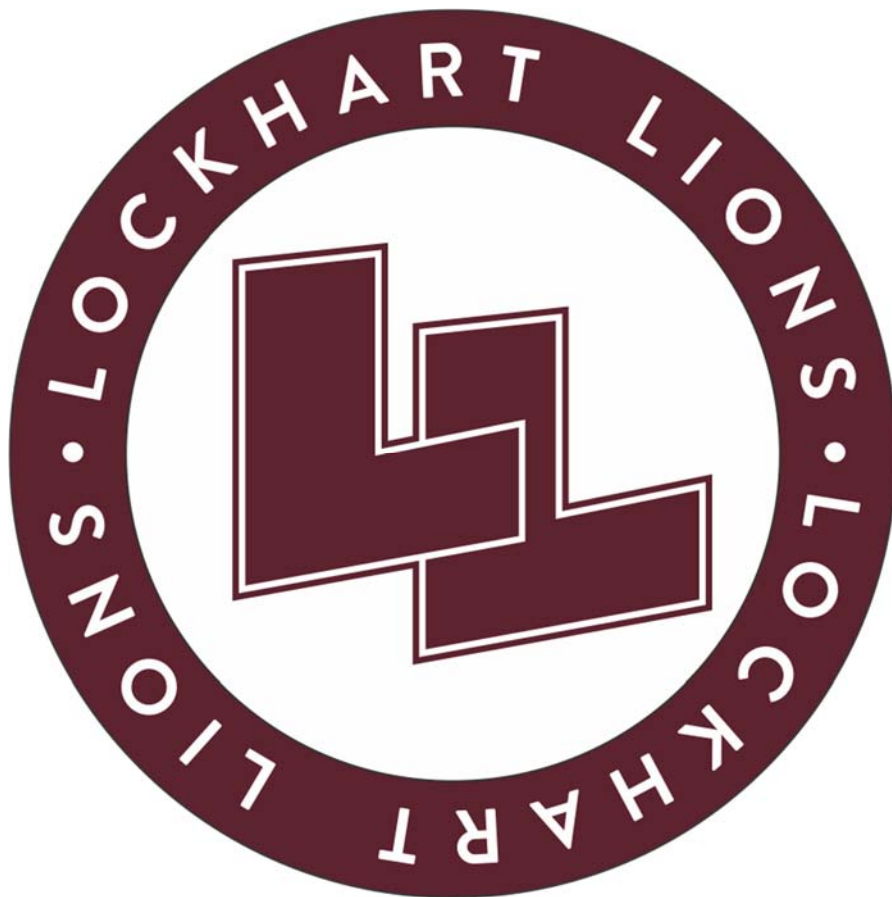


Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2018

Lockhart Independent School District  
Business & Finance Office  
P.O. Box 120  
Lockhart, TX 78644  
Phone: 512-398-0000  
Fax: 512-398-0025



Lockhart Independent School District  
Comprehensive Annual Financial Report  
For The Year Ended June 30, 2018

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## *Introductory Section*



## OFFICE OF BUSINESS AND FINANCE

Lockhart ISD • 105 S. Colorado St. • Lockhart, Texas 78644 • phone: 512.398.0000 • fax: 512.398.0025  
www.lockhartisd.org

November 13, 2018

Board of Trustees  
Lockhart Independent School District  
P.O. Box 120  
Lockhart, TX 78644

Dear Board of Trustees:

The Comprehensive Annual Financial Report of the Lockhart Independent School District (the District) for the twelve months ended June 30, 2018 is hereby submitted. The District's Business Office prepared the report. This report conforms to generally accepted accounting principles and standards as promulgated by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures rests with school district management. We believe the data, as presented, are accurate in all material aspects; that it is presented in a manner designed to fairly present the financial position and the results of operations of the District as measured by the financial activity of its various funds. Furthermore, we believe that all disclosures necessary to enable the reader to gain the full understanding of the District's financial affairs have been included in this report. Management's discussion and analysis beginning on page 15 provides further information.

The District is required to be audited under an annual single audit in conformity with the provisions of the Single Audit Act, and the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. The Texas Education Agency also requires a Schedule of Expenditures of Federal Awards, findings and questioned costs, status of prior findings and the auditor's reports on compliance with applicable laws and regulations and the District's internal control structure. The District's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefit likely to be acquired; and (2) the valuation of costs and benefits requires estimates and judgments by management. All areas were found to be acceptable and the auditor's opinions in this regard were unmodified. The auditor's opinion is included in this report.

The District's independent certified public accountants, West, Davis and Company, LLP, have examined the accompanying financial statements, and their opinion is included in the financial section. The statistical section (unaudited) includes selected financial and demographic information presented on a multi-year basis.



## OFFICE OF BUSINESS AND FINANCE

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### The Reporting Entity and Its Services

#### Basic Information

This report includes all of the funds and account groups of the District. The District provides elementary and secondary education (Pre-Kindergarten to 12<sup>th</sup> grade) to citizens within the school district. The District is an independent school district incorporated as a political subdivision of the State of Texas. The FY 2017-2018 total enrollment was 5,925 as of the Public Education Information Management System (PEIMS) snapshot date in October 2017. The District has 354 certified teachers, 112 other professional staff, and 240 paraprofessional and other auxiliary staff.

A seven member Board of Trustees governs the District in accordance with state statutes and regulations. Members serve four-year staggered terms without compensation. Three members of the Board of Trustees are elected for at-large seats, using a cumulative voting system in which a voter may cast all three of his/her votes for a single candidate, or split his/her three votes between two candidates, or cast one vote for three different candidates. This system was dictated by the Federal Department of Justice to facilitate election of trustees from ethnic minority groups. Four other trustees are elected to represent four single-member districts.

The Board of Trustees operates as a policy making body, delegating management to the single executive head (the Superintendent), setting annual District goals, and evaluating policies in terms of effectiveness in attaining District goals. The Board of Trustees delegates hiring of all staff to the Superintendent.

The Superintendent and the administrative staff execute the policies of the Board, assume responsibility for the daily operation of the District, make recommendations to the Board in matters of policy and personnel, prepare the budget, and report to the Board on matters relating to the progress of the District in attaining the goals set by the Board.

The District provides a comprehensive range of school programs and services as delineated by state statute, such as career and technology education, bilingual education, special education, gifted and talented education, fine arts, athletics, voluntary alternative education, disciplinary education and numerous remedial, elective, and enrichment programs provided at age-appropriate grades. Support activities include social work, student and staff daycare, after-school care, community education, student transportation, food service, administrative support, technology, maintenance and custodial services. The District does not operate any component units.



## OFFICE OF BUSINESS AND FINANCE

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### **Budgetary Control**

Budgetary control is initiated when the Board adopts the annual appropriated budget for the General Fund, School Nutrition Fund and the Debt Service Funds. To ensure budgetary compliance, the Texas Education Agency (T.E.A.) and the District have established spending regulations and policies. The District's local policies can be found at the District's website at <http://pol.tasb.org/Home/Index/245> in the Board of Trustees policy manual. For all administrators with line item or program responsibility, T.E.A regulations set the level of budgetary control at the major functional expenditure level. Budgetary control is more restrictive at the district level. District Administrators are held responsible for maintaining and managing their budgets at the program, function and object level. All requested revisions that indicate a change in function require prior approval by the Board of Trustees. In addition, the Business Office conducts annual training for all staff to ensure District-wide compliance with budgetary controls.

### **Economic Condition and Outlook**

#### **Local Economy**

The District is located in and around the city of Lockhart which is the county seat and principal commercial center of Caldwell County. Lockhart is located about 30 miles southeast of Austin and 60 miles northeast of San Antonio.

Over the past century, Caldwell County's economy has changed from cattle to cotton to oil. Though some of Caldwell County's employment still remains in the oil and gas industry, the local economy is primarily engaged in services, local government and agriculture. Caldwell County is a prime location for business. The economic base includes minerals such as sand, oil, gravel and gas. Agricultural industries consist of nurseries, hay, eggs, cotton, broiler production and beef cattle.

Lockhart is just twenty-five miles south of Austin-Bergstrom International airport. Lockhart is home to the BBQ Capital of Texas, attracting over 1.5 million visitors per year. The Caldwell County Courthouse square is one of the most visited and photographed squares in the state. Lockhart has attracted musicians, artists, artisans and local events, which attract out-of-town visitors regularly.





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In 2018, several new businesses have invested in Lockhart including Benny Boyd Automotive, Caracara Brewing, Irby Construction, Load Off Fanny's and Schlotsky's. The businesses have invested \$6.2 million and will create approximately 68 jobs.

There are several higher learning institutions within 30 miles of Lockhart, including Texas State University in San Marcos, The University of Texas at Austin, and Austin Community College (ACC). Lockhart is an easy commute for those seeking higher education. ACC will begin delivering vocational training at the District's ML Cisneros campus in late 2018, as a result of a memorandum of understanding between ACC, the District, and the Lockhart Economic Development Corporation.

State Highway 130 (SH130) toll road bypass passes through Caldwell County and provides a thoroughfare for NAFTA-based traffic. The county is traversed by Interstate Highway 10, U.S. Highway 183 and State Highways 21, 80 and 304.

With land being less expensive than Austin, the county is an affordable location for industries interested in moving to the Austin area but unwilling to pay the higher costs associated with being within the city. Lockhart has a small town quality of life, two industrial parks, job training, productive labor supply, and state and local incentives. The Lockhart Chamber of Commerce, Hispanic Chamber of Commerce and the Lockhart Economic Development Corporation is attracting residential, commercial and industrial developments to the city, ETJ and Caldwell County.

The Board of Trustees approved a Freeport Tax Exemption in April 2009. All three taxing entities: city, county and school district, have approved the exemption, offering businesses a "Triple Freeport Exemption", which should give Lockhart the additional tools needed to compete regionally and nationally to recruit companies to the area. The exemption gives companies the ability to store inventory in the county, tax-free, as long as it is shipped out within 175 days of the date that it is acquired.

### **Projections**

Enrollment is currently at 6,132 in 2018-2019, an increase of 207 students from 2017-2018, a 3.5% increase. The adopted 2018-2019 General Fund budget is \$48,338,137, an increase from \$45,331,930 in 2017-2018, of \$3,006,207. The increase in funding is attributable to higher property values, therefore, higher tax collection. The budget increase is also attributed to an increase in student enrollment, which generates higher average daily attendance that generates additional state funding. The district was able to maintain a balanced budget for



## OFFICE OF BUSINESS AND FINANCE

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2018-2019, which provided for increases in employee compensation and benefits as well as additional staffing to serve the increase in the number of students and increased maintenance and operations budgets to support the increased student enrollment.

### **Long-term Financial Policies**

The District's General Fund balance has been constantly increasing over the past few years. The District has a policy of paying cash (pay as you go) when appropriate, for capital projects. The District maintains a list of deferred capital improvement projects and when funds are available, initiates the completion of the projects. Additionally, the Administration and the Board review multi-year forecasting annually and adjust the budget to compensate for projected revenue decreases and increases. In 2017-2018, the District invested \$3.8 million in one-time capital improvement projects, using General Fund balance. In 2014, the voters approved \$63.9 million in bonds to build a new elementary school, remodel and add capacity to the current high school including adding a performing arts center, remodeling the high school stadium, and various capital improvements at the other schools in the district.

In 2014, the bond committee made a recommendation to renovate the ML Cisneros building as an administration building, and sell two buildings located on Highway 183 to help finance the renovation. During the 2017-2018 school year, the District sold the two buildings for \$706 thousand. Shortly after fiscal year end June 30, 2018, the ML Cisneros building renovation was complete and the administrative functions were moved to the new location. The renovated building consolidated administrative functions that were located in three portable buildings in addition to the two buildings on highway 183.

General Fund balance as of June 30, 2018 increased due to the sale of buildings.

### **Relevant Financial Policies**

The 2017-2019 bank depository agreement provides for a floor of 0.6% in interest income and is secured by collateral. In the 2017-2019 bank depository agreement, additional terms included above average certificates of deposit interest rates.

The District prioritizes capital spending plans based on safety, security and quality of education needs. Additional financial policies include one-time spending plans for non-recurring revenue, staffing ratio analyses, demographic



## OFFICE OF BUSINESS AND FINANCE

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studies, debt affordability reviews, and user fee cost-recovery analysis and implementation.

### **Awards and Acknowledgements**

#### **Awards**

The Texas Education Agency has a Financial Accountability Rating System named Schools FIRST (Financial Integrity Rating System of Texas). This rating system was required in SB 218 of the 77<sup>th</sup> Texas Legislature (2001). The primary goal of Schools FIRST is to improve the management of school District's financial resources. The rating system uses base indicators that are simple and understandable. Schools FIRST is a model for increased financial management efficiency in public schools.

The District has received the Schools FIRST Superior Achievement ratings for each of the thirteen consecutive school years 2001-2002 through 2012-2013. The Superior Achievement rating was the highest that a school district could receive through 2012-2013. Due to legislative changes to the FIRST program, for the 2013-2014 school year, there was only a pass or fail rating. The District passed the FIRST accountability rating. For the 2015-2016 and 2016-2017 school years, the district received a Schools FIRST Superior Achievement rating.

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 fiscal year ended June 30, 2017. This was the thirteenth consecutive year that the District has received this prestigious award. 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 both generally accepted accounting principles and applicable legal requirements.

A GFOA 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 be submitting it to the GFOA to determine its eligibility for another certificate. This will be the fourteenth submission for District.



## OFFICE OF BUSINESS AND FINANCE

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### Acknowledgements

We respectfully acknowledge the responsible and sincere involvement and participation of the school board, superintendent, principals, program directors, coordinators and other staff in the financial affairs of the District.

Sincere appreciation is also expressed to members of the business office staff for their assistance and effort in maintaining and monitoring the financial records of the District. Individual recognition is directed to Michelle Wylie, Jill Hansen, CPA, Brandes Sifuentes, Tina Ramirez, Tanya Homann, Crystal Flores and Nancy Arana for their combined efforts in closing out the accounting records and assisting in preparing the various financial reports throughout the year and at year-end.

The District publicly solicits the active involvement of all citizens and school District personnel in its financial affairs. The financial records are available on the District's website for public inspection, and discussion by appointment, during normal office hours.

Respectfully submitted,

*Tina Knudsen, CPA*

Chief Financial Officer



Government Finance Officers Association

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

Presented to

**Lockhart Independent School District  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

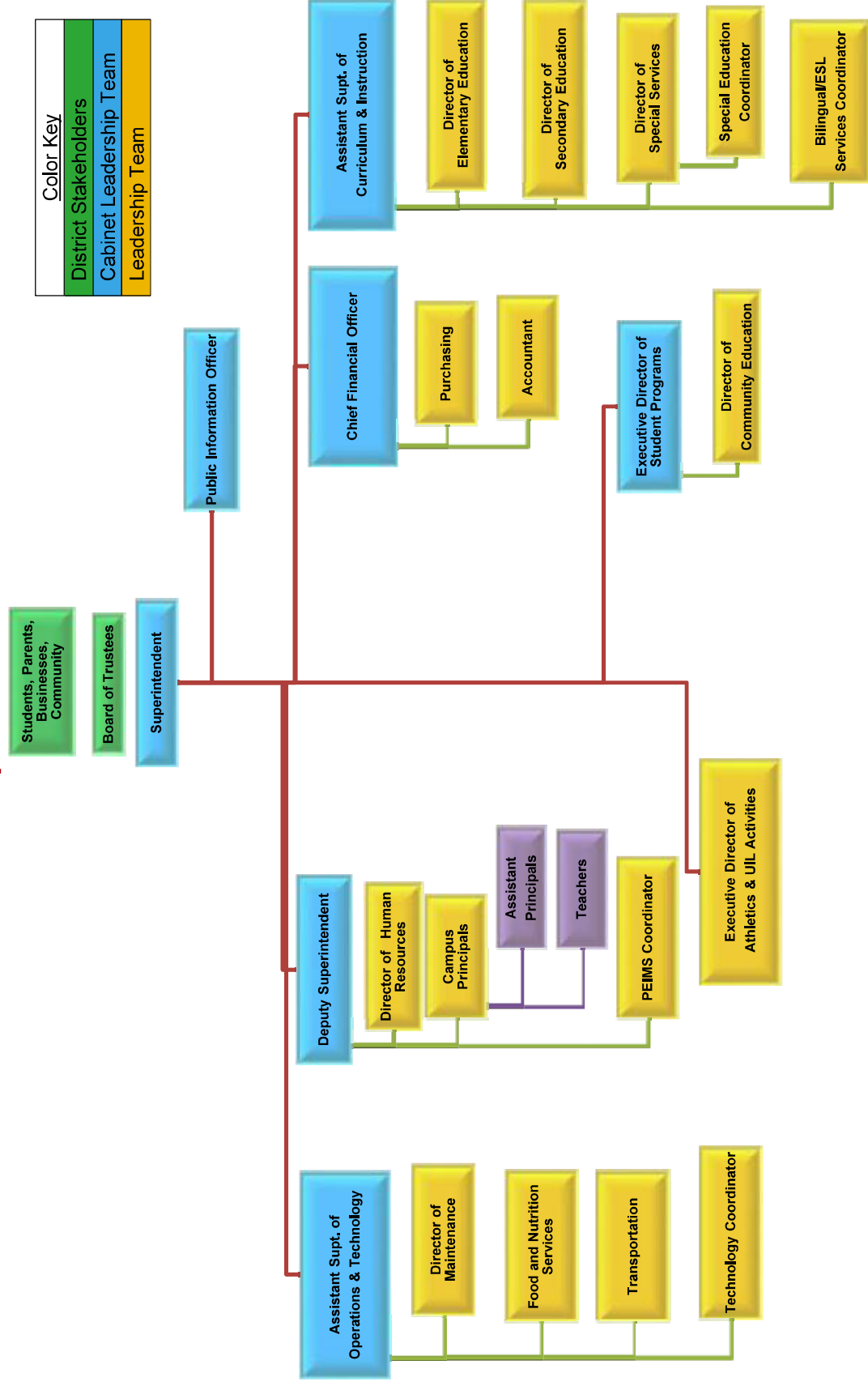
**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO

# Lockhart Independent School District

October 2017



# LOCKHART INDEPENDENT SCHOOL DISTRICT

## LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2018

### Elected Officials

<u>Name</u>	<u>Office</u>
Brenda Spillmann	President
Carl Cisneros	Vice-President
Tom Guyton	Secretary
Warren Burnett	Trustee
Steve Johnson	Trustee
Becky Lockhart	Trustee
Michael Wright	Trustee

### Appointed Officials

<u>Name</u>	<u>Position</u>
Susan Bohn	Superintendent
Kim Brents	Deputy Superintendent
Mark Estrada	Assistant Superintendent Curriculum and Instruction
Adam Galvan	Assistant Superintendent Administration and Operations
Tina Knudsen	Chief Financial Officer
Monica Parks	Executive Director of Special Programs

CERTIFICATE OF BOARD

Lockhart Independent School District  
Name of School District

Caldwell  
County

028-902  
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and (check one) ✓ approved \_\_\_\_\_disapproved for the year ended June 30, 2018, at a meeting of the board of trustees of such school district on the 16<sup>th</sup> day of NOVEMBER, 2018.

  
Signature of Board Secretary

  
Signature of Board President

If the board of trustees disapproved of the auditors' report, the reason(s) for disapproving it is (are):  
(attach list as necessary)



## *Financial Section*

**WEST, DAVIS & COMPANY, LLP**  
11824 Jollyville Road, Suite 100  
Austin, Texas 78759

**Independent Auditors' Report**

To the Board of Trustees  
Lockhart Independent School District  
Lockhart, Texas

**Report on the Financial Statements**

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 the Lockhart Independent School District ("the District") as of and for the year ended June 30, 2018, 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.

**Auditors' 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 District'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 Lockhart Independent School District as of June 30, 2018, 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.

## **Emphasis of Matter**

### *Change in Accounting Principle*

As described in Note A to the financial statements, in 2018, Lockhart Independent School District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lockhart Independent School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The accompanying other supplementary information is presented for purposes of additional analysis and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2018 on our consideration of Lockhart Independent School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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 Lockhart Independent School District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "West, Davis & Company". The script is cursive and fluid, with the company name written in a single line.

West, Davis & Company, LLP  
Austin, Texas  
November 13, 2018

## **Lockhart Independent School District**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

#### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

In this section of the Annual Financial and Compliance Report, we, the managers of Lockhart Independent School District (the District), discuss and analyze the District's financial performance for the fiscal year ended June 30, 2018. Please read it in conjunction with the independent auditors' report on page 12, and the District's Basic Financial Statements, which begin on page 21. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

#### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 21 through 22). These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise. Fund financial statements (starting on page 24) report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the District.

The notes to the financial statements (starting on page 33) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The sections labeled TEA (Texas Education Agency) Required Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

#### **Reporting the District as a Whole**

##### ***The Statement of Net Position and the Statement of Activities***

The analysis of the District's overall financial condition and operations begins on page 21. Its primary purpose is to show whether the District is better off or worse off as a result of this year's activities. The Statement of Net Position includes all the District's assets and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid. The District's revenues are divided into those provided by outside parties, who share the costs of some programs, such as grants provided by the U.S. Department of Education to assist

children with disabilities from disadvantaged backgrounds (program revenues), and revenues provided by the taxpayers or by TEA in equalization funding processes (general revenues). All the District's assets are reported whether they serve the current year or future years. All liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the District's net position and changes in them. The District's net position (the difference between assets and liabilities) provide one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. To fully assess the overall financial health of the District, however, nonfinancial factors as well should be considered, such as changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

In the Statement of Net Position and the Statement of Activities, we classify the District's activities as Governmental activities:

- Governmental activities—Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.
- Business activities—The District's enterprise activities are reported here. These activities are intended to recover all or a significant portion of their costs through user fees and charges.

## **Reporting the District's Most Significant Funds**

### ***Fund Financial Statements***

The fund financial statements begin on page 24 and provide detailed information about the most significant funds—not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received under the Elementary and Secondary Education Act (ESEA) from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities). The District's two kinds of funds—governmental and proprietary—use different accounting approaches.

- Governmental funds—Most of the District's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.
- Proprietary funds—The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. The internal service funds report activities that provide supplies and services for the District's other programs and activities—such as the District's self-insurance programs. The District, at present, maintains seven Community Education proprietary funds.

## The District as Trustee

### *Reporting the District's Fiduciary Responsibilities*

The District is the trustee, or fiduciary, for money raised by student activities and scholarship programs. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 31 and 32. We exclude these resources from the District's other financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Our analysis focuses on the net position (Table I below) and changes in net position (Table II below) of the District's governmental and business-type activities.

Net position of the District's governmental activities decreased from \$20.9 million to \$1.6 million. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – was a deficit of \$(20.4) million at June 30, 2018. The decrease in governmental net position was a result of the implementation of GASB 75. More information is presented in the paragraph following Table II on the next page.

