB expense of (\$142,641) and revenue of (\$142,641) for support provided by the State.

At August 31, 2019, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 5,504,379	\$ 1,636,956
Changes in actuarial assumptions	1,730,914	31,163,855
Differences between projected and actual investments earnings	18,140	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	7,170,061	-
Contributions paid to TRS subsequent to the measurement date	1,498,846	-
Total	\$ 15,922,340	\$ 32,800,811

The net amounts of the employer's balance of deferred outflows and inflows of resources (not including the deferred contribution paid subsequent to the measurement date) related to OPEB will be recognized in OPEB expense as follows:

Year Ended August 31:	Pension Expense Amount
2020	\$ (3,190,479)
2021	(3,190,479)
2022	(3,190,479)
2023	(3,193,909)
2024	(3,195,872)
Thereafter	\$ (2,416,099)

NOTE 16. SCHOOL DISTRICT RETIREE HEALTH PLAN

Plan Description

The Carrollton-Farmers Branch ISD contributes to the Texas Public School Retired Employees Group Insurance Program (TRS-Care), a cost-sharing multiple-employer defined benefit postemployment health care plan administered by the Teacher Retirement System of Texas. TRS-Care provides health care coverage for certain persons (and their dependents) who retired under the Teacher Retirement System of Texas. The statutory authority for the program is Texas Insurance Code, Chapter 1575. Section 1575.052 grants the TRS Board of Trustees the authority to establish and amend basic and optional group insurance coverage for participants. The Teacher Retirement System of Texas issues a publicly available financial report that includes financial statements and required supplementary information for TRS-Care. That report may be obtained by visiting the TRS Web site at www.trs.state.tx.us under the [TRS Publications](#) heading, by calling the TRS Communications Department at 1-800-223-8778, or by writing to the Communications Department of the Teacher Retirement System of Texas at 1000 Red River Street, Austin, Texas 78701.

Funding Policy

Contribution requirements are not actuarially determined but are legally established each biennium by the Texas Legislature. Texas Insurance Code, Sections 1575.202, 203, and 204 establish state, active employee and public school contributions, respectively. Funding for free basic coverage is provided by the program based upon public school district payroll. Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than 0.25% or greater than 0.75% of the salary of each active employee of the public school. Funding for optional coverage is provided by those participants selecting the optional coverage. Contribution rates and amounts are shown in the table below for fiscal years 2017-2019.

Contribution Rates						
Year	<u>Active Member</u>		<u>State</u>		<u>School District</u>	
	Rate	Amount	Rate	Amount	Rate	Amount
2017	0.65%	1,058,634	1.00%	1,500,612	0.55%	1,004,827
2018	0.65%	1,107,956	1.25%	1,979,828	0.75%	1,428,928
2019	0.65%	1,174,550	1.25%	2,127,836	0.75%	1,498,846

Medicare Part D – On-Behalf Payments

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective on 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. These on-behalf payments of \$546,178 recognized for the year ended August 31, 2019 as equal revenues and expenditures.

NOTE 17. RISK MANAGEMENT

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 17. RISK MANAGEMENT - CONTINUED

Health Care Coverage

The employees of the District were covered by TRS Active Care. TRS Active Care is a statewide health coverage program for public education employees established by the 77th Texas Legislature. The District contributed \$278 per month per employee to the plan, and employees, at their option, authorized payroll withholdings to pay employee contributions and additional premiums for dependents.

Workers' Compensation Coverage

Beginning September 1, 1993, the District established a self-insurance plan for workers' compensation benefits. Prior to this time, the District was a member of the Texas Association of School Boards Workers' Compensation Self-Insurance Fund ("Fund"). The Fund will continue to be liable for all claims before September 1, 1993.

Claims are paid by a third party administrator acting on behalf of the District under the terms of a contractual agreement. Administrative fees are included within the provisions of that agreement. According to state statute, the District is protected against unanticipated catastrophic claims and aggregate loss by coverage carried through Midwest Employers Casualty Company, a commercial insurer licensed or eligible to do business in Texas in accordance with the Texas Insurance Code.

Coverage was in effect for specific occurrences exceeding \$600,000 with an annual aggregate retention amount of \$2,053,583. Payments exceeding the aggregate retention are reimbursable up to the aggregate limit of liability amount of \$1,000,000.

The costs associated with these self-insurance plans are reported as interfund transaction to the extent of amounts actuarially determined. Accordingly, they are treated as operating revenues of the Internal Service Funds and operating expenditures of the General Fund and the Special Revenue Funds. The accrued liabilities of the workers' compensation self-insurance plan of \$1,951,667 include incurred but not reported claims. The liability reported in the Fund at August 31, 2019 is based on the requirements of Governmental Accounting Standards Board 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. The liability includes an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors. Workers' compensation liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time were computed by an actuary and are reported at their present value using expected future investment yield assumption of 3%. Changes in the workers' compensation claims liability amounts in fiscal 2018 and 2019 were:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
Self-Insurance Liability				
2018-Workers' Compensation	\$ 1,851,665	\$ 1,271,370	\$ 1,142,230	\$ 1,980,805
2019-Workers' Compensation	\$ 1,980,805	\$ 921,208	\$ 950,346	\$ 1,951,667

NOTE 18. COMMITMENTS AND CONTINGENCIES

Litigation

The District is the defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of the administration, the outcome of these lawsuits will not have a materially adverse effect on the accompanying combined financial statements and accordingly, no provision for losses has been recorded.

Grants Programs

The District participates in numerous state and federal 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 collectability of any related receivable at August 31, 2019 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 combined financial statements for such contingencies.

Future Construction

The funds in the Capital Projects Fund will be used for future school construction and renovation. Commitments on outstanding construction contracts for future school and renovations totaled approximately \$4,737,742 at August 31, 2019. Funds in the City of Irving TIF #1 Fund will also be used for school construction and renovation and commitments on outstanding construction contracts in this fund totaled approximately \$30,259,693 at August 31, 2019.

Arbitrage Rebate Liability

The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury of investment income received at yields that exceed the issuer's tax-exempt borrowing rates. The U.S. Treasury requires payment for each issue every five years. The estimated liability is updated annually for any tax-exempt issuances or changes in yields until such time payment of the calculated liability is due. The District has no arbitrage liability as of August 31, 2019.



REQUIRED SUPPLEMENTARY INFORMATION



CARROLLTON-FARMERS BRANCH ISD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2019

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	\$ 245,950,473	\$ 250,168,340	\$ 250,814,854	\$ 646,514
5800	State Program Revenues	40,438,751	41,475,531	43,106,117	1,630,586
5900	Federal Program Revenues	4,050,000	5,090,000	5,235,078	145,078
5020	Total Revenues	290,439,224	296,733,871	299,156,049	2,422,178
EXPENDITURES:					
Current:					
0011	Instruction	139,101,181	140,601,263	140,009,202	592,061
0012	Instructional Resources and Media Services	3,965,787	4,182,816	3,973,833	208,983
0013	Curriculum and Instructional Staff Development	4,554,151	4,471,094	4,275,924	195,170
0021	Instructional Leadership	4,399,153	4,125,760	3,893,993	231,767
0023	School Leadership	16,473,055	16,445,007	16,005,703	439,304
0031	Guidance, Counseling and Evaluation Services	10,996,150	11,317,832	11,073,564	244,268
0032	Social Work Services	75,967	72,527	67,523	5,004
0033	Health Services	3,073,590	3,219,084	3,056,753	162,331
0034	Student (Pupil) Transportation	9,207,880	9,423,627	8,289,429	1,134,198
0035	Food Services	122,452	109,188	77,672	31,516
0036	Extracurricular Activities	5,280,058	5,399,707	4,959,101	440,606
0041	General Administration	7,152,306	7,397,597	7,099,450	298,147
0051	Facilities Maintenance and Operations	25,198,649	25,253,604	23,844,711	1,408,893
0052	Security and Monitoring Services	2,301,460	2,414,469	2,104,395	310,074
0053	Data Processing Services	5,086,813	8,037,162	6,575,106	1,462,056
0061	Community Services	68,665	75,178	64,397	10,781
Capital Outlay:					
0081	Facilities Acquisition and Construction	111,456	907,951	737,494	170,457
Intergovernmental:					
0091	Contracted Instructional Services Between Schools	22,354,922	21,704,922	19,431,441	2,273,481
0095	Payments to Juvenile Justice Alternative Ed. Prg.	200,000	125,000	27,313	97,687
0097	Payments to Tax Increment Fund	33,176,936	32,345,749	32,207,884	137,865
0099	Other Intergovernmental Charges	1,106,175	1,118,575	1,118,504	71
6030	Total Expenditures	294,006,806	298,748,112	288,893,392	9,854,720
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,567,582)	(2,014,241)	10,262,657	12,276,898
OTHER FINANCING SOURCES (USES):					
8911	Transfers Out (Use)	-	(6,500,000)	(6,500,000)	-
SPECIAL ITEMS:					
7918	Special Item - Resource	-	2,014,241	2,014,241	-
1200	Net Change in Fund Balances	(3,567,582)	(6,500,000)	5,776,898	12,276,898
0100	Fund Balance - September 1 (Beginning)	100,284,289	100,284,289	100,284,289	-
3000	Fund Balance - August 31 (Ending)	\$ 96,716,707	\$ 93,784,289	\$ 106,061,187	\$ 12,276,898

CARROLLTON-FARMERS BRANCH ISD
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2019

	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017	FY 2017 Plan Year 2016
District's Proportion of the Net Pension Liability (Asset)	0.1694402%	0.2679216%	0.153378%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 93,264,004	\$ 85,666,908	\$ 58,699,831
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	125,313,395	40,982,034	92,266,022
Total	<u>\$ 218,577,399</u>	<u>\$ 126,648,942</u>	<u>\$ 150,965,853</u>
District's Covered Payroll	\$ 170,427,941	\$ 162,866,070	\$ 158,015,677
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	54.72%	52.60%	37.15%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.74%	82.17%	78.00%

Note: GASB 68, Paragraph 81 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, 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 2015.

Note: In accordance with GASB 68, Paragraph 138, only five years of data are presented this reporting period. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

FY 2016 Plan Year 2015		FY 2015 Plan Year 2014	
0.01411464%		0.0836645%	
\$	49,893,374	\$	22,347,945
98,316,315		85,269,172	
\$	148,209,689	\$	107,617,117
\$	153,063,674	\$	148,723,134
32.60%		15.03%	
78.43%		83.25%	

CARROLLTON-FARMERS BRANCH ISD
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2019

	2019	2018	2017
Contractually Required Contribution	\$ 5,969,420	\$ 5,741,295	\$ 5,257,678
Contribution in Relation to the Contractually Required Contribution	(5,969,420)	(5,741,295)	(5,257,678)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 180,665,729	\$ 170,427,941	\$ 162,866,070
Contributions as a Percentage of Covered Payroll	3.31%	3.37%	3.23%

Note: GASB 68, Paragraph 81 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 years.

Note: In accordance with GASB 68, Paragraph 138, the years of data presented this reporting period are those for which data is available. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

2016		2015	
\$	5,101,714	\$	4,179,320
	(5,101,714)		(4,179,320)
\$	-	\$	-
\$	158,015,677	\$	153,063,674
	3.23%		2.73%

CARROLLTON-FARMERS BRANCH ISD
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2019

	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.20774%	0.194662%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 103,726,479	\$ 84,651,041
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	143,890,807	126,411,736
Total	<u>\$ 247,617,286</u>	<u>\$ 211,062,777</u>
District's Covered Payroll	\$ 170,427,941	\$ 162,866,070
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	0.61%	0.52%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	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 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.

CARROLLTON-FARMERS BRANCH ISD
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2019

	2019	2018
Contractually Required Contribution	\$ 1,498,846	\$ 1,428,928
Contribution in Relation to the Contractually Required Contribution	1,498,846	1,428,928
Contribution Deficiency (Excess)	\$ -0-	\$ -0-
District's Covered Payroll	\$ 180,665,729	\$ 170,427,941
Contributions as a Percentage of Covered Payroll	0.83%	0.84%

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.

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2019

NOTE 1. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The Board of Education adopts an “appropriated budget” on a basis consistent with GAAP for the General Fund, Debt Service Fund and the Food Service Fund, a non-major Special Revenue Fund. The District is required to present the adopted and final amended budgeted revenues and expenditures for each of these funds. The District is not legally required to adopt a budget for the City of Irving TIF #1 Fund.

The following procedures are followed in establishing the budgetary data:

1. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board of Education is then called for the purpose of adopting the proposed budget after ten days public notice of the meeting has been given.
3. Prior to September 1, the budget is legally enacted through passage of a resolution by the Board of Education. 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. Because the District has a policy of careful budgetary control, several amendments were necessary during the year. Significant amendments were made to the following functional areas:

	<u>Function</u>	<u>Increase (Decrease)</u>
6011	Instruction	1,500,082
6031	Curriculum and Instructional Staff Development	321,682
6053	Data Processing Services	2,950,349
6081	Facilities Acquisition and Construction	796,495
6091	Contracted Instructional Services Between Schools	(650,000)
6097	Payments to Tax Increment Fund	(831,187)

4. Each budget is prepared and controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board of Education. All budget appropriations lapse at year-end.
5. The Texas Education Agency requires these budgets to be filed with the Texas Education Agency on a designated date through the Public Education Information Management System (“PEIMS”). The budget should not exceed in any functional expenditure category under the TEA requirements. The original and final amended versions of these budgets are used in this report.

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2017

NOTE 2. PENSION INFORMATION

Changes of benefit terms.

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

Changes of assumptions.

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

NOTE 3. OPEB INFORMATION

Changes of benefit terms.

