

Comprehensive Annual Financial Report

For the Year Ended June 30, 2012

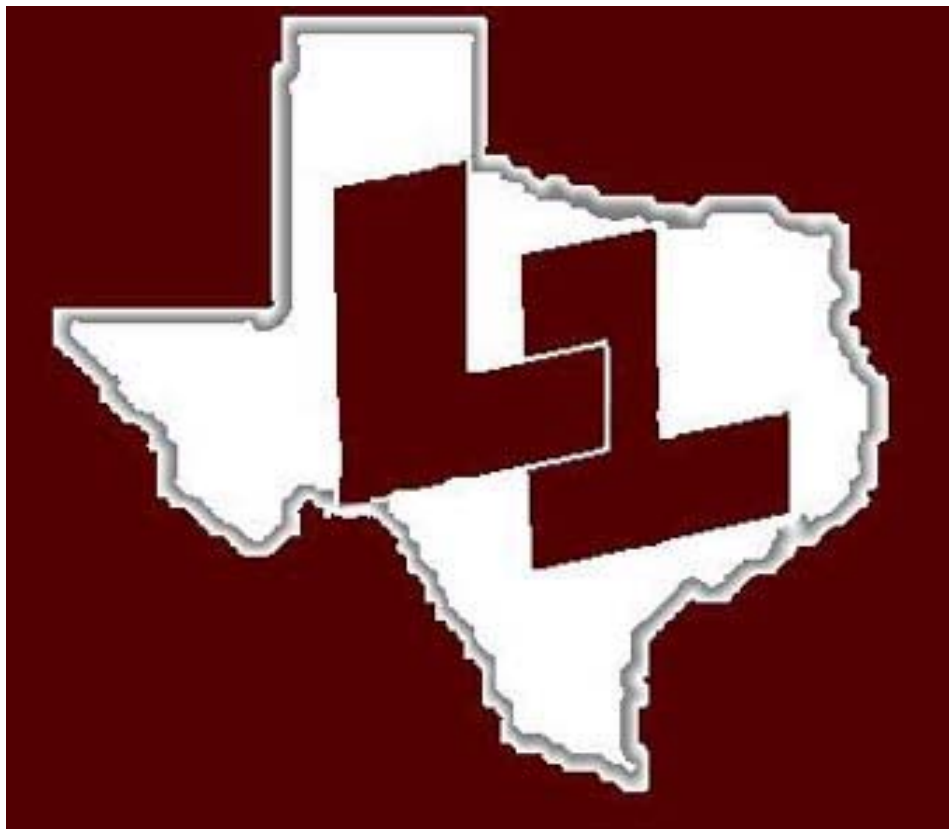
Lockhart Independent School District

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Lockhart Independent School District  
 Comprehensive Annual Financial Report  
 For The Year Ended June 30, 2012

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*Introductory Section*

# Lockhart Independent School District

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105 South Colorado Street  
P.O. Box 120  
Lockhart, TX 78644

Business Office  
Phone 512-398-0045  
Fax 512-398-0025

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Dr. Jose Parra  
*Superintendent*

Tina Knudsen, CPA  
*Chief Financial Officer*

October 22, 2012

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, 2012 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 the District. 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 13 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 auditors' 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 auditors' opinions in this regard were unqualified. The auditors' 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.

## **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. Lockhart Independent School District is an independent school district incorporated as a political subdivision of the State of Texas. The fiscal year 2011-2012 total enrollment was 4,782. The District has 325 certified teachers, 77 other professional staff, and 216 paraprofessional and other auxiliary staff.

A seven member Board of Trustees (the Board) governs the District in accordance with state statutes and regulations. Members serve four-year staggered terms without compensation. Three members of the Board 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 operates as a policy making body, delegates management to the single executive head (the Superintendent), approves personnel, sets annual District goals, and evaluates policies in terms of effectiveness in attaining District goals.

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 programs, bilingual education, special education, gifted and talented education, fine arts, athletics, voluntary alternative education, disciplinary education and numerous remedial, elective, and enrichment programs are 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.

### **Budgetary Control**

Budgetary control is initiated when the Board adopts the annual appropriated budget. To ensure budgetary compliance, the Texas Education Agency (T.E.A.) and the District have established spending regulations and policies. The state budgetary policies can be found at the Texas Education Agency's website at: <http://www.tea.state.tx.us/index4.aspx?id=1222> . The 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. In addition, the District's Business Office conducts annual training for all staff to ensure district-wide compliance with budgetary controls.