**Table I**  
**Lockhart Independent School District**

**NET POSITION**  
in thousands

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	32,936	37,561	81	81	33,017	37,642
Capital assets	88,197	82,218	-	-	88,197	82,218
Total Assets	121,133	119,779	81	81	121,214	119,860
Deferred Outflow Related to Pensions	3,155	4,235	-	-	3,155	4,235
Deferred Outflow Related to OPEB	209	-	-	-	209	-
Total Deferred Outflows	3,364	4,235	-	-	3,364	4,235
Long-term Liabilities	106,341	91,222	-	-	106,341	91,222
Other liabilities	8,502	11,262	81	81	8,583	11,343
Total liabilities	114,843	102,484	81	81	114,924	102,565
Deferred Inflow Related to Pensions	1,430	4,235	-	-	1,430	4,235
Deferred Inflow Related to OPEB	6,651	-	-	-	6,651	-
	8,081	4,235	-	-	8,081	4,235
Net Position:						
Net investment in capital assets	16,009	14,095	-	-	16,009	14,095
Restricted	5,967	6,067	-	-	5,967	6,067
Unrestricted	(20,404)	740	-	-	(20,404)	740
Total net position	1,572	20,902	-	-	1,572	20,902

**Table II**  
**Lockhart Independent School District**

**CHANGES IN NET POSITION**  
in thousands

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program Revenues:						
Charges for Services	490	562	-	-	490	562
Operating grants and contributions	828	7,853	-	-	828	7,853
General Revenues:						
Maintenance and operations taxes	12,969	11,865	-	-	12,969	11,865
Debt Service taxes	3,624	3,260	-	-	3,624	3,260
Grants and Contributions not restricted to specific functions	35,320	33,387	80	90	35,400	33,477
Investment Earnings	419	278	-	-	419	278
Miscellaneous	2,186	1,373	691	682	2,877	2,055
Total Revenue	<u>55,836</u>	<u>58,578</u>	<u>771</u>	<u>772</u>	<u>56,607</u>	<u>59,350</u>
Expenses:						
Instruction, curriculum and media services	24,650	32,772	-	-	24,650	32,772
Instructional and school leadership	2,769	4,066	-	-	2,769	4,066
Student support services	4,690	4,800	-	-	4,690	4,800
Child Nutrition	3,131	3,532	-	-	3,131	3,532
Co-curricular activities	1,211	1,647	-	-	1,211	1,647
General administration	1,741	2,062	-	-	1,741	2,062
Plant maintenance, security and data processing	4,660	5,674	-	-	4,660	5,674
Community services	60	59	-	-	60	59
Debt services	3,111	2,922	-	-	3,111	2,922
Payments related to SSA	783	785	-	-	783	785
Intergovernmental Charges	329	319	-	-	329	319
Business-type activities	-	-	869	899	869	899
Total Expenses	<u>47,135</u>	<u>58,638</u>	<u>869</u>	<u>899</u>	<u>48,004</u>	<u>59,537</u>
Change in net position before transfers	8,701	(60)	(98)	(127)	8,603	(187)
Transfers	(98)	(127)	98	127	-	-
Change in Net Position	<u>8,603</u>	<u>(187)</u>	<u>-</u>	<u>-</u>	<u>8,603</u>	<u>(187)</u>
Net Position-Beginning	20,902	21,089	-	-	21,089	21,089
Prior Period Adjustment	(27,933)	-	-	-	-	-
Net Position-Beginning as Restated	<u>(7,031)</u>	<u>21,089</u>	<u>-</u>	<u>-</u>	<u>21,089</u>	<u>21,089</u>
Net Position-Ending	<u>1,572</u>	<u>20,902</u>	<u>-</u>	<u>-</u>	<u>29,692</u>	<u>20,902</u>

Changes in expenses for the year are not comparable to prior year due to the overall effects of GASB 75 on current year expenses. As discussed in Note A.3.m, current year on-behalf activity was negated by a total of \$7.7 million. Therefore, nearly every functional category was affected by this significant net decrease in expenses.



## **NET OTHER POST-EMPLOYMENT BENEFIT PLANS (OPEB) LIABILITY (GASB 75)**

During year, the District adopted GASB Statement No. 75 for Accounting and Reporting for Other Post-Employment Benefit Plans (OPEB). With GASB 75, the District must assume their proportionate share of the Net OPEB liability of the Teacher Retirement System. The District's net OPEB liability at year end totaled \$15.9 million.

## **THE DISTRICT'S FUNDS**

As the District completed this annual period, its General funds (as presented in the balance sheet on page 24) reported a fund balance of \$15.9 million, which is \$0.8 million more than last years' total of \$15.1 million. The increase in fund balance is mainly attributable to sale of real and personal property in the amount of \$0.7 million.

The District's Debt Service fund reported a fund balance of \$5.1 million compared to \$5 million in the prior year.

The District's other governmental funds reported a fund balance of \$4.1 million as compared to \$7 million in 2017, which is approximately \$3 million less than the previous year. This is a result of the continued efforts of the District's bond program.

Over the course of the year, the Board of Trustees revised the District's budget several times. These budget amendments fall into two categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts estimated in June 2017). The second category involved amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

At the end of June 2018, the District had \$88.2 million (net of accumulated depreciation) invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. Compared to the previous years' \$82.2 million, the District recorded an increase of \$6 million. The increase was due to planned capital expenditures related to the bond program.

The District's fiscal year 2017-2018 General Fund capital budget provided \$4 million for expenditures for new instructional facilities. More detailed information about the District's capital assets is presented in Note D to the financial statements.

### **Debt**

At year-end, the District had \$81.1 million in bonds outstanding, maintenance tax notes and accumulated accretion on CAB's versus \$80.3 million last year. The decrease of \$750 thousand is attributable to payments made on the bond debt during fiscal 2018.

More detailed information about the District's long-term liabilities is presented in Note F to the financial statements.

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

The District's elected and appointed officials considered many factors when setting the fiscal year 2018-2019 budget and tax rates. Those factors include property values, increases in enrollment, the economy, projections of future budget years, and legislative mandates.

A steadily increasing enrollment population, coupled with a moderate increase in property values, has led to a General Fund budget of \$48.3 million for the 2018-2019 fiscal year. The budget increased from 2017-2018 to 2018-2019 by \$3.0 million, a direct result from conservative budgeting based upon 2.5% low enrollment growth expected from demographer projections. Since the 2018-2019 school year began, the District has been experiencing moderate to high level growth in student enrollment, which was unanticipated. The 2018-2019 adopted budget included a competitive pay and benefits plan.

Future enrollments are forecasted to have moderate to high enrollment growth and property values are forecast to gradually increase, which will continue to produce revenues that will support projected expenditures in the near future. For the 2018-2019 budget year, the District has held constant its maintenance and operations tax rate to \$1.04 per hundred of taxable value, due to legislative maintenance and operations tax rate restrictions. The District has the capability to call a tax ratification election which could authorize up to 13 additional cents for maintenance and operations. The District has no current plans to call a tax ratification election.

The debt service tax rate for 2018 was held constant at \$0.29236, the same tax rate for 2016 and 2017. The District is maintaining its' tax rate and dedicating the tax collections through a board resolution to defease debt. This strategy will poise the District on the debt service side of the tax rate to plan for growth in facilities as the needs arise.

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

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to show 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 Business Office, at Lockhart Independent School District, P. O. Box 120, Lockhart, Texas 78644, or by calling 512-398-0000.

## *Basic Financial Statements*

**LOCKHART INDEPENDENT SCHOOL DISTRICT****STATEMENT OF NET POSITION**

JUNE 30, 2018

Data Control Codes	1 Governmental Activities	2 Business-type Activities	3 Total
<b>ASSETS:</b>			
1110 Cash and Cash Equivalents	\$ 2,601,162	\$ 71,103	\$ 2,672,265
1120 Current Investments	24,108,382	--	24,108,382
1225 Property Taxes Receivable (Net)	732,195	--	732,195
1240 Due from Other Governments	4,913,766	--	4,913,766
1250 Accrued Interest	33,921	--	33,921
1260 Internal Balances	(4,930)	4,930	--
1267 Due from Fiduciary	474	--	474
1290 Other Receivables (Net)	160,925	4,585	165,510
1410 Unrealized Expenses	390,546	--	390,546
Capital Assets:			
1510 Land	3,831,745	--	3,831,745
1520 Buildings and Improvements, Net	33,836,819	--	33,836,819
1530 Furniture and Equipment, Net	3,802,133	--	3,802,133
1550 Capital Lease Assets, Net	177,296	--	177,296
1580 Construction in Progress	46,548,926	--	46,548,926
1000 Total Assets	121,133,360	80,618	121,213,978
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred Outflow Related to Pensions	3,154,623	--	3,154,623
Deferred Outflow Related to OPEB	209,053	--	209,053
1700 Total Deferred Outflows of Resources	3,363,676	--	3,363,676
<b>LIABILITIES:</b>			
2110 Accounts Payable	1,611,660	--	1,611,660
2140 Interest Payable	1,361,910	--	1,361,910
2165 Accrued Liabilities	4,508,333	67,339	4,575,672
2180 Due to Other Governments	25,214	--	25,214
2300 Unearned Revenue	289,871	13,279	303,150
2400 Payable from Restricted Assets	704,952	--	704,952
Noncurrent Liabilities:			
2501 Due Within One Year	1,984,725	--	1,984,725
2502 Due in More Than One Year	79,106,099	--	79,106,099
2540 Net Pension Liability	9,350,942	--	9,350,942
2545 Net OPEB Liability	15,899,673	--	15,899,673
2000 Total Liabilities	114,843,379	80,618	114,923,997
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Inflow Related to Pensions	1,430,294	--	1,430,294
Deferred Inflow Related to OPEB	6,650,863	--	6,650,863
2600 Total Deferred Inflows of Resources	8,081,157	--	8,081,157
<b>NET POSITION:</b>			
3200 Net Investment in Capital Assets	16,008,839	--	16,008,839
Restricted For:			
3820 Federal and State Programs	560,172	--	560,172
3850 Debt Service	5,340,740	--	5,340,740
3870 Campus Activities	66,403	--	66,403
3900 Unrestricted	(20,403,654)	--	(20,403,654)
3000 Total Net Position	\$ 1,572,500	\$ --	\$ 1,572,500

The accompanying notes are an integral part of this statement.

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2018

	1	3	4
		Program Revenues	
Data Control Codes	Functions/Programs	Charges for Services	Operating Grants and Contributions
	Expenses		
	Governmental Activities:		
11	Instruction	\$ --	\$ 264,392
12	Instructional Resources and Media Services	--	(58,960)
13	Curriculum and Staff Development	--	(19,628)
21	Instructional Leadership	--	(74,554)
23	School Leadership	--	(322,698)
31	Guidance, Counseling, & Evaluation Services	--	164,968
32	Social Work Services	--	(4,926)
33	Health Services	--	73,428
34	Student Transportation	--	4,001
35	Food Service	350,762	3,036,311
36	Cocurricular/Extracurricular Activities	89,864	(104,969)
41	General Administration	--	(194,559)
51	Facilities Maintenance and Operations	48,982	(317,084)
52	Security and Monitoring Services	--	(6,119)
53	Data Processing Services	--	(41,313)
61	Community Services	--	(1,570,085)
72	Interest on Long-term Debt	--	--
73	Bond Issuance Costs and Fees	--	--
93	Payments Related to Shared Services Arrangements	--	--
99	Other Intergovernmental Charges	--	--
TG	Total Governmental Activities	489,608	828,205
	Business-type Activities:		
01	Summer Recreation	--	--
02	After School Program	--	--
03	Cubhouse Students	--	--
04	GED Adult Ed.	--	--
06	Cubhouse Employees	--	--
07	Community Ed. Adm.	--	--
TB	Total Business-type Activities	--	--
TP	Total Primary Government	\$ 489,608	\$ 828,205
	General Revenues:		
MT	Property Taxes, Levied for General Purposes		
DT	Property Taxes, Levied for Debt Service		
IE	Investment Earnings		
GC	Grants and Contributions Not Restricted to Specific Programs		
MI	Miscellaneous		
FR	Transfers		
TR	Total General Revenues and Transfers		
CN	Change in Net Position		
NB	Net Position - Beginning		
PA	Prior Period Adjustment		
	Net Position - Beginning, as Restated		
NE	Net Position - Ending		

The accompanying notes are an integral part of this statement.

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Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (23,053,489)		\$ (23,053,489)
(651,048)		(651,048)
(759,292)		(759,292)
(646,996)		(646,996)
(2,519,728)		(2,519,728)
(1,210,084)		(1,210,084)
(178,456)		(178,456)
(279,695)		(279,695)
(2,785,252)		(2,785,252)
256,552		256,552
(1,225,843)		(1,225,843)
(1,935,976)		(1,935,976)
(4,284,424)		(4,284,424)
(214,464)		(214,464)
(476,652)		(476,652)
(1,630,071)		(1,630,071)
(3,055,185)		(3,055,185)
(55,351)		(55,351)
(782,590)		(782,590)
(328,694)		(328,694)
<u>(45,816,738)</u>		<u>(45,816,738)</u>
--	\$ (66,588)	(66,588)
--	(205,314)	(205,314)
--	(169,800)	(169,800)
--	(78,775)	(78,775)
--	(164,502)	(164,502)
--	(184,515)	(184,515)
--	<u>(869,494)</u>	<u>(869,494)</u>
<u>(45,816,738)</u>	<u>(869,494)</u>	<u>(46,686,232)</u>
12,968,573	--	12,968,573
3,624,442	--	3,624,442
419,464	--	419,464
35,319,591	80,591	35,400,182
2,185,763	690,977	2,876,740
(97,926)	97,926	--
<u>54,419,907</u>	<u>869,494</u>	<u>55,289,401</u>
<u>8,603,169</u>		<u>8,603,169</u>
20,902,085	--	20,902,085
(27,932,754)	--	(27,932,754)
(7,030,669)	--	(7,030,669)
<u>\$ 1,572,500</u>	<u>\$ --</u>	<u>\$ 1,572,500</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT****BALANCE SHEET - GOVERNMENTAL FUNDS**

JUNE 30, 2018

Data Control Codes	10 General Fund	50 Debt Service Fund	Other Governmental Funds	98 Total Governmental Funds
<b>ASSETS:</b>				
1110 <i>Cash and Cash Equivalents</i>	\$ 1,013,483	\$ 293,756	\$ 1,293,923	\$ 2,601,162
1120 <i>Current Investments</i>	15,615,814	4,538,158	3,954,410	24,108,382
1225 <i>Taxes Receivable, Net</i>	578,996	153,199	--	732,195
1240 <i>Due from Other Governments</i>	3,841,994	271,781	799,991	4,913,766
1250 <i>Accrued Interest</i>	33,921	--	--	33,921
1260 <i>Due from Other Funds</i>	997,005	--	1,651,051	2,648,056
1290 <i>Other Receivables</i>	106,229	8,632	46,064	160,925
1410 <i>Unrealized Expenditures</i>	381,596	--	8,950	390,546
1000 <b>Total Assets</b>	<b>22,569,038</b>	<b>5,265,526</b>	<b>7,754,389</b>	<b>35,588,953</b>
<b>LIABILITIES:</b>				
Current Liabilities:				
2110 <i>Accounts Payable</i>	\$ 769,992	\$ --	\$ 841,668	\$ 1,611,660
2150 <i>Payroll Deductions &amp; Withholdings</i>	423,031	--	63,266	486,297
2160 <i>Accrued Wages Payable</i>	3,571,934	--	450,102	4,022,036
2170 <i>Due to Other Funds</i>	1,137,258	--	1,515,254	2,652,512
2180 <i>Due to Other Governments</i>	1,324	--	23,890	25,214
2300 <i>Unearned Revenue</i>	585,986	153,199	282,880	1,022,065
2400 <i>Payable from Restricted Assets</i>	187,135	--	517,817	704,952
2000 <b>Total Liabilities</b>	<b>6,676,660</b>	<b>153,199</b>	<b>3,694,877</b>	<b>10,524,736</b>
<b>FUND BALANCES:</b>				
Restricted Fund Balances:				
3450 <i>Federal/State Funds Grant Restrictions</i>	--	--	560,172	560,172
3470 <i>Capital Acquisitions &amp; Contractual Obligations</i>	--	--	2,971,968	2,971,968
3480 <i>Retirement of Long-Term Debt</i>	--	5,112,327	217,255	5,329,582
3490 <i>Other Restrictions of Fund Balance</i>	--	--	66,403	66,403
Committed Fund Balances:				
3510 <i>Construction</i>	2,523,133	--	--	2,523,133
3545 <i>Other Committed Fund Balance</i>	83,443	--	243,714	327,157
3600 <i>Unassigned</i>	13,285,802	--	--	13,285,802
3000 <b>Total Fund Balances</b>	<b>15,892,378</b>	<b>5,112,327</b>	<b>4,059,512</b>	<b>25,064,217</b>
4000 <b>Total Liabilities and Fund Balances</b>	<b>\$ 22,569,038</b>	<b>\$ 5,265,526</b>	<b>\$ 7,754,389</b>	<b>\$ 35,588,953</b>

The accompanying notes are an integral part of this statement.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2018**

Total fund balances - governmental funds balance sheet	\$ 25,064,217
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds.	88,196,920
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	732,194
Payables for bond principal which are not due in the current period are not reported in the funds.	(75,096,963)
The accumulated accretion of interest on capital appreciation bonds is not reported in the funds.	(580,056)
Payables for bond interest which are not due in the current period are not reported in the funds.	(1,361,910)
Bond premiums are recorded in the SNP but not in the funds.	(5,272,958)
Payables for lease principal which are not due in the current period are not reported in the funds.	(180,555)
The accounting loss on refunding bonds is not reported in the funds.	39,708
Recognition of the District's proportionate share of the net pension liability is not reported in the funds.	(9,350,942)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(1,430,294)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	3,154,623
Recognition of the District's proportionate share of the net OPEB liability is not reported in the funds.	(15,899,673)
Deferred Resource Inflows related to the OPEB plan are not reported in the funds.	(6,650,863)
Deferred Resource Outflows related to the OPEB plan are not reported in the funds.	209,053
Rounding difference	(1)
Net position of governmental activities - Statement of Net Position	\$ <u>1,572,500</u>

The accompanying notes are an integral part of this statement.



**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Data Control Codes	10 General Fund	50 Debt Service Fund	Other Governmental Funds	98 Total Governmental Funds
<b>REVENUES:</b>				
5700 <i>Local and Intermediate Sources</i>	\$ 13,500,103	\$ 3,670,979	\$ 1,740,713	\$ 18,911,795
5800 <i>State Program Revenues</i>	34,486,075	2,146,841	1,201,905	37,834,821
5900 <i>Federal Program Revenues</i>	213,902	--	6,322,631	6,536,533
5020 <i>Total Revenues</i>	<u>48,200,080</u>	<u>5,817,820</u>	<u>9,265,249</u>	<u>63,283,149</u>
<b>EXPENDITURES:</b>				
Current:				
0011 <i>Instruction</i>	25,658,539	--	4,460,197	30,118,736
0012 <i>Instructional Resources and Media Services</i>	654,035	--	39,766	693,801
0013 <i>Curriculum and Staff Development</i>	789,683	--	43,774	833,457
0021 <i>Instructional Leadership</i>	567,113	--	198,997	766,110
0023 <i>School Leadership</i>	2,948,283	--	578	2,948,861
0031 <i>Guidance, Counseling, &amp; Evaluation Services</i>	1,169,770	--	648,408	1,818,178
0032 <i>Social Work Services</i>	153,029	--	17,348	170,377
0033 <i>Health Services</i>	360,542	--	107,987	468,529
0034 <i>Student Transportation</i>	2,197,536	--	382,529	2,580,065
0035 <i>Food Service</i>	33,315	--	3,604,654	3,637,969
0036 <i>Cocurricular/Extracurricular Activities</i>	1,355,032	--	59,688	1,414,720
0041 <i>General Administration</i>	1,977,576	--	132,260	2,109,836
0051 <i>Facilities Maintenance and Operations</i>	4,556,984	--	155,079	4,712,063
0052 <i>Security and Monitoring Services</i>	202,790	--	54,625	257,415
0053 <i>Data Processing Services</i>	493,317	--	--	493,317
0061 <i>Community Services</i>	14,576	--	3,410	17,986
0071 <i>Principal on Long-term Debt</i>	55,839	1,408,024	425,000	1,888,863
0072 <i>Interest on Long-term Debt</i>	7,902	3,771,161	39,450	3,818,513
0073 <i>Bond Issuance Costs and Fees</i>	--	6,345	49,006	55,351
0081 <i>Capital Outlay</i>	3,428,688	--	5,883,966	9,312,654
0093 <i>Payments to Shared Service Arrangements</i>	720,294	--	62,296	782,590
0099 <i>Other Intergovernmental Charges</i>	328,694	--	--	328,694
6030 <i>Total Expenditures</i>	<u>47,673,537</u>	<u>5,185,530</u>	<u>16,369,018</u>	<u>69,228,085</u>
1100 <i>Excess (Deficiency) of Revenues Over (Under)</i>				
1100 <i>Expenditures</i>	<u>526,543</u>	<u>632,290</u>	<u>(7,103,769)</u>	<u>(5,944,936)</u>
Other Financing Sources and (Uses):				
7912 <i>Sale of Real or Personal Property</i>	705,765	--	--	705,765
7913 <i>Issuance of Capital Leases</i>	236,394	--	--	236,394
7914 <i>Issuance of Non-Current Debt</i>	--	--	3,670,000	3,670,000
7915 <i>Transfers In</i>	--	--	525,496	525,496
8911 <i>Transfers Out</i>	(623,422)	--	--	(623,422)
8940 <i>Payment to Bond Refunding Escrow Agent</i>	--	(494,721)	--	(494,721)
7080 <i>Total Other Financing Sources and (Uses)</i>	<u>318,737</u>	<u>(494,721)</u>	<u>4,195,496</u>	<u>4,019,512</u>
1200 <i>Net Change in Fund Balances</i>	<u>845,280</u>	<u>137,569</u>	<u>(2,908,273)</u>	<u>(1,925,424)</u>
0100 <i>Fund Balances - Beginning</i>	15,047,098	4,974,758	6,967,785	26,989,641
3000 <i>Fund Balances - Ending</i>	<u>\$ 15,892,378</u>	<u>\$ 5,112,327</u>	<u>\$ 4,059,512</u>	<u>\$ 25,064,217</u>

The accompanying notes are an integral part of this statement.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Net change in fund balances - total governmental funds \$ (1,925,424)

Amounts reported for governmental activities in the Statement of Activities  
("SOA") are different because:

Capital outlays are not reported as expenses in the SOA.	10,363,537
The depreciation of capital assets used in governmental activities is not reported in the funds.	(4,332,711)
Trade-in or disposal of capital assets decrease net position in the SOA but not in the funds.	(51,681)
To reverse fund level accrual of Teacher Retirement System on-behalf contributions.	1,465,960
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	70,290
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	1,833,024
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	55,839
Refunding bond principal is an expenditure in the funds but is not an expense in the SOA.	455,013
The accounting loss associated with refunding is amortized in the SOA but not in the funds.	39,708
The accretion of interest on capital appreciation bonds is not reported in the funds.	571,266
(Increase) decrease in accrued interest from beginning of period to end of period.	(9,444)
To record State's total proportionate share of collective pension expense that is associated with the District.	(1,117,680)
The fund level accrual of Teacher Retirement System on-behalf contributions are reversed.	(1,465,960)
To increase (decrease) the State's proportionate share of pension expense.	1,117,680
Reverse contributions made after the prior year measurement date and before the end of the prior year.	(789,032)
Deferred Outflows for contributions made after the current measurement date & before the year end.	888,724
District contributions must be de-expended for fiscal year 2015.	958,477
The District's proportionate share of Teacher Retirement System plan wide pension expense.	222,209
Current year amortization of previous year deferred resource outflows and inflows.	(1,982,492)
Proceeds of bonds do not provide revenue in the SOA, but are reported as current resources in the funds.	(3,670,000)
Proceeds of leases do not provide revenue in the SOA, but are reported as current resources in the funds.	(236,394)
Bond premiums are reported in the SOA but not in the funds.	201,506
Pension contributions made post measurement date but in current fiscal year.	349,490
Implementing GASB 75 required certain expenditures to be de-expended and recorded as deferred resource c	(137,315)
OPEB contributions made after the measurement date but in current FY were de-expended & reduced NPL.	206,566
OPEB expense relating to GASB 75 is recorded in the SOA but not in the funds.	5,522,020
Other reconciling items	(7)

Change in net position of governmental activities - Statement of Activities \$ 8,603,169

The accompanying notes are an integral part of this statement.