The following are changes of benefit terms that affected measurement of the Total OPEB liability during the measurement period. The 85th Legislature, Regular Session, passed the following statutory changes in House Bill 3976 which became effective on September 1, 2017:

- Created a high-deductible health plan that provides a zero cost for generic prescriptions for certain preventive drugs and provides a zero premium for disability retirees who retired as a disability retiree on or before January 1, 2017 and are not eligible to enroll in Medicare.
- Created a single Medicare Advantage plan and Medicare prescription drug plan for all Medicare-eligible participants.
- Allowed the System to provide other, appropriate health benefit plans to address the needs of enrollees eligible for Medicare.
- Allowed eligible retirees and their eligible dependents to enroll in TRS-Care when the retiree reaches 65 years of age, rather than waiting for the next enrollment period.
- Eliminated free coverage under TRS-Care, except for certain disability retirees enrolled during Plan years 2018 through 2021, requiring members to contribute \$200 per month toward their health insurance premiums.

Changes of assumptions.

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

- The total OPEB liability as of August 31, 2018 was developed using the roll forward method of the August 31, 2017 valuation.
- Adjustments were made for retirees that were known to have discontinued their health care coverage in fiscal year 2018. This change increased the total OPEB liability.

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2019

NOTE 3. OPEB INFORMATION - Continued

- The health care trend rate assumption was updated to reflect the anticipated return of the Health Insurer Fee (HIF) in 2020. This change increased the total OPEB liability.
- Demographic and economic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2017. This change increased the total OPEB liability.
- The discount rate changed from 3.42 percent as of August 31, 2017 to 3.69 percent, as of August 31, 2018. This change lowered the total OPEB liability \$2.3 billion.

COMBINING AND OTHER STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

ESEA, Title I, Part A Improving Basic Programs – Provide opportunities for children served to acquire knowledge and skills to meet the challenging state performance standards developed for all children.

IDEA – Part B, Formula – Operate educational programs for children with disabilities.

IDEA – Part B, Preschool – Support Programs for preschool children with disabilities.

IDEA – Evaluation Capacity Funds – A program to assist LEAs in securing appropriately certified and/or licensed staff for the purposes of completing evaluations for eligibility for special education services.

National School Breakfast and Lunch Program – Supports programs using federal reimbursement revenues from the United States department of Agriculture (USDA).

Career and Technical – Carl Perkins – Provide career and technical education to develop new and/or improved marketable skills for paid and unpaid employment.

ESEA, Title II, Part A, Teacher and Principal Training and Recruiting – Provide financial assistance to increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals.

Title III, Part A - English Language Acquisition and Language Enhancement – Fund 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.

Limited English Proficiency – Summer School – Provides funds for a summer school program for limited English proficient (LEP) students who will be eligible for admission to kindergarten and first grade at the beginning of the next school year.

Work Source Child Care and Development Fund – Provides funds to enhance tutoring at elementary schools in Dallas County.

Title IV, Part A - Student Support-Academic Enrichment – Provide all students access to a well-rounded education, improve academic outcomes by maintaining safe and healthy students, and improve the use of technology to advance student academic achievement.

Visually Impaired – SSVI – Provides funds to improve achievement of students who have a visual impairment and to ensure that comprehensive services are available to those students.

Advanced Placement Test Fee Program – A program designed to increase the number of low-income students who take advanced placement tests and receive scores for which college academic credit is awarded. The funds enable schools to pay all or a portion of advanced placement test fees on behalf of eligible low-income students who (1) are enrolled in an advanced placement course and (2) plan to take an advanced placement test.

State Textbook Fund – State funds awarded to school districts under the textbook allotment

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

Combined State Grants – Includes: Ready to Read Grant and Teacher Stipend Program for Math and Literacy Achievement Academies.

Campus Activity Funds – Accounts for transactions related to a principal's activity fund.

Project Lead the Way – Grants awarded by Project Lead The Way, Inc. (PLTW). The grant awarded to the high school is to be used to offset the costs associated with the PLTW Engineering program. The grant awarded to the middle school is to be used to offset the costs associated with the PLTW Gateway program.

Metrocrest Hospital Authority – Supports our certification programs to further student preparation for college and/or career.

Houston Korean Center Grant – A grant awarded by the Houston Korean Education Center to subsidize the salary and benefits for a teacher to teach Korean as a full-fledged Language Other than English course.

Promise Challenge – An 8-week program beginning in January 2019 and ending in March 2019 whereby a team of eight students and two coaches at Early College High School design solutions to address student-identified barriers in college access.

NCAN (National College Access Network) – The charitable purpose of this grant is to increase the number of students who complete the Free Application for Federal Student Aid (FAFSA), thus increasing the possibility that these students will complete a postsecondary degree.

Digital Promise –A Technology and Learning Coaching Fellowship Program launched, with the support from Google, to support middle schools with a full-time technology and learning coach. The one-year fellowship program includes engagement with a national cohort and additional support that will enable teachers in each fellow's school to more powerfully use technology for learning.

City of Farmers Branch TIF #1 – Reports property taxes collected for the City of Farmers Branch TIF #1 to pay for District projects identified in the project plan to be constructed in the zone for education facilities and maintenance for operating such facilities.

City of Farmers Branch TIF #2 – Reports property taxes collected for the City of Farmers Branch TIF #2 to pay for District projects identified in the project plan to be constructed in the zone for education facilities and maintenance for operating such facilities.

Education, Technology, & Operational Fund – Funds identified to provide staff with the necessary tools to meet the goal "High Achievement for Each Student". Significant items or projects will be identified and be differentiated from those normal operational expenditures.

Athletic & District-Wide Facility Upgrades – Provides funds to upgrade athletic and other identified facility needs that are beyond the scope of normal maintenance.

CARROLLTON-FARMERS BRANCH ISD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2019

Data Control Codes		211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	226 IDEA - Part B Discretionary
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1240	Due from Other Governments	612,201	713,434	16,513	-
1250	Accrued Interest	-	-	-	-
1260	Due from Other Funds	-	960	10,675	-
1290	Other Receivables	-	-	-	-
1300	Inventories	-	-	-	-
1000	Total Assets	<u>\$ 612,201</u>	<u>\$ 714,394</u>	<u>\$ 27,188</u>	<u>\$ -</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ -
2160	Accrued Wages Payable	284,671	360,139	5,778	-
2170	Due to Other Funds	327,530	354,255	21,410	-
2300	Unearned Revenue	-	-	-	-
2000	Total Liabilities	<u>612,201</u>	<u>714,394</u>	<u>27,188</u>	<u>-</u>
FUND BALANCES					
Nonspendable Fund Balance:					
3410	Inventories	-	-	-	-
Restricted Fund Balance:					
3450	Food Service	-	-	-	-
3490	Tax Increment Financing	-	-	-	-
Committed Fund Balance:					
3544	Campus Activity Funds	-	-	-	-
Assigned Fund Balance:					
3590	Education, Technology, & Operational Funds	-	-	-	-
3595	Athletic District-Wide Facility Upgrades	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 612,201</u>	<u>\$ 714,394</u>	<u>\$ 27,188</u>	<u>\$ -</u>

240 National Breakfast and Lunch Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	281 Limited English Prof. Summer School	288 Work Source Child Care & Development	289 Other Federal Special Revenue Funds	385 Visually Impaired SSVI
\$ 3,647,438	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
522,044	25,715	90,265	144,824	-	-	45,599	-
278	-	-	-	-	-	-	-
167	-	-	-	-	-	-	-
50	-	-	-	-	-	-	-
523,437	-	-	-	-	-	-	-
<u>\$ 4,693,414</u>	<u>\$ 25,715</u>	<u>\$ 90,265</u>	<u>\$ 144,824</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,599</u>	<u>\$ -</u>
\$ 449,065	\$ 1,660	\$ -	\$ 4,645	\$ -	\$ -	\$ -	\$ -
320,227	12,259	21,413	63,202	-	-	23,759	-
17,638	11,796	68,852	76,977	-	-	21,840	-
256,150	-	-	-	-	-	-	-
<u>1,043,080</u>	<u>25,715</u>	<u>90,265</u>	<u>144,824</u>	<u>-</u>	<u>-</u>	<u>45,599</u>	<u>-</u>
523,437	-	-	-	-	-	-	-
3,126,897	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>3,650,334</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 4,693,414</u>	<u>\$ 25,715</u>	<u>\$ 90,265</u>	<u>\$ 144,824</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,599</u>	<u>\$ -</u>

CARROLLTON-FARMERS BRANCH ISD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2019

Data Control Codes		397 Advanced Placement Incentives	410 State Instructional Materials	427 Combined State Grants	461 Campus Activity Funds
ASSETS					
1110	Cash and Cash Equivalents	\$ 1,512	\$ 1,268,161	\$ -	\$ 1,075,811
1240	Due from Other Governments	-	-	-	-
1250	Accrued Interest	-	-	-	427
1260	Due from Other Funds	-	-	-	28,100
1290	Other Receivables	-	-	-	1,134
1300	Inventories	-	-	-	-
1000	Total Assets	<u>\$ 1,512</u>	<u>\$ 1,268,161</u>	<u>\$ -</u>	<u>\$ 1,105,472</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ 963,574	\$ -	\$ 91,696
2160	Accrued Wages Payable	-	-	-	-
2170	Due to Other Funds	1,512	-	-	3,671
2300	Unearned Revenue	-	304,587	-	-
2000	Total Liabilities	<u>1,512</u>	<u>1,268,161</u>	<u>-</u>	<u>95,367</u>
FUND BALANCES					
Nonspendable Fund Balance:					
3410	Inventories	-	-	-	-
Restricted Fund Balance:					
3450	Food Service	-	-	-	-
3490	Tax Increment Financing	-	-	-	-
Committed Fund Balance:					
3544	Campus Activity Funds	-	-	-	1,010,105
Assigned Fund Balance:					
3590	Education, Technology, & Operational Funds	-	-	-	-
3595	Athletic District-Wide Facility Upgrades	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,010,105</u>
4000	Total Liabilities and Fund Balances	<u>\$ 1,512</u>	<u>\$ 1,268,161</u>	<u>\$ -</u>	<u>\$ 1,105,472</u>

481 Project Lead the Way	484 Metrocrest Hospital Authority	486 Houston Korean Center Grant	487 Promise Challenge Grant	488 Career and Technology Grant	489 Digtl Promise Coaching Fellowship	492 City of Farmers Branch TIF #1	493 City of Farmers Branch TIF #2
\$ 134	\$ 160,660	\$ 40,892	\$ -	\$ 4,800	\$ 11,893	\$ 7,167,859	\$ 995,406
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	48	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 134</u>	<u>\$ 160,660</u>	<u>\$ 40,892</u>	<u>\$ 48</u>	<u>\$ 4,800</u>	<u>\$ 11,893</u>	<u>\$ 7,167,859</u>	<u>\$ 995,406</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,210	\$ -
-	3,199	3,664	-	-	-	-	-
-	175	-	48	-	-	-	-
134	157,286	37,228	-	4,800	11,893	-	-
<u>134</u>	<u>160,660</u>	<u>40,892</u>	<u>48</u>	<u>4,800</u>	<u>11,893</u>	<u>30,210</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	7,137,649	995,406
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,137,649</u>	<u>995,406</u>
<u>\$ 134</u>	<u>\$ 160,660</u>	<u>\$ 40,892</u>	<u>\$ 48</u>	<u>\$ 4,800</u>	<u>\$ 11,893</u>	<u>\$ 7,167,859</u>	<u>\$ 995,406</u>

CARROLLTON-FARMERS BRANCH ISD
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2019

Data Control Codes		494 Education, Technology, & Operational	495 Athletic-Dist Wide Facility Upgrades	Total Nonmajor Governmental Funds
ASSETS				
1110	Cash and Cash Equivalents	\$ 4,153,051	\$ 6,500,770	\$ 25,028,387
1240	Due from Other Governments	-	-	2,170,595
1250	Accrued Interest	-	-	705
1260	Due from Other Funds	-	-	39,950
1290	Other Receivables	-	-	1,184
1300	Inventories	-	-	523,437
1000	Total Assets	<u>\$ 4,153,051</u>	<u>\$ 6,500,770</u>	<u>\$ 27,764,258</u>
LIABILITIES				
2110	Accounts Payable	\$ -	\$ -	\$ 1,540,850
2160	Accrued Wages Payable	-	-	1,098,311
2170	Due to Other Funds	-	-	905,704
2300	Unearned Revenue	-	-	772,078
2000	Total Liabilities	<u>-</u>	<u>-</u>	<u>4,316,943</u>
FUND BALANCES				
Nonspendable Fund Balance:				
3410	Inventories	-	-	523,437
Restricted Fund Balance:				
3450	Food Service	-	-	3,126,897
3490	Tax Increment Financing	-	-	8,133,055
Committed Fund Balance:				
3544	Campus Activity Funds	-	-	1,010,105
Assigned Fund Balance:				
3590	Education, Technology, & Operational Funds	4,153,051	-	4,153,051
3595	Athletic District-Wide Facility Upgrades	-	6,500,770	6,500,770
3000	Total Fund Balances	<u>4,153,051</u>	<u>6,500,770</u>	<u>23,447,315</u>
4000	Total Liabilities and Fund Balances	<u>\$ 4,153,051</u>	<u>\$ 6,500,770</u>	<u>\$ 27,764,258</u>



CARROLLTON-FARMERS BRANCH ISD
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	226 IDEA - Part B Discretionary
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	4,950,085	4,452,724	93,578	20,000
5020 Total Revenues	4,950,085	4,452,724	93,578	20,000
EXPENDITURES:				
Current:				
0011 Instruction	2,149,616	4,349,640	93,578	-
0012 Instructional Resources and Media Services	12,904	-	-	-
0013 Curriculum and Instructional Staff Development	2,556,797	-	-	-
0021 Instructional Leadership	5,688	-	-	-
0023 School Leadership	16,097	-	-	-
0031 Guidance, Counseling and Evaluation Services	650	82,346	-	20,000
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	4,841	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	-
0061 Community Services	203,492	20,738	-	-
Debt Service:				
0071 Principal on Long-Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	4,950,085	4,452,724	93,578	20,000
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	-	-	-	-
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -

240 National Breakfast and Lunch Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	281 Limited English Prof. Summer School	288 Work Source Child Care & Development	289 Other Federal Special Revenue Funds	385 Visually Impaired SSVI
\$ 2,691,058 \$	- \$	- \$	- \$	- \$	- \$	- \$	-
66,339	-	-	-	-	-	-	5,390
9,901,534	282,512	549,717	1,010,495	21,278	6,418	284,424	-
12,658,931	282,512	549,717	1,010,495	21,278	6,418	284,424	5,390
-	144,604	79,110	313,591	21,278	-	-	5,390
-	-	-	-	-	-	-	-
-	-	310,116	427,524	-	-	2,359	-
-	45,613	40,749	109,674	-	-	53,146	-
-	-	-	-	-	-	-	-
-	92,295	-	82,981	-	-	228,919	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
12,952,401	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	119,742	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	76,725	-	6,418	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
12,952,401	282,512	549,717	1,010,495	21,278	6,418	284,424	5,390
(293,470)	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(293,470)	-	-	-	-	-	-	-
3,943,804	-	-	-	-	-	-	-
\$ 3,650,334 \$	- \$	- \$	- \$	- \$	- \$	- \$	-

CARROLLTON-FARMERS BRANCH ISD
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes	397 Advanced Placement Incentives	410 State Instructional Materials	427 Combined State Grants	461 Campus Activity Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 1,310,161
5800 State Program Revenues	12,072	3,135,285	56	-
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	12,072	3,135,285	56	1,310,161
EXPENDITURES:				
Current:				
0011 Instruction	-	3,132,060	-	690,028
0012 Instructional Resources and Media Services	-	-	56	19,813
0013 Curriculum and Instructional Staff Development	10,560	3,225	-	9,318
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	126,915
0031 Guidance, Counseling and Evaluation Services	1,512	-	-	80,476
0033 Health Services	-	-	-	129
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	517,934
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	240
0052 Security and Monitoring Services	-	-	-	1,722
0061 Community Services	-	-	-	807
Debt Service:				
0071 Principal on Long-Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	12,072	3,135,285	56	1,447,382
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(137,221)
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	(137,221)
0100 Fund Balance - September 1 (Beginning)	-	-	-	1,147,326
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ 1,010,105

481 Project Lead the Way	484 Metrocrest Hospital Authority	486 Houston Korean Center Grant	487 Promise Challenge Grant	488 Career and Technology Grant	489 Digtl Promise Coaching Fellowship	492 City of Farmers Branch TIF #1	493 City of Farmers Branch TIF #2
\$ 36,816	\$ 63,598	\$ 30,244	\$ 1,500	\$ 5,200	\$ -	\$ 3,032,387	\$ 260,177
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
36,816	63,598	30,244	1,500	5,200	-	3,032,387	260,177
36,816	63,598	30,244	1,500	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	5,200	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	6,456	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	6,063,177	-
-	-	-	-	-	-	3,333	-
-	-	-	-	-	-	1,533,120	-
36,816	63,598	30,244	1,500	5,200	-	7,606,086	-
-	-	-	-	-	-	(4,573,699)	260,177
-	-	-	-	-	-	-	-
-	-	-	-	-	-	(4,573,699)	260,177
-	-	-	-	-	-	11,711,348	735,229
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,137,649	\$ 995,406

CARROLLTON-FARMERS BRANCH ISD
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes	494 Education, Technology, & Operational	495 Athletic-Dist Wide Facility Upgrades	Total Nonmajor Governmental Funds
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 94,354	\$ 770	\$ 7,526,265
5800 State Program Revenues	-	-	3,219,142
5900 Federal Program Revenues	-	-	21,572,765
5020 Total Revenues	94,354	770	32,318,172
EXPENDITURES:			
Current:			
0011 Instruction	-	-	11,111,053
0012 Instructional Resources and Media Services	-	-	32,773
0013 Curriculum and Instructional Staff Development	-	-	3,319,899
0021 Instructional Leadership	-	-	260,070
0023 School Leadership	-	-	143,012
0031 Guidance, Counseling and Evaluation Services	-	-	589,179
0033 Health Services	-	-	129
0034 Student (Pupil) Transportation	-	-	4,841
0035 Food Services	-	-	12,952,401
0036 Extracurricular Activities	-	-	517,934
0041 General Administration	-	-	126,198
0051 Facilities Maintenance and Operations	-	-	240
0052 Security and Monitoring Services	-	-	1,722
0061 Community Services	-	-	308,180
Debt Service:			
0071 Principal on Long-Term Debt	-	-	6,063,177
0073 Bond Issuance Cost and Fees	-	-	3,333
Capital Outlay:			
0081 Facilities Acquisition and Construction	-	-	1,533,120
6030 Total Expenditures	-	-	36,967,261
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	94,354	770	(4,649,089)
OTHER FINANCING SOURCES (USES):			
7915 Transfers In	-	6,500,000	6,500,000
1200 Net Change in Fund Balance	94,354	6,500,770	1,850,911
0100 Fund Balance - September 1 (Beginning)	4,058,697	-	21,596,404
3000 Fund Balance - August 31 (Ending)	\$ 4,153,051	\$ 6,500,770	\$ 23,447,315

AGENCY FUNDS

Student Activity Fund – Used to account for resources held for others in a custodial capacity.

Education Purchasing CO-OP of North Texas (EPCNT) – Used to procure educational products and services.



CARROLLTON-FARMERS BRANCH ISD
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2019

	BALANCE SEPTEMBER 1 2018	ADDITIONS	DEDUCTIONS	BALANCE AUGUST 31 2019
STUDENT ACTIVITY ACCOUNT				
Assets:				
Cash and Temporary Investments	\$ 906,231	\$ 1,695,846	\$ 1,663,646	\$ 938,431
Other Receivables	4,197	4,584	7,905	876
Total Assets	<u>\$ 910,428</u>	<u>\$ 1,700,430</u>	<u>\$ 1,671,551</u>	<u>\$ 939,307</u>
Liabilities:				
Accounts Payable	\$ 46,446	\$ 2,016,409	\$ 2,019,240	\$ 43,615
Due to Other Governments	266	-	266	-
Due to Student Groups	863,716	1,780,570	1,748,594	895,692
Total Liabilities	<u>\$ 910,428</u>	<u>\$ 3,796,979</u>	<u>\$ 3,768,100</u>	<u>\$ 939,307</u>
LOCALLY DEFINED AGENCY FUNDS				
Assets:				
Cash and Temporary Investments	<u>\$ 65,499</u>	<u>\$ 6,366</u>	<u>\$ 419</u>	<u>\$ 71,446</u>
Liabilities:				
Accounts Payable	\$ -	\$ 218	\$ 218	\$ -
Due to Other Governments	65,499	6,366	419	71,446
Total Liabilities	<u>\$ 65,499</u>	<u>\$ 6,584</u>	<u>\$ 637</u>	<u>\$ 71,446</u>
TOTAL AGENCY FUNDS				
Assets:				
Cash and Temporary Investments	\$ 971,730	\$ 1,702,212	\$ 1,664,065	\$ 1,009,877
Other Receivables	4,197	4,584	7,905	876
Total Assets	<u>\$ 975,927</u>	<u>\$ 1,706,796</u>	<u>\$ 1,671,970</u>	<u>\$ 1,010,753</u>
Liabilities:				
Accounts Payable	\$ 46,446	\$ 2,016,627	\$ 2,019,458	\$ 43,615
Due to Other Governments	65,765	6,366	685	71,446
Due to Student Groups	863,716	1,780,570	1,748,594	895,692
Total Liabilities	<u>\$ 975,927</u>	<u>\$ 3,803,563</u>	<u>\$ 3,768,737</u>	<u>\$ 1,010,753</u>



**REQUIRED
TEXAS EDUCATION AGENCY
SCHEDULES**

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FISCAL YEAR ENDED AUGUST 31, 2019

Last Ten Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Net Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2010 & Prior	Various	Various	Various
2011	1.0400	0.3069	14,133,013,647
2012	1.0400	0.3168	13,889,472,257
2013	1.0400	0.2906	14,200,732,177
2014	1.0400	0.2835	14,964,110,850
2015	1.0400	0.2633	16,079,853,331
2016	1.0400	0.2417	17,083,929,532
2017	1.1700	0.2217	18,432,923,622
2018	1.1700	0.2110	19,886,877,660
2019 (Current year under Audit)	1.1700	0.2000	21,725,959,172

TOTALS

Penalties and Interest

Gross Receivables

9000 - Portion of Row 1000 for Taxes Paid
Into Tax Increment Zone Under Chapter 311, Tax Code

(10) Beginning Balance 09/01/18	(20) Current Year's Total Levy	(31) Maintenance Total Collections	(32) Debt Service Total Collections	(40) Entire Year's Adjustment	(50) Ending Balance 08/31/19
215,108	-	12,099	2,947	(4,339)	195,723
47,768	-	1,622	479	(527)	45,140
62,776	-	3,324	1,013	(6,971)	51,468
75,357	-	6,370	1,780	(6,595)	60,612
99,282	-	7,213	1,967	(12,155)	77,947
366,785	-	15,462	3,915	(246,615)	100,793
405,767	-	32,688	7,595	(7,597)	357,887
582,307	-	(247,306)	(46,861)	(470,760)	405,714
1,420,214	-	(93,215)	(16,810)	(916,177)	614,062
-	288,570,122	244,495,287	41,793,956	(744,044)	1,536,835
<u>\$ 3,275,364</u>	<u>\$ 288,570,122</u>	<u>\$ 244,233,544</u>	<u>\$ 41,749,981</u>	<u>\$ (2,415,780)</u>	<u>3,446,181</u>
					<u>1,391,410</u>
					<u>\$ 4,837,591</u>
		<u>\$ 23,980,608</u>			

CARROLLTON-FARMERS BRANCH ISD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED AUGUST 31, 2019

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	\$ 2,973,911	\$ 2,973,911	\$ 2,691,058	\$ (282,853)
5800 State Program Revenues	70,000	70,000	66,339	(3,661)
5900 Federal Program Revenues	9,738,492	9,738,492	9,901,534	163,042
5020 Total Revenues	12,782,403	12,782,403	12,658,931	(123,472)
EXPENDITURES:				
Current:				
0035 Food Services	12,782,403	14,582,403	12,952,401	1,630,002
6030 Total Expenditures	12,782,403	14,582,403	12,952,401	1,630,002
1200 Net Change in Fund Balances	-	(1,800,000)	(293,470)	1,506,530
0100 Fund Balance - September 1 (Beginning)	3,943,804	3,943,804	3,943,804	-
3000 Fund Balance - August 31 (Ending)	\$ 3,943,804	\$ 2,143,804	\$ 3,650,334	\$ 1,506,530

DEBT SERVICE FUND

Debt Service Fund – Used to account for the accumulation of resources and payments made for principal and interest on long-term general obligation debt of governmental funds.

CARROLLTON-FARMERS BRANCH ISD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2019

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	\$ 41,868,668	\$ 41,868,668	\$ 42,253,976	\$ 385,308
5800 State Program Revenues	455,307	455,307	455,307	-
5020 Total Revenues	42,323,975	42,323,975	42,709,283	385,308
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Debt	35,230,000	35,230,000	33,810,000	1,420,000
0072 Interest on Long-Term Debt	7,078,975	7,078,975	6,062,775	1,016,200
0073 Bond Issuance Cost and Fees	15,000	15,000	8,750	6,250
6030 Total Expenditures	42,323,975	42,323,975	39,881,525	2,442,450
1200 Net Change in Fund Balances	-	-	2,827,758	2,827,758
0100 Fund Balance - September 1 (Beginning)	9,962,456	9,962,456	9,962,456	-
3000 Fund Balance - August 31 (Ending)	\$ 9,962,456	\$ 9,962,456	\$ 12,790,214	\$ 2,827,758

STATISTICAL SECTION

This part of the Carrollton-Farmers Branch Independent School District’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the government’s overall financial health.

Contents	Page
Financial Trends	
These schedules contain trend information to help understand how the government’s financial performance and well-being have changed over time.....	104
Revenue Capacity	
These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax	119
Debt Capacity	
These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.....	124
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.....	132
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs	133

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING, UNAUDITED)
(AMOUNTS IN THOUSANDS)

	2019	2018	(1) 2017	2016
Governmental Activities				
Net Investment in Capital Assets	\$ 317,720	\$ 276,286	\$ 230,707	\$ 213,130
Restricted for				
Federal and State Programs	3,650	3,944	3,370	2,217
Tax Increment Zone	58,576	84,037	65,868	49,326
Debt Service	12,747	10,189	10,051	9,079
Unrestricted	(79,514)	(100,448)	(113,494)	28,388
Total Governmental Activities Net Position	313,179	274,008	196,502	302,140
Business Type Activities - Unrestricted	8,170	7,607	6,923	6,186
Total Primary Government Net Position	\$ 321,349	\$ 281,615	\$ 203,425	\$ 308,326

Source: Carrollton-Farmers Branch ISD

(1) Net position for fiscal year 2017 was restated in 2018
for the implementation of GASB Statement No. 75,
*Accounting and Financial Reporting for Postemployment
Benefits Other Than Pensions.*

TABLE I

2015	2014	2013	2012	2011	2010
\$ 180,653	\$ 147,953	\$ 134,412	\$ 117,722	\$ 115,312	\$ 97,751
1,854	606	172	374	817	669
50,365	52,746	42,171	32,866	23,639	13,579
8,305	7,933	7,042	6,296	2,522.00	1,943
35,058	64,844	71,857	81,549	67,978	76,585
<u>276,235</u>	<u>274,082</u>	<u>255,654</u>	<u>238,807</u>	<u>210,268</u>	<u>190,527</u>
5,451	4,545	3,652	2,691	2,015	1,710
<u>\$ 281,686</u>	<u>\$ 278,627</u>	<u>\$ 259,306</u>	<u>\$ 241,498</u>	<u>\$ 212,283</u>	<u>\$ 192,237</u>

**CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
GOVERNMENT-WIDE EXPENSES, PROGRAM REVENUES, AND CHANGE IN NET POSITION
LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING, UNAUDITED)**

	2019	2018	2017	2016
Expenses				
Governmental Activities:				
Instruction	\$ 170,622,557	\$ 112,246,144	\$ 151,133,616	\$ 154,001,200
Instruction Resources and Media Services	5,198,648	3,814,417	4,776,539	4,799,069
Curriculum and Instructional Staff Development	7,946,558	6,877,999	7,517,763	7,629,342
Instructional Leadership	4,335,939	2,902,659	3,765,386	3,663,945
School Leadership	17,913,915	11,307,319	16,499,869	16,317,979
Guidance, Counseling, and Evaluation Services	12,347,141	7,806,231	10,973,460	10,831,434
Social Work Services	70,786	44,697	71,490	72,597
Health Services	3,263,839	1,978,967	2,918,559	2,961,040
Student (Pupil) Transportation	7,485,246	5,426,654	4,820,832	4,814,908
Food Service	14,534,511	13,554,516	12,455,369	12,983,764
Extracurricular Activities	7,304,647	7,067,118	6,612,848	6,718,153
General Administration	8,011,455	5,252,329	6,814,081	6,889,090
Facilities Maintenance and Operations	25,229,596	20,104,157	23,206,837	23,823,404
Security and Monitoring Services	2,162,091	1,272,381	1,720,154	1,624,672
Data Processing Services	7,969,245	5,426,200	6,694,892	5,984,160
Community Services	356,269	317,959	294,543	374,596
Debt Service - Interest on Long Term Debt	4,710,649	6,302,614	7,869,469	9,441,313
Debt Service - Bond Issuance Costs and Fees	972,043	274,780	342,306	229,630
Facilities Acquisition and Construction	-	-	-	-
Contracted Instructional Services Between Schools	19,431,441	8,397,096	5,945,227	-
Incremental Costs Associated with Chapter 41	-	-	-	-
Payments to Juvenile Justice Alternative Ed. Prg.	27,313	35,640	5,166	39,869
Payments to Tax Increment Fund	32,207,884	28,885,201	25,873,965	22,623,080
Other Intergovernmental Charges	1,118,504	1,041,868	965,009	932,440
Total Government Activities Expenses	353,220,277	250,336,946	301,277,380	296,755,685
Business-Type Activities (After the Bell)				
Expenses	4,543,693	4,272,781	3,863,885	3,617,325
Total Business-Type Activities	4,543,693	4,272,781	3,863,885	3,617,325
Total Primary Government Expenses	357,763,970	254,609,727	305,141,265	300,373,010
Program Revenues				
Governmental Activities				
Charges for services				
Food Service	2,609,412	2,801,524	2,529,948	2,546,323
Extracurricular Activities	832,217	933,632	839,519	854,792
Other	1,877,228	1,749,489	1,599,290	1,628,486
Operating Grants and Contributions				
Instruction	22,452,249	(7,355,214)	22,912,340	25,137,292
Food Service	9,901,534	9,825,827	9,189,051	9,519,622
Other	7,796,369	(6,473,311)	7,668,400	8,520,222
Capital Grants and Contributions	21,187,238	19,016,842	17,061,745	14,978,161
Business-Type Activities (After the Bell)				
Charges for Services	4,946,156	4,865,133	4,563,194	4,331,493
Total Primary Government Program Revenues	71,602,403	25,363,922	66,363,487	67,516,391
Net (Expense) Revenue				
Governmental Activities	(286,564,030)	(229,838,157)	(239,477,087)	(233,570,787)
Business Type Activities	402,463	592,352	699,309	714,168
Total Primary Government	\$ (286,161,567)	\$ (229,245,805)	\$ (238,777,778)	\$ (232,856,619)

Source: Carrollton-Farmers Branch ISD

TABLE II

2015	2014	2013	2012	2011	2010
\$ 146,417,736	\$ 141,655,619	\$ 131,134,845	\$ 132,791,816	\$ 141,747,420	\$ 143,091,092
4,985,743	4,467,237	4,571,102	4,379,728	4,530,587	4,470,228
6,914,130	6,349,383	7,085,217	7,300,486	6,557,939	5,973,731
3,337,331	3,306,762	2,935,380	2,533,099	2,602,799	2,849,542
15,163,309	14,328,268	13,916,535	13,920,488	14,326,723	14,406,145
10,147,756	9,804,021	8,947,154	9,261,322	9,634,002	9,935,686
67,822	140,333	177,578	167,221	168,258	165,704
2,644,044	2,621,635	2,468,811	2,549,034	2,562,615	2,665,025
4,132,874	4,650,512	4,330,314	3,105,589	3,855,752	3,101,861
12,626,501	12,121,742	12,267,870	11,961,743	12,365,226	12,263,601
6,282,594	6,813,429	6,086,152	6,012,638	6,179,751	6,009,078
6,312,631	6,028,276	6,155,795	6,179,859	7,061,920	7,135,378
23,064,274	22,101,436	22,213,433	23,519,488	24,209,153	23,043,604
1,492,686	1,533,648	1,446,443	1,372,730	1,548,610	1,545,532
5,266,587	6,111,082	5,895,263	6,551,630	7,391,313	7,008,219
450,639	430,814	518,660	505,980	651,173	1,148,422
10,579,326	13,288,346	11,631,609	13,984,539	15,992,914	17,350,391
303,266	7,800	628,270	195,034	212,351	79,532
-	-	-	-	1,191,981	1,331,904
-	-	-	75,536	-	-
-	-	-	-	-	-
31,486	8,639	28,386	57,484	143,124	159,550
17,974,812	15,713,810	13,807,241	13,777,411	15,139,211	12,995,177
899,649	889,432	886,812	898,662	937,593	963,230
279,095,196	272,372,224	257,132,870	261,101,517	279,010,415	277,692,632
3,398,042	3,024,824	2,907,972	2,801,626	2,838,839	2,414,999
3,398,042	3,024,824	2,907,972	2,801,626	2,838,839	2,414,999
282,493,238	275,397,048	260,040,842	263,903,143	281,849,254	280,107,631
2,584,412	2,237,355	1,984,529	2,214,248	2,386,913	2,733,819
704,642	873,427	786,106	834,249	913,649	854,839
1,623,576	1,531,554	1,744,287	3,065,762	1,804,636	1,985,881
20,215,153	19,004,336	16,208,269	17,369,723	21,343,507	23,522,054
9,528,720	8,779,747	8,625,777	8,378,836	8,144,101	8,170,342
7,292,316	6,058,357	6,829,275	11,151,226	15,368,331	14,295,414
11,980,349	10,497,989	9,296,464	9,196,973	10,085,250	8,664,218
4,292,661	3,916,670	3,868,128	3,478,069	3,144,010	2,982,574
58,221,829	52,899,435	49,342,835	55,689,086	63,190,397	63,209,141
(225,166,028)	(223,389,459)	(211,658,163)	(208,890,500)	(218,964,028)	(217,466,065)
894,619	891,846	960,156	676,443	305,171	567,575
\$ (224,271,409)	\$ (222,497,613)	\$ (210,698,007)	\$ (208,214,057)	\$ (218,658,857)	\$ (216,898,490)

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
GENERAL REVENUES AND CHANGE IN NET POSITION
LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING, UNAUDITED)

	2019	2018	2017	2016
Net (Expense)/Revenue				
Governmental Activities	\$ (286,564,030)	\$ (229,838,157)	\$ (239,477,087)	\$ (233,570,787)
Business-Type Activities	402,463	592,352	699,309	714,168
Total Primary Government Net Expense	<u>(286,161,567)</u>	<u>(229,245,805)</u>	<u>(238,777,778)</u>	<u>(232,856,619)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes Levied for General Purposes	245,670,910	228,054,618	208,294,110	173,900,373
Property Taxes Levied for Capital Projects	41,861,258	40,861,895	39,525,673	40,416,054
State Aid - Formula Grants	32,722,997	27,143,302	30,744,891	44,808,454
Grants & Contributions -Not Restricted	6,100	8,512	42,997	18,852
Investment Earnings	7,125,351	3,533,975	1,426,840	644,069
Miscellaneous Local and Intermediate Revenues	350,487	317,922	407,144	311,742
Special Item:				
Gain on Debt Retirement	1,548,836	-	-	-
Assets Received or Disposed	(3,550,316)	4,779,834	-	-
Transfers	-	-	-	-
Total Governmental Activities	<u>325,735,623</u>	<u>304,700,058</u>	<u>280,441,655</u>	<u>260,099,544</u>
Business-Type Activities:				
Investment Earnings	160,665	91,851	37,736	20,987
Transfers	-	-	-	-
Total Business-Type Activities	<u>160,665</u>	<u>91,851</u>	<u>37,736</u>	<u>20,987</u>
Total General Revenues- Primary Government	<u>\$ 325,896,288</u>	<u>\$ 304,791,909</u>	<u>\$ 280,479,391</u>	<u>\$ 260,120,531</u>
Change in Net Position				
Net Position- Beginning	\$ 281,615,531	\$ 351,867,284	\$ 308,325,650	\$ 281,685,131
Prior Period Adjustments	-	(145,797,857)	1,840,021	(623,393)
Governmental Activities	39,171,593	74,861,901	40,964,568	26,528,757
Business-Type Activities	563,128	684,203	737,045	735,155
Total Change in Net Position-Primary Government	<u>39,734,721</u>	<u>75,546,104</u>	<u>41,701,613</u>	<u>27,263,912</u>
Net Position- Ending	<u>\$ 321,350,252</u>	<u>\$ 281,615,531</u>	<u>\$ 351,867,284</u>	<u>\$ 308,325,650</u>

Source: Carrollton-Farmers Branch ISD

The Net Position - Beginning balance for 2013 includes a restated amount due to the implementation of GASB 65.

TABLE III

2015	2014	2013	2012	2011	2010
\$ (225,166,028)	\$ (223,389,459)	\$ (211,658,163)	\$ (208,890,500)	\$ (218,964,028)	\$ (217,466,065)
894,619	891,846	960,156	676,443	305,171	567,575
(224,271,409)	(222,497,613)	(210,698,007)	(208,214,057)	(218,658,857)	(216,898,490)
163,516,686	152,386,767	145,022,771	142,069,891	143,955,421	151,034,569
41,367,838	41,515,082	40,495,796	43,220,140	42,420,096	44,073,412
46,810,897	47,193,293	44,267,986	50,585,614	51,675,059	47,117,639
14,570	16,358	29,252	36,963	25,468	31,612
364,601	322,677	337,789	206,371	204,213	255,723
564,194	382,556	180,356	1,311,059	423,408	165,609
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	115,350
252,638,786	241,816,733	230,333,950	237,430,038	238,703,665	242,793,914
11,149	1,465	201	-	-	-
-	-	-	-	-	(115,350)
11,149	1,465	201	-	-	(115,350)
\$ 252,649,935	\$ 241,818,198	\$ 230,334,151	\$ 237,430,038	\$ 238,703,665	\$ 242,678,564
\$ 278,626,921	\$ 259,306,336	\$ 239,670,192	\$ 212,282,484	\$ 192,237,676	\$ 167,935,712
(25,320,316)	-	-	-	-	(1,478,110)
27,472,758	18,427,274	18,675,787	28,539,538	19,739,637	25,327,849
905,768	893,311	960,357	676,443	305,171	452,225
28,378,526	19,320,585	19,636,144	29,215,981	20,044,808	25,780,074
\$ 281,685,131	\$ 278,626,921	\$ 259,306,336	\$ 241,498,465	\$ 212,282,484	\$ 192,237,676

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS (MODIFIED ACCRUAL BASIS)
LAST TEN FISCAL YEARS (UNAUDITED)

General Fund
Reserved
Unreserved
Total General Fund

Other Governmental Funds
Reserved, Reported In
Federal Special Revenue Fund
Debt Service Fund
Capital Projects Fund
Non-Major Funds
Unreserved, Reported In
Special Revenue Funds
Total Other Governmental Funds

Total Governmental Funds

	2019	2018	2017	2016
General Fund				
Nonspendable Fund Balance	\$ 968,330.00	\$ 1,135,367.00	\$ 1,090,146.00	\$ 973,654
Committed Fund Balance	13,000,000	13,000,000	9,000,000	10,500,000
Assigned Fund Balance	-	-	-	-
Unassigned Fund Balance	92,092,857	86,148,922	76,352,094	67,971,418
Total General Fund	106,061,187	100,284,289	86,442,240	79,445,072
Other Governmental Funds				
Debt Service				
Restricted Fund Balance	12,790,214	9,962,456	9,626,941	8,954,478
Capital Projects				
Nonspendable Fund Balance	-	-	-	-
Restricted Fund Balance	122,556,151	11,347,960	13,391,128	23,683,192
City of Irving TIF #1				
Restricted Fund Balance	50,443,278	71,590,906	55,528,859	40,429,856
Special Revenue Funds				
Nonspendable Fund Balance	523,437	538,186	501,901	481,906
Restricted Fund Balance	11,259,952	15,852,195	13,208,090	11,112,881
Committed Fund Balance	1,010,105	1,147,326	1,258,532	1,252,236
Assigned Fund Balance	10,653,821	4,058,697	4,000,111	
Total Other Governmental Funds	209,236,958	114,497,726	97,515,562	85,914,549
Total Governmental Funds	\$ 315,298,145	\$ 214,782,015	\$ 183,957,802	\$ 165,359,621

Source: Carrollton-Farmers Branch ISD

The District adopted the provisions of GASB 54 in 2011 which changed the fund balance classifications to Nonspendable, Restricted, Committed, Assigned and Unassigned. GASB 54 provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