## **Economic Condition and Outlook**

### **Local Economy**

Lockhart Independent School 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. Reliance on one industry has made for peaks and valleys in the economic outlook for the county. The latest of these extreme swings came in the 80's with the fall of the oil industry. Though some of Caldwell'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 being prepped to become a prime location for business location. Lockhart is just twenty-five miles south of Austin-Bergstrom International airport.

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. Lockhart is an easy commute for those seeking higher education.

In addition, the State Highway 130 (SH130) toll road bypass provides a thoroughfare for NAFTA-based traffic. SH130 has six segments planned of which segment five and six travel through Caldwell County and will impact the District. The road opened for traffic in November 2012. The design and aesthetics includes signage, fencing, sound walls, landscaping, irrigation, grading and sloping. More information can be obtained at [www.mysh130.com](http://www.mysh130.com).

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 and Hispanic Chamber of Commerce have continued to work hard to bring new businesses to Lockhart.

The District's Board approved a Freeport Tax Exemption in April 2009. All three taxing entities, City, County and the 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 locate 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.



As of October 1, 2012, the Chief Appraiser of the Caldwell County Appraisal District reported that all taxable properties in the District subject to appraisals to be valued at \$912,712,096. In addition to this certified value, there is \$2,952,720 that reflects the estimated taxpayers' opinion of value for those properties still under protest. The total tax rate for the 2011-2012 school year was \$1.1882 per one hundred of taxable property value and consists of the maintenance and operations tax rate of \$1.04 and the debt service tax rate of \$0.1482. However, the District receives the majority of its funding from the state of Texas. When property values increase and therefore property tax revenues increase, the state of Texas reduces the District's state revenues by the same amount.

### **Projections**

Enrollment is projected to be at 4,966 in 2012-2013, an increase of 184 students from 2011-2012. The adopted 2012-2013 General Fund budget is \$34,517,517, an increase from \$33,277,576 in 2011-2012, or \$1,239,941. The increase in funding is attributable to an increase in student average daily attendance which generates more state revenues. The increase in funding funded a competitive pay and benefits plan for employees, as well as additional classroom teachers.

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

The District seizes opportunities to refinance long-term debt in the current favorable interest rate environment. Subsequent to June 30, 2012, the Board has approved the refinancing of the 2010 Maintenance Tax Notes. The transaction is expected to generate approximately \$225,000 over the remaining life of the notes, with an estimated 6% in savings for the Maintenance Tax Note.

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 District's Administration and the Board review multi-year forecasting annually and adjust the budget to compensate for projected revenue decreases and increases.

### **Relevant Financial Policies**

The 2011-2013 bank depository agreement provides for a floor of 0.85% in interest income and is secured by collateral. In the 2011-2013 bank depository agreement, additional terms included above average certificates of deposit interest rates. The District secured \$2 million in General Fund one-year certificates of deposit in June 2012 at an interest rate of 1.25% APR and is also secured by collateral.

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

## **Major Initiative**

The Board approved a \$1.5 million tennis court addition at Lockhart High School. At June 30, 2012, the project was at 25% completion, and is scheduled for completion during the 2012-2013 school year.

## **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 districts' 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 rating for each of the ten school years 2001-2002 through 2010-2011. The Superior Achievement rating is the highest that a school district can receive.

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, 2011. This was the seventh consecutive year that the District has received this prestigious award. In order to be awarded a GFOA 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 Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. This will be the eighth submission for District.

### **Acknowledgements**

We respectfully acknowledge the responsible and sincere involvement and participation of the Board, 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, Jennifer Velasquez, and Stefanie Cisneros 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.