**LOCKHART INDEPENDENT SCHOOL DISTRICT****STATEMENT OF NET POSITION****ENTERPRISE FUNDS**

JUNE 30, 2018

Data Control Codes		Nonmajor Enterprise Funds
<b>ASSETS:</b>		
	Current Assets:	
1110	<i>Cash and Cash Equivalents</i>	\$ 71,103
	<i>Receivables:</i>	
1260	<i>Due from Other Funds</i>	9,849
1290	<i>Other Receivables (net)</i>	4,585
	Total Current Assets	85,537
1000	Total Assets	85,537
<b>LIABILITIES:</b>		
	Current Liabilities:	
2150	<i>Payroll Deduction &amp; Withholdings</i>	\$ 9,888
2160	<i>Accrued Wages Payable</i>	57,451
2170	<i>Due to Other Funds</i>	4,919
2300	<i>Unearned Revenues</i>	13,279
	Total Current Liabilities	85,537
2000	Total Liabilities	85,537
<b>NET POSITION:</b>		
3000	Total Net Position	\$ --

The accompanying notes are an integral part of this statement.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
 IN FUND NET POSITION - ENTERPRISE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018

Data Control Codes		Nonmajor Enterprise Funds
<b>OPERATING REVENUES:</b>		
5700	Local and Intermediate Sources	\$ 690,977
5800	State Program Revenues	80,591
5020	Total Revenues	<u>771,568</u>
<b>OPERATING EXPENSES:</b>		
6100	Payroll Costs	768,691
6200	Professional and Contracted Services	52,609
6300	Supplies and Materials	37,979
6400	Other Operating Costs	10,215
6030	Total Expenses	<u>869,494</u>
	Income (Loss) before Contributions and Transfers	(97,926)
7915	Transfers In	278,393
8911	Transfers Out	<u>(180,467)</u>
1300	Change in Net Position	--
0100	Total Net Position - Beginning	--
3300	Total Net Position - Ending	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	Total Nonmajor Enterprise Funds
<b>Cash Flows from Operating Activities:</b>	
<i>Cash Received from Customers</i>	\$ 686,097
<i>Cash Received from Grants</i>	82,986
<i>Cash Payments to Employees for Services</i>	(766,756)
<i>Cash Payments to Other Suppliers for Goods and Services</i>	(103,453)
Net Cash Provided (Used) by Operating Activities	<u>(101,126)</u>
<b>Cash Flows from Non-capital Financing Activities:</b>	
<i>Transfers From Other Funds</i>	278,393
<i>Transfers (To) Other Funds</i>	(180,467)
Net Cash Provided (Used) by Non-capital Financing Activities	<u>97,926</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	 (3,200)
Cash and Cash Equivalents at Beginning of Year	74,303
Cash and Cash Equivalents at End of Year	<u>\$ 71,103</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>	
Operating Income (Loss)	\$ (97,926)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
<i>Depreciation</i>	--
<i>Provision for Uncollectible Accounts</i>	--
Change in Assets and Liabilities:	
<i>Decrease (Increase) in Receivables</i>	3,017
<i>Decrease (Increase) in Interfund Receivables</i>	(6,474)
<i>Decrease (Increase) in Unrealized Expenses</i>	118
<i>Increase (Decrease) in Accounts Payable</i>	(4,653)
<i>Increase (Decrease) in Payroll Deductions</i>	(490)
<i>Increase (Decrease) in Accrued Wages Payable</i>	2,425
<i>Increase (Decrease) in Interfund Payables</i>	722
<i>Increase (Decrease) in Unearned Revenue</i>	2,135
Total Adjustments	<u>(3,200)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (101,126)</u>

The accompanying notes are an integral part of this statement.

**LOCKHART INDEPENDENT SCHOOL DISTRICT****STATEMENT OF FIDUCIARY NET POSITION****FIDUCIARY FUNDS**

JUNE 30, 2018

Data Control Codes		Private-purpose Trust Fund	Agency Fund
		Scholarship Fund	Noncentralized Activity Funds
<b>ASSETS:</b>			
1110	Cash and Cash Equivalents	\$ 57,065	\$ 117,140
1120	Current Investments	194,010	--
1250	Accrued Interest	41	--
1260	Due from Other Funds	30	813
1800	Restricted Assets	149,566	--
1000	Total Assets	<u>400,712</u>	<u>117,953</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
2110	Accounts Payable	\$ --	\$ 22,971
2170	Due to Other Funds	--	1,317
2190	Due to Student Groups	--	93,665
2300	Unearned Revenues	10	--
2000	Total Liabilities	<u>10</u>	<u>117,953</u>
<b>NET POSITION:</b>			
3800	Held in Trust	400,702	--
3000	Total Net Position	<u>\$ 400,702</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

**LOCKHART INDEPENDENT SCHOOL DISTRICT***STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**FIDUCIARY FUNDS**FOR THE YEAR ENDED JUNE 30, 2018*

	Private- Purpose Trusts
	Scholarship Funds
<b>Additions:</b>	
Investment Income	\$ 4,571
Gifts and Bequests	59,465
Total Additions	64,036
<b>Deductions:</b>	
Personnel costs	1,522
Scholarships and Awards	24,411
Supplies and Materials	588
Professional Services	--
Total Deductions	26,521
<b>Change in Net Assets</b>	37,515
Net Position-Beginning of the Year	363,187
Net Position-End of the Year	\$ 400,702

The accompanying notes are an integral part of this statement.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

**A. Summary of Significant Accounting Policies**

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

**1. Reporting Entity**

The Board of School Trustees ("Board"), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the District. The Board is elected by the public and has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency ("TEA") or to the State Board of Education are reserved for the Board, and the TEA may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District receives funding from local, state and federal government sources and must comply with the requirements of those funding entities. However, the District is not included in any other governmental reporting entity and there are no component units included within the District's reporting entity.

**2. Basis of Presentation, Basis of Accounting**

**a. Basis of Presentation**

Government-wide Financial Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The District reports the following major governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.



**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Debt Service Fund: This fund accounts for revenue resulting from the District's levy of its debt service tax rate. It also accounts for the payment of principal and interest on the District's general obligation bonds.

In addition, the District reports the following fund types:

Private-Purpose Trust Funds: These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments not reported in other fiduciary fund types.

Agency Funds: These funds are used to report student activity funds and other resources held in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support District programs, these funds are not included in the government-wide statements.

b. Measurement Focus, Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

3. Financial Statement Amounts

a. Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

b. Property Taxes

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

Allowances for uncollectible tax receivables within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

c. Inventories and Prepaid Items

Inventories of supplies on the balance sheet are stated at weighted average cost, while inventories of food commodities are recorded at market values supplied by the Texas Department of Human Services. Inventory items are recorded as expenditures when they are consumed. Supplies are used for almost all functions of activity, while food commodities are used only in the food service program. Although commodities are received at no cost, their fair market value is supplied by the Texas Department of Human Services and recorded as inventory and deferred revenue when received. When requisitioned, inventory and deferred revenue are relieved, expenditures are charged, and revenue is recognized for an equal amount. Inventories also include plant maintenance and operation supplies as well as instructional supplies.

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

d. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

Donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	5-20
Buildings	30
Building Improvements	5-20
Vehicles	10
Office Equipment	5
Computer Equipment	5

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

e. Deferred Outflows and Inflows of Resources

In addition to assets, the statements of financial position (the government-wide and proprietary Statements of Net Position and governmental funds balance sheet) will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position and/or fund balance that applies to one or more future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

f. Receivable and Payable Balances

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

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

g. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net position.

h. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

i. Data Control Codes

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

j. Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance - represents amounts that can only be used for a specific purpose because of a formal action by the District's Board of Trustees. Committed amounts cannot be used for any other purpose unless the Board of Trustees removes those constraints by taking the same type of formal action.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Committed fund balance amounts may be used for other purposes with appropriate due process by the Board of Trustees. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance - represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Board of Trustees or by an official or body to which the Board of Trustees delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.

Unassigned Fund Balance - represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

k. Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

l. Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

m. Negative Operating Grants and Contributions - Statement of Activities

Expense activity is required to be recorded by districts who are participants in cost-sharing pension and OPEB benefit plans with a special funding situation where non-employer contributing entities (NECE) also participate in contributions to the plans. TRS-retirement and TRS-care benefit plans are both cost-sharing plans with special funding situations. Therefore, on-behalf expense activity of the NECE must be recorded at the government-wide level of reporting on the Statement of Activities in accordance with GASB 68 and 75.

During the year under audit, the NECE expense was negative due to changes in benefits within the TRS-care plan. The accrual for the proportionate share of that expense was a negative on-behalf revenue and negative on-behalf expense. This resulted in negative revenue for operating grants and contributions on the Statement of Activities.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Following are the effects on the Statement of Activities as a result of the negative on-behalf accruals recorded:

	Operating Grants and Contributions As Reported	Negative On-Behalf Accruals	Operating Grants and Contributions (Excluding On- Behalf Accruals)
11 - Instruction	\$ 264,392	\$ (5,013,287)	\$ 5,277,679
12 - Instructional Resources and Media Services	(58,960)	(108,491)	49,531
13 - Curriculum and Instructional Staff Development	(19,628)	(107,101)	87,473
21 - Instructional Leadership	(74,554)	(139,849)	65,295
23 - School Leadership	(322,698)	(593,791)	271,093
31 - Guidance, Counseling and Evaluation Services	164,968	(251,735)	416,703
32 - Social Work Services	(4,926)	(9,065)	4,139
33 - Health Services	73,428	(71,129)	144,557
34 - Student (Pupil) Transportation	4,001	(7,145)	11,146
35 - Food Services	3,036,311	(3,565)	3,039,876
36 - Extracurricular Activities	(104,969)	(193,151)	88,182
41 - General Administration	(194,559)	(358,003)	163,444
51 - Facilities Maintenance and Operations	(317,084)	(583,372)	266,288
52 - Security and Monitoring Services	(6,119)	(11,259)	5,140
53 - Data Processing Services	(41,313)	(76,019)	34,706
61 - Community Services	(1,570,085)	(141,687)	(1,428,398)
	<u>\$ 828,205</u>	<u>\$ (7,668,649)</u>	<u>\$ 8,496,854</u>

4. Pensions

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

5. New Accounting Standards Adopted

In fiscal year 2018, the District adopted a new statement of financial accounting standards issued by the Governmental Accounting Standards Board (GASB):

*Statement No. 75, Accounting and Financial Reporting for  
Postemployment Benefit Plans Other Than Pension Plans*

The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about support for OPEB that is provided by other entities.

This Statement replaces the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB.

The financial statements and note disclosures have been updated for the affects of the adoption of GASB Statement No. 75.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

**B. Compliance and Accountability**

**1. Finance-Related Legal and Contractual Provisions**

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None reported	

**2. Deficit Fund Balance or Fund Net Position of Individual Funds**

Following are funds having deficit fund balances or fund net position at year end, if any, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
None reported	Not applicable	Not applicable

**C. Deposits and Investments**

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

**1. Cash Deposits:**

At June 30, 2018, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$2,601,162 and the bank balance was \$2,988,664. The District's cash deposits at June 30, 2018 and during the year ended June 30, 2018, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

**2. Investments:**

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

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

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, 1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) securities lending program, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) commercial paper.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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- \* Not all assets meeting the definition of an investment are required to be reported at fair value. Including among excepted investments are certain investments held by 2a7 like external investment pools. As detailed below, the District has invested funds in specific 2a7 like external investment pools that are valued at amortized cost and not subject to the fair value hierarchy levels.
- \*\* Certificates of deposit ("CD's") and time deposits at FDIC insured banks are not subject to the fair value hierarchy levels.

The District's investments at June 30, 2018 are shown below.

<u>Investment or Investment Type</u>	<u>Rating</u>	<u>Maturity</u>	<u>Using Level</u>	<u>Fair Value</u>
TexPool	AAAm	27 days	*	\$ 17,198,353
Texas TERM DAILY	AAAm	37 days	*	3,960,028
Texas TERM CD Program		< 1 year	**	2,950,000
Total Investments				<u>\$ 24,108,381</u>

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.

At June 30, 2018, the District's investments, other than those which are obligations of or guaranteed by the U. S. Government, are rated as to credit quality above.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name.

At year end, the District was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Investment Accounting Policy

The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

Public Funds Investment Pools

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

The District's investments in Pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

TexPool

The District invests in the Texas Local Government Investment Pool (TexPool), which is a local government investment pool that was established in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and operates under the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The State Comptroller of Public Accounts oversees TexPool. Federated Investors, Inc. is the administrator and investment manager of TexPool under a contract with the State Comptroller. In accordance with the Public Funds Investment Act, the State Comptroller has appointed the TexPool Investment Advisory Board to advise with respect to TexPool. The board is composed equally of participants in TexPool Portfolios and other persons who do not have a business relationship with TexPool Portfolios and are qualified to advise in respect to TexPool Portfolios. The Advisory Board members review the investment policy and management fee structure. TexPool is rated AAAM by Standard & Poor's and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. All investments are stated at amortized cost, which usually approximates the market value of the securities. The stated objective of TexPool is to maintain a stable average \$1.00 per unit net asset value; however, the \$1.00 net asset value is not guaranteed or insured. The financial statements can be obtained from the Texas Trust Safekeeping Trust Company website at [www.ttstc.org](http://www.ttstc.org).

TexasTERM

The Texas Term Local Government Investment Pool (TexasTERM) is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. TexasTERM is administered by PFM Asset Management LLC, which also serves as the investment advisor. The reported value of the pool is the same as the fair value of the pool shares. Investment options include TexasDAILY, a money market portfolio, is rated AAAM by Standard & Poor's, and TexasTERM CD Purchase Program, a fixed rate, fixed-term investment option enabling investors to invest in FDIC insured CD's from banks throughout the United States.



# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2018**

### **D. Capital Assets**

Capital asset activity for the year ended June 30, 2018, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<i>Governmental activities:</i>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 701,539	\$ --	\$ 549	\$ 700,990
Construction in progress	45,605,972	9,224,396	8,281,442	46,548,926
Total capital assets not being depreciated	46,307,511	9,224,396	8,281,991	47,249,916
<i>Capital assets being depreciated:</i>				
Buildings and improvements	71,308,154	7,101,903	2,862,674	75,547,383
Equipment	8,087,646	986,287	75,949	8,997,984
Land Improvements	2,034,757	1,095,998	--	3,130,755
Capital lease assets	--	236,394	--	236,394
Total capital assets being depreciated	81,430,557	9,420,582	2,938,623	87,912,516
Less accumulated depreciation for:				
Buildings and improvements	(40,416,904)	(3,326,055)	(2,811,542)	(40,931,417)
Equipment	(4,565,038)	(706,762)	(75,949)	(5,195,851)
Land Improvements	(538,351)	(240,796)	--	(779,147)
Capital lease assets	--	(59,098)	--	(59,098)
Total accumulated depreciation	(45,520,293)	(4,332,711)	(2,887,491)	(46,965,513)
Total capital assets being depreciated, net	35,910,264	5,087,871	51,132	40,947,003
Governmental activities capital assets, net	\$ 82,217,775	\$ 14,312,267	\$ 8,333,123	\$ 88,196,919

Depreciation was charged to functions as follows:

Instruction	\$ 2,596,649
Instructional Resources and Media Services	65,102
Curriculum and Staff Development	78,630
Instructional Leadership	56,020
School Leadership	293,467
Guidance, Counseling, & Evaluation Services	116,094
Social Work Services	15,232
Health Services	35,888
Student Transportation	218,739
Food Services	2,911
Extracurricular Activities	134,746
General Administration	195,607
Plant Maintenance and Operations	452,886
Security and Monitoring Services	20,185
Data Processing Services	49,104
Community Services	1,451
	<u>\$ 4,332,711</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

E. Interfund Balances and Activities

1. Due To and From Other Funds

Balances due to and due from other funds at June 30, 2018, consisted of the following:

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Other Governmental Funds	\$ 991,612	Temporary advances
General Fund	Enterprise Funds	4,919	Temporary advances
General Fund	Fiduciary Funds	474	Temporary advances
Other Governmental Funds	General Fund	1,127,409	Temporary advances
Other Governmental Funds	Other Governmental Funds	523,642	Transfer of expenditures
Enterprise Funds	General Fund	9,849	Temporary advances
	Total	<u>\$ 2,657,905</u>	

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

2. Transfers To and From Other Funds

Transfers to and from other funds at June 30, 2018, consisted of the following:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General fund	Other Governmental Funds	\$ 525,496	General Fund tax collections for maintenance note debt service
General fund	Enterprise Funds	97,926	General Fund support for internal service funds
Enterprise Funds	Enterprise Funds	180,467	Internal service fund support for other internal service funds
	Total	<u>\$ 803,889</u>	

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

**F. Long-Term Obligations**

**1. Long-Term Obligation Activity**

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended June 30, 2018, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental activities:					
General obligation bonds	\$ 73,715,000	\$ 3,670,000	\$ 2,288,037	\$ 75,096,963	\$ 1,906,963
Capital lease	--	236,394	55,839	180,555	77,762
Accretion on CAB's	1,151,322	17,670	588,936	580,056	--
Deferred Loss on Refunding	--	(39,708)	--	(39,708)	--
Premium on bonds	5,474,464	--	201,506	5,272,958	--
	80,340,786	3,884,356	3,134,318	81,090,824	1,984,725
Net Pension Liability *	10,881,118	(571,699)	958,477	9,350,942	--
Net OPEB Liability *	28,070,069	(11,980,307)	190,089	15,899,673	--
Total governmental activities	\$ 119,291,973	\$ (8,667,650)	\$ 4,282,884	\$ 106,341,439	\$ 1,984,725
		Due within one year		\$ 1,984,725	
		Due in more than one year		79,106,099	
				\$ 81,090,824	

\* Other long-term liabilities

The funds typically used to liquidate other long-term liabilities in the past are as follows:

Liability	Activity Type	Fund
Net Pension Liability *	Governmental	General
Net OPEB Liability *	Governmental	General

The following table displays total principal debt outstanding by issuance as of year end.

Date of Issue	Description	Interest Rates	Original Issue	Final Maturity Date	Debt Principal	CAB Accretion
2/15/2006	Series 2006	3.66%	\$ 9,524,997	8/1/2022	\$ 4,450,000	\$ --
3/15/2007	Series 2007	3.92	8,834,988	8/1/2027	7,676,976	580,056
8/27/2008	Series 2008	3.75	2,345,000	8/1/2022	850,000	--
12/1/2012	Series 2012	2.00 to 3.00	2,930,000	2/1/2020	890,000	--
7/15/2014	Series 2014	3.00 to 5	58,500,000	8/1/2044	57,559,987	--
12/7/2017	Series 2017	2.14	3,670,000	8/1/2027	3,670,000	--
					\$ 75,096,963	\$ 580,056

Series	Purpose	Rating	Issued	Unissued	Spent	Unspent
2006	Refunding Building Bonds	AAA	\$ 9,524,997	\$ --	\$ 9,524,997	\$ --
2007	Refunding Building Bonds	AAA	8,834,988	--	8,834,988	--
2008	Refunding Building Bonds	AAA	2,345,000	--	2,345,000	--
2012	Refunding Building Bonds	AA	2,930,000	--	2,740,000	--
2014	Refunding Building Bonds	AAA	58,500,000	--	2,930,000	--
2017	Tax & Revenue Notes	AA	3,670,000	--	3,670,000	--
					\$ 30,044,985	\$ --

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

2. Debt Service Requirements

Debt service requirements on long-term debt at June 30, 2018, are as follows:

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2019	\$ 1,906,963	\$ 3,832,251	\$ 5,739,214
2020	2,575,000	3,146,443	5,721,443
2021	2,590,000	3,046,880	5,636,880
2022	2,680,000	2,951,640	5,631,640
2023	2,780,000	2,850,764	5,630,764
2024-2028	15,110,000	12,523,145	27,633,145
2029-2033	10,360,000	9,930,238	20,290,238
2034-2038	13,080,000	7,112,938	20,192,938
2039-2043	16,690,000	3,428,581	20,118,581
2044-2045	7,325,000	281,375	7,606,375
Totals	<u>\$ 75,096,963</u>	<u>\$ 49,104,255</u>	<u>\$ 124,201,218</u>

3. Advance Refunding of Debt

GASB Statement No. 7, "Advance Refundings Resulting in Defeasance of Debt," provides that refunded debt and assets placed in escrow for the payment of related debt service be excluded from the financial statements. As of June 30, 2018, outstanding balances of bond issues that have been refunded and defeased in-substance by placing existing assets and the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments are as follows.

Bond Issue	Amount
Series 2002	\$ 8,125,000
Total	<u>\$ 8,125,000</u>

In June 2018, the District refunded \$455,013 of the Series 2014 school building bonds. The amount paid net of service costs amounted to \$494,721 and was deposited with an escrow agent to purchase direct obligations of the United States. As a result of the refunding, the District decreased its aggregate debt service payment to maturity by \$448,173 and realized an economic gain (difference between the present value of debt service payments on the old debt and the new debt) of \$477,000. The accounting loss (\$40 thousand) will be deferred and amortized over the life of the refunding bonds.