TABLE IV

					2010	
					\$	2,120,977
						68,710,221
						70,831,198
						-
						2,118,869
						27,072,635
						14,994,769
						1,263,598
						45,449,871
					\$	116,281,069
2015	2014	2013	2012	2011		
\$ 1,022,819	\$ 1,007,591	\$ 979,474	\$ 898,744	\$ 982,936		
6,000,000	3,000,000	8,000,000	-	-		
6,947,034	10,622,493	7,667,451	10,098,666	9,728,966		
65,476,170	63,617,529	65,505,268	71,563,413	62,238,430		
79,446,023	78,247,613	82,152,193	82,560,823	72,950,332		
8,300,109	8,103,234	7,331,153	6,408,260	3,003,709		
-	-	-	121,386	121,386		
34,626,622	48,050,854	67,327,617	27,777,993	20,934,175		
42,323,106	45,233,015	35,128,911	26,276,644	17,470,353		
579,770	450,362	171,557	373,942	550,605		
9,315,804	7,668,598	7,042,533	6,589,672	6,434,812		
1,399,383	1,558,527	1,405,074	1,364,883	1,324,126		
96,544,794	111,064,590	118,406,845	68,912,780	49,839,166		
\$ 175,990,817	\$ 189,312,203	\$ 200,559,038	\$ 151,473,603	\$ 122,789,498		

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS (UNAUDITED)
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2019	2018	2017	2016
Federal Sources:				
Federal Grants	\$ 16,906,309	\$ 18,912,772	\$ 16,492,262	\$ 15,402,800
Food Services	9,901,534	9,825,827	9,189,051	9,519,622
Total Federal Sources	26,807,843	28,738,599	25,681,313	24,922,422
State Sources:				
State Education Finance Program	32,201,352	26,547,481	29,961,151	43,994,523
Food Services	66,339	68,143	69,308	71,048
State Grants and Other	14,512,875	13,362,609	12,706,912	12,524,233
Total State Sources	46,780,566	39,978,233	42,737,371	56,589,804
Local Sources:				
Property Taxes	287,382,919	268,737,321	247,573,892	214,219,204
Tax Increment fund	21,186,691	19,016,842	17,061,746	14,978,161
Investment Earnings	6,939,848	3,419,431	1,365,832	611,614
Food Sales	2,603,990	2,796,904	2,522,933	2,530,761
Other	3,209,358	3,463,093	2,896,220	2,839,250
Total Local Sources	321,322,806	297,433,591	271,420,623	235,178,990
Total Revenues	\$ 394,911,215	\$ 366,150,423	\$ 339,839,307	\$ 316,691,216

Source: Carrollton-Farmers Branch ISD

TABLE V

2015	2014	2013	2012	2011	2010
\$ 13,116,663	\$ 12,652,750	\$ 12,740,974	\$ 15,323,392	\$ 24,172,684	\$ 24,619,190
9,412,284	8,711,952	8,557,652	8,307,475	8,070,064	8,088,131
22,528,947	21,364,702	21,298,626	23,630,867	32,242,748	32,707,321
46,750,710	40,852,694	44,267,986	50,585,614	51,700,557	45,863,374
68,521	67,795	68,125	71,361	74,037	82,181
14,489,330	18,431,176	10,265,524	13,169,326	12,913,357	12,704,390
61,308,561	59,351,665	54,601,635	63,826,301	64,687,951	58,649,945
204,562,735	193,825,686	186,179,321	185,379,324	186,436,925	195,521,777
11,980,349	10,497,989	9,290,227	9,196,973	10,085,250	8,664,218
327,030	294,949	314,480	192,418	190,054	235,098
2,573,975	2,235,028	1,983,638	2,214,248	2,386,913	2,733,820
2,926,997	3,125,588	2,808,937	5,276,264	3,140,291	10,381,100
222,371,086	209,979,240	200,576,603	202,259,227	202,239,433	217,536,013
\$ 306,208,594	\$ 290,695,607	\$ 276,476,864	\$ 289,716,395	\$ 299,170,132	\$ 308,893,279

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS (UNAUDITED)
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2019	2018	2017
Non Capital - Operational Expenditures			
Instruction	\$ 151,021,418	\$ 147,285,566	\$ 135,627,861
Instruction Resources and Media Services	4,006,606	4,091,602	3,770,256
Curriculum and Instructional Staff Development	7,590,516	7,649,611	7,185,298
Instructional Leadership	4,154,063	3,883,538	3,612,910
School Leadership	16,148,715	15,805,979	15,039,960
Guidance, Counseling, and Evaluation Services	11,662,743	11,224,596	10,421,695
Social Work Services	67,523	70,864	68,530
Health Services	3,051,082	2,954,675	2,743,186
Student (Pupil) Transportation	6,568,565	243,514	4,788,249
Food Services	12,691,111	11,920,647	10,926,917
Extracurricular Activities	5,367,287	5,386,229	5,043,976
General Administration	7,250,083	6,553,924	6,130,729
Facilities Maintenance and Operations	23,821,457	23,453,462	21,682,453
Security and Monitoring Services	2,106,117	1,641,230	1,680,685
Data Processing Services	6,466,949	4,922,572	5,146,521
Community Services	372,577	318,991	307,449
Facilities Acquisition and Construction	144,885	157,002	431,370
Total Non-Capital Operational Expenditures	262,491,697	247,564,002	234,608,045
Intergovernmental			
Contracted Instructional Services Between Schools	19,431,441	8,397,096	5,945,227
Incremental Costs Associated with Chapter 41	-	-	-
Payments to Juvenile Justice Alternative Ed. Prg.	27,313	35,640	5,166
Payments to Tax Increment Fund	32,207,884	28,885,201	25,873,965
Other Intergovernmental Charges	1,118,504	1,041,868	965,009
Total Intergovernmental	52,785,142	38,359,805	32,789,367
Capital Outlay			
Facilities Acquisition/Construction	30,563,229	4,045,137	11,118,309
Other Capital Outlay	2,416,010	6,576,240	5,206,510
Total Capital Outlay	32,979,239	10,621,377	16,324,819
Debt service			
Principal	58,739,113	32,990,000	30,310,000
Interest	6,062,775	8,211,545	9,141,542
Fiscal Charges	972,043	274,780	342,306
Total Debt Service Expenditures	65,773,931	41,476,325	39,793,848
Total Expenditures	414,030,009	338,021,509	323,516,079
Total Expenditures less Expenditures for Capital Outlay	\$ 381,050,770	\$ 327,400,132	\$ 307,191,260
Debt Service as a Percentage of			
Non-Capital Expenditures	17.0%	12.6%	12.8%

Source: Carrollton-Farmers Branch ISD.

TABLE VI

2016	2015	2014	2013	2012	2011	2010
\$ 135,563,390	\$ 134,360,814	\$ 131,182,934	\$ 121,032,451	\$ 123,399,140	\$ 132,258,151	\$ 134,293,425
3,783,233	3,977,022	3,691,566	3,792,431	3,643,675	3,800,545	3,801,974
7,110,229	6,771,313	6,110,563	6,842,750	7,077,709	6,342,801	5,746,605
3,470,417	3,308,978	3,260,714	2,885,915	2,491,049	2,564,724	2,806,506
14,677,203	14,245,536	13,561,867	13,138,204	13,221,260	13,653,148	13,765,565
10,160,081	10,007,775	9,640,823	8,776,199	9,123,532	9,513,995	9,806,918
68,949	68,002	140,089	177,134	167,352	168,735	165,773
2,755,728	2,564,509	2,560,099	2,405,032	2,493,562	2,512,408	2,615,065
4,782,167	4,100,690	4,604,813	4,284,614	3,059,904	3,809,657	3,055,499
11,289,326	10,888,917	10,709,563	10,823,054	10,653,874	11,130,552	11,058,241
5,146,104	4,745,706	4,974,562	4,739,800	4,626,211	4,810,349	4,634,702
6,135,117	5,838,704	5,523,801	5,662,062	5,699,552	6,590,978	6,652,399
21,631,996	21,425,814	21,219,761	21,179,495	21,869,694	23,826,841	22,176,196
1,573,084	1,477,345	1,450,385	1,425,974	1,362,871	1,544,788	1,516,063
5,025,831	4,697,539	5,206,568	4,988,480	5,288,192	5,725,371	5,319,490
329,441	425,451	413,811	486,474	524,261	698,199	1,150,079
1,259,658	1,086,756	710,847	269,254	1,148,085	1,192,293	1,331,987
234,761,954	229,990,871	224,962,766	212,909,323	215,849,923	230,143,535	229,896,487
-	-	-	-	75,536	-	-
-	-	-	-	-	-	-
39,869	31,486	8,639	28,386	5,484	143,124	159,550
22,623,080	17,974,812	15,713,810	13,807,241	13,777,411	15,139,211	12,995,177
932,440	899,649	889,432	886,812	898,662	937,593	963,230
23,595,389	18,905,947	16,611,881	14,722,439	14,757,093	16,219,928	14,117,957
25,492,075	27,010,807	18,206,883	5,671,720	15,206,940	4,289,341	16,161,616
2,434,200	2,551,438	926,011	252,377	336,487	968,979	333,338
27,926,275	29,562,245	19,132,894	5,924,097	15,543,427	5,258,320	16,494,954
29,525,000	28,295,000	26,755,000	25,770,000	25,555,000	27,415,000	27,060,000
10,887,351	12,446,881	14,472,101	13,361,108	13,681,847	14,543,756	17,265,964
229,630	303,266	7,800	628,270	785,110	261,369	3,825
40,641,981	41,045,147	41,234,901	39,759,378	40,021,957	42,220,125	44,329,789
326,925,599	319,504,210	301,942,442	273,315,237	286,172,400	293,841,908	304,839,187
\$ 298,999,324	\$ 289,941,965	\$ 282,809,548	\$ 267,391,140	\$ 270,628,973	\$ 288,583,588	\$ 288,344,233
13.5%	14.1%	14.6%	14.6%	14.5%	14.5%	15.4%

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES
LAST TEN FISCAL YEARS (UNAUDITED)
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2019	2018	2017	2016
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (19,118,794)	\$ 28,128,914	\$ 16,323,228	\$ (10,234,383)
Other Financing Sources (Uses)				
Refunding Bonds Issued	-	13,800,000	48,420,000	23,495,000
Capital-Related Debt Issued (Regular Bonds)	109,220,000	-	-	-
Sale of Real or Personal Property	2,014,241	-	100,062	-
Transfers In	6,500,000	-	4,007,017	-
Premium or Discount on Issuance of Bonds	8,400,683	1,471,159	4,592,084	2,371,708
Transfers Out	(6,500,000)	-	(4,007,017)	-
Payment to Bond Refunding Escrow Agent (Use)	-	(15,220,314)	(52,677,214)	(25,640,128)
Other (Uses)	-	-	-	-
Total Other Financing Sources (Uses)	119,634,924	50,845	434,932	226,580
Special Item				-
Net Change in Fund Balances	100,516,130	28,179,759	16,758,160	(10,007,803)
Beginning Fund Balance - Sept 1	214,782,015	183,957,802	165,359,621	175,990,817
Prior Period Adjustment	-	2,644,454	1,840,021	(623,393)
Ending Fund Balance - Aug 31	\$ 315,298,145	\$ 214,782,015	\$ 183,957,802	\$ 165,359,621

Source: Carrollton-Farmers Branch ISD

TABLE VII

2015	2014	2013	2012	2011	2010
\$ (13,295,616)	\$ (11,246,835)	\$ 3,161,627	\$ 3,491,995	\$ 5,328,224	\$ (2,827,084)
34,725,000	-	28,700,000	33,085,000	63,565,000	-
-	-	41,250,000	21,880,000	-	-
-	-	-	-	363,964	-
-	539,647	-	-	911,452	354,755
2,642,857	-	8,779,939	8,425,470	6,914,124	-
-	(539,647)	-	-	(377,814)	(239,405)
(37,393,627)	-	(32,806,131)	(38,198,360)	(70,196,521)	-
-	-	-	-	-	1,282,506
(25,770)	-	45,923,808	25,192,110	1,180,205	1,397,856
-	-	-	-	-	-
(13,321,386)	(11,246,835)	49,085,435	28,684,105	6,508,429	(1,429,228)
189,312,203	200,559,038	151,473,603	122,789,498	116,281,069	117,710,297
-	-	-	-	-	-
<u>\$ 175,990,817</u>	<u>\$ 189,312,203</u>	<u>\$ 200,559,038</u>	<u>\$ 151,473,603</u>	<u>\$ 122,789,498</u>	<u>\$ 116,281,069</u>



CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS (UNAUDITED)
 (AMOUNTS IN THOUSANDS, EXCEPT TAX RATE INFORMATION)

TABLE VIII

Fiscal Year	Actual Value			Less: Exemptions	Total Taxable Value	Total Direct Tax Rate
	Residential Property	Commercial Property	Personal Property			
2010	6,620,262	7,326,022	3,500,299	2,536,797	14,909,786	1.3422
2011	6,414,043	6,901,685	3,161,463	2,344,176	14,133,014	1.3469
2012	6,367,741	6,759,663	2,958,073	2,196,004	13,889,472	1.3568
2013	6,357,922	7,083,532	2,979,138	2,219,860	14,200,732	1.3306
2014	6,532,761	7,544,528	3,120,305	2,233,483	14,964,111	1.3235
2015	7,022,124	8,158,376	3,227,722	2,328,368	16,079,854	1.3033
2016	7,629,074	8,742,363	3,565,744	2,853,252	17,083,930	1.2817
2017	8,331,271	9,438,717	3,693,247	3,030,311	18,432,924	1.3917
2018	9,157,196	10,049,265	3,783,916	3,103,499	19,886,878	1.3810
2019	10,166,613	10,855,908	3,884,876	3,174,612	21,732,785	1.3700

Notes: Assessed value = actual value

Source: County Property Tax Appraiser

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Direct District Rates			Overlapping Rates				City of Farmers Branch
	Maintenance	Debt	Total	Town of Addision	City of Carrollton	City of Coppell	City of Dallas	
		Service						
2010	1.0400	0.3022	1.3422	0.496	0.618	0.641	0.748	0.520
2011	1.0400	0.3069	1.3469	0.530	0.618	0.690	0.797	0.530
2012	1.0400	0.3168	1.3568	0.580	0.618	0.690	0.797	0.530
2013	1.0400	0.2906	1.3306	0.580	0.618	0.670	0.797	0.530
2014	1.0400	0.2835	1.3235	0.572	0.618	0.638	0.797	0.553
2015	1.0400	0.2633	1.3033	0.562	0.615	0.606	0.797	0.602
2016	1.0400	0.2417	1.2817	0.579	0.613	0.584	0.797	0.602
2017	1.1700	0.2217	1.3917	0.560	0.604	0.580	0.782	0.602
2018	1.1700	0.2110	1.3810	0.550	0.600	0.580	0.780	0.602
2019	1.1700	0.2000	1.3700	0.550	0.595	0.570	0.777	0.600

Source: District Tax Office
Rates are per \$100 of assessed value.