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

Respectfully submitted,

Dr. Jose Parra  
Superintendent of Schools

Tina Knudsen, CPA  
Chief Financial Officer

# 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, 2011

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



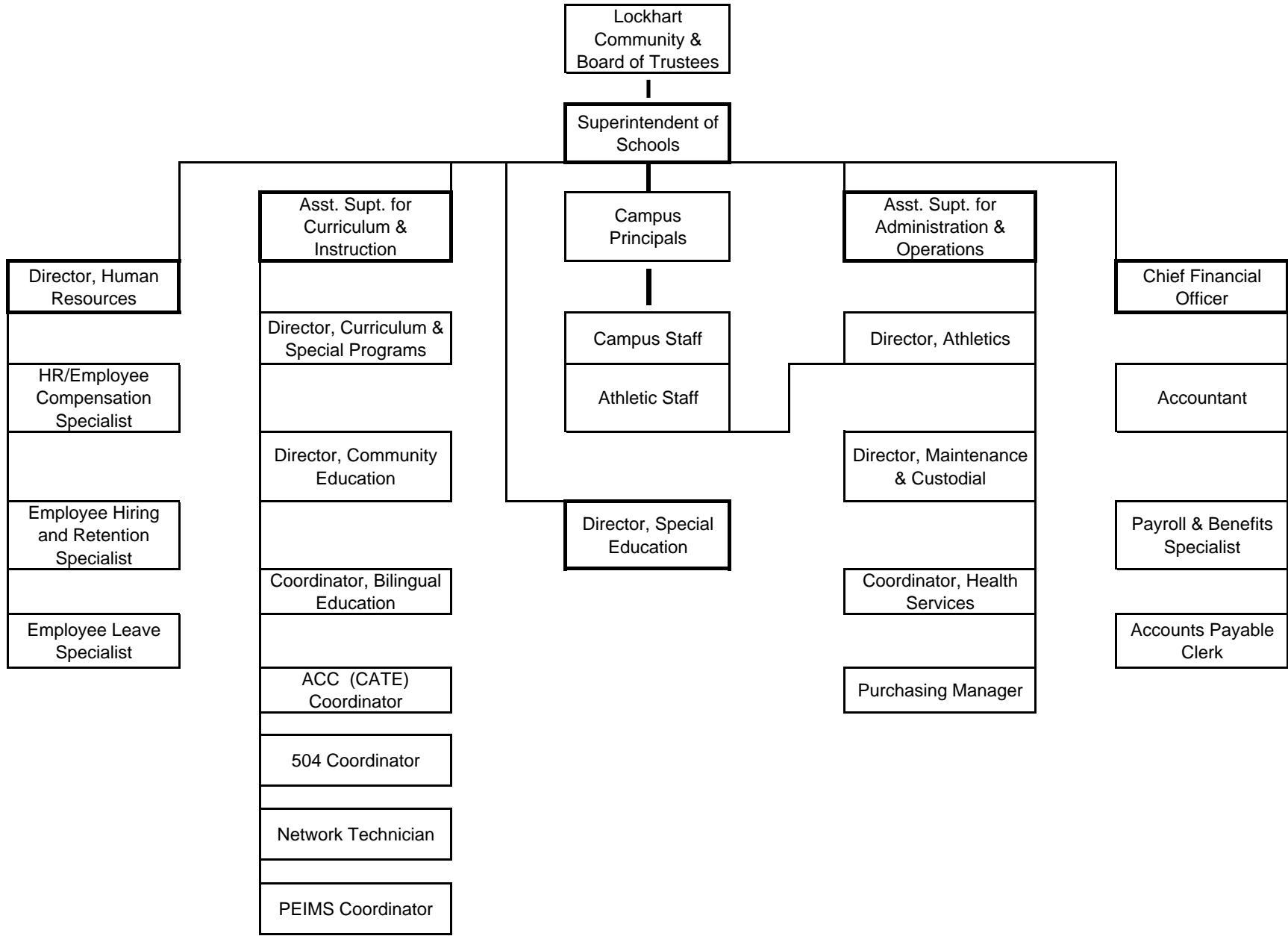
*Linda C. Dandson*

President

*Jeffrey R. Egan*

Executive Director

LISD ORGANIZATIONAL CHART 2011-2012



**LOCKHART INDEPENDENT SCHOOL DISTRICT**

*LIST OF PRINCIPAL OFFICIALS*

*JUNE 30, 2012*

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Elected Officials

---

<u>Name</u>	<u>Office</u>
Rick Womble	President
Brenda Spillman	Vice-President
Jon Reyes	Secretary
Juan Alvarez, Jr.	Trustee
Carl Cisneros	Trustee
Tom Guyton	Trustee
Jessica Neyman	Trustee