G. Commitments Under Noncapitalized Leases

Commitments under operating (noncapitalized) lease agreements for facilities and equipment provide for minimum future rental payments as of June 30, 2018, as follows:

Year Ending June 30,	
2019	\$ 167,421
Total Minimum Rentals	<u>\$ 167,421</u>

H. Risk Management

The District is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2018, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
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I. Pension Plan

1. Plan Description

The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67, and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

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

2. Pension Plan Fiduciary Net Position

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

3. Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs, can be granted by the Texas Legislature as noted in the Plan description in (1.) above.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

4. 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 through 2017. The 84th Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2016 and 2017.

	<b><u>Contribution Rates</u></b>	
	<u>2017</u>	<u>2018</u>
Member	7.7%	7.7%
Non-Employer Contributing Entity (NECE - State)	6.8%	6.8%
Employers	6.8%	6.8%
District's 2018 Employer Contributions	\$ 1,043,672	
District's 2018 Member Contributions	\$ 2,401,361	
NECE 2017 On-Behalf Contributions to District	\$ 1,498,799	

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 (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

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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 the state contribution as an employment after retirement surcharge.
- When a school district or charter school 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.

5. Actuarial Assumptions

The total pension liability in the August 31, 2017 actuarial evaluation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2017
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	8%
Long-term expected Investment Rate of Return	8%
Inflation	2.5%
Salary Increases including inflation	3.5% to 9.5%
Payroll Growth Rate	2.5%
Benefit Changes during the year	None
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions are based primarily on a study of actual experience for the four year period ending August 31, 2014 and adopted on September 24, 2015.

6. Discount Rate

The discount rate used to measure the total pension liability was 8%. There was no change in the discount rate since the previous year. 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 projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 8%. 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

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
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adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2017 are summarized below:

<b>Teacher Retirement System of Texas</b> <b>Asset Allocation and Long-Term Expected Real Rate of Return</b> <b>As of August 31, 2017</b>			
<b>Asset Class</b>	<b>Target Allocation*</b>	<b>Long-term Expected Geometric Real Rate of Return</b>	<b>Expected Contribution to Long-term Portfolio Returns **</b>
<b>Global Equity</b>			
U.S.	18%	4.6%	1.0%
Non-U.S. Developed	13%	5.1%	0.8%
Emerging Markets	9%	5.9%	0.7%
Directional Hedge Funds	4%	3.2%	0.1%
Private Equity	13%	7.0%	1.1%
<b>Stable Value</b>			
U.S. Treasuries	11%	0.7%	0.1%
Absolute Return	0%	1.8%	0.0%
Stable Value Hedge Funds	4%	3.0%	0.1%
Cash	1%	-0.2%	0.0%
<b>Real Return</b>			
Global Inflation Linked Bonds	3%	0.9%	0.0%
Real Assets	16%	5.1%	1.1%
Energy & Natural Resources	3%	6.6%	0.2%
Commodities	0%	1.2%	0.0%
<b>Risk Parity</b>			
Risk Parity	5%	6.7%	0.3%
Inflation Expectation			2.2%
Alpha			1.0%
<b>Total</b>	<b>100%</b>		<b>8.7%</b>
* Target allocations are based on the FY2014 policy model. Infrastructure was moved from Real Assets to Energy and Natural Resources in FY2017, but the reallocation does not affect the long term expected geometric real rate of return or expected contribution to long-term portfolio returns. ** The expected contribution to Returns incorporates the volatility drag resulting from the conversion between Arithmetic and Geometric mean returns.			

7. 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 (8%) in measuring the Net Pension Liability.

	1% Decrease in Discount Rate 7%	Discount Rate 8%	1% Increase in Discount Rate 9%
District's proportionate share of the net pension liability	\$ 15,763,841	\$ 9,350,942	\$ 4,011,163



**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

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

At June 30, 2018, the District reported a liability of \$9,350,942 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 9,350,942
State's proportionate share that is associated with District	<u>14,653,093</u>
Total	<u>\$ 24,004,035</u>

The net pension liability was measured as of August 31, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2016 through August 31, 2017.

At August 31, 2017 the employer's proportion of the collective net pension liability was 0.0292449%. which was an increase (decrease) of 0.0004501171% from its proportion measured as of August 31, 2016.

**Changes Since the Prior Actuarial Valuation - There were no changes to the actuarial assumptions of other inputs that affected measurement of the total pension liability since the prior measurement period:**

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, 2018, the District recognized pension expense of \$1,117,680 and revenue of \$1,117,680 for support provided by the State.

At June 30, 2018, the District reported its proportionate share of the TRS' deferred outflows of resources and deferred inflows of resources related to pensions from the following sources: (The amounts below will be the cumulative layers from the current and prior years combined)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 136,808	\$ 504,284
Changes in actuarial assumptions	425,950	243,847
Difference between projected and actual investment earnings	--	681,477
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	1,703,141	686
Contributions paid to TRS subsequent to the measurement date [to be calculated by employer]	<u>888,724</u>	<u>--</u>
Total	<u>\$ 3,154,623</u>	<u>\$ 1,430,294</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

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

Year Ended June 30	Pension Expense Amount
2019	\$ 114,808
2020	\$ 711,703
2021	\$ 68,946
2022	\$ (108,383)
2023	\$ 45,963
Thereafter	\$ 2,570

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

**1. 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.

**2. OPEB Plan Fiduciary Net Position**

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

Components of the net OPEB liability of the TRS-Care plan as of August 31, 2017 are as follows:

<u>Net OPEB Liability:</u>	<u>Total</u>
Total OPEB liability	\$ 43,885,784,621
Less: plan fiduciary net position	<u>399,535,986</u>
Net OPEB liability	<u>\$ 43,486,248,635</u>
Net position as a percentage of total OPEB liability	0.91%

**3. 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 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.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

The premium rates for the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for the average retiree with Medicare Parts A&B coverage, with 20 to 29 years of service for the basic plan and the two optional plans:

Monthly TRS-Care Plan Premium Rates Effective September 1, 2016 - December 31, 2017			
	TRS-Care 1 Basic Plan	TRS-Care 2 Optional Plan	TRS-Care 3 Optional Plan
Retiree*	\$ --	\$ 70	\$ 100
Retiree and Spouse	20	175	255
Retiree* and Children	41	132	182
Retiree and Family	61	237	337
Surviving Children Only	28	62	82

\* or surviving spouse

4. 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 1.0% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 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		
	2017	2018
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (NECE) - State	1.00%	1.25%
Employers	0.55%	0.75%
Federal/Private Funding Remitted by Employers	1.00%	1.25%
Current fiscal year District contributions		\$ 239,614
Current fiscal year Member contributions		\$ 202,752
2017 measurement year NECE contributions	\$ 273,985	

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to, regardless of whether 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 NECE in the amount of \$15.6 million in fiscal year 2017 and \$182.6 million in fiscal year 2018.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

5. Actuarial Assumptions

The total OPEB liability in the August 31, 2017 actuarial valuation was determined using the following actuarial assumptions:

The actuarial valuation of TRS-Care is similar to the actuarial valuations performed for the pension plan, except that the OPEB valuation is more complex. All of the demographic assumptions, including mortality, and most of the economic assumptions are identical to those adopted by the Board in 2015 and are based on the 2014 actuarial experience study of TRS.

The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females. The post-retirement mortality rates were based on the 2015 TRS of Texas Healthy Pensioner Mortality Tables.

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:

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

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2017
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.50%
Discount Rate *	3.42% *
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Payroll Growth Rate	2.50%
Projected Salary Increases **	3.50% to 9.50% **
Healthcare Trend Rates ***	4.50% to 12.00% ***
Election Rates	Normal Retirement: 70% participation prior to age 65 and 75% participation after age 65
Ad Hoc Post-Employment Benefit Changes	None

\*Source: Fixed income municipal bonds with 20 years to maturity that include only federal tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of August 31, 2017.

\*\*Includes inflation at 2.50%

\*\*\*Initial trend rates are 7.00% for non-Medicare retirees; 10.00% for Medicare retirees and 12.00% for prescriptions for all retirees. Initial trend rates decrease to an ultimate trend rate of 4.50% over a period of 10 years.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

6. Discount Rate

A single discount rate of 3.42% was used to measure the total OPEB liability. There was a change of 0.44% in the discount rate since the previous year. Because the plan is essentially a "pay-as-you-go" plan, there are no investments and 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 not to be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of August 31, 2017.

7. Discount Rate Sensitivity Analysis

The following schedule shows the impact on the net OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used in measuring the net OPEB liability.

	1% Decrease in Discount Rate (2.42%)	Current Single Discount Rate (3.42%)	1% Increase in Discount Rate (4.42%)
District's proportionate share of net OPEB liability	\$ 18,765,561	\$ 15,899,673	\$ 13,596,145

8. 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 net OPEB liability would be if it were calculated using a trend rate that is 1% less than and 1% greater than the assumed healthcare cost trend rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of net OPEB liability	\$ 13,238,066	\$ 15,899,673	\$ 19,392,036

9. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At June 30, 2018, the District reported a liability of \$15,899,673 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	\$ 15,899,673
State's proportionate share that is associated with the District	\$ 22,358,596
Total	\$ 38,258,269

The net OPEB liability was measured as of August 31, 2017 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on the District's contributions to ther OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2016 through August 31, 2017.

At August 31, 2017 the District's proportion of the collective net OPEB liability was 0.0365625.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

10. Changes Since the Prior Actuarial Valuation.

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

- a. Significant plan changes were adopted during the fiscal year ending August 31, 2017. Effective January 1, 2018, only one health plan option will exist (instead of three), and all retirees will be required to contribute monthly premiums for coverage. The health plan changes triggered changes to several of the assumptions, including participation rates, retirement rates, and spousal participation rates.
- b. The August 31, 2016 valuation had assumed that the savings related to the Medicare Part D reimbursements would phase out by 2022. This assumption was removed for the August 31, 2017 valuation. Although there is uncertainty regarding these federal subsidies, the new assumption better reflects the current substantive plan. This change was unrelated to the plan amendment and its impact was included as an assumption change in the reconciliation of the total OPEB liability. This change significantly lowered the OPEB liability.
- c. The discount rate changed from 2.98% as of August 31, 2016 to 3.42% as of August 31, 2017. This change lowered total OPEB liability.

The Affordable Care Act includes a 40% excise tax on high-cost health plans known as the "Cadillac tax." In this valuation the impact of this tax has been calculated as a portion of the trend assumption. Assumptions and methods used to determine the impact of the Cadillac Tax include:

- a. 2018 thresholds of \$850/\$2,292 were indexed annually by 2.50%.
- b. Premium data submitted was not adjusted for permissible exclusions to the Cadillac Tax.
- c. There were no special adjustments to the dollar limit other than those permissible for non-Medicare retirees over 55.

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

Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provision or applicable law.

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

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

For the year ended August 31, 2018, the District recognized OPEB expense of \$(7,668,649) and revenue of \$(7,668,649) for support provided by the State.

At June 30, 2018, 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 Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual economic experience	\$ --	\$ 331,918
Changes in actuarial assumptions	--	6,318,945
Differences between projected and actual investment earnings	2,415	--
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	72	--
Contributions paid to TRS subsequent to the measurement date	206,566	
	<u>\$ 209,053</u>	<u>6,650,863</u>

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

Year ended August 31,	Amount
2019	\$ (877,260)
2020	\$ (877,260)
2021	\$ (877,260)
2022	\$ (877,260)
2023	\$ (877,864)
Thereafter	\$ (2,261,470)

**K. Employee Health Care Coverage**

During the period ended June 30, 2018, employees of the District were covered by a state-wide plan, TRS Active Care. The District paid premiums of \$351 per month per employee for TRS Active Care 1HD and \$487 per month for TRS Active Care Select per employee.

Employees, at their option may authorize payroll withholdings to pay premiums for dependent coverage. The Teacher Retirement System of Texas (TRS) manages TRS Active Care. The Plan is administered by Aetna.

The latest financial information on the state-wide plan is available from TRS (see note on pension plan).

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

L. Commitments and Contingencies

1. Contingencies

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

2. Litigation

No reportable litigation was pending against the District at year end.

3. Construction Commitments

The District's Bond Program Fund (Capital Projects) has outstanding construction contract commitments in the amount of \$867,000. These commitments relate primarily to renovations of and additions to the ML Cisneros Education Support Center.

M. Shared Services Arrangements

Shared Services Arrangement - Fiscal Agent

The District is the fiscal agent for a Shared Services Arrangement ("SSA") which provides services to the member districts listed below. All services are provided by the fiscal agent. The member districts provide the funds to the fiscal agent. According to guidance provided in TEA's Resource Guide, the District has accounted for the fiscal agent's activities of the SSA in a special revenue fund and will be accounted for using Model 3 in the SSA section of the Resource Guide. Expenditures of the SSA are summarized below:

<u>Member Districts</u>	<u>Expenditures</u>
Lockhart ISD	\$ 951,674
Luling ISD	231,643
Prairie Lea	36,596
Total	<u>\$ 1,219,913</u>

N. Prior Period Adjustment

During fiscal year 2018, the District adopted GASB Statement No. 75 for Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. With GASB 75, the District must assume their proportionate share of the Net OPEB liability of the Teacher Retirement System of Texas. Adoption of GASB 75 required a prior period adjustment to report the effect of GASB 75 retroactively. The prior period adjustment totaled \$ (27,932,754) which resulted in a restated beginning net position balance of \$ (7,030,677).



### *Required Supplementary Information*

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

# LOCKHART INDEPENDENT SCHOOL DISTRICT

GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2018

EXHIBIT G-1

Page 1 of 2

Data Control Codes		1	2	3	Variance with
		Budgeted Amounts		Actual	Final Budget Positive (Negative)
		Original	Final		
	<b>REVENUES:</b>				
5700	Local and Intermediate Sources	\$ 12,664,669	\$ 13,451,906	\$ 13,500,103	\$ 48,197
5800	State Program Revenues	32,447,761	33,601,770	34,486,075	884,305
5900	Federal Program Revenues	219,500	219,500	213,902	(5,598)
5020	Total Revenues	45,331,930	47,273,176	48,200,080	926,904
	<b>EXPENDITURES:</b>				
	Current:				
	Instruction & Instructional Related Services:				
0011	Instruction	25,825,428	26,239,975	25,658,539	581,436
0012	Instructional Resources and Media Services	600,634	671,983	654,035	17,948
0013	Curriculum and Staff Development	798,602	864,402	789,683	74,719
	Total Instruction & Instr. Related Services	27,224,664	27,776,360	27,102,257	674,103
	Instructional and School Leadership:				
0021	Instructional Leadership	535,911	622,715	567,113	55,602
0023	School Leadership	2,997,417	3,031,736	2,948,283	83,453
	Total Instructional & School Leadership	3,533,328	3,654,451	3,515,396	139,055
	Support Services - Student (Pupil):				
0031	Guidance, Counseling and Evaluation Services	1,228,556	1,236,556	1,169,770	66,786
0032	Social Work Services	152,848	153,348	153,029	319
0033	Health Services	371,485	373,591	360,542	13,049
0034	Student (Pupil) Transportation	2,029,300	2,246,300	2,197,536	48,764
0035	Food Services	35,000	35,000	33,315	1,685
0036	Cocurricular/Extracurricular Activities	1,354,351	1,406,721	1,355,032	51,689
	Total Support Services - Student (Pupil)	5,171,540	5,451,516	5,269,224	182,292
	Administrative Support Services:				
0041	General Administration	2,056,278	2,066,781	1,977,576	89,205
	Total Administrative Support Services	2,056,278	2,066,781	1,977,576	89,205
	Support Services - Nonstudent Based:				
0051	Plant Maintenance and Operations	4,650,401	4,668,905	4,556,984	111,921
0052	Security and Monitoring Services	171,840	233,105	202,790	30,315
0053	Data Processing Services	503,993	518,413	493,317	25,096
	Total Support Services - Nonstudent Based	5,326,234	5,420,423	5,253,091	167,332
	Ancillary Services:				
0061	Community Services	14,160	15,660	14,576	1,084
	Total Ancillary Services	14,160	15,660	14,576	1,084
	Debt Service:				
0071	Principal on Long-Term Debt	--	56,000	55,839	161
0072	Interest on Long-Term Debt	--	8,000	7,902	98
	Total Debt Service	--	64,000	63,741	259
	Capital Outlay:				
0081	Capital Outlay	317,276	3,988,556	3,428,688	559,868
	Total Capital Outlay	317,276	3,988,556	3,428,688	559,868

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2018

**EXHIBIT G-1**

Page 2 of 2

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
	Intergovernmental Charges:				
0093	<i>Payments to Fiscal Agent/Member Dist.-SSA</i>	778,000	778,000	720,294	57,706
0099	<i>Other Intergovernmental Charges</i>	338,000	328,695	328,694	1
	Total Intergovernmental Charges	1,116,000	1,106,695	1,048,988	57,707
6030	Total Expenditures	44,759,480	49,544,442	47,673,537	1,870,905
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	572,450	(2,271,266)	526,543	2,797,809
	Other Financing Sources (Uses):				
7912	<i>Sale of Real or Personal Property</i>	--	705,765	705,765	--
7913	<i>Issuance of Capital Leases</i>	--	--	236,394	236,394
8911	<i>Transfers Out</i>	(572,450)	(755,747)	(623,422)	132,325
7080	Total Other Financing Sources and (Uses)	(572,450)	(49,982)	318,737	368,719
1200	Net Change in Fund Balance	--	(2,321,248)	845,280	3,166,528
0100	Fund Balance - Beginning	15,047,098	15,047,098	15,047,098	--
3000	Fund Balance - Ending	\$ 15,047,098	\$ 12,725,850	\$ 15,892,378	\$ 3,166,528

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

## *SCHEDULE OF THE DISTRICT'S PROPORTIONATE*

### *SHARE OF THE NET PENSION LIABILITY*

### *TEACHER RETIREMENT SYSTEM OF TEXAS*

### *LAST TEN FISCAL YEARS \**

	Measurement Year Ended August 31,				
	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.0292449%	0.0287948%	0.0292538%	0.0197780%	--
District's proportionate share of the net pension liability (asset)	\$ 9,350,942	\$ 10,881,118	\$ 10,340,829	\$ 5,282,977	\$ --
State's proportionate share of the net pension liability (asset) associated with the District	14,653,093	16,826,316	16,271,958	13,744,870	--
Total	<u>\$ 24,004,035</u>	<u>\$ 27,707,434</u>	<u>\$ 26,612,787</u>	<u>\$ 19,027,847</u>	<u>\$ --</u>
District's covered-employee payroll	\$ 29,968,151	\$ 28,764,071	\$ 27,754,797	\$ 26,227,055	\$ --
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	31.20%	37.83%	37.26%	20.14%	--
Plan fiduciary net position as a percentage of the total pension liability	82.17%	78.00%	78.43%	83.25%	--

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

EXHIBIT G-2

Measurement Year Ended August 31,				
2012	2011	2010	2009	2008
--	--	--	--	--
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--

**LOCKHART INDEPENDENT SCHOOL DISTRICT****SCHEDULE OF DISTRICT CONTRIBUTIONS****TEACHER RETIREMENT SYSTEM OF TEXAS****LAST TEN FISCAL YEARS \***

	Fiscal Year				
	2018	2017	2016	2015	2014
Contractually required contribution	\$ 1,043,672	\$ 927,988	\$ 903,438	\$ 810,976	\$ --
Contributions in relation to the contractually required contribution	(1,043,672)	(927,988)	(903,438)	(810,976)	--
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
District's covered-employee payroll	\$ 31,186,506	\$ 29,668,119	\$ 28,456,580	\$ 27,582,011	\$ --
Contributions as a percentage of covered-employee payroll	3.35%	3.13%	3.17%	2.94%	--

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

**EXHIBIT G-3**

Fiscal Year				
2013	2010	2009	2008	2007
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

## *SCHEDULE OF THE DISTRICT'S PROPORTIONATE*

### *SHARE OF THE NET OPEB LIABILITY*

### *TEACHER RETIREMENT SYSTEM OF TEXAS*

### *LAST TEN FISCAL YEARS \**

	Measurement Year Ended August 31,				
	2017	2016	2015	2014	2013
District's proportion of the collective net OPEB liability	0.0365625296%	--	--	--	--
District's proportionate share of the collective net OPEB liability	\$ 15,899,673	\$ --	\$ --	\$ --	\$ --
State proportionate share of the collective net OPEB liability associated with the District	\$ 22,917,035	\$ 1	\$ 1	\$ --	\$ --
Total	<u>\$ 38,816,708</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
District's covered-employee payroll	\$ 29,968,151	\$ --	\$ --	\$ --	\$ --
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	53.06%	--	--	--	--
Plan fiduciary net position as a percentage of the total OPEB liability	0.91%	--	--	--	--

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.



EXHIBIT G-4

Measurement Year Ended August 31,				
2012	2011	2010	2009	2008
--	--	--	--	--
\$ --	\$ --	\$ --	\$ --	\$ --
\$ --	\$ --	\$ --	\$ --	\$ --
\$ --	\$ --	\$ --	\$ --	\$ --
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

## **SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS**

### **TEACHER RETIREMENT SYSTEM OF TEXAS**

#### **LAST TEN FISCAL YEARS \***

	Fiscal Year Ended				
	2018	2017	2016	2015	2014
Statutorily or contractually required District contribution	\$ 239,614	\$ --	\$ --	\$ --	\$ --
Contributions recognized by OPEB in relation to statutorily or contractually required contribution	(239,614)	--	--	--	--
Contribution deficiency (excess)	<u>\$ 479,228</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
District's covered-employee payroll	\$ 31,192,689	\$ --	\$ --	\$ --	\$ --
Contributions as a percentage of covered-employee payroll	0.77%	--	--	--	--

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

**EXHIBIT G-5**

Fiscal Year Ended				
2013	2012	2011	2010	2009
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
\$ --	\$ --	\$ --	\$ --	\$ --
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--

## **LOCKHART INDEPENDENT SCHOOL DISTRICT**

### **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2018**

#### **Budget**

The official budget was prepared for adoption for all Governmental Fund Types. The budget was prepared in accordance with accounting practices generally accepted in the United States of America. The following procedures are followed in establishing the budgetary data.:

- a. Prior to June 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
- c. Prior to the beginning of the fiscal year, the budget is legally enacted through passage of a resolution by the Board.

Once a budget is approved, it can be amended at function and fund level only by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings.

Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board and are not made after fiscal year end as required by law.

Each amendment is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at year end and encumbrances outstanding at that time are to be either cancelled or appropriately provided for in the subsequent year's budget. There were no end-of-year outstanding encumbrances that were provided for in the subsequent year's budget.