TABLE IX

Overlapping Rates				
City of Irving	County of Denton	County of Dallas	Dallas County Hospital	Dallas County Community College
0.541	0.250	0.228	0.274	0.095
0.576	0.274	0.243	0.271	0.099
0.599	0.277	0.243	0.271	0.100
0.599	0.283	0.243	0.271	0.119
0.599	0.285	0.243	0.276	0.125
0.594	0.272	0.243	0.286	0.125
0.594	0.262	0.243	0.286	0.124
0.594	0.248	0.243	0.279	0.123
0.594	0.238	0.243	0.279	0.124
0.594	0.226	0.243	0.279	0.124

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
PROPERTY TAXES, LEVIES, AND COLLECTIONS
LAST TEN FISCAL YEARS (UNAUDITED)

TABLE X

Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Year of Levy		Collections in Subsequent Years	Total Collections	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	195,089,302	193,396,978	99.1%	1,496,601	194,893,579	99.90%
2010	186,476,139	184,834,361	99.1%	1,596,638	186,430,999	99.98%
2011	185,082,381	183,761,421	99.3%	1,269,492	185,030,913	99.97%
2012	185,400,956	184,316,782	99.4%	1,023,562	185,340,344	99.97%
2013	193,864,815	192,936,357	99.5%	850,511	193,786,868	99.96%
2014	204,847,553	203,696,301	99.4%	1,050,459	204,746,760	99.95%
2015	213,856,595	212,722,883	99.5%	775,825	213,498,708	99.83%
2016	247,866,509	246,661,547	99.5%	799,248	247,460,795	99.84%
2017	268,409,092	266,988,878	99.5%	806,152	267,795,030	99.77%
2018	287,826,078	286,289,243	99.5%	-	286,289,243	99.47%

Source: District Tax Office

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

TABLE XI

Taxpayer	Nature of Property	2019			2010		
		TAXABLE ASSESSED VALUATION	Percent of Total Assessed Taxable Value	Rank	Taxable Value	Percent of Total Assessed Taxable Value	Rank
Texas Utilities/TXU/Oncor	Power Utility	\$ 213,262,135	0.98%	1			
Piedmont Operating Partners	Rental Property	197,945,190	0.91%	2			
Southern Glazers Distributors	Wholesale Distributors	114,126,250	0.53%	3			
AT&T/Southwestern Bell	Telephone Utility	108,832,722	0.50%	4	\$ 142,350,000	0.95%	2
Citicorp Credit Services	Rental Property-Commercial	103,317,540	0.48%	5			
Quality Investment Properties	Rental Property-Commercial	94,960,620	0.44%	6			
Exxon/Mobil Corp.	Petrochemical Production	92,384,660	0.43%	7	75,875,364	0.51%	8
Royal TX Partners LLC	Rental Property-Apartments	92,295,000	0.42%	8			
Softlayer Technologies	Internet Housing	86,308,580	0.40%	9			
Walmart/Sam's	Retail	85,366,312	0.39%	10	83,873,270	0.56%	6
Wells Operating PS LTD	Real Estate				167,588,020	1.12%	1
Oncor Electric Delivery	Power Utility				104,551,224	0.70%	3
TCI Park West	Rental Property				103,433,790	0.69%	4
Verizon /GTE	Telephone Utility				88,924,228	0.60%	5
Nokia/ISTAR	Electronics				82,292,710	0.55%	7
Triden Village	Residential Apartments				74,493,176	0.50%	9
Cobalt Industries/REIT	Rental Property				74,198,790	0.50%	10
TOTAL		<u>\$ 1,188,799,009</u>	<u>5.48%</u>		<u>\$ 997,580,572</u>	<u>6.68%</u>	
Total Taxable Assessed Value		<u>\$ 21,725,959,172</u>			<u>\$ 14,909,785,600</u>		

Source: District Tax Office

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS
AUGUST 31, 2019 (UNAUDITED)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Debt limit	\$ 2,173,278,458	\$ 1,988,687,766	\$ 1,843,292,362	\$ 1,708,392,953
Total net debt applicable to limit	241,383,291	188,474,050	223,688,036	261,209,994
Legal debt margin	1,931,895,167	1,800,213,716	1,619,604,326	1,447,182,959
Total net debt applicable to the limit as a percentage of debt limit	11%	9%	12%	15%

Source: Carrollton-Farmers Branch ISD

Total Bonded Debt equals GO Bonds Payable plus Bond Premium plus Accreted Interest less Loss on Advanced Refunding

Legal Debt Margin Calculation for Fiscal Year 2019

	<u>2019</u>
Total Appraised Valuation	\$ 24,907,396,274
Less - Exemptions and Reductions in Value	<u>3,174,611,696</u>
Total Appraised Valuation for School Tax Purposes	\$ 21,732,784,578
Debt Limit Percentage	<u>10%</u>
Legal Debt Limit	<u>\$ 2,173,278,458</u>
Total Bonded Debt	\$ 254,173,505
Less - Reserve for Retirement of Bonded Debt	<u>12,790,214</u>
Net Bonded Debt Applicable to Debt Limit	<u>\$ 241,383,291</u>
Legal Debt Margin	<u>\$ 1,931,895,167</u>

TABLE XII

2015	2014	2013	2012	2011	2010
\$ 1,607,985,333	\$ 1,496,411,085	\$ 1,420,073,218	\$ 1,388,947,226	\$ 1,413,301,365	\$ 1,490,978,560
286,807,047	317,118,411	323,958,847	310,771,740	320,156,291	353,476,131
1,321,178,286	1,179,292,674	1,096,114,371	1,078,175,486	1,093,145,074	1,137,502,429
18%	21%	23%	22%	23%	24%



CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS (UNAUDITED)
(AMOUNTS IN THOUSANDS, EXCEPT PER CAPITA AND PER STUDENT ENROLLED)

TABLE XIII

Fiscal Year	Governmental Activities		Percentage of disposable personal Income	Per Capita	Per Student Enrolled
	Unlimited Tax Bonds	Total Primary Government			
2010	360,666	360,666	6.43%	2,048	13,719
2011	335,057	335,057	6.06%	1,829	12,354
2012	334,700	334,700	6.06%	1,856	12,004
2013	359,064	359,064	6.01%	1,869	12,556
2014	330,728	330,728	5.32%	1,681	11,559
2015	301,039	301,039	4.65%	1,518	10,485
2016	270,164	270,164	3.95%	1,319	9,483
2017	233,315	233,315	3.27%	1,123	8,379
2018	198,437	198,437	2.49%	933	7,067
2019	254,174	254,174	3.15%	1,190	9,023

NOTE: See TABLES XVI and XX for population and enrollment data used to calculate per capita and per student enrolled information. Unlimited Tax Bond GO Bonds Payable plus Bond Premium plus Accreted Interest less loss on Advanced Refunding.

Source: Carrollton-Farmers Branch ISD

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
 RATIO OF NET BONDED DEBT TO NET ASSESSED VALUE AND
 NET BONDED DEBT PER CAPITA
 LAST TEN FISCAL YEARS (UNAUDITED)

YEAR END AUGUST 31	POPULATION	TAXABLE ASSESSED VALUE	GROSS BONDED DEBT	LESS DEBT SERVICE FUNDS
2010	173,658	14,909,785,600	355,595,000	2,118,869
2011	176,663	14,133,013,647	323,160,000	3,003,709
2012	170,886	13,889,472,257	317,180,000	6,408,260
2013	177,286	14,200,732,177	331,290,000	7,331,153
2014	181,182	14,964,110,805	325,221,645	8,103,234
2015	181,013	16,079,853,331	295,139,156	8,300,109
2016	185,438	17,083,929,532	270,164,472	8,954,478
2017	188,612	18,432,923,622	233,314,977	9,626,941
2018	191,639	19,886,877,660	198,436,506	9,962,456
2019	194,088	21,725,959,172	254,173,505	12,790,214

Source: Carrollton-Farmers Branch ISD. Population is for Cities of Carrollton and Farmers Branch. See Table XVI for population source information.
 Gross Bonded Debt equals GO Bonds Payable plus Bond Premium plus Accreted Interest less Loss on Advanced Refunding

TABLE XIV

NET BONDED DEBT	RATIO OF NET BONDED DEBT TO TAXABLE ASSESSED VALUE	NET BONDED DEBT PER CAPITA
353,476,131	2.37	2,035
320,156,291	2.27	1,812
310,771,740	2.24	1,819
323,958,847	2.28	1,827
317,118,411	2.12	1,750
286,839,047	1.78	1,585
261,209,994	1.53	1,409
223,688,036	1.21	1,186
188,474,050	0.95	983
241,383,291	1.11	1,244

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENT DEBT
AS OF AUGUST 31, 2019 (UNAUDITED)

TABLE XV

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Town of Addison	\$ 92,305,000	6.76%	\$ 6,239,818
City of Carrollton	173,540,000	51.72%	89,754,888
City of Coppell	92,305,000	6.22%	5,741,371
Dallas County	151,495,000	6.30%	9,544,185
Dallas County Community College District	182,800,000	6.30%	11,516,400
Dallas County Hospital District	671,290,000	6.30%	42,291,270
Dallas County Schools	36,801,240	6.30%	2,318,478
Dallas County Utility & Reclamation District	183,635,000	50.16%	92,111,316
City of Dallas	2,060,812,115	1.10%	22,668,933
Denton County	590,380,000	4.57%	26,980,366
City of Farmers Branch	52,780,000	59.55%	31,430,490
City of Irving	456,815,000	27.50%	125,624,125
NW Dallas County Flood Control District	14,915,000	63.03%	9,400,925
Valwood Improvement Authority	11,130,000	100.00%	11,130,000
Subtotal, overlapping debt			\$ 486,752,565
Carrollton-Farmers Branch ISD - Direct Debt	\$ 254,173,505	100.00%	254,173,505
Total Direct and Overlapping Tax Supported Debt			\$ 740,926,070
Total Assessed Taxable Valuation			\$ 21,725,959,172
Total Population			194,088
Ratio of Direct and Overlapping Tax Supported Debt to Taxable Assessed Valuation			3.41%
Per Capita Total Direct and Overlapping Tax Supported Debt			\$ 3,817

Source: All information provided by Municipal Advisory Council of Texas except for information regarding CFB-ISD debt, total assessed taxable valuation, and population which were provided by the District. Please refer to Table XVI for source of population data. Carrollton-Farmers Branch ISD - Direct Debt equals GO Bonds Payable plus Bond Premium less Loss.

Note: 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 these overlapping governments that is borne by the residents and businesses of the district.

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

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHICS AND ECONOMIC STATISTICS
 LAST TEN CALENDAR YEARS (UNAUDITED)

TABLE XVI

Calendar Year	Population(A)	Disposable Personal Income(B)	Per Capita Disposable Personal Income(C)	Unemployment Rate(D)
2010	173,658	5,531,007,300	31,850	7.70%
2011	176,663	5,329,039,395	30,165	7.46%
2012	170,886	5,230,478,688	30,608	6.35%
2013	177,286	5,510,758,024	31,084	5.41%
2014	181,182	5,722,089,922	31,582	5.16%
2015	181,013	5,908,807,359	32,643	3.42%
2016	185,438	6,190,105,878	33,381	3.70%
2017	188,612	6,484,103,336	34,378	3.62%
2018	191,639	7,190,201,377	37,520	3.31%
2019	194,088	7,325,789,452	37,745	3.04%

Notes:

- A** Population data is for Cities of Carrollton and Farmer's Branch combined.
 Source of population data was the following:
- 2010-2019 Claritas Market Place Survey
- B** 2010-2019 Claritas Market Place Survey-Entire School District Included.
- C** 2010-2019 Claritas Market Place Survey-Entire School District Included.
- D** From US Department of Labor, Bureau of Labor Statistics
 2010-2019 Texas Workforce Commission

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

TABLE XVII

<u>Employer</u>	<u>2019</u>			<u>2010</u>		
	<u>Approx. # Employees</u>	<u>Rank</u>	<u>Workforce Percentage</u>	<u>Approx. # Employees</u>	<u>Rank</u>	<u>Workforce Percentage</u>
Carrollton-Farmers Branch ISD	3,322	1	2.97%	3,370	2	3.32%
JP Morgan Investment Services	2,390	2	2.14%	2,390	3	2.35%
Maxim Ingetrated Products	1,352	3	1.21%			
Halliburton Energy Services	1,300	4	1.16%	1,302	4	1.28%
GEICO	1,200	5	1.07%	1,088	6	1.07%
Tuesday Morning	1,000	6	0.90%			
McKesson Corp	1,000	7	0.90%	833	8	0.82%
Telvista	950	8	0.85%	750	9	0.74%
AT&T	830	9	0.74%			
TD Industries	811	10	0.73%			
International Business Machines				3,370	1	3.32%
Federal Government-IRS				1,200	5	1.18%
GE Automation Services INC				875	7	0.86%
Accor North America				727	10	0.72%

Total employed 2019 workforce - 111,651

Total employed 2010 workforce - 101,551

Source: Oncor Economic Development Department
 Claritas Inc.