---

Appointed Officials

---

<u>Name</u>	<u>Position</u>
Dr. Jose Parra	Superintendent
Janie Wright	Deputy Superintendent Instruction, Fed/State Programs & Alternative Schools
Larry Ramirez	Assistant Superintendent Administration and Operations
Daniel Vera	Assistant Superintendent Human Resources, Leadership Development and Student Support Services
Tina Knudsen	Chief Financial Officer

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, 2012, at a meeting of the board of trustees of such school district on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
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 on Financial Statements**

Board of Trustees  
Lockhart Independent School District  
Lockhart, Texas

Members of the Board of Trustees:

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 Lockhart Independent School District as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Lockhart Independent School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lockhart Independent School District as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2012, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was performed for the purpose of forming opinions on the financial statements which collectively comprise the Lockhart Independent School District's basic financial statements. The accompanying schedule of expenditures of federal awards required by U. S. Office of Management and Budget Circular A-133, *Audits*

*of States, Local Governments and Non-Profit Organizations* and the combining and individual fund financial statements and supporting schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

West, Davis & Company

West, Davis & Company, LLP  
October 22, 2012

## 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, 2012. Please read it in conjunction with the independent auditors' report on page 11, and the District's Basic Financial Statements, which begin on page 19. 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 Assets and the Statement of Activities (on pages 19 and 20). 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 22) 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 31) 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 Assets and the Statement of Activities*

The analysis of the District's overall financial condition and operations begins on page 19. 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 Assets 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 assets and changes in them. The District's net assets (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 assets are 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 Assets 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.

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

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

The fund financial statements begin on page 22 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 No Child Left Behind Act 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 Assets 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 Assets 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 Assets and Changes in Fiduciary Net Assets on pages 29 and 30. 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 assets (Table I below) and changes in net assets (Table II below) of the District's governmental and business-type activities.

Net assets of the District's governmental activities increased from \$20.8 million to \$21.8 million. Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – were \$15 million at June 30, 2012. The increase in governmental net assets was primarily due to results from 2011-2012 operations. The District enrollment, and therefore, average daily attendance resulted in more state revenue than was anticipated. More information regarding the increase is presented in the paragraph following Table II on the next page.

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

NET ASSETS in thousands						
	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	24,942	23,116	69	68	25,011	23,184
Capital assets	29,724	31,557	-	-	29,724	31,557
Total Assets	54,666	54,673	69	68	54,735	54,741
Long-term Liabilities	24,621	27,054	-	-	24,621	27,054
Other liabilities	8,261	6,857	69	68	8,330	6,925
Total liabilities	32,882	33,911	69	68	32,951	33,979
Net Assets:						
Invested in capital assets net of related debt	4,014	4,577	-	-	4,014	4,577
Restricted	2,774	2,578	-	-	2,774	2,578
Unrestricted	14,996	13,607	-	-	14,996	13,607
Total net assets	21,784	20,762	-	-	21,784	20,762

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

**CHANGES IN NET ASSETS**  
in thousands

	Governmental		Business-type		Total	
	Activities		Activities			
	2012	2011	2012	2011	2012	2011
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	814	724	-	-	814	724
Operating grants and contributions	6,609	8,517	-	-	6,609	8,517
General Revenues:						
Maintenance and operations taxes	10,558	9,424	-	-	10,558	9,424
Debt Service taxes	1,513	1,408	-	-	1,513	1,408
Grants and Contributions not restricted to specific functions	24,072	24,229	96	98	24,168	24,327
Investment Earnings	87	88	-	-	87	88
Miscellaneous	746	820	556	596	1,302	1,416
Transfers	-172	-178	172	178	-	-
Total Revenue	<u>44,227</u>	<u>45,032</u>	<u>824</u>	<u>872</u>	<u>45,051</u>	<u>45,904</u>
<b>Expenses:</b>						
Instruction, curriculum and media services	23,990	24,938	-	-	23,990	24,938
Instructional and school leadership	3,230	3,293	-	-	3,230	3,293
Student support services	4,038	4,241	-	-	4,038	4,241
Child Nutrition	2,997	2,607	-	-	2,997	2,607
Co-curricular activities	1,134	1,170	-	-	1,134	1,170
General administration	1,381	1,431	-	-	1,381	1,431
Plant maintenance, security and data processing	4,434	4,422	-	-	4,434	4,422
Community services	69	83	-	-	69	83
Debt services	1,188	960	-	-	1,188	960
Payments related to SSA	497	674	-	-	497	674
Intergovernmental Charges	247	241	-	-	247	241
Business-type activities	-	-	824	872	824	872
Total Expenses	<u>43,205</u>	<u>44,060</u>	<u>824</u>	<u>872</u>	<u>44,029</u>	<u>44,932</u>
Increase (Decrease) in net assets	1,022	972	-	-	1,022	972
Net assets at Beginning	<u>20,762</u>	<u>19,789</u>	<u>-</u>	<u>-</u>	<u>20,762</u>	<u>19,789</u>
Net assets at Ending	<u>21,784</u>	<u>20,761</u>	<u>-</u>	<u>-</u>	<u>21,784</u>	<u>20,761</u>