#### **Defined Benefit Pension Plan**

##### *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*

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

*Combining Statements and Budget Comparisons  
as Supplementary Information*

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2018

Data Control Codes		Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit C-1)
<b>ASSETS:</b>					
1110	Cash and Cash Equivalents	\$ 1,253,752	\$ 26,114	\$ 14,057	\$ 1,293,923
1120	Current Investments	624,935	169,097	3,160,378	3,954,410
1240	Due from Other Governments	799,991	--	--	799,991
1260	Due from Other Funds	58,204	48,257	1,544,590	1,651,051
1290	Other Receivables	46,064	--	--	46,064
1410	Unrealized Expenditures	8,950	--	--	8,950
1000	Total Assets	<u>2,791,896</u>	<u>243,468</u>	<u>4,719,025</u>	<u>7,754,389</u>
<b>LIABILITIES:</b>					
Current Liabilities:					
2110	Accounts Payable	\$ 183,799	\$ --	\$ 657,869	\$ 841,668
2150	Payroll Deductions & Withholdings	63,266	--	--	63,266
2160	Accrued Wages Payable	450,102	--	--	450,102
2170	Due to Other Funds	917,670	26,213	571,371	1,515,254
2180	Due to Other Governments	23,890	--	--	23,890
2300	Unearned Revenue	282,880	--	--	282,880
2400	Payable from Restricted Assets	--	--	517,817	517,817
2000	Total Liabilities	<u>1,921,607</u>	<u>26,213</u>	<u>1,747,057</u>	<u>3,694,877</u>
<b>FUND BALANCES:</b>					
Restricted Fund Balances:					
3450	Federal/State Funds Grant Restrictions	560,172	--	--	560,172
3470	Capital Acquisitions & Contractual Obligations	--	--	2,971,968	2,971,968
3480	Retirement of Long-Term Debt	--	217,255	--	217,255
3490	Other Restrictions of Fund Balance	66,403	--	--	66,403
Committed Fund Balances:					
3545	Other Committed Fund Balance	243,714	--	--	243,714
3000	Total Fund Balances	<u>870,289</u>	<u>217,255</u>	<u>2,971,968</u>	<u>4,059,512</u>
4000	Total Liabilities and Fund Balances	<u>\$ 2,791,896</u>	<u>\$ 243,468</u>	<u>\$ 4,719,025</u>	<u>\$ 7,754,389</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018

Data Control Codes		Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit C-2)
<b>REVENUES:</b>					
5700	Local and Intermediate Sources	\$ 1,668,748	\$ 2,809	\$ 69,156	\$ 1,740,713
5800	State Program Revenues	1,201,905	--	--	1,201,905
5900	Federal Program Revenues	6,322,631	--	--	6,322,631
5020	Total Revenues	9,193,284	2,809	69,156	9,265,249
<b>EXPENDITURES:</b>					
Current:					
0011	Instruction	4,432,703	--	27,494	4,460,197
0012	Instructional Resources and Media Services	39,766	--	--	39,766
0013	Curriculum and Staff Development	43,774	--	--	43,774
0021	Instructional Leadership	198,997	--	--	198,997
0023	School Leadership	578	--	--	578
0031	Guidance, Counseling, & Evaluation Services	648,408	--	--	648,408
0032	Social Work Services	17,348	--	--	17,348
0033	Health Services	107,987	--	--	107,987
0034	Student Transportation	112,451	--	270,078	382,529
0035	Food Service	3,604,654	--	--	3,604,654
0036	Cocurricular/Extracurricular Activities	59,688	--	--	59,688
0041	General Administration	3,873	--	128,387	132,260
0051	Facilities Maintenance and Operations	155,079	--	--	155,079
0052	Security and Monitoring Services	54,625	--	--	54,625
0061	Community Services	3,410	--	--	3,410
0071	Principal on Long-term Debt	--	425,000	--	425,000
0072	Interest on Long-term Debt	--	39,450	--	39,450
0073	Bond Issuance Costs and Fees	--	--	49,006	49,006
0081	Capital Outlay	--	--	5,883,966	5,883,966
0093	Payments to Shared Service Arrangements	62,296	--	--	62,296
6030	Total Expenditures	9,545,637	464,450	6,358,931	16,369,018
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	(352,353)	(461,641)	(6,289,775)	(7,103,769)
Other Financing Sources and (Uses):					
7914	Issuance of Non-Current Debt	--	--	3,670,000	3,670,000
7915	Transfers In	--	525,496	--	525,496
7080	Total Other Financing Sources and (Uses)	--	525,496	3,670,000	4,195,496
1200	Net Change in Fund Balances	(352,353)	63,855	(2,619,775)	(2,908,273)
0100	Fund Balances - Beginning	1,222,642	153,400	5,591,743	6,967,785
3000	Fund Balances - Ending	\$ 870,289	\$ 217,255	\$ 2,971,968	\$ 4,059,512

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2018

Data Control Codes		211 ESEA Title I Improving Basic Programs	212 ESEA Title I, Part C Migrant Children	224 IDEA-B Formula	225 IDEA-B Preschool Grant
<b>ASSETS:</b>					
1110	Cash and Cash Equivalents	\$ 8,066	\$ 682	\$ 155	\$ --
1120	Current Investments	104,356	--	275,229	--
1240	Due from Other Governments	200,659	--	139,735	13,557
1260	Due from Other Funds	--	--	--	--
1290	Other Receivables	--	--	--	--
1410	Unrealized Expenditures	--	--	--	--
1000	Total Assets	313,081	682	415,119	13,557
<b>LIABILITIES:</b>					
Current Liabilities:					
2110	Accounts Payable	\$ 23,757	\$ --	\$ 155	\$ --
2150	Payroll Deductions & Withholdings	22,066	--	19,281	526
2160	Accrued Wages Payable	148,517	--	157,592	3,255
2170	Due to Other Funds	118,741	682	238,091	9,776
2180	Due to Other Governments	--	--	--	--
2300	Unearned Revenue	--	--	--	--
2000	Total Liabilities	313,081	682	415,119	13,557
<b>FUND BALANCES:</b>					
Restricted Fund Balances:					
3450	Federal/State Funds Grant Restrictions	--	--	--	--
3490	Other Restrictions of Fund Balance	--	--	--	--
Committed Fund Balances:					
3545	Other Committed Fund Balance	--	--	--	--
3000	Total Fund Balances	--	--	--	--
4000	Total Liabilities and Fund Balances	\$ 313,081	\$ 682	\$ 415,119	\$ 13,557



240 National School Breakfast/Lunch Program	244 Vo Ed Basic Grant	255 ESEA Title II Training & Recruiting	263 English Language Acquisition and Enhancement	274 GEAR UP
\$ 673,488	\$ 555	\$ 16,577	\$ --	\$ 81,479
118,634	--	63,138	--	--
--	12,607	27,528	6,270	39,220
58,204	--	--	--	--
41,808	--	--	--	--
--	--	--	2,801	--
<u>892,134</u>	<u>13,162</u>	<u>107,243</u>	<u>9,071</u>	<u>120,699</u>
\$ 72,012	\$ 556	\$ --	\$ 165	\$ 1,775
1,439	99	2,921	(2)	--
14,797	356	18,612	894	858
--	12,151	85,710	8,014	389
--	--	--	--	--
--	--	--	--	117,677
<u>88,248</u>	<u>13,162</u>	<u>107,243</u>	<u>9,071</u>	<u>120,699</u>
560,172	--	--	--	--
--	--	--	--	--
243,714	--	--	--	--
<u>803,886</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 892,134</u>	<u>\$ 13,162</u>	<u>\$ 107,243</u>	<u>\$ 9,071</u>	<u>\$ 120,699</u>

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2018

Data Control Codes		289 Limited English Proficient Summer School	315 IDEA-B Discretionary	385 Supplemental Visually Impaired	397 Advanced Placement Incentives
<b>ASSETS:</b>					
1110	Cash and Cash Equivalents	\$ (22,648)	\$ --	\$ 14	\$ --
1120	Current Investments	25,987	31,953	--	5,013
1240	Due from Other Governments	--	360,415	--	--
1260	Due from Other Funds	--	--	--	--
1290	Other Receivables	--	--	3,582	--
1410	Unrealized Expenditures	--	--	--	--
1000	Total Assets	<u>3,339</u>	<u>392,368</u>	<u>3,596</u>	<u>5,013</u>
<b>LIABILITIES:</b>					
Current Liabilities:					
2110	Accounts Payable	\$ --	\$ --	\$ --	\$ --
2150	Payroll Deductions & Withholdings	--	--	--	--
2160	Accrued Wages Payable	--	--	368	--
2170	Due to Other Funds	3,339	392,368	3,228	--
2180	Due to Other Governments	--	--	--	--
2300	Unearned Revenue	--	--	--	5,013
2000	Total Liabilities	<u>3,339</u>	<u>392,368</u>	<u>3,596</u>	<u>5,013</u>
<b>FUND BALANCES:</b>					
Restricted Fund Balances:					
3450	Federal/State Funds Grant Restrictions	--	--	--	--
3490	Other Restrictions of Fund Balance	--	--	--	--
Committed Fund Balances:					
3545	Other Committed Fund Balance	--	--	--	--
3000	Total Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
4000	Total Liabilities and Fund Balances	<u>\$ 3,339</u>	<u>\$ 392,368</u>	<u>\$ 3,596</u>	<u>\$ 5,013</u>

410 State Textbook Fund	429 State Funded Special Revenue Fund	437 Special Education	450 Medicaid Coop	461 Campus Activity Funds
\$ 8,082	\$ --	\$ 184,315	\$ 16,065	\$ 66,826
--	625	--	--	--
--	--	--	--	--
--	--	--	--	--
6,149	--	1	673	--
<u>14,231</u>	<u>625</u>	<u>184,316</u>	<u>16,738</u>	<u>66,826</u>
\$ 8,082	\$ --	\$ 11,164	\$ 2,083	\$ 350
--	4	16,931	--	--
--	--	104,853	--	--
1,240	621	42,133	--	73
--	--	9,235	14,655	--
4,909	--	--	--	--
<u>14,231</u>	<u>625</u>	<u>184,316</u>	<u>16,738</u>	<u>423</u>
--	--	--	--	--
--	--	--	--	66,403
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>66,403</u>
<u>\$ 14,231</u>	<u>\$ 625</u>	<u>\$ 184,316</u>	<u>\$ 16,738</u>	<u>\$ 66,826</u>

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2018

Data Control Codes		480	481	483	484
		Education Foundation	Kiwanis Club	Hogg Grant	Lions Club
<b>ASSETS:</b>					
1110	Cash and Cash Equivalents	\$ 18,331	\$ 453	\$ 95,831	\$ 1,294
1120	Current Investments	--	--	--	--
1240	Due from Other Governments	--	--	--	--
1260	Due from Other Funds	--	--	--	--
1290	Other Receivables	--	--	--	--
1410	Unrealized Expenditures	--	--	--	--
1000	Total Assets	<u>18,331</u>	<u>453</u>	<u>95,831</u>	<u>1,294</u>
<b>LIABILITIES:</b>					
Current Liabilities:					
2110	Accounts Payable	\$ 499	\$ --	\$ 7,233	\$ --
2150	Payroll Deductions & Withholdings	--	--	--	--
2160	Accrued Wages Payable	--	--	--	--
2170	Due to Other Funds	--	--	--	--
2180	Due to Other Governments	--	--	--	--
2300	Unearned Revenue	<u>17,832</u>	<u>453</u>	<u>88,598</u>	<u>1,294</u>
2000	Total Liabilities	<u>18,331</u>	<u>453</u>	<u>95,831</u>	<u>1,294</u>
<b>FUND BALANCES:</b>					
Restricted Fund Balances:					
3450	Federal/State Funds Grant Restrictions	--	--	--	--
3490	Other Restrictions of Fund Balance	--	--	--	--
Committed Fund Balances:					
3545	Other Committed Fund Balance	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
3000	Total Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
4000	Total Liabilities and Fund Balances	<u>\$ 18,331</u>	<u>\$ 453</u>	<u>\$ 95,831</u>	<u>\$ 1,294</u>

488	490	492	494	495
GAP Foundation	Sodexo	Texas State University	Parent Teacher Organization	Miscellaneous Grants Fund
\$ --	\$ --	\$ 71,284	\$ 13,396	\$ 7,570
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>71,284</u>	<u>13,396</u>	<u>7,570</u>
\$ --	\$ --	\$ 54,625	\$ --	\$ 93
--	--	--	--	1
--	--	--	--	--
--	--	--	994	120
--	--	--	--	--
--	--	16,659	12,402	7,356
<u>--</u>	<u>--</u>	<u>71,284</u>	<u>13,396</u>	<u>7,570</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ 71,284</u>	<u>\$ 13,396</u>	<u>\$ 7,570</u>

## LOCKHART INDEPENDENT SCHOOL DISTRICT

## COMBINING BALANCE SHEET

## NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2018

Data Control Codes	496 Athletic Booster Club	498 E3 Alliance	499 Hazelett Drilling	Total Nonmajor Special Revenue Funds (See Exhibit H-1)
<b>ASSETS:</b>				
1110 Cash and Cash Equivalents	\$ 9,644	\$ --	\$ 2,293	\$ 1,253,752
1120 Current Investments	--	--	--	624,935
1240 Due from Other Governments	--	--	--	799,991
1260 Due from Other Funds	--	--	--	58,204
1290 Other Receivables	--	--	--	46,064
1410 Unrealized Expenditures	--	--	--	8,950
1000 Total Assets	<u>9,644</u>	<u>--</u>	<u>2,293</u>	<u>2,791,896</u>
<b>LIABILITIES:</b>				
Current Liabilities:				
2110 Accounts Payable	\$ 1,250	\$ --	\$ --	\$ 183,799
2150 Payroll Deductions & Withholdings	--	--	--	63,266
2160 Accrued Wages Payable	--	--	--	450,102
2170 Due to Other Funds	--	--	--	917,670
2180 Due to Other Governments	--	--	--	23,890
2300 Unearned Revenue	8,394	--	2,293	282,880
2000 Total Liabilities	<u>9,644</u>	<u>--</u>	<u>2,293</u>	<u>1,921,607</u>
<b>FUND BALANCES:</b>				
Restricted Fund Balances:				
3450 Federal/State Funds Grant Restrictions	--	--	--	560,172
3490 Other Restrictions of Fund Balance	--	--	--	66,403
Committed Fund Balances:				
3545 Other Committed Fund Balance	--	--	--	243,714
3000 Total Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>	<u>870,289</u>
4000 Total Liabilities and Fund Balances	<u>\$ 9,644</u>	<u>\$ --</u>	<u>\$ 2,293</u>	<u>\$ 2,791,896</u>

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018

Data Control Codes		211 ESEA Title I Improving Basic Programs	224 IDEA-B Formula	225 IDEA-B Preschool Grant	240 National School Breakfast/Lunch Program
<b>REVENUES:</b>					
5700	Local and Intermediate Sources	\$ --	\$ --	\$ --	\$ 413,845
5800	State Program Revenues	--	--	--	17,256
5900	Federal Program Revenues	1,028,125	1,440,599	32,432	3,038,249
5020	Total Revenues	<u>1,028,125</u>	<u>1,440,599</u>	<u>32,432</u>	<u>3,469,350</u>
<b>EXPENDITURES:</b>					
Current:					
0011	Instruction	700,172	1,332,945	32,432	--
0012	Instructional Resources and Media Services	--	--	--	--
0013	Curriculum and Staff Development	12,833	1,230	--	--
0021	Instructional Leadership	--	--	--	--
0023	School Leadership	--	--	--	--
0031	Guidance, Counseling, & Evaluation Services	205,130	96,714	--	--
0032	Social Work Services	--	--	--	--
0033	Health Services	107,104	--	--	--
0034	Student Transportation	--	9,710	--	--
0035	Food Service	--	--	--	3,604,568
0036	Cocurricular/Extracurricular Activities	--	--	--	--
0041	General Administration	--	--	--	--
0051	Facilities Maintenance and Operations	--	--	--	152,329
0052	Security and Monitoring Services	--	--	--	--
0061	Community Services	2,886	--	--	--
0093	Payments to Shared Service Arrangements	--	--	--	--
6030	Total Expenditures	<u>1,028,125</u>	<u>1,440,599</u>	<u>32,432</u>	<u>3,756,897</u>
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	--	--	--	(287,547)
1200	Net Change in Fund Balances	--	--	--	(287,547)
0100	Fund Balances - Beginning	--	--	--	1,091,433
3000	Fund Balances - Ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 803,886</u>

244 Vo Ed Basic Grant	255 ESEA Title II Training & Recruiting	263 English Language Acquisition and Enhancement	274 GEAR UP	289 Limited English Proficient Summer School
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	3,494	--
47,552	138,733	83,163	61,025	25,987
<u>47,552</u>	<u>138,733</u>	<u>83,163</u>	<u>64,519</u>	<u>25,987</u>
47,527	138,733	57,664	3,290	25,987
--	--	--	--	--
25	--	24,053	226	--
--	--	1,446	--	--
--	--	--	--	--
--	--	--	60,145	--
--	--	--	--	--
--	--	--	858	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>47,552</u>	<u>138,733</u>	<u>83,163</u>	<u>64,519</u>	<u>25,987</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>



# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018

Data Control Codes	315 IDEA-B Discretionary	385 Supplemental Visually Impaired	397 Advanced Placement Incentives	410 State Textbook Fund
<b>REVENUES:</b>				
5700 <i>Local and Intermediate Sources</i>	\$ --	\$ --	\$ --	\$ --
5800 <i>State Program Revenues</i>	--	3,842	275	849,485
5900 <i>Federal Program Revenues</i>	360,415	--	--	--
5020 <i>Total Revenues</i>	<u>360,415</u>	<u>3,842</u>	<u>275</u>	<u>849,485</u>
<b>EXPENDITURES:</b>				
Current:				
0011 <i>Instruction</i>	352,674	3,801	--	849,485
0012 <i>Instructional Resources and Media Services</i>	--	--	--	--
0013 <i>Curriculum and Staff Development</i>	--	41	275	--
0021 <i>Instructional Leadership</i>	--	--	--	--
0023 <i>School Leadership</i>	--	--	--	--
0031 <i>Guidance, Counseling, &amp; Evaluation Services</i>	--	--	--	--
0032 <i>Social Work Services</i>	--	--	--	--
0033 <i>Health Services</i>	--	--	--	--
0034 <i>Student Transportation</i>	7,741	--	--	--
0035 <i>Food Service</i>	--	--	--	--
0036 <i>Cocurricular/Extracurricular Activities</i>	--	--	--	--
0041 <i>General Administration</i>	--	--	--	--
0051 <i>Facilities Maintenance and Operations</i>	--	--	--	--
0052 <i>Security and Monitoring Services</i>	--	--	--	--
0061 <i>Community Services</i>	--	--	--	--
0093 <i>Payments to Shared Service Arrangements</i>	--	--	--	--
6030 <i>Total Expenditures</i>	<u>360,415</u>	<u>3,842</u>	<u>275</u>	<u>849,485</u>
1100 <i>Excess (Deficiency) of Revenues Over (Under)</i>	--	--	--	--
1100 <i>Expenditures</i>	--	--	--	--
1200 <i>Net Change in Fund Balances</i>	--	--	--	--
0100 <i>Fund Balances - Beginning</i>	--	--	--	--
3000 <i>Fund Balances - Ending</i>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

429 State Funded Special Revenue Fund	437 Special Education	450 Medicaid Coop	461 Campus Activity Funds	480 Education Foundation
\$ 240	\$ 923,454	\$ --	\$ 137,326	\$ 28,883
34,958	292,404	--	--	--
--	--	66,351	--	--
<u>35,198</u>	<u>1,215,858</u>	<u>66,351</u>	<u>137,326</u>	<u>28,883</u>
34,798	691,269	4,055	117,164	27,887
--	--	--	38,091	996
400	1,000	--	--	--
--	197,551	--	--	--
--	--	--	578	--
--	227,464	--	--	--
--	--	--	--	--
--	--	--	25	--
--	95,000	--	--	--
--	--	--	86	--
--	--	--	44,101	--
--	3,574	--	299	--
--	--	--	1,264	--
--	--	--	--	--
--	--	--	524	--
--	--	62,296	--	--
<u>35,198</u>	<u>1,215,858</u>	<u>66,351</u>	<u>202,132</u>	<u>28,883</u>
--	--	--	(64,806)	--
--	--	--	(64,806)	--
--	--	--	131,209	--
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 66,403</u>	<u>\$ --</u>

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018

Data Control Codes	483  Hogg Grant	484  Lions Club	488  GAP Foundation	490  Sodexo
<b>REVENUES:</b>				
5700 <i>Local and Intermediate Sources</i>	\$ 74,842	\$ 1,816	\$ 250	\$ 1,663
5800 <i>State Program Revenues</i>	--	--	--	--
5900 <i>Federal Program Revenues</i>	--	--	--	--
5020 <i>Total Revenues</i>	<u>74,842</u>	<u>1,816</u>	<u>250</u>	<u>1,663</u>
<b>EXPENDITURES:</b>				
Current:				
0011 <i>Instruction</i>	--	1,816	250	1,663
0012 <i>Instructional Resources and Media Services</i>	--	--	--	--
0013 <i>Curriculum and Staff Development</i>	--	--	--	--
0021 <i>Instructional Leadership</i>	--	--	--	--
0023 <i>School Leadership</i>	--	--	--	--
0031 <i>Guidance, Counseling, &amp; Evaluation Services</i>	57,494	--	--	--
0032 <i>Social Work Services</i>	17,348	--	--	--
0033 <i>Health Services</i>	--	--	--	--
0034 <i>Student Transportation</i>	--	--	--	--
0035 <i>Food Service</i>	--	--	--	--
0036 <i>Cocurricular/Extracurricular Activities</i>	--	--	--	--
0041 <i>General Administration</i>	--	--	--	--
0051 <i>Facilities Maintenance and Operations</i>	--	--	--	--
0052 <i>Security and Monitoring Services</i>	--	--	--	--
0061 <i>Community Services</i>	--	--	--	--
0093 <i>Payments to Shared Service Arrangements</i>	--	--	--	--
6030 <i>Total Expenditures</i>	<u>74,842</u>	<u>1,816</u>	<u>250</u>	<u>1,663</u>
1100 <i>Excess (Deficiency) of Revenues Over (Under)</i>	--	--	--	--
1100 <i>Expenditures</i>	--	--	--	--
1200 <i>Net Change in Fund Balances</i>	--	--	--	--
0100 <i>Fund Balances - Beginning</i>	--	--	--	--
3000 <i>Fund Balances - Ending</i>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