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
 FULL TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
 LAST TEN YEARS (UNAUDITED)

TABLE XVIII

	Full-Time Equivalent Employees for fiscal year ending									Change '10 - '19	
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	
Teachers											
Pre-K & Kindergarten	178	166	157	157	162	167	163	164	177	173	3%
Elementary	643	629	645	643	625	626	722	720	722	712	-10%
Secondary	858	856	837	828	819	776	662	665	677	712	20%
All Level	32	27	35	35	54	70	81	85	126	130	-75%
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Total Teachers	1,711	1,679	1,674	1,664	1,660	1,639	1,628	1,634	1,702	1,727	-1%
Support Staff											
Supervisors	-	-	-	-	-	-	-	-	-	-	-
Counselors	57	56	56	56	57	56	56	57	59	52	10%
Ed Diagnostics	35	34	34	33	33	32	32	32	32	33	6%
Librarians	39	40	40	40	40	39	40	39	40	41	-5%
Nurse/Physicians	37	36	33	33	33	33	34	36	35	36	3%
Therapists	46	47	46	44	43	42	42	42	43	41	13%
Psychologists/Assoc Psych.	6	11	7	6	6	5	5	5	6	6	-5%
Other Support Staff	184	180	160	162	160	150	143	137	140	149	23%
Total Support Staff	404	403	376	375	372	357	352	348	355	358	13%
Administrators											
Admin/Instructional Officers	45	42	43	42	39	42	40	44	42	50	-10%
Principals	36	37	37	37	37	37	36	38	40	39	-8%
Assistant Principals	57	54	52	49	49	47	47	47	46	46	23%
Superintendents	1	1	1	1	1	1	1	1	1	1	0%
Assistant Superintendents	4	4	4	4	4	4	4	2	2	3	33%
Total Administrators	143	138	137	134	130	131	128	132	131	139	3%
Total Professionals	2,257	2,220	2,187	2,172	2,162	2,127	2,108	2,114	2,188	2,224	1%
Educational Aides	245	238	215	196	186	188	186	193	220	200	22%
Auxiliary Staff	820	680	710	729	723	718	732	756	725	777	5%
Total	3,322	3,137	3,112	3,097	3,071	3,033	3,026	3,063	3,133	3,201	4%

Source: Texas Education Agency (Standard Reports)



CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
 TEACHER BASE SALARIES
 LAST TEN FISCAL YEARS (UNAUDITED)

TABLE XIX

Fiscal Year	Minimum Salary	Maximum Salary	District Average Salary	Statewide Average Salary
2010	45,940	62,598	51,275	48,263
2011	45,940	62,598	52,062	48,639
2012	46,340	62,198	51,882	46,340
2013	46,340	62,198	51,863	48,821
2014	47,143	63,255	52,407	49,692
2015	48,300	65,153	53,428	50,715
2016	49,400	66,252	54,375	51,892
2017	50,750	67,909	55,746	52,525
2018	52,425	69,585	57,521	53,334
2019	52,425	71,671	58,632	54,122

Sources: Carrollton-Farmers Branch ISD
 Texas Education Agency (Standard Reports)

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Average Daily Enrollment	Direct Operating Expenditures (A)	Cost per Pupil	Percentage Change from PY	Direct Operating Expenses (B)	Cost per Pupil
2010	25,920	229,896,487	8,869	1.2%	244,812,848	9,445
2011	26,159	230,143,535	8,798	-0.8%	245,393,241	9,381
2012	26,423	215,849,923	8,169	-7.1%	232,112,851	8,785
2013	26,385	212,909,323	8,069	-1.2%	230,150,552	8,723
2014	26,347	224,962,766	8,538	5.8%	242,464,197	9,203
2015	26,210	229,990,871	8,775	2.8%	249,306,657	9,512
2016	25,796	234,761,954	9,101	3.7%	263,489,353	10,214
2017	25,276	234,608,045	9,282	2.0%	260,276,238	10,297
2018	25,297	247,564,002	9,786	5.4%	205,399,747	8,120
2019	25,598	262,491,697	10,254	4.8%	294,752,443	11,515

Notes All information provided by Carrollton-Farmers Branch ISD.

A Total Governmental Fund expenditures less capital, debt service, and intergovernmental expenditures

B Total Government-Wide expenses less capital, debt service, and intergovernmental expenses

C From Table XVIII.

D CFB ISD Food Services

TABLE XX

Percentage Change from PY	Teaching Staff(C)	Pupil– Teacher Ratio	Students Receiving Free or Reduced-Price Meals(D)	Percentage of Students Receiving Free or Reduced-Price Meals
1.7%	1,727	15.0	15,392	59%
-0.7%	1,702	15.4	15,736	60%
-6.4%	1,634	16.2	16,420	62%
-0.7%	1,628	16.2	16,452	62%
5.5%	1,639	16.1	16,401	62%
3.4%	1,660	15.8	16,920	65%
7.4%	1,664	15.5	16,676	65%
0.8%	1,674	15.1	16,271	64%
-21.1%	1,679	15.1	16,186	64%
41.8%	1,711	15.0	16,698	65%

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION – ELEMENTARY SCHOOLS
LAST TEN FISCAL YEARS (UNAUDITED)

Elementary Schools	Year of Orginial Construction	2019	2018	2017	2016
1 Blair	2002				
Square feet		97,228	97,228	97,228	97,228
Capacity		994	994	994	994
Enrollment		539	554	588	672
2 Blanton	2007				
Square feet		75,160	75,160	75,160	75,160
Capacity		654	654	654	654
Enrollment		427	419	447	512
3 Carrollton	1951				
Square feet		83,180	83,180	83,180	83,180
Capacity		680	680	680	680
Enrollment		572	587	627	647
4 Central	1965				
Square feet		93,690	93,690	93,690	93,690
Capacity		848	848	848	848
Enrollment		569	581	620	622
5 Country Place	1982				
Square feet		64,801	64,801	64,801	64,801
Capacity		492	492	492	492
Enrollment		417	411	411	362
6 Davis	1975				
Square feet		76,485	76,485	76,485	76,485
Capacity		635	635	635	635
Enrollment		503	535	592	579
7 Farmers Branch	1968				
Square feet		72,005	72,005	72,005	72,005
Capacity		749	749	749	749
Enrollment		519	550	556	557
8 Furneaux	1982				
Square feet		59,406	59,406	59,406	59,406
Capacity		559	559	559	559
Enrollment		451	450	420	346
9 Good	2012				
Square feet		82,146	82,146	82,146	82,146
Capacity		892	892	892	892
Enrollment		536	527	557	545

Sources: Carrollton-Farmers Branch ISD

*, ** - Campuses consolidated in 2013 for operating and PEIMS purposes but housed in two facilities.

TABLE XXI
CONTINUED

2015	2014	2013	2012	2011	2010
97,228	97,228	97,228	97,228	97,228	77,631
994	994	994	994	994	605
691	691	732	760	776	405
75,160	75,160	75,160	75,160	75,160	75,160
654	654	654	654	654	654
555	578	594	603	555	563
83,180	83,180	83,180	83,180	83,180	83,180
680	680	680	680	680	680
640	656	654	676	650	640
93,690	93,690	93,690	93,690	93,690	93,690
848	848	848	848	848	848
668	745	748	734	726	600
64,801	64,801	64,801	64,801	64,801	64,801
492	492	492	492	492	492
327	339	357	370	362	374
76,485	76,485	76,485	76,485	76,485	76,485
635	635	635	635	635	635
586	555	568	571	535	552
72,005	72,005	72,005	72,005	72,005	72,005
749	749	749	749	749	749
566	540	504	497	506	493
59,406	59,406	59,406	59,406	59,406	59,406
559	559	559	559	559	559
375	371	358	363	365	395
82,146	82,146	82,146	66,944	66,944	66,944
892	892	892	526	526	526
592	615	595	499	503	498

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION – ELEMENTARY SCHOOLS
LAST TEN FISCAL YEARS (UNAUDITED)

	Year of Orginial Construction	2018	2018	2017	2016
10 Stark	2006				
Square feet		83,400	83,400	83,400	83,400
Capacity		892	892	892	892
Enrollment		746	745	732	719
11 Kent	1989				
Square feet		89,742	89,742	89,742	89,742
Capacity		729	729	729	729
Enrollment		529	377	386	397
12 Landry	1996				
Square feet		73,500	73,500	73,500	73,500
Capacity		698	698	698	698
Enrollment		280	335	396	457
13 Las Colinas	1986				
Square feet		89,000	89,000	89,000	89,000
Capacity		760	760	760	760
Enrollment		579	549	506	542
14 McCoy	1979				
Square feet		65,849	65,849	65,849	65,849
Capacity		619	619	619	619
Enrollment		456	441	436	435
15 McKamy	1992				
Square feet		79,577	79,577	79,577	79,577
Capacity		673	673	673	673
Enrollment		534	474	483	497
16 McLaughlin**	1960				
Square feet		-	73,300	73,300	73,300
Capacity		-	589	589	589
Enrollment		-	-	-	-
17 McWhorter	2001				
Square feet		88,418	88,418	88,418	88,418
Capacity		802	802	802	802
Enrollment		560	589	647	676
18 Montgomery	1955				
Square feet		-	-	-	-
Capacity		-	-	-	-
Enrollment		-	-	-	-
19 Rainwater	1994				
Square feet		80,000	80,000	80,000	80,000
Capacity		557	557	557	557
Enrollment		359	331	347	392

Sources: Carrollton-Farmers Branch ISD

*,** - Campuses consolidated in 2013 for operating and PEIMS purposes but housed in two facilities.

TABLE XXI
CONTINUED

2015	2014	2013	2012	2011	2010
83,400	83,400	83,400	83,400	83,400	83,400
892	892	892	892	892	892
692	693	611	537	533	417
89,742	89,742	89,742	89,742	89,742	89,742
729	729	729	729	729	729
398	397	398	449	472	445
73,500	73,500	73,500	73,500	73,500	73,500
698	698	698	698	698	698
466	435	453	443	462	462
89,000	75,099	75,099	75,099	75,099	75,099
760	559	559	559	559	559
592	526	519	504	505	503
65,849	65,849	65,849	65,849	65,849	65,849
619	619	619	619	619	619
422	400	406	413	411	452
79,577	79,577	79,577	79,577	79,577	79,577
673	673	673	673	673	673
513	513	577	558	575	450
73,300	73,300	73,300	73,300	73,300	73,300
589	589	589	589	589	589
-	-	-	392	396	393
88,418	88,418	88,418	88,418	88,418	88,418
802	802	802	802	802	802
717	770	730	653	626	697
-	-	-	-	-	67,600
-	-	-	-	-	463
-	-	-	-	-	414
80,000	80,000	80,000	80,000	80,000	80,000
557	557	557	557	557	557
419	408	444	454	451	469

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION – ELEMENTARY SCHOOLS
LAST TEN FISCAL YEARS (UNAUDITED)

	Year of Original Construction	2018	2018	2017	2016
20 Riverchase	2000				
Square feet		75,160	75,160	75,160	75,160
Capacity		587	587	587	587
Enrollment		464	358	384	407
21 Rosemeade	1984				
Square feet		61,396	61,396	61,396	61,396
Capacity		622	622	622	622
Enrollment		389	445	423	441
22 Sheffield*	1989				
Square feet		66,767	66,767	66,767	66,767
Capacity		532	532	532	532
Enrollment		654	755	815	896
23 Sheffield Primary*	1985				
Square feet		59,406	59,406	59,406	59,406
Capacity		536	536	536	536
Enrollment		-	-	-	-
24 Thompson	2006				
Square feet		75,160	75,160	75,160	75,160
Capacity		712	712	712	712
Enrollment		497	540	530	547
25 Freeman	2004				
Square feet		85,426	85,426	85,426	85,426
Capacity		783	783	783	783
Enrollment		684	628	551	490
26 Kelly Pre-K Ctr	2007				
Square feet		-	-	-	-
Capacity		-	-	-	-
Enrollment		-	-	-	-
27 Pre-K Ctr (CLC)	2005				
Square feet		-	-	-	-
Capacity		-	-	-	-
Enrollment		-	-	-	-
28 La Villita	2008				
Square feet		102,308	102,308	102,308	102,308
Capacity		932	932	932	932
Enrollment		898	755	635	585
29 McLaughlin Strickland**	2008				
Square feet		77,631	77,631	77,631	77,631
Capacity		618	618	618	618
Enrollment		535	614	658	736
Total Elementary School					
Square feet		1,956,841	2,030,141	2,030,141	2,030,141
Capacity		17,555	18,144	18,144	15,468
Enrollment		12,697	12,550	12,747	13,059

Sources: Carrollton-Farmers Branch ISD

*, ** - Campuses consolidated in 2013 for operating and PEIMS purposes but housed in two facilities.