**THE DISTRICT'S FUNDS**

As the District completed this annual period, its General funds (as presented in the balance sheet on page 22) reported a fund balance of \$14.6 million, which is \$521 thousand more than last years' total of \$14.1 million. The increase in fund balance is mainly attributable to increased student enrollment, and therefore, average daily attendance revenues that were not budgeted. State revenues increase when student average daily attendance increases.

The Districts' Debt Service fund reported a fund balance of \$2.6 million which is \$165 thousand more than last years' total of \$2.4 million. The Debt Service fund balance was more at June 30, 2012, as compared to 2011, due to tax collections for a large bond payment which was due on August 1, shortly after fiscal year end. The purpose of the Debt Service Fund is to provide for the payment of bond principal and interest payments as they become due.

The Districts' other governmental funds reported a fund balance of \$658 thousand as compared to \$485 thousand in 2011, which is \$173 thousand more than the previous year. The primary difference between fiscal 2011 and fiscal 2012 governmental funds was that the school nutrition fund balance increased by \$184 thousand due to more student meals served than in the prior year, combined with effective management of expenses in the fund.

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 2011). 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 2012, the District had \$29.7 million (net of accumulated depreciation) invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance.

The District's fiscal year 2011-2012 General Fund capital budget provided no funds for expenditures for new instructional facilities, however it budgeted \$2.6 million for capital expenditures. The \$2.6 million is comprised of \$39 thousand for parking improvements, \$95 thousand for air conditioning improvements, \$880 thousand for roofing, \$1.5 million for 8 new tennis courts, and the remainder for building improvements.

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 \$26.6 million in bonds outstanding and accumulated accretion on CAB's versus \$28.3 million last year. The decrease is attributable to scheduled payments on debt during fiscal 2012.

More detailed information about the District's long-term liabilities is presented in Note G 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 2012-2013 budget and tax rates. Those factors include property values, changes 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 \$34.5 million for the 2012-2013 fiscal year. The budget increased from 2011-2012 to 2012-2013 by \$1.2 million, a direct result from increased average daily attendance, which generates more state revenues. The majority of the District's budget increase was attributed primarily to the implementation of a competitive pay and benefits plan.

The 2012-2013 budget provided a pay increase for all employees and added an increase in the employer portion of health benefits. The District is in the process of updating a 2011 demographic study report and a 2011 facilities report to anticipate any projects needed in the future. At this time, the District has no current plans to issue additional debt to finance any building projects or renovations.

Future enrollments and property values are forecast to remain steady or minimal increases, which will continue to produce revenues that will support projected expenditures in the near future. For the 2012-2013 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.

## **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 ASSETS

JUNE 30, 2012

Data Control Codes	1	2	3
	Governmental Activities	Business-type Activities	Total
<b>ASSETS:</b>			
1110	\$ 4,635,355	\$ 47,480	\$ 4,682,835
1120	12,005,740	--	12,005,740
1225	1,121,111	--	1,121,111
1240	5,739,877	--	5,739,877
1250	2,284	--	2,284
1260	12,538	(12,538)	--
1267	585	--	585
1290	429,831	33,879	463,710
1300	3,339	--	3,339
1410	95,806	--	95,806
1420	895,794	--	895,794
Capital Assets:			
1510	1,065,761	--	1,065,761
1520	24,307,871	--	24,307,871
1530	3,642,794	--	3,642,794
1580	707,495	--	707,495
1000	<u>54,666,181</u>	<u>68,821</u>	<u>54,735,002</u>
<b>LIABILITIES:</b>			
2110	904,704	6,763	911,467
2140	342,602	--	342,602
2165	4,028,662	55,694	4,084,356
2180	53,269	--	53,269
2300	942,062	6,364	948,426
Noncurrent Liabilities:			
2501	1,990,000	--	1,990,000
2502	24,620,887	--	24,620,887
2000	<u>32,882,186</u>	<u>68,821</u>	<u>32,951,007</u>
<b>NET ASSETS</b>			
3200	4,013,921	--	4,013,921
Restricted For:			
3820	21,381	--	21,381
3850	2,655,620	--	2,655,620
3870	96,652	--	96,652
3900	14,996,421	--	14,996,421
3000	<u>\$ 21,783,995</u>	<u>\$ --</u>	<u>\$ 21,783,995</u>