492 Texas State University	494 Parent Teacher Organization	495 Miscellaneous Grants Fund	496 Athletic Booster Club	Total Nonmajor Special Revenue Funds (See Exhibit H-2)
\$ 54,625	\$ 14,632	\$ 1,879	\$ 15,293	\$ 1,668,748
--	--	191	--	1,201,905
--	--	--	--	6,322,631
<u>54,625</u>	<u>14,632</u>	<u>2,070</u>	<u>15,293</u>	<u>9,193,284</u>
--	8,776	315	--	4,432,703
--	679	--	--	39,766
--	3,691	--	--	43,774
--	--	--	--	198,997
--	--	--	--	578
--	--	1,461	--	648,408
--	--	--	--	17,348
--	--	--	--	107,987
--	--	--	--	112,451
--	--	--	--	3,604,654
--	--	294	15,293	59,688
--	--	--	--	3,873
--	1,486	--	--	155,079
54,625	--	--	--	54,625
--	--	--	--	3,410
--	--	--	--	62,296
<u>54,625</u>	<u>14,632</u>	<u>2,070</u>	<u>15,293</u>	<u>9,545,637</u>
--	--	--	--	(352,353)
--	--	--	--	(352,353)
--	--	--	--	1,222,642
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 870,289</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR DEBT SERVICE FUNDS

JUNE 30, 2018

Data Control Codes		595 Maintenance Tax Notes 2012 Series	597 Maintenance Tax Notes 2017 Series	Total Nonmajor Debt Service Funds (See Exhibit H-1)
<b>ASSETS:</b>				
1110	Cash and Cash Equivalents	\$ 11,216	\$ 14,898	\$ 26,114
1120	Current Investments	169,097	--	169,097
1260	Due from Other Funds	--	48,257	48,257
1000	Total Assets	<u>180,313</u>	<u>63,155</u>	<u>243,468</u>
<b>LIABILITIES:</b>				
Current Liabilities:				
2170	Due to Other Funds	\$ 26,213	\$ --	\$ 26,213
2000	Total Liabilities	<u>26,213</u>	<u>--</u>	<u>26,213</u>
<b>FUND BALANCES:</b>				
Restricted Fund Balances:				
3480	Retirement of Long-Term Debt	154,100	63,155	217,255
3000	Total Fund Balances	<u>154,100</u>	<u>63,155</u>	<u>217,255</u>
4000	Total Liabilities and Fund Balances	<u>\$ 180,313</u>	<u>\$ 63,155</u>	<u>\$ 243,468</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018

Data Control Codes		595 Maintenance Tax Notes 2012 Series	597 Maintenance Tax Notes 2017 Series	Total Nonmajor Debt Service Funds (See Exhibit H-2)
<b>REVENUES:</b>				
5700	Local and Intermediate Sources	\$ 2,809	\$ --	\$ 2,809
5020	Total Revenues	<u>2,809</u>	<u>--</u>	<u>2,809</u>
<b>EXPENDITURES:</b>				
0071	Principal on Long-term Debt	425,000	--	425,000
0072	Interest on Long-term Debt	39,450	--	39,450
6030	Total Expenditures	<u>464,450</u>	<u>--</u>	<u>464,450</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	<u>(461,641)</u>	<u>--</u>	<u>(461,641)</u>
Other Financing Sources and (Uses):				
7915	Transfers In	462,341	63,155	525,496
7080	Total Other Financing Sources and (Uses)	<u>462,341</u>	<u>63,155</u>	<u>525,496</u>
1200	Net Change in Fund Balances	700	63,155	63,855
0100	Fund Balances - Beginning	153,400	--	153,400
3000	Fund Balances - Ending	<u>\$ 154,100</u>	<u>\$ 63,155</u>	<u>\$ 217,255</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR CAPITAL PROJECTS FUNDS

JUNE 30, 2018

Data Control Codes	614  Bond Program	698 2017 Maintenance Tax Notes Proceeds	Total Nonmajor Capital Projects Funds (See Exhibit H-1)
<b>ASSETS:</b>			
1110 <i>Cash and Cash Equivalents</i>	\$ 14,057	\$ --	\$ 14,057
1120 <i>Current Investments</i>	780,214	2,380,164	3,160,378
1260 <i>Due from Other Funds</i>	1,020,948	523,642	1,544,590
1000 <b>Total Assets</b>	<u>1,815,219</u>	<u>2,903,806</u>	<u>4,719,025</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
2110 <i>Accounts Payable</i>	\$ 9,242	\$ 648,627	\$ 657,869
2170 <i>Due to Other Funds</i>	523,642	47,729	571,371
2400 <i>Payable from Restricted Assets</i>	517,817	--	517,817
2000 <b>Total Liabilities</b>	<u>1,050,701</u>	<u>696,356</u>	<u>1,747,057</u>
<b>FUND BALANCES:</b>			
Restricted Fund Balances:			
3470 <i>Capital Acquisitions &amp; Contractual Obligations</i>	764,518	2,207,450	2,971,968
3000 <b>Total Fund Balances</b>	<u>764,518</u>	<u>2,207,450</u>	<u>2,971,968</u>
4000 <b>Total Liabilities and Fund Balances</b>	<u>\$ 1,815,219</u>	<u>\$ 2,903,806</u>	<u>\$ 4,719,025</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018

Data Control Codes	614  Bond Program	698 2017 Maintenance Tax Notes Proceeds	Total Nonmajor Capital Projects Funds (See Exhibit H-2)
<b>REVENUES:</b>			
5700 <i>Local and Intermediate Sources</i>	\$ 40,918	\$ 28,238	\$ 69,156
5020 <i>Total Revenues</i>	<u>40,918</u>	<u>28,238</u>	<u>69,156</u>
<b>EXPENDITURES:</b>			
Current:			
0011 <i>Instruction</i>	27,494	--	27,494
0034 <i>Student Transportation</i>	--	270,078	270,078
0041 <i>General Administration</i>	--	128,387	128,387
0073 <i>Bond Issuance Costs and Fees</i>	--	49,006	49,006
0081 <i>Capital Outlay</i>	4,840,649	1,043,317	5,883,966
6030 <i>Total Expenditures</i>	<u>4,868,143</u>	<u>1,490,788</u>	<u>6,358,931</u>
1100 <i>Excess (Deficiency) of Revenues Over (Under)</i>			
1100 <i>Expenditures</i>	<u>(4,827,225)</u>	<u>(1,462,550)</u>	<u>(6,289,775)</u>
Other Financing Sources and (Uses):			
7914 <i>Issuance of Non-Current Debt</i>	--	3,670,000	3,670,000
7080 <i>Total Other Financing Sources and (Uses)</i>	--	3,670,000	3,670,000
1200 <i>Net Change in Fund Balances</i>	<u>(4,827,225)</u>	<u>2,207,450</u>	<u>(2,619,775)</u>
0100 <i>Fund Balances - Beginning</i>	5,591,743	--	5,591,743
3000 <i>Fund Balances - Ending</i>	<u>\$ 764,518</u>	<u>\$ 2,207,450</u>	<u>\$ 2,971,968</u>



# LOCKHART INDEPENDENT SCHOOL DISTRICT

## COMBINING STATEMENT OF NET POSITION

### NONMAJOR ENTERPRISE FUNDS

JUNE 30, 2018

Data Control Codes		Enterprise Fund	Enterprise Fund	Enterprise Fund
		Summer Recreation	After School Program	Cubhouse Students
	<b>ASSETS:</b>			
	Current Assets:			
1110	Cash and Cash Equivalents	\$ 25,154	\$ 6,653	\$ 18,536
	Receivables:			
1260	Due from Other Funds	--	7,483	1,068
1290	Other Receivables (net)	856	10	--
	Total Current Assets	26,010	14,146	19,604
1000	Total Assets	26,010	14,146	19,604
	<b>LIABILITIES:</b>			
	Current Liabilities:			
2150	Payroll Deduction & Withholdings	\$ 1	\$ 1,957	\$ 4,335
2160	Accrued Wages Payable	13,508	12,189	15,269
2170	Due to Other Funds	2,667	--	--
2300	Unearned Revenues	9,834	--	--
	Total Current Liabilities	26,010	14,146	19,604
2000	Total Liabilities	26,010	14,146	19,604
	<b>NET POSITION:</b>			
3000	Total Net Position	\$ --	\$ --	\$ --

EXHIBIT H-9

Enterprise Fund	Enterprise Fund	Enterprise Fund	Total Nonmajor Enterprise Funds (See Exhibit D-1)
GED Adult Ed	Cubhouse Employees	Community Ed. Adm.	
\$ --	\$ 15,994	\$ 4,766	\$ 71,103
--	1,298	--	9,849
3,619	--	100	4,585
3,619	17,292	4,866	85,537
3,619	17,292	4,866	85,537
\$ --	\$ 3,525	\$ 70	\$ 9,888
1,734	13,767	984	57,451
1,885	--	367	4,919
--	--	3,445	13,279
3,619	17,292	4,866	85,537
3,619	17,292	4,866	85,537
\$ --	\$ --	\$ --	\$ --

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018

Data Control Codes		Enterprise Fund	Enterprise Fund	Enterprise Fund
		Summer Recreation	After School Program	Cubhouse Students
<b>OPERATING REVENUES:</b>				
5700	Local and Intermediate Sources	\$ 85,736	\$ 302,498	\$ --
5800	State Program Revenues	1,496	13,132	35,893
5020	Total Revenues	87,232	315,630	35,893
<b>OPERATING EXPENSES:</b>				
6100	Payroll Costs	55,951	188,027	159,241
6200	Professional and Contracted Services	6,086	5,452	2,791
6300	Supplies and Materials	3,529	11,730	7,111
6400	Other Operating Costs	1,022	105	657
6030	Total Expenses	66,588	205,314	169,800
	Income (Loss) before Contributions and Transfers	20,644	110,316	(133,907)
7915	Transfers In	--	--	133,907
8911	Transfers Out	(20,644)	(110,316)	--
1300	Change in Net Position	--	--	--
0100	Total Net Position - Beginning	--	--	--
3300	Total Net Position - Ending	\$ --	\$ --	\$ --

Enterprise Fund	Enterprise Fund	Enterprise Fund	Total Nonmajor Enterprise Funds (See Exhibit D-2)
GED Adult Ed	Cubhouse Employees	Community Ed. Adm.	
\$ 83,859	\$ 192,120	\$ 26,764	\$ 690,977
--	16,805	13,265	80,591
83,859	208,925	40,029	771,568
50,079	157,537	157,856	768,691
21,445	1,234	15,601	52,609
457	5,428	9,724	37,979
6,794	303	1,334	10,215
78,775	164,502	184,515	869,494
5,084	44,423	(144,486)	(97,926)
--	--	144,486	278,393
(5,084)	(44,423)	--	(180,467)
--	--	--	--
--	--	--	--
\$ --	\$ --	\$ --	\$ --

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

## **COMBINING STATEMENT OF CASH FLOWS**

### **NONMAJOR ENTERPRISE FUNDS**

FOR THE YEAR ENDED JUNE 30, 2018

	Summer Recreation	After School Program	Cubhouse Students
<b>Cash Flows from Operating Activities:</b>			
Cash Received from Customers	\$ 84,071	\$ 295,206	\$ --
Cash Received from Grants	1,961	13,132	36,019
Cash Payments to Employees	(47,543)	(187,085)	(162,085)
Cash Payments to Suppliers for Goods and Services	(11,402)	(19,371)	(10,526)
Net Cash Provided (Used) by Operating Activities	<u>27,087</u>	<u>101,882</u>	<u>(136,592)</u>
<b>Cash Flows from Non-capital Financing Activities:</b>			
Transfers From (To) Other Funds	(20,644)	(110,316)	133,907
Net Cash Provided (Used) by Non-capital Financing Activities	<u>(20,644)</u>	<u>(110,316)</u>	<u>133,907</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	6,443	(8,434)	(2,685)
Cash and Cash Equivalents at Beginning of Year	18,711	15,087	21,221
Cash and Cash Equivalents at End of Year	<u>\$ 25,154</u>	<u>\$ 6,653</u>	<u>\$ 18,536</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>			
Operating Income (Loss)	\$ 20,644	\$ 110,316	\$ (133,907)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation	--	--	--
Provision for Uncollectible Accounts	--	--	--
Change in Assets and Liabilities:			
Decrease (Increase) in Receivables	(856)	(10)	--
Decrease (Increase) in Interfund Receivables	548	(7,282)	126
Decrease (Increase) in Unrealized Expenses	--	37	37
Increase (Decrease) in Accounts Payable	(765)	(2,121)	(4)
Increase (Decrease) in Payroll Deductions	1	49	(320)
Increase (Decrease) in Accrued Wages Payable	8,407	893	(2,524)
Increase (Decrease) in Interfund Payables	(1,357)	--	--
Increase (Decrease) in Unearned Revenue	465	--	--
Total Adjustments	<u>6,443</u>	<u>(8,434)</u>	<u>(2,685)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 27,087</u>	<u>\$ 101,882</u>	<u>\$ (136,592)</u>

GED Adult Ed	Cubhouse Employees	Community Ed. Adm.	Total Nonmajor Enterprise Funds (See Exhibit D-3)
\$ 87,144	\$ 192,818	\$ 26,858	\$ 686,097
--	16,939	14,935	82,986
(48,345)	(163,160)	(158,538)	(766,756)
(28,510)	(6,928)	(26,716)	(103,453)
<u>10,289</u>	<u>39,669</u>	<u>(143,461)</u>	<u>(101,126)</u>
 (5,084)	 (44,423)	 144,486	 97,926
<u>(5,084)</u>	<u>(44,423)</u>	<u>144,486</u>	<u>97,926</u>
 5,205	 (4,754)	 1,025	 (3,200)
(5,205)	20,748	3,741	74,303
<u>\$ --</u>	<u>\$ 15,994</u>	<u>\$ 4,766</u>	<u>\$ 71,103</u>
 \$ 5,084	 \$ 44,423	 \$ (144,486)	 \$ (97,926)
 --	 --	 --	 --
 --	 --	 --	 --
3,285	698	(100)	3,017
--	134	--	(6,474)
--	37	7	118
(1,699)	--	(64)	(4,653)
--	(222)	2	(490)
1,734	(5,401)	(684)	2,425
1,885	--	194	722
--	--	1,670	2,135
<u>5,205</u>	<u>(4,754)</u>	<u>1,025</u>	<u>(3,200)</u>
<u>\$ 10,289</u>	<u>\$ 39,669</u>	<u>\$ (143,461)</u>	<u>\$ (101,126)</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
YEAR ENDED JUNE 30, 2018

**EXHIBIT H-12**

Data Control Codes	97 Balance July 1, 2017	5030 Additions	6050 Deductions	98 Balance June 30, 2018
<b>Noncentralized Activity Funds:</b>				
<b>ASSETS</b>				
Cash & Temporary Investments	\$ 113,654	\$ 137,113	\$ 133,627	\$ 117,140
Due from Other Funds	24,083	18,244	41,514	813
Total Assets	<u>\$ 137,737</u>	<u>\$ 155,357</u>	<u>\$ 175,141</u>	<u>\$ 117,953</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 10,747	\$ 279,822	\$ 267,598	\$ 22,971
Due to Other Funds	2,246	15,569	16,498	1,317
Due to Student Groups	124,744	647,044	678,123	93,665
Total Liabilities	<u>\$ 137,737</u>	<u>\$ 942,435</u>	<u>\$ 962,219</u>	<u>\$ 117,953</u>

### *Other Supplementary Information*

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.



**LOCKHART INDEPENDENT SCHOOL DISTRICT***SCHEDULE OF DELINQUENT TAXES RECEIVABLE**FOR THE YEAR ENDED JUNE 30, 2018*

Year Ended June 30	1		2		3	
	Tax Rates				Assessed/Appraised Value For School Tax Purposes	
	Maintenance		Debt Service			
2009 and Prior Years	\$	Various	\$	Various	\$	Various
2010		1.04		.19		852,035,448
2011		1.04		.1548		898,857,968
2012		1.04		.1482		972,780,008
2013		1.04		.1468		995,561,910
2014		1.04		.1395		1,036,856,855
2015		1.04		.3891		1,055,788,818
2016		1.04		.2905		1,050,678,392
2017		1.04		.2924		1,100,291,396
2018 (School Year Under Audit)		1.04		.2924		1,230,861,929

1000 Totals

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

EXHIBIT J-1

10 Beginning Balance 7/1/17	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance 6/30/18
\$ 276,343	\$ --	\$ 13,129	\$ 2,149	\$ (15,567)	\$ 245,498
51,610	--	4,178	763	--	46,669
67,054	--	4,616	687	--	61,751
69,084	--	7,800	1,112	--	60,172
86,713	--	13,269	1,873	1,185	72,756
102,757	--	22,532	3,023	4,146	81,348
193,170	--	41,580	15,473	5,161	141,278
281,477	--	106,706	29,729	10,848	155,890
604,343	--	241,507	67,892	(16,398)	278,546
--	16,399,512	12,219,318	3,434,101	(56,468)	689,625
<u>\$ 1,732,551</u>	<u>\$ 16,399,512</u>	<u>\$ 12,674,635</u>	<u>\$ 3,556,802</u>	<u>\$ (67,093)</u>	<u>\$ 1,833,533</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

## *NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM*

### *BUDGETARY COMPARISON SCHEDULE*

*FOR THE YEAR ENDED JUNE 30, 2018*

**EXHIBIT J-2**

Data Control Codes		1	2	3
		Budget	Actual	Variance Positive (Negative)
	<b>REVENUES:</b>			
5700	<i>Local and Intermediate Sources</i>	\$ 424,854	\$ 413,845	\$ (11,009)
5800	<i>State Program Revenues</i>	55,569	17,256	(38,313)
5900	<i>Federal Program Revenues</i>	3,076,242	3,038,249	(37,993)
5020	<b>Total Revenues</b>	<u>3,556,665</u>	<u>3,469,350</u>	<u>(87,315)</u>
	<b>EXPENDITURES:</b>			
	Current:			
	Support Services - Student (Pupil):			
0035	<i>Food Services</i>	3,688,206	3,604,568	83,638
	<b>Total Support Services - Student (Pupil)</b>	<u>3,688,206</u>	<u>3,604,568</u>	<u>83,638</u>
	Support Services - Nonstudent Based:			
0051	<i>Plant Maintenance and Operations</i>	175,802	152,329	23,473
	<b>Total Support Services - Nonstudent Based</b>	<u>175,802</u>	<u>152,329</u>	<u>23,473</u>
6030	<b>Total Expenditures</b>	<u>3,864,008</u>	<u>3,756,897</u>	<u>107,111</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	(307,343)	(287,547)	19,796
1200	<b>Net Change in Fund Balance</b>	<u>(307,343)</u>	<u>(287,547)</u>	<u>19,796</u>
0100	Fund Balance - Beginning	1,091,433	1,091,433	--
3000	<b>Fund Balance - Ending</b>	<u>\$ 784,090</u>	<u>\$ 803,886</u>	<u>\$ 19,796</u>

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

MAINTENANCE TAX NOTE-2012 SERIES  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2018

**EXHIBIT J-3**

Data Control Codes		1	2	3
		Budget	Actual	Variance Positive (Negative)
	<b>REVENUES:</b>			
5700	<i>Local and Intermediate Sources</i>	\$ 2,000	\$ 2,809	\$ 809
5020	Total Revenues	2,000	2,809	809
	<b>EXPENDITURES:</b>			
	Debt Service:			
0071	<i>Principal on Long-Term Debt</i>	425,000	425,000	--
0072	<i>Interest on Long-Term Debt</i>	39,450	39,450	--
	Total Debt Service	464,450	464,450	--
6030	Total Expenditures	464,450	464,450	--
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	(462,450)	(461,641)	809
	Other Financing Sources (Uses):			
7915	<i>Transfers In</i>	533,052	462,341	(70,711)
7080	Total Other Financing Sources and (Uses)	533,052	462,341	(70,711)
1200	Net Change in Fund Balance	70,602	700	(69,902)
0100	Fund Balance - Beginning	153,400	153,400	--
3000	Fund Balance - Ending	\$ 224,002	\$ 154,100	\$ (69,902)

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

MAINTENANCE TAX NOTES-2017 SERIES  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2018

EXHIBIT J-4

Data Control Codes		1	2	3
		Budget	Actual	Variance Positive (Negative)
	<b>REVENUES:</b>			
5020	Total Revenues	\$ --	\$ --	\$ --
	<b>EXPENDITURES:</b>			
	Debt Service:			
0072	Interest on Long-Term Debt	43,695	--	43,695
	Total Debt Service	43,695	--	43,695
6030	Total Expenditures	43,695	--	43,695
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	(43,695)	--	43,695
	Other Financing Sources (Uses):			
7915	Transfers In	43,695	63,155	19,460
7080	Total Other Financing Sources and (Uses)	43,695	63,155	19,460
1200	Net Change in Fund Balance	--	63,155	63,155
0100	Fund Balance - Beginning	--	--	--
3000	Fund Balance - Ending	\$ --	\$ 63,155	\$ 63,155

# **LOCKHART INDEPENDENT SCHOOL DISTRICT**

DEBT SERVICE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FORTHE YEAR ENDED SEPTEMBER 30, 2018

**EXHIBIT J-5**

Data Control Codes		1	2	3
		Budget	Actual	Variance Positive (Negative)
	<b>REVENUES:</b>			
5700	Local and Intermediate Sources	\$ 3,971,991	\$ 3,670,979	\$ (301,012)
5800	State Program Revenues	2,135,976	2,146,841	10,865
5020	Total Revenues	<u>6,107,967</u>	<u>5,817,820</u>	<u>(290,147)</u>
	<b>EXPENDITURES:</b>			
	Debt Service:			
0071	Principal on Long-Term Debt	1,408,024	1,408,024	--
0072	Interest on Long-Term Debt	3,771,161	3,771,161	--
0073	Bond Issuance Costs and Fees	20,251	6,345	13,906
	Total Debt Service	<u>5,199,436</u>	<u>5,185,530</u>	<u>13,906</u>
6030	Total Expenditures	<u>5,199,436</u>	<u>5,185,530</u>	<u>13,906</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	<u>908,531</u>	<u>632,290</u>	<u>(276,241)</u>
	Other Financing Sources (Uses):			
8940	Payment to Bond Refunding Escrow Agent	(499,427)	(494,721)	4,706
7080	Total Other Financing Sources and (Uses)	<u>(499,427)</u>	<u>(494,721)</u>	<u>4,706</u>
1200	Net Change in Fund Balance	409,104	137,569	(271,535)
0100	Fund Balance - Beginning	4,974,758	4,974,758	--
3000	Fund Balance - Ending	<u>\$ 5,383,862</u>	<u>\$ 5,112,327</u>	<u>\$ (271,535)</u>

**WEST, DAVIS & COMPANY, LLP**  
11824 Jollyville Road, Suite 100  
Austin, Texas 78759

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*

Board of Trustees  
Lockhart Independent School District  
Lockhart, Texas

Members of the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lockhart Independent School District, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Lockhart Independent School District's basic financial statements, and have issued our report thereon dated November 13, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Lockhart Independent School 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 Lockhart Independent School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Lockhart Independent School District's internal control.

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Lockhart Independent School 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "West, Davis & Company". The script is cursive and fluid, with the company name written in a single line.