TABLE XXI
CONCLUDED

2014	2013	2012	2011	2010	2009
75,160	75,160	75,160	75,160	75,160	75,160
587	587	587	587	587	587
428	296	313	362	369	388
61,396	61,396	61,396	61,396	55,668	55,668
622	622	622	622	376	376
444	429	360	338	336	365
66,767	66,767	66,767	66,767	66,767	66,767
532	532	532	532	532	532
927	927	348	339	354	383
59,406	59,406	59,406	59,406	59,406	59,406
536	536	536	536	536	536
-	-	544	498	446	419
75,160	75,160	75,160	75,160	75,160	75,160
712	712	712	712	712	712
590	589	503	515	480	490
75,160	75,160	75,160	75,160	75,160	75,160
573	573	573	573	573	573
614	634	582	560	510	503
-	-	47,513	47,513	47,513	47,513
-	-	400	400	400	400
-	-	316	313	293	366
-	-	-	-	42,906	42,906
-	-	-	-	272	272
-	-	-	-	192	204
87,787	87,787	87,787	87,787	87,787	87,787
650	650	650	650	650	650
571	623	497	459	325	296
77,631	77,631	77,631	77,631	77,631	77,631
618	618	618	618	618	618
791	786	399	372	368	368
1,991,453	1,991,453	2,023,764	2,023,764	2,108,945	2,083,633
17,451	17,451	17,485	17,485	17,585	17,138
13,597	13,532	13,338	13,165	12,895	13,154

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION – MIDDLE SCHOOLS
LAST TEN FISCAL YEARS (UNAUDITED)

	Year of Original Construction	2019	2018	2017	2016
<u>Middle Schools</u>					
1 Blalack	1986				
Square feet		171,150	171,150	171,150	171,150
Capacity		1,426	1,426	1,426	1,426
Enrollment		1,044	969	934	918
2 Bush	1998				
Square feet		160,155	160,155	160,155	160,155
Capacity		1,128	1,128	1,128	1,128
Enrollment		677	689	663	696
3 Long	1981				
Square feet		164,500	164,500	164,500	164,500
Capacity		1,038	1,038	1,038	1,038
Enrollment		647	623	641	686
4 Perry	1936				
Square feet		195,067	195,067	195,067	195,067
Capacity		1,367	1,367	1,367	1,367
Enrollment		1,000	1,030	1,074	1,017
5 Polk	1997				
Square feet		159,578	159,578	159,578	159,578
Capacity		1,343	1,343	1,343	1,343
Enrollment		1,040	1,061	1,041	1,060
6 Field	1959				
Square feet		182,525	182,525	182,525	182,525
Capacity		1,427	1,427	1,427	1,427
Enrollment		1,028	1,006	1,003	1,007
Total Middle School					
Square feet		1,032,975	1,032,975	1,032,975	1,032,975
Capacity		7,729	7,729	7,729	7,729
Enrollment		5,436	5,378	5,356	5,384

Sources: Carrollton-Farmers Branch ISD

TABLE XXII

2015	2014	2013	2012	2011	2010
171,150	171,150	171,150	171,150	171,150	171,150
1,426	1,426	1,426	1,426	1,426	1,426
942	953	950	982	972	1,064
142,000	142,000	142,000	142,000	142,000	142,000
931	931	931	931	931	931
672	685	699	720	767	703
164,500	164,500	164,500	164,500	164,500	164,500
1,038	1,038	1,038	1,038	1,038	1,038
718	756	760	796	796	784
195,067	195,067	195,067	195,067	195,067	179,467
1,367	1,367	1,367	1,367	1,367	843
1,049	999	962	942	933	999
159,578	140,000	140,000	140,000	140,000	140,000
1,343	1,040	1,040	1,040	1,040	1,040
1,100	1,082	1,065	1,090	1,042	1,057
182,525	182,525	182,525	182,525	182,525	170,789
1,427	1,427	1,427	1,427	1,427	1,156
971	930	907	911	930	963
1,014,820	995,242	995,242	995,242	995,242	967,906
7,532	7,229	7,229	7,229	7,229	6,434
5,452	5,405	5,343	5,441	5,440	5,570

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION – HIGH SCHOOLS
LAST TEN FISCAL YEARS (UNAUDITED)

		Year of Original Construction	2019	2018	2017	2016
High Schools						
1	Creekview	1998				
	Square feet		368,182	368,182	368,182	368,182
	Capacity		2,578	2,578	2,578	2,578
	Enrollment		1,866	1,926	1,900	1,974
2	Ranchview	2002				
	Square feet		371,632	371,632	371,632	371,632
	Capacity		1,680	1,680	1,680	1,680
	Enrollment		910	878	887	864
3	Smith	1973				
	Square feet		496,782	496,782	496,782	496,782
	Capacity		3,379	3,379	3,379	3,379
	Enrollment		1,966	1,955	1,935	1,909
4	Turner	1960				
	Square feet		414,288	414,288	414,288	414,288
	Capacity		2,967	2,967	2,967	2,967
	Enrollment		2,127	2,048	2,044	2,096
5	Grimes Learning Ctr	1989				
	Square feet		32,700	32,700	32,700	32,700
	Capacity		255	255	255	255
	Enrollment		58	62	53	88
Total High School						
	Square feet		1,683,584	1,683,584	1,683,584	1,683,584
	Capacity		10,859	10,859	10,859	10,859
	Enrollment		6,927	6,869	6,819	6,931

Sources: Carrollton-Farmers Branch ISD

TABLE XXIII

2015	2014	2013	2012	2011	2010
368,182	368,182	368,182	368,182	368,182	368,182
2,578	2,578	2,578	2,578	2,578	2,578
1,964	1,917	1,981	2,034	2,082	2,055
282,445	250,000	250,000	250,000	250,000	250,000
1,160	1,027	1,027	1,027	1,027	1,027
843	801	810	831	807	833
496,782	496,782	496,782	496,782	496,782	496,782
3,379	3,379	3,379	3,379	3,379	3,379
1,973	1,980	2,041	2,058	2,030	1,991
564,006	564,006	564,006	564,006	564,006	564,006
2,315	2,315	2,315	2,315	2,315	2,315
2,072	2,140	2,134	2,124	2,019	1,972
32,700	32,700	32,700	32,700	32,700	32,700
255	255	255	255	255	255
70	80	142	212	251	263
1,744,115	1,711,670	1,711,670	1,711,670	1,711,670	1,711,670
9,687	9,554	9,554	9,554	9,554	9,554
6,922	6,918	7,108	7,259	7,189	7,114

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION – OTHER FACILITIES
LAST TEN FISCAL YEARS (UNAUDITED)

Other Facilities	Year of Original Construction	Square Footage			
		2019	2018	2017	2016
Academic Character Training	1993	32,400	32,400	32,400	32,400
Administration	1982	28,000	28,000	28,000	28,000
Agriculture Site	1981	16,188	16,188	16,188	16,188
Counseling Ctr	1985	-	-	-	2,341
ESDC Bldg A	2005	42,906	42,906	42,906	42,906
ESDC Bldg B	2005	16,687	16,687	16,687	16,687
ESDC Bldg C	1990	38,756	38,756	38,756	38,756
ESDC Sanctuary and Support	1990	14,000	14,000	14,000	14,000
Kelly Field House	1996	6,740	6,740	6,740	6,740
Kelly Pre-K Ctr	2007	47,513	47,513	47,513	47,513
Living Materials Ctr	1950	-	4,500	4,500	4,500
Montgomery Building	1960	-	27,210	27,210	27,210
Service Ctr	1972	88,560	88,560	88,560	88,560
Stadium/Natatorium	1963	81,000	81,000	81,000	81,000
Administration Annex	1971	13,824	13,824	13,824	13,824
Technology Learning Ctr*	1985	62,000	62,000	62,000	62,000
Wesley Building	1985	24,700	24,700	24,700	24,700

Sources: Carrollton-Farmers Branch ISD

* Building sold during 2018-19 but District will occupy under lease agreement until 2019-20

TABLE XXIV

Square Footage					
2015	2014	2013	2012	2011	2010
32,400	32,400	32,400	32,400	32,400	32,400
28,000	28,000	28,000	28,000	28,000	28,000
16,188	16,188	16,188	16,188	16,188	16,188
2,341	2,341	2,341	2,341	2,341	2,341
42,906	42,906	42,906	42,906	42,906	-
16,687	16,687	16,687	16,687	16,687	16,687
38,756	38,756	38,756	38,756	38,756	38,756
14,000	14,000	14,000	14,000	14,000	14,000
6,740	6,740	6,740	6,740	6,740	6,740
47,513	47,513	47,513	-	-	-
4,500	4,500	4,500	4,500	4,500	4,500
67,600	67,600	67,600	67,600	67,600	-
88,560	88,560	88,560	88,560	88,560	88,560
81,000	81,000	81,000	81,000	81,000	81,000
13,824	13,824	13,824	13,824	13,824	13,824
62,000	62,000	62,000	62,000	62,000	62,000
24,700	24,700	24,700	24,700	24,700	24,700



FEDERAL AWARDS SECTION



**HANKINS, EASTUP, DEATON,
TONN & SEAY**
A PROFESSIONAL CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Trustees
Carrollton-Farmers Branch Independent School District
Carrollton, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Carrollton-Farmers Branch Independent School District (the District), as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 18, 2019.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting 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 financial reporting 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*.

Purpose of this Report

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

Hankins, Eastup, Deaton, Tonn & Seay

Hankins, Eastup, Deaton, Tonn & Seay, PC
Denton, Texas

December 18, 2019

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

To the Board of Trustees
Carrollton-Farmers Branch Independent School District
Carrollton, Texas

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

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.

Hankins, Eastup, Deaton, Tonn & Seay

Hankins, Eastup, Deaton, Tonn & Seay, PC
Denton, Texas

December 18, 2019

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FISCAL YEAR ENDED AUGUST 31, 2019

I. Summary of the Auditors' Results:

Financial Statements

a. An unmodified opinion was issued on the financial statements.

b. Internal control over financial reporting:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified that are not considered a material weakness? Yes X None reported

c. Noncompliance material to financial statements noted. Yes X No

Federal Awards

d. Internal control over major federal programs:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified that are not considered a material weakness? Yes X None reported

e. An unmodified opinion was issued on compliance for major federal programs.

f. Any audit findings disclosed that were required to be reported in accordance with 2 CFR 200.516(a)? Yes X No

g. Identification of major programs:

Child Nutrition Cluster:

CFDA 10.553 School Breakfast Program
CFDA 10.555 National School Lunch Program

CFDA 84.367A ESEA, Title II, Part A, Supporting Effective Instruction

h. The dollar threshold used to distinguish between Type A and Type B programs. \$750,000

i. Auditee qualified as a low-risk auditee. X Yes No

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FISCAL YEAR ENDED AUGUST 31, 2019

**II. Findings Relating to the Financial Statements Which Are Required To Be Reported in
Accordance with *Generally Accepted Government Auditing Standards* .**

None

III. Other Findings and Findings and Questioned Costs Related to Federal Awards

None



CARROLLTON-FARMERS BRANCH ISD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2019

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Passed Through State Department of Education</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	18610101057903	\$ 252
ESEA, Title I, Part A - Improving Basic Programs	84.010A	19610101057903	4,830,621
ESEA, Title I, Part A - Improving Basic Programs	84.010A	20610101057903	324,447
ESEA, Title I, Part A - Sec 1003-School Imprvmnt	84.010A	18610123057903	60
Total CFDA Number 84.010A			5,155,380
*IDEA - Part B, Formula	84.027A	186600010579036600	295,356
*IDEA - Part B, Formula	84.027A	196600010579036600	3,970,740
*IDEA - Part B, Formula	84.027A	206600010579036600	374,973
Total CFDA Number 84.027A			4,641,069
*IDEA - Part B, Preschool	84.173A	186610010579036610	91,459
*IDEA - Part B, Preschool	84.173A	206610010579036610	6,016
Total CFDA Number 84.173A			97,475
*IDEA - Part B, Discretionary	84.027A	2265431910035	20,000
Total Special Education Cluster (IDEA)			4,758,544
Career and Technical - Basic Grant	84.048A	19420006057903	268,433
Career and Technical - Basic Grant	84.048A	20420006057903	14,079
Total CFDA Number 84.048A			282,512
ESEA, Title III, Part A - Immigrant	84.365A	19671003057903	245,874
ESEA, Title III, Part A - Immigrant	84.365A	20671003057903	10,518
ESEA, Title III, Part A - English Lang Acquisition	84.365A	18671001057903	12
ESEA, Title III, Part A - English Lang Acquisition	84.365A	19671001057903	714,736
ESEA, Title III, Part A - English Lang Acquisition	84.365A	20671001057903	81,158
Total CFDA Number 84.365A			1,052,298
ESEA, Title II, Part A, Supporting Effective Instr.	84.367A	18694501057903	83
ESEA, Title II, Part A, Supporting Effective Instr.	84.367A	19694501057903	529,585
ESEA, Title II, Part A, Supporting Effective Instr.	84.367A	20694501057903	42,596
Total CFDA Number 84.367A			572,264
ESEA, Title IV, Part A, Stud Support-Acad Enchrmt	84.424A	18680101057903	6
ESEA, Title IV, Part A, Stud Support-Acad Enchrmt	84.424A	19680101057903	265,091
ESEA, Title IV, Part A, Stud Support-Acad Enchrmt	84.424A	20680101057903	31,264
Total CFDA Number 84.424A			296,361
LEP Summer School	84.369A	S369A160045	21,278
Total Passed Through State Department of Education			12,138,637
TOTAL U.S. DEPARTMENT OF EDUCATION			12,138,637
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<u>Direct Programs</u>			
Work Source Child Care and Development Fund	93.575	057903	6,418
Total Direct Programs			6,418
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			6,418

CARROLLTON-FARMERS BRANCH ISD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2019

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the State Department of Agriculture</u>			
*School Breakfast Program	10.553	71401901	1,593,919
*National School Lunch Program - Cash Assistance	10.555	71301901	7,341,895
*National School Lunch Prog - Non-Cash Assistance	10.555	71301901	936,670
Total CFDA Number 10.555			<u>8,278,565</u>
Total Child Nutrition Cluster			<u>9,872,484</u>
Child & Adult Care Food Program - Cash Assistance	10.558	00057903	<u>29,050</u>
Total Passed Through the State Department of Agriculture			<u>9,901,534</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>9,901,534</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 22,046,589</u></u>

*Clustered Programs

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

CARROLLTON-FARMERS BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES ON ACCOUNTING POLICIES FOR FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2019

NOTE 1. For all Federal programs, the District uses the fund types specified in Texas Education Agency's *Financial Accountability System Resource Guide*. Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund.

NOTE 2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in a Special Revenue Fund which is a Governmental Fund type. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these fund present increases and decreases in net current assets.

The modified accrual basis of accounting is used for the Governmental Fund types and Agency Funds. 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, they are recorded as deferred revenues until earned.

NOTE 3. The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provisions in Uniform Guidance.

NOTE 4. School Health and Related Services-NHIC reimbursements of \$4,761,254 which are recorded as federal revenue in the General Fund, are not considered federal awards for purposes of this schedule. This schedule includes \$473,824 of indirect cost recorded in the General Fund.