West, Davis & Company, LLP  
Austin, Texas  
November 13, 2018



**WEST, DAVIS & COMPANY, LLP**  
11824 Jollyville Road, Suite 100  
Austin, Texas 78759

Independent Auditors' Report on Compliance for Each Major Program and on Internal  
Control Over Compliance Required by the Uniform Guidance

Board of Trustees  
Lockhart Independent School District  
Lockhart, Texas

Members of the Board of Trustees:

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

We have audited the Lockhart Independent School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Lockhart Independent School District's major federal program for the year ended June 30, 2018. Lockhart Independent School District's major federal program is 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 Lockhart Independent School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Lockhart Independent School 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 Lockhart Independent School District's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the Lockhart Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2018.

## Report on Internal Control Over Compliance

Management of the Lockhart Independent School 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 Lockhart Independent School 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 Lockhart Independent School 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 a 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 considered 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.



West, Davis & Company, LLP  
Austin, Texas  
November 13, 2018

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified?        Yes   X   No

One or more significant deficiencies identified that are not considered to be material weaknesses?        Yes   X   None Reported

Noncompliance material to financial statements noted?        Yes   X   No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified?        Yes   X   No

One or more significant deficiencies identified that are not considered to be material weaknesses?        Yes   X   None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200?        Yes   X   No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<b><u>CHILD NUTRITION CLUSTER</u></b>	
10.553	School Breakfast Program
10.555	National School Lunch Program

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?   X   Yes        No

B. Financial Statement Findings

NONE

C. Federal Award Findings and Questioned Costs

NONE

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

**EXHIBIT K-1**

(1)	(2)	(2A)	(3)	
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>CHILD NUTRITION CLUSTER:</b>				
<u>U. S. Department of Agriculture</u>				
Passed Through State Department of Education:				
School Breakfast Program	10.553	71401801	\$	\$ 984,409
National School Lunch Program (Non-cash)	10.555	028-902	--	224,410
National School Lunch Program	10.555	71301801	--	1,692,180
Total CFDA Number 10.555			--	1,916,590
Total Passed Through State Department of Education			--	2,900,999
Total U. S. Department of Agriculture			--	2,900,999
Total Child Nutrition Cluster			--	2,900,999
<b>SPECIAL EDUCATION (IDEA) CLUSTER:</b>				
<u>U. S. Department of Education</u>				
Passed Through State Department of Education:				
<i>IDEA-B Formula</i>	84.027A	186600010289026000	--	1,481,121
<i>SSA IDEA-B Discretionary</i>	84.027A	66001715	--	360,415
Total CFDA Number 84.027A			--	1,841,536
<i>IDEA-B Preschool</i>	84.173A	186610010289026000	--	32,880
Total CFDA Number 84.173A			--	32,880
Total Passed Through State Department of Education			--	1,874,416
Total U. S. Department of Education			--	1,874,416
Total Special Education (IDEA) Cluster			--	1,874,416
<b>OTHER PROGRAMS:</b>				
<u>U. S. Department of Education</u>				
Passed Through State Department of Education:				
<i>Career and Technical - Basic Grant</i>	840.48A	18420006028902	--	48,376
<i>ESEA Title I Part A - Improving Basic Programs</i>	84.010A	18610101028902	--	1,058,876
Total CFDA Number 84.010A			--	1,058,876
<i>Title III Part A English Language Acquisition &amp; Lang Enhancemnt</i>	84.365A	18671001028902	--	85,619
<i>ESEA Title II Part A - Teacher &amp; Principal Training &amp; Recruiting</i>	84.367A	18694501028902	--	143,838
Total CFDA Number 84.367A			--	143,838
<i>Title IV, Part A, Subpart 1</i>	84.424A	18680101028902	--	25,987
Total Passed Through State Department of Education			\$ --	\$ 1,362,696
Passed Through The University of Texas at Austin:				
<i>GEAR UP</i>	84.334s	UTAU CN:40756	\$ --	\$ 61,024
Total U. S. Department of Education			--	1,423,720
<u>U. S. Department of Agriculture</u>				
Passed Through State Department of Education:				
Child and Adult Care Food Program	10.558	028-902	--	137,250
Total U. S. Department of Agriculture			--	137,250
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			--	<b>6,336,385</b>

The accompanying notes are an integral part of this schedule.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Basis of Presentation

The accompanying schedule of expenditures of federal awards ("the Schedule") includes the federal grant activity of Lockhart Independent School District. The information in the Schedule is presented in accordance with the 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"). Therefore, some amounts may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Lockhart Independent School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

*SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS  
AS OF JUNE 30, 2018*

<u>Data Control Codes</u>		<u>Responses</u>
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF4	Was there an unmodified opinion in the Annual Financial Report?	Yes
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts and laws related to local, state or federal funds?	No
SF7	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other governmental agencies?	Yes
SF8	Did the school district <u>not</u> receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?	Yes
SF10	What was the total accumulated accretion on capital appreciation bonds (CABs) included in government-wide financial statements at fiscal year-end?	\$ 580,056
SF11	Net Pension Assets (object 1920) at fiscal year-end.	\$ --
SF12	Net Pension Liabilities (object 2540) at fiscal year-end.	\$ 9,350,942
SF13	Pension Expense (object 6147) at fiscal year-end.	\$

In correspondence to all school administrators dated November 1, 2017, the TEA's Director of Financial Compliance stated "For 2017, and until further notice, no data should be entered in the field for data feed Schedule L-1 question SF13. If the AFR and data feed has been submitted no additional steps need to be taken."

# STATISTICAL SECTION

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

Contents	Page
Financial Trends	109
<i>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</i>	
Revenue Capacity	113
<i>These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property and sales taxes.</i>	
Debt Capacity	124
<i>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	129
<i>These schedules offer demographic and economic indicators to help the reader understand how the District's financial activities take place and to help make comparisons over time and with other governments.</i>	
Operating Information	132
<i>These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.</i>	

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

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(IN THOUSANDS OF DOLLARS)

	Fiscal Year			
	2009	2010	2011	2012
Primary Government				
Invested in Capital Assets, Net of Related Debt	\$ 4,651	\$ 3,863	\$ 4,577	\$ 4,014
Restricted	2,752	1,506	2,578	2,774
Unrestricted	11,763	14,420	13,607	14,996
Total Primary Government Net Position	<u>\$ 19,166</u>	<u>\$ 19,789</u>	<u>\$ 20,762</u>	<u>\$ 21,784</u>



**TABLE L-1**

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 6,487	\$ 6,682	\$ 7,356	\$ 14,345	\$ 14,095	\$ 16,009
3,456	3,982	5,403	5,521	6,067	5,967
11,555	12,856	7,331	1,223	740	(20,404)
<u>\$ 21,498</u>	<u>\$ 23,520</u>	<u>\$ 20,090</u>	<u>\$ 21,089</u>	<u>\$ 20,902</u>	<u>\$ 1,572</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2009	2010	2011	2012
<b>Expenses</b>				
Governmental Activities:				
Instruction	\$ 22,306,425	\$ 23,448,148	\$ 23,811,319	\$ 23,126,939
Instructional Resources & Media Services	745,650	786,278	763,821	665,402
Curriculum & Staff Development	351,557	324,272	362,855	198,022
Instructional Leadership	501,038	552,081	593,199	559,929
School Leadership	2,500,856	2,549,598	2,700,025	2,670,357
Guidance, Counseling & Evaluation Svcs	1,632,916	1,723,302	1,771,468	1,594,179
Social Work Services	193,996	191,717	191,079	49,221
Health Services	384,847	402,739	408,659	412,369
Student Transportation	1,694,203	1,874,478	1,869,828	1,982,269
Food Service	2,082,702	2,481,645	2,606,953	2,996,583
Cocurricular/Extracurricular Activities	1,151,084	1,216,754	1,170,177	1,133,889
General Administration	1,281,659	1,304,514	1,428,539	1,381,121
Plant Maintenance & Operations	3,896,398	4,052,169	4,052,978	4,008,165
Security & Monitoring Services	125,324	124,360	135,554	184,485
Data Processing Services	243,801	230,952	236,028	241,584
Community Services	38,843	91,136	82,489	68,720
Interest on Long-Term Debt	1,083,372	1,136,473	906,126	1,092,486
Bond Issuance Costs & Fees	59,457	15,497	53,323	95,412
Capital Outlay	--	--	--	--
Payments Related to SSA's	334,927	577,552	674,289	496,726
Other Intergovernmental Charges	237,876	243,278	241,348	247,298
Total Governmental Activities Expenses	40,846,931	43,326,943	44,060,057	43,205,156
Total Primary Government Expenses	<u>\$ 40,846,931</u>	<u>\$ 43,326,943</u>	<u>\$ 44,060,057</u>	<u>\$ 43,205,156</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
Instruction	\$ 170,398	\$ --	\$ --	\$ --
Curriculum & Staff Development	2	--	--	--
Instructional Leadership	93,754	--	--	--
Guidance, Counseling & Evaluation Svcs	124,161	--	--	--
Student Transportation	38,775	--	--	--
Food Services	591,554	591,536	563,452	642,242
Cocurricular/Extracurricular Activities	114,138	92,349	113,200	105,685
General Administration	2,342	--	--	--
Plant Maintenance & Operations	76,287	79,106	47,738	65,323
Security & Monitoring Services	6,707	385	473	670
Community Services	--	--	--	--
Other Activities	--	2,464	--	--
Operating Grants and Contributions	6,137,485	6,020,113	8,516,794	6,608,929
Total Governmental Activities Program Rev.	<u>7,355,603</u>	<u>6,785,953</u>	<u>9,241,657</u>	<u>7,422,849</u>
Total Primary Government Program Rev.	<u>7,355,603</u>	<u>6,785,953</u>	<u>9,241,657</u>	<u>7,422,849</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	\$ (33,491,328)	\$ (36,540,990)	\$ (34,818,400)	\$ (35,782,307)
Total Primary Government Net Expense	<u>\$ (33,491,328)</u>	<u>\$ (36,540,990)</u>	<u>\$ (34,818,400)</u>	<u>\$ (35,782,307)</u>

TABLE L-2

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 23,550,568	\$ 24,767,625	\$ 26,836,890	\$ 29,129,813	\$ 31,313,283	\$ 23,317,881
696,941	665,913	691,780	718,093	790,158	592,088
196,088	208,221	362,660	442,361	667,962	739,664
562,175	623,622	738,348	731,929	705,170	572,442
2,793,717	2,869,896	2,765,342	3,254,546	3,360,237	2,197,030
1,656,732	1,739,127	1,789,186	1,915,436	1,888,007	1,375,052
78,397	113,030	114,788	121,420	167,429	173,530
374,275	426,452	449,124	467,290	472,680	353,123
2,025,891	2,127,960	2,174,699	1,947,846	2,271,603	2,789,253
3,013,114	3,202,728	3,183,623	3,219,733	3,532,495	3,130,521
1,120,391	1,425,266	1,405,619	1,452,000	1,646,960	1,210,738
1,385,684	1,621,938	2,303,973	2,057,187	2,061,212	1,741,417
4,031,777	4,321,452	4,523,846	5,139,411	5,039,892	4,016,322
113,219	219,855	122,069	159,028	186,313	208,345
248,929	240,789	195,125	341,502	448,059	435,339
54,114	63,198	54,456	26,944	59,428	59,986
912,664	538,218	2,613,218	2,963,302	2,916,359	3,055,185
114,591	5,285	730	7,455	6,050	55,351
--	--	--	--	--	--
500,646	754,017	848,986	847,369	784,554	782,590
268,042	287,287	287,784	328,103	319,083	328,694
43,697,955	46,221,879	51,462,246	55,270,768	58,636,934	47,134,551
<u>\$ 43,697,955</u>	<u>\$ 46,221,879</u>	<u>\$ 51,462,246</u>	<u>\$ 55,270,768</u>	<u>\$ 58,636,934</u>	<u>\$ 47,134,551</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
477,744	458,179	413,259	408,364	398,290	350,762
106,531	104,567	104,770	128,880	120,502	89,864
--	--	--	--	--	--
71,151	89,028	90,662	64,903	42,752	48,982
325	228	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
6,765,028	6,986,883	7,048,607	7,301,147	7,853,010	828,205
<u>7,420,779</u>	<u>7,638,885</u>	<u>7,657,298</u>	<u>7,903,294</u>	<u>8,414,554</u>	<u>1,317,813</u>
<u>7,420,779</u>	<u>7,638,885</u>	<u>7,657,298</u>	<u>7,903,294</u>	<u>8,414,554</u>	<u>1,317,813</u>
\$ (36,277,176)	\$ (38,582,994)	\$ (43,804,948)	\$ (47,367,474)	\$ (50,222,380)	\$ (45,816,738)
<u>\$ (36,277,176)</u>	<u>\$ (38,582,994)</u>	<u>\$ (43,804,948)</u>	<u>\$ (47,367,474)</u>	<u>\$ (50,222,380)</u>	<u>\$ (45,816,738)</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2009	2010	2011	2012
<b>Net (Expense)/Revenue</b>				
Governmental Activities	\$ (33,491,328)	\$ (36,540,990)	\$ (34,818,400)	\$ (35,782,307)
Total Primary Government Net Expense	<u>(33,491,328)</u>	<u>(36,540,990)</u>	<u>(34,818,400)</u>	<u>(35,782,307)</u>
<b>General Revenues &amp; Other Changes in Net Position</b>				
Governmental Activities:				
Property Taxes:				
Levied for General Purposes	8,545,050	9,175,212	9,424,259	10,557,885
Levied for Debt Service	1,501,822	1,655,572	1,408,009	1,513,478
Investment Earnings	227,937	87,264	87,638	86,710
Unrestricted Grants and Contributions	25,727,231	25,646,703	24,228,545	24,071,720
Miscellaneous	1,116,216	599,547	642,153	574,754
Total Governmental Activities	<u>37,118,256</u>	<u>37,164,298</u>	<u>35,790,604</u>	<u>36,804,547</u>
Total Primary Government	<u>37,118,256</u>	<u>37,164,298</u>	<u>35,790,604</u>	<u>36,804,547</u>
<b>Change in Net Position</b>				
Governmental Activities	3,626,928	623,308	972,204	1,022,240
Total Primary Government	<u>\$ 3,626,928</u>	<u>\$ 623,308</u>	<u>\$ 972,204</u>	<u>\$ 1,022,240</u>

TABLE L-3

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ (36,277,176)	\$ (38,582,994)	\$ (43,806,343)	\$ (47,367,474)	\$ (50,222,380)	\$ (45,816,738)
<u>(36,277,176)</u>	<u>(38,582,994)</u>	<u>(43,806,343)</u>	<u>(47,367,474)</u>	<u>(50,222,380)</u>	<u>(45,816,738)</u>
10,304,215	10,942,480	11,206,272	11,016,253	11,864,875	12,968,573
1,442,407	1,473,590	4,117,021	3,055,997	3,259,897	3,624,442
67,241	59,676	186,095	385,185	278,137	419,464
24,169,043	27,212,317	29,777,819	32,320,360	33,477,563	35,319,591
904,109	916,656	1,118,321	1,587,520	2,054,716	2,087,837
<u>36,887,015</u>	<u>40,604,719</u>	<u>46,405,528</u>	<u>48,365,315</u>	<u>50,935,188</u>	<u>54,419,907</u>
<u>36,887,015</u>	<u>40,604,719</u>	<u>46,405,528</u>	<u>48,365,315</u>	<u>50,935,188</u>	<u>54,419,907</u>
609,839	2,021,725	2,599,185	997,841	712,808	8,603,169
<u>\$ 609,839</u>	<u>\$ 2,021,725</u>	<u>\$ 2,599,185</u>	<u>\$ 997,841</u>	<u>\$ 712,808</u>	<u>\$ 8,603,169</u>

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## FUND BALANCES OF GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2009	2010	2011	2012	2013
General Fund					
Reserved	\$ --	\$ --	\$ --	\$ --	\$ --
Unreserved	12,999,892	13,581,806	--	--	--
Nonspendable					
Inventories	--	--	4,005	3,339	--
Committed					
Construction	--	--	552,420	2,245,945	1,017,202
Capital Expenditures	--	--	154,000	--	--
Other Committed	--	--	--	21,740	280,777
Unassigned	--	--	13,413,682	12,373,924	11,453,140
Total General Fund	<u>\$ 12,999,892</u>	<u>\$ 13,581,806</u>	<u>\$ 14,124,107</u>	<u>\$ 14,644,948</u>	<u>\$ 12,751,119</u>
All Other Governmental Funds					
Reserved					
Special Revenue Funds					
Federal & State Programs	\$ --	\$ --	\$ --	\$ --	\$ --
Other - Special Revenue	--	--	--	--	--
Food Service	384,379	300,631	--	--	--
Capital Acquisitions	140,217	1,466,997	--	--	--
Debt Service	1,427,084	1,547,120	--	--	--
Unreserved					
State & Federal Programs	504,037	13,220	--	--	--
Restricted					
Federal/State Grant Restrictions	--	--	385,339	543,347	725,404
Capital Acquisitions & Contractual Obligations	--	--	16,466	--	--
Retirement of Long-Term Debt	--	--	2,440,499	2,621,818	2,664,530
Other Restrictions of Fund Balance	--	--	81,434	96,652	103,191
Committed					
Other Committed	--	--	--	--	43,184
Total All Other Governmental Funds	<u>\$ 2,455,717</u>	<u>\$ 3,327,968</u>	<u>\$ 2,923,738</u>	<u>\$ 3,261,817</u>	<u>\$ 3,536,309</u>
Total All Governmental Funds	<u>\$ 15,455,609</u>	<u>\$ 16,909,774</u>	<u>\$ 17,047,845</u>	<u>\$ 17,906,765</u>	<u>\$ 16,287,428</u>

Note: With the implementaion of GASB #54 the nomenclature surrounding the constitution of Fund Balance changed in 2011.

TABLE L-4

Fiscal Year				
2014	2015	2016	2017	2018
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
450,000	443,574	250,000	2,876,509	2,523,133
--	--	--	--	--
3,057,211	3,968,856	1,958,657	884,602	83,443
10,214,448	10,443,865	12,595,343	11,285,985	13,285,802
<u>\$ 13,721,659</u>	<u>\$ 14,856,295</u>	<u>\$ 14,804,000</u>	<u>\$ 15,047,096</u>	<u>\$ 15,892,378</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
955,554	929,401	699,045	847,719	560,172
--	59,062,983	27,189,722	5,591,743	2,971,968
2,900,295	4,414,486	4,742,964	5,128,158	5,329,582
130,600	114,541	132,619	131,209	66,403
104,018	302,700	366,797	243,714	243,714
<u>\$ 4,090,467</u>	<u>\$ 64,824,111</u>	<u>\$ 33,131,147</u>	<u>\$ 11,942,543</u>	<u>\$ 9,171,839</u>
<u>\$ 17,812,126</u>	<u>\$ 79,680,406</u>	<u>\$ 47,935,147</u>	<u>\$ 26,989,639</u>	<u>\$ 25,064,217</u>

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS

#### (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Revenues</b>					
Local & Intermediate Sources	\$ 11,913,158	\$ 12,355,561	\$ 12,404,898	\$ 13,362,789	\$ 13,562,249
State Program Revenues	26,929,603	24,528,449	25,217,861	24,298,221	25,341,282
Federal Program Revenues	4,836,167	7,134,601	7,525,475	6,381,478	5,592,299
Total Revenues	<u>43,678,928</u>	<u>44,018,611</u>	<u>45,148,234</u>	<u>44,042,488</u>	<u>44,495,830</u>
<b>Expenditures</b>					
Instruction	21,081,337	22,440,694	22,453,863	21,649,966	22,341,780
Instructional Resources & Media Services	696,213	741,132	722,065	625,938	664,876
Curriculum & Staff Development	332,941	308,188	342,241	185,516	186,029
Instructional Leadership	480,277	531,011	559,134	524,383	533,060
School Leadership	2,327,350	2,394,845	2,545,785	2,502,315	2,649,731
Guidance, Counseling & Evaluation Svcs	1,552,915	1,645,691	1,671,724	1,492,664	1,571,036
Social Work Services	180,479	180,020	180,077	45,969	74,308
Health Services	362,359	382,871	386,172	386,853	354,905
Student Transportation	1,694,203	4,601,694	3,094,495	1,849,156	1,919,071
Food Service	2,082,702	2,338,556	2,497,766	2,798,762	2,857,560
Cocurricular/Extracurricular Activities	1,072,398	1,230,172	1,131,950	1,096,937	1,073,706
General Administration	1,223,157	1,225,325	1,346,681	1,292,733	1,313,839
Plant Maintenance & Operations	3,631,770	3,832,326	3,820,715	3,753,842	3,830,393
Security & Monitoring Services	116,750	116,997	127,782	172,529	107,471
Data Processing Services	227,441	216,900	222,488	226,227	236,020
Community Services	38,843	33,319	25,463	12,239	7,419
Principal on Long-Term Debt	2,359,996	1,780,000	1,260,000	1,269,997	1,990,000
Interest on Long-Term Debt	1,267,941	1,027,299	1,013,008	1,558,180	818,326
Bond Issuance Costs & Fees	51,550	5,000	1,200	83,847	90,262
Capital Outlay	1,004,209	657,970	514,391	824,228	2,578,849
Payments Related to SSA's	334,927	577,552	674,289	496,726	500,646
Other Intergovernmental Charges	237,876	243,278	241,348	247,298	268,042
Total Expenditures	<u>42,357,634</u>	<u>46,510,840</u>	<u>44,832,637</u>	<u>43,096,305</u>	<u>45,967,329</u>
Excess of Revenues Over (Under) Expenditures	1,321,294	(2,492,229)	315,597	946,183	(1,471,499)
<b>Other Financing Sources (Uses)</b>					
Capital-Related Debt					
Issued	2,345,000	4,095,000	--	2,740,000	2,930,000
Sale of Real or Personal Property	--	--	--	--	--
Issuance of Non-Current Debt	--	--	--	--	--
Proceeds from Capital Leases	--	--	--	--	--
Non-Current Loan Proceeds	--	--	--	--	--
Transfers In	108	29,801	465,990	507,716	449,022
Premium or Discount On Issuance of Bonds	34,629	--	--	198,930	187,293
Prepaid Interest	--	--	--	--	--
Other Resources	--	--	--	--	--
Transfers Out	(164,058)	(178,405)	(643,519)	(679,298)	(674,824)
Payment to Bond Refunding Escrow Agent	(2,330,629)	--	--	(2,854,611)	(3,039,329)
Other Uses	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>(114,950)</u>	<u>3,946,396</u>	<u>(177,529)</u>	<u>(87,263)</u>	<u>(147,838)</u>
Net Change in Fund Balances	<u>\$ 1,206,344</u>	<u>\$ 1,454,167</u>	<u>\$ 138,068</u>	<u>\$ 858,920</u>	<u>\$ (1,619,337)</u>
Debt Service As A Percentage Of Noncapital Expenditures	8.7%	6.0%	5.1%	6.8%	6.3%



TABLE L-5

Fiscal Year				
2014	2015	2016	2017	2018
\$ 14,291,556	\$ 17,234,011	\$ 16,949,450	\$ 17,490,384	\$ 18,911,795
28,443,277	30,900,874	32,808,846	34,491,663	37,834,821
5,755,422	5,937,792	5,873,926	6,453,507	6,536,533
<u>48,490,255</u>	<u>54,072,677</u>	<u>55,632,222</u>	<u>58,435,554</u>	<u>63,283,149</u>
23,445,216	25,667,253	26,780,411	28,345,147	30,118,736
633,048	663,121	655,513	733,010	693,801
197,151	345,826	406,470	607,013	833,457
590,290	706,572	674,258	645,743	766,110
2,717,540	2,645,294	2,931,898	3,003,332	2,948,861
1,645,427	1,713,426	1,759,956	1,721,684	1,818,178
106,826	108,887	112,675	152,474	170,377
403,663	430,143	425,064	428,546	468,529
2,324,435	2,231,062	1,945,251	2,087,285	2,580,065
3,037,036	3,146,880	3,496,246	3,493,029	3,637,969
1,349,234	1,341,518	1,342,195	1,550,541	1,414,720
1,534,712	2,194,922	1,870,799	1,852,902	2,109,836
4,091,958	4,343,568	4,723,583	4,572,146	4,712,063
234,154	115,895	231,551	357,073	257,415
227,956	185,360	311,674	405,229	493,317
14,398	10,043	6,532	44,573	17,986
1,920,000	2,050,000	2,090,000	2,360,000	1,888,863
864,731	1,869,963	3,340,304	3,277,516	3,818,513
5,285	730	7,455	6,050	55,351
359,240	5,748,711	33,051,734	22,510,695	9,312,654
754,017	848,986	847,369	784,554	782,590
287,287	287,784	328,103	319,083	328,694
<u>46,743,604</u>	<u>56,655,944</u>	<u>87,339,041</u>	<u>79,257,625</u>	<u>69,228,085</u>
1,746,651	(2,583,267)	(31,706,819)	(20,822,071)	(5,944,936)
--	58,500,000	--	--	--
--	14,964	29,944	4,432	705,765
--	--	--	--	3,670,000
--	--	--	--	236,394
--	--	--	--	--
600,566	462,087	460,855	460,843	525,496
--	6,084,182	--	--	--
--	--	8,392	--	--
475	--	--	--	--
(822,990)	(609,689)	(537,759)	(588,357)	(623,422)
--	--	--	--	(494,721)
--	--	--	--	--
<u>(221,949)</u>	<u>64,451,544</u>	<u>(38,568)</u>	<u>(123,082)</u>	<u>4,019,512</u>
\$ <u>1,524,702</u>	\$ <u>61,868,277</u>	\$ <u>(31,745,387)</u>	\$ <u>(20,945,153)</u>	\$ <u>(1,925,424)</u>
6.0%	6.9%	6.2%	7.1%	8.3%

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other Property	Less: Tax-Exempt Property	Total Taxable Assessed Value
2009	441,209,562	75,266,445	46,273,560	422,555,898	159,917,239	825,388,226
2010	449,390,158	78,494,266	46,320,345	454,934,729	177,104,027	852,035,471
2011	455,430,540	86,491,452	63,658,435	384,824,460	91,546,890	898,857,997
2012	436,822,511	88,370,466	65,286,710	480,647,811	98,347,410	972,780,088
2013	465,288,836	97,168,686	70,024,320	446,868,718	83,789,050	995,561,510
2014	466,518,213	101,736,475	71,068,480	336,881,135	87,401,039	1,063,605,342
2015	460,649,870	104,122,828	79,549,780	339,809,316	110,607,020	1,094,738,814
2016	453,305,400	108,683,415	75,737,390	310,384,293	112,794,291	1,060,904,789
2017	469,393,839	111,598,571	81,376,230	358,839,069	114,148,288	1,135,355,997
2018	519,864,266	128,595,445	81,405,700	701,018,920	140,014,811	1,570,899,142

Source: Caldwell County Appraisal District

TABLE L-6

Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
1.2220	771,874,834	106.933%
1.2300	790,114,157	107.837%
1.1948	827,929,833	108.567%
1.1882	898,655,081	108.248%
1.1868	915,664,816	108.726%
1.1795	953,331,094	111.567%
1.4291	978,567,198	111.872%
1.3305	958,658,962	110.666%
1.3324	1,013,351,519	112.040%
1.3324	1,133,521,437	138.586%

TABLE L-7

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS

Fiscal Year	District Direct Rates			Overlapping Rates	
	General Purposes	Capital Purposes	Total	Caldwell County	City of Lockhart
2009	1.0400	0.1825	1.2225	0.6910	0.7090
2010	1.0400	0.1900	1.2300	0.6910	0.7090
2011	1.0400	0.1548	1.1948	0.6909	0.7292
2012	1.0400	0.1482	1.1882	0.6908	0.7228
2013	1.0400	0.1468	1.1868	0.6907	0.7227
2014	1.0400	0.1395	1.1795	0.6906	0.7227
2015	1.0400	0.3891	1.4291	0.6905	0.7227
2016	1.0400	0.2905	1.3305	0.7174	0.7333
2017	1.0400	0.2924	1.3324	0.7752	0.7333
2018	1.0400	0.2924	1.3324	0.7752	0.7260

Source: Caldwell County Appraisal District and District Records

TABLE L-8

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Current			Nine Years Ago		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
LCRA Transmission Srv Corp	\$ 39,003,990	1	3.42%	\$ 9,063,480	1	1.19%
FHR Corpus Christi, LLC	20,577,030	2	1.81%			
Bluebonnet Electric Cooperative	8,624,820	3	0.75%	4,180,940	4	0.55%
Wal-mart Stores Texas LP	8,516,610	4	0.70%	--		
Echostar Broadcasting Corp	8,020,820	5	0.76%			
Union Pacific RR Company	7,856,470	6	0.69%	3,283,910	6	0.43%
Economy Realty Ltd	7,342,940	7	0.64%	2,854,770	8	0.37%
H.E. Butt Grocery	5,225,090	8	0.41%	3,627,820	5	0.47%
Walmart Properties, Inc.	4,680,260	9	0.46%	2,835,700	9	0.37%
Lockhart DMA Housing LLC	4,467,600	10	0.39%			
Southwestern Bell Telephone	--	--	--	5,107,140	2	
Flint Hills Resources	--	--	--	4,911,330	3	0.67%
Lockhart Village Partners	--	--	--	2,759,120	10	0.64%
Hoskins, Fred	--	--	--	2,890,830	7	0.36%
						0.38%
Total	\$ 114,315,630		10.03%	\$ 41,515,040		5.43%

Source: Caldwell County Appraisal District, Texas Municipal Reports, and District Records

TABLE L-9

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	10,090,371	9,276,179	91.93%	707,707	9,983,886	98.94%
2010	10,480,036	9,751,039	93.04%	594,362	10,345,401	98.72%
2011	10,739,555	9,963,142	92.77%	626,868	10,590,010	98.61%
2012	11,558,573	10,930,905	94.57%	585,235	11,516,140	99.63%
2013	11,815,324	11,142,905	94.31%	561,140	11,704,045	99.06%
2014	12,229,727	11,598,971	94.84%	497,972	12,096,943	98.91%
2015	15,088,278	14,240,485	94.38%	652,990	14,893,475	98.71%
2016	13,979,276	13,288,416	95.06%	473,391	13,761,807	98.44%
2017	14,659,842	13,974,566	95.33%	309,399	14,283,965	97.44%
2018	16,399,512	15,653,418	95.45%	--	15,653,418	95.45%

Source: Caldwell County Appraisal District, District Records

TABLE L-10

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Total Debt	Percentage of Actual Taxable Value of Property	Debt Per Capita	Debt As a % of Personal Income
2009	24,497,900	2.97%	1,257	4.89%
2010	22,597,864	3.13%	1,363	5.31%
2011	17,789,498	2.40%	1,260	4.71%
2012	19,698,182	2.37%	1,167	4.36%
2013	18,040,458	2.11%	904	3.11%
2014	18,625,635	2.04%	758	2.59%
2015	81,087,858	7.88%	2,828	9.94%
2016	74,344,988	7.24%	2,468	8.34%
2017	75,212,628	6.96%	2,285	7.39%
2018	75,569,529	6.51%	2,285	7.27%

Source: District Records and Bureau of Economic Analysis

Source: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements. Outstanding debt is presented at par value, net of premiums, discounts and adjustments.

Fiscal Year	Total Debt	Less Restricted for Debt Service	Total
2009	25,924,984	1,427,084	24,497,900
2010	24,144,984	1,547,120	22,597,864
2011	23,229,997	5,440,499	17,789,498
2012	22,320,000	2,621,818	19,698,182
2013	20,704,988	2,664,530	18,040,458
2014	23,296,032	4,670,397	18,625,635
2015	85,502,343	4,414,485	81,087,858
2016	83,056,462	4,742,964	78,313,498
2017	80,340,786	5,128,158	75,212,628
2018	80,910,269	5,340,740	75,569,529

TABLE L-11

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
 RATIOS OF DEBT OUTSTANDING  
 LAST TEN FISCAL YEARS

Fiscal Year	Total Debt	Percentage of Actual Taxable Value of Property	Debt As a % Personal Income	Per Capita
2009	25,924,984	3.15%	4.92%	1,266
2010	26,692,864	3.13%	5.06%	1,299
2011	21,539,498	2.40%	3.92%	1,048
2012	23,088,182	2.37%	4.07%	1,124
2013	21,055,458	2.11%	2.87%	834
2014	21,160,635	2.04%	2.67%	781
2015	81,087,858	7.68%	9.94%	2,828
2016	74,344,988	7.08%	8.39%	2,483
2017	75,212,628	6.84%	7.78%	2,404
2017	75,569,529	6.14%	7.67%	2,409

Source: Bureau of Economic Analysis, U.S. Department of Commerce, District Records



TABLE L-12

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
*DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT*

<u>Governmental Unit</u>	<u>Total Debt</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Caldwell County	\$ 11,510,000	64.740%	\$ 7,451,574
City of Lockhart	24,175,000	100.000%	24,175,000
Mustang Ridge, City of	447,000	29.380%	<u>131,329</u>
Total Overlapping Debt			31,757,903
Lockhart ISD (See Note 1)	75,569,529	100.000%	75,569,529
Total Direct and Overlapping Debt			<u>\$ 107,327,432</u>
Total Direct and Overlapping Debt % of Assessed Value:			9.37%
Total Direct and Overlapping Debt per capita:			\$3,407

Note 1: Debt outstanding includes General Obligation Debt and a Maintenance Tax Note.

Note 2: Debt as a % of personal income is calculated by "Debt per capita/per capita income."

Sources: Texas Municipal Report

## LOCKHART INDEPENDENT SCHOOL DISTRICT

### LEGAL DEBT MARGIN INFORMATION

#### LAST TEN FISCAL YEARS

	Fiscal Year				
	2009	2010	2011	2012	2013
Debt Limit	\$ 57,777,176	\$ 59,642,483	\$ 62,920,058	\$ 68,094,601	\$ 69,689,334
Total Net Debt Applicable to Limit	<u>24,497,900</u>	<u>26,692,864</u>	<u>24,540,798</u>	<u>23,088,182</u>	<u>21,074,213</u>
Legal Debt Margin	\$ <u>33,279,276</u>	\$ <u>32,949,619</u>	\$ <u>38,379,260</u>	\$ <u>45,006,419</u>	\$ <u>48,615,121</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	42.40%	44.75%	39.00%	33.91%	30.24%

Source: Texas Municipal Reports and District Records

**TABLE L-13**

	Fiscal Year				
	2014	2015	2016	2017	2018
\$	72,579,980	\$ 79,382,147	\$ 73,547,487	\$ 77,020,398	\$ 86,160,335
	<u>18,968,029</u>	<u>73,902,781</u>	<u>69,754,893</u>	<u>70,237,870</u>	<u>69,756,223</u>
\$	<u>53,611,951</u>	<u>\$ 5,479,366</u>	<u>\$ 3,792,594</u>	<u>\$ 6,782,528</u>	<u>\$ 16,404,112</u>
	26.13%	93.10%	94.84%	91.19%	81.77%

**Legal Debt Margin Calculation for the Current Fiscal Year**

Assessed Value	\$ 1,230,861,922
Debt Limit (7% of Assessed Value)	86,160,335
Debt Applicable to Limit:	
General Obligation Bonds	75,096,963
Less: Amount Set Aside for Repayment of	
General Obligation Debt	<u>5,340,740</u>
Total Net Debt Applicable to Limit	<u>69,756,223</u>
Legal Debt Margin	<u>\$ 16,404,112</u>

TABLE L-14

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN CALENDAR YEARS

Calendar Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2009	36,899	872,891	25,714	8.30%
2010	37,533	957,644	25,674	8.60%
2011	38,066	957,644	26,773	8.80%
2012	38,444	1,029,708	27,587	8.50%
2013	38,701	1,123,432	29,029	6.90%
2014	39,232	1,057,000	27,312	6.00%
2015	39,232	1,100,000	28,017	4.50%
2016	39,810	1,166,000	29,283	4.20%
2017	40,522	1,253,147	30,925	4.30%
2018	41,161	1,293,669	31,429	3.80%

Sources: U.S. Bureau of Economic Analysis, Texas LMI Tracer, US Census Bureau

TABLE L-15

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

PRINCIPAL EMPLOYERS

CURRENT YEAR AND TEN YEARS AGO

Employer	2018			2009		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Lockhart ISD	731	1	4.8%	661	1	4.4%
Wal-Mart	225	2	1.5%	117	7	0.8%
Serta Dormae Mnfg.	180	3	1.2%	174	2	1.2%
Management and Training Corp.	175	4	1.2%			
H.E.B. Food Store	170	5	1.1%	147	5	1.0%
Pegasus	149	6	1.0%	151	4	1.0%
City of Lockhart	145	7	1.0%	143	6	1.0%
The Turner Company	100	8	0.7%			
Student Transportation Specialists	85	9	0.6%			
Parkview Nursing & Rehab. Ctr.	80	10	0.5%			
The GEO Group, Inc.				159	3	1.1%
Golden Age Home				110	8	0.7%
Chisholm Trail Nursing & Rehab Ctr			--	76	9	0.5%
Livengood Feeds, Inc.			--	64	10	0.4%
Total	2,040			1,802		

Source: City of Lockhart Economic Development, District records

TABLE L-16

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**FULL-TIME-EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

	Full-Time Equivalent Employees as of Year End									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<u>Teachers</u>										
Teacher	326.6	326.5	331.0	324.6	329.0	325.6	335.0	352.2	348.4	354.8
<u>Professional Support</u>										
Counselor	11.5	12.5	13.0	12.0	12.8	13.0	13.1	13.0	13.5	14.0
Educational Diagnostician	5.0	5.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Librarian	8.0	8.0	8.0	8.0	6.3	8.0	7.9	7.0	7.0	6.0
School Nurse	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
LSSP/Psychologist	4.0	4.0	4.0	2.0	2.0	1.0	3.0	2.0	2.0	1.0
Social Worker	1.0	1.0	1.0	1.0	1.0	1.0	1.0	--	--	--
Speech Ther./Sp. Lang. Pathologist	4.0	4.0	3.0	3.0	3.0	3.0	2.0	4.0	4.5	8.5
Work-Based Learning Site Coord.	0.4	0.2	0.5	0.3	--	--	--	--	--	--
Teacher Facilitator	3.2	1.2	0.3	0.9	0.6	3.0	2.9	1.4	--	20.2
Athletic Trainer	1.8	1.5	1.7	1.7	1.5	1.3	1.9	1.7	2.5	2.5
District/Campus Inform. Technology	4.0	4.0	4.0	4.0	4.0	4.0	4.0	6.0	6.0	6.0
Maintenance	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	--	0.9
Campus Professional Personnel	5.0	6.0	6.0	4.6	5.3	4.2	6.1	2.6	2.3	3.4
Non-Instructional Professionals	5.0	6.0	4.5	4.5	5.4	5.4	5.4	7.4	10.7	10.0
<u>Campus Administration</u>										
Assistant Principal	11.0	11.0	12.0	11.9	12.0	12.0	11.0	12.0	12.0	13.0
Principal	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	10.0	8.4
<u>Central Administration</u>										
Assistant/Assoc/Deputy Supt.	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0
District Instructional Program Director	1.0	--	1.0	1.0	1.0	3.0	3.0	4.0	3.0	3.0
Superintendent	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Communications Professional	--	--	--	--	--	--	--	--	1.0	1.0
Teacher Supervisor	--	0.6	0.6	--	--	--	--	--	--	--
Athletic Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Personnel/HR	1.0	1.0	1.0	1.0	--	--	--	--	--	1.0
<u>Educational Aides</u>										
Educational Aide	55.0	54.5	54.7	49.9	46.6	48.3	50.7	47.6	41.9	42.6
<u>Auxiliary Staff</u>										
	179.8	179.7	179.5	165.8	171.7	174.3	167.8	170.4	168.0	197.0
<b>Total</b>	<u>642.8</u>	<u>642.2</u>	<u>647.3</u>	<u>617.7</u>	<u>624.7</u>	<u>629.6</u>	<u>637.3</u>	<u>653.8</u>	<u>645.8</u>	<u>706.3</u>

Source: District internal records

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Total Expenses</u>
2009	4,526	31,703,598	7,005	0.2%	45,805,522
2010	4,636	31,888,773	6,879	-1.8%	46,689,245
2011	4,709	32,883,746	6,983	1.5%	46,472,736
2012	4,767	33,257,843	6,977	-0.1%	43,096,305
2013	4,969	36,178,844	7,281	4.4%	45,967,329
2014	5,130	36,738,610	7,162	-1.6%	46,743,604
2015	5,365	39,141,500	7,296	1.9%	56,643,219
2016	5,397	41,769,915	7,739	6.1%	87,339,041
2017	5,661	43,771,695	7,732	-0.1%	79,257,625
2018	5,925	48,296,959	8,151	5.4%	71,288,387

Source: AEIS Reports, TAPR Reports, and District PEIMS records

TABLE L-17

Cost Per Pupil	Percentage Change	Teaching Staff	Pupil- Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
10,121	10%	327	13.9	62.6%
10,071	0%	327	14.2	67.1%
9,869	-2%	331	14.2	69.3%
9,041	-8%	325	14.7	70.7%
9,251	2%	329	15.1	69.8%
9,112	-2%	326	15.8	70.1%
10,558	16%	335	16.0	70.0%
16,183	53%	352	15.3	69.6%
14,001	-13%	348	16.2	68.2%
12,032	-14%	355	16.7	72.1%



TABLE L-18

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

TEACHER BASE SALARIES

LAST TEN FISCAL YEARS

Fiscal Year	Minimum Salary	Maximum Salary	County Average Salary	Statewide Average Salary
2009	39,000	56,300	42,762	47,159
2010	40,200	57,230	43,942	48,263
2011	41,500	57,780	44,360	48,638
2012	41,500	57,780	44,004	48,375
2013	43,100	59,380	45,029	48,821
2014	43,950	62,550	46,295	49,692
2015	45,200	64,170	46,240	50,715
2016	45,500	60,010	46,242	51,891
2017	46,500	60,820	46,583	52,525
2018	47,000	61,110	46,745	52,525

Sources: AEIS Reports, District Records, Texas Education Agency Records

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## SCHOOL BUILDING INFORMATION

### LAST TEN FISCAL YEARS

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Elementary</b>					
Carver Early Childhood Education (1953)					
Square Feet	52,578	52,578	52,578	52,578	52,578
Capacity	512	512	512	512	512
Enrollment	391	427	445	457	517
Clear Fork Elementary (1953)					
Square Feet	57,113	57,113	57,113	57,113	57,113
Capacity	489	489	489	489	489
Enrollment	412	409	423	428	455
Plum Creek Elementary (1986)					
Square Feet	67,233	67,233	67,233	67,233	67,233
Capacity	512	512	512	512	512
Enrollment	422	441	451	459	500
Navarro Elementary (1972)					
Square Feet	55,573	55,573	55,573	55,573	55,573
Capacity	449	449	449	449	449
Enrollment	407	417	426	423	427
Bluebonnet Elementary (2005)					
Square Feet	64,992	64,992	64,992	64,992	64,992
Capacity	606	606	606	606	606
Enrollment	531	583	580	590	581
Alma Brewer Strawn Elementary (2016)					
Square Feet	N/A	N/A	N/A	N/A	N/A
Capacity	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A
<b>Secondary</b>					
Lockhart Junior High (2000)					
Square Feet	152,105	152,105	152,105	152,105	152,105
Capacity	1,700	1,700	1,700	1,700	1,700
Enrollment	992	1,039	1,058	1,073	1,129
Lockhart HS Freshman Campus (1923)					
Square Feet	71,057	71,057	71,057	71,057	71,057
Capacity	487	487	487	487	487
Enrollment	343	330	350	352	368
Lockhart High School (1965)					
Square Feet	175,180	175,180	175,180	175,180	175,180
Capacity	1,480	1,480	1,480	1,480	1,480
Enrollment	963	990	945	974	970
Pride High School (1992)					
Square Feet	10,647	10,647	10,647	10,647	10,647
Capacity	160	160	160	160	160
Enrollment	65	31	31	26	22
Discipline Mgmt Center (1997)					
Square Feet	8,088	8,088	8,088	8,088	8,088
Capacity	46	46	46	46	46
Enrollment	N/A	N/A	N/A	N/A	N/A
<b>School Support</b>					
Square Feet	30,328	30,328	30,328	30,328	30,328

Source: District records.

TABLE L-19

Fiscal Year				
2014	2015	2016	2017	2018
52,578	52,578	52,578	52,578	52,578
512	512	352	352	352
494	475	460	212	212
57,113	57,113	57,113	57,113	57,113
489	489	674	674	674
502	585	575	488	475
67,233	67,233	67,233	67,233	67,233
512	512	700	700	700
552	547	557	550	578
55,573	55,573	55,573	55,573	55,573
449	449	562	562	562
439	484	497	457	532
64,992	64,992	64,992	64,992	64,992
606	606	694	694	694
609	625	640	663	579
N/A	N/A	N/A	58,216	58,216
N/A	N/A	N/A	579	579
N/A	N/A	N/A	454	503
152,105	152,105	152,105	152,105	152,105
1,700	1,700	1,550	1,550	1,550
1,101	1,173	1,148	1,292	1,393
71,057	71,057	71,057	71,057	71,057
487	487	487	N/A	N/A
405	382	419	N/A	N/A
175,180	175,180	175,180	280,000	280,000
1,480	1,480	2,200	2,200	2,200
1,005	1,070	1,086	1,523	1,567
10,647	10,647	10,647	10,647	10,647
160	160	160	160	160
23	24	15	22	47
8,088	8,088	8,088	8,088	8,088
46	46	46	46	46
N/A	N/A	N/A	N/A	N/A
30,328	30,328	30,328	30,328	30,328