The accompanying notes are an integral part of this statement.

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes	Functions/Programs	1  Expenses	3  Charges for Services	4  Program Revenues	
				Operating Grants and Contributions	
	Governmental Activities:				
11	Instruction	\$ 23,126,939	\$ --	\$	3,245,848
12	Instructional Resources and Media Services	665,402	--		29,067
13	Curriculum and Staff Development	198,022	--		11,125
21	Instructional Leadership	559,929	--		33,517
23	School Leadership	2,670,357	--		120,103
31	Guidance, Counseling, & Evaluation Services	1,594,179	--		290,340
32	Social Work Services	49,221	--		951
33	Health Services	412,369	--		75,432
34	Student Transportation	1,982,269	--		192,120
35	Food Service	2,996,583	642,242		2,375,867
36	Cocurricular/Extracurricular Activities	1,133,889	105,685		34,265
41	General Administration	1,381,121	--		45,100
51	Plant Maintenance and Operations	4,008,165	65,323		116,453
52	Security and Monitoring Services	184,485	670		3,388
53	Data Processing Services	241,584	--		9,680
61	Community Services	68,720	--		9,985
72	Interest on Long-term Debt	1,092,486	--		--
73	Bond Issuance Costs and Fees	95,412	--		--
93	Payments Related to Shared Services Arrangements	496,726	--		15,688
99	Other Intergovernmental Charges	247,298	--		--
TG	Total Governmental Activities	<u>43,205,156</u>	<u>813,920</u>		<u>6,608,929</u>
	Business-type Activities:				
01	Summer Recreation	62,065	--		--
02	After School Program	155,227	--		--
03	Cubhouse Students	143,745	--		--
04	GED Adult Ed.	157,837	--		--
06	Cubhouse Employees	130,773	--		--
07	Community Ed. Adm.	152,706	--		--
08	Teen Parents	21,746	--		--
TB	Total Business-type Activities	<u>824,099</u>	<u>--</u>		<u>--</u>
TP	Total Primary Government	<u>\$ 44,029,255</u>	<u>\$ 813,920</u>		<u>\$ 6,608,929</u>
	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				
CN	Change in Net Assets				
NB	Net Assets - Beginning				
NE	Net Assets - Ending				

The accompanying notes are an integral part of this statement.

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Net (Expense) Revenue and Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (19,881,091)		\$ (19,881,091)
(636,335)		(636,335)
(186,897)		(186,897)
(526,412)		(526,412)
(2,550,254)		(2,550,254)
(1,303,839)		(1,303,839)
(48,270)		(48,270)
(336,937)		(336,937)
(1,790,149)		(1,790,149)
21,526		21,526
(993,939)		(993,939)
(1,336,021)		(1,336,021)
(3,826,389)		(3,826,389)
(180,427)		(180,427)
(231,904)		(231,904)
(58,735)		(58,735)
(1,092,486)		(1,092,486)
(95,412)		(95,412)
(481,038)		(481,038)
(247,298)		(247,298)
<u>(35,782,307)</u>		<u>(35,782,307)</u>
--	\$ (62,065)	(62,065)
--	(155,227)	(155,227)
--	(143,745)	(143,745)
--	(157,837)	(157,837)
--	(130,773)	(130,773)
--	(152,706)	(152,706)
--	(21,746)	(21,746)
<u>--</u>	<u>(824,099)</u>	<u>(824,099)</u>
<u>(35,782,307)</u>	<u>(824,099)</u>	<u>(36,606,406)</u>
10,557,885	--	10,557,885
1,513,478	--	1,513,478
86,710	--	86,710
24,071,720	96,247	24,167,967
746,336	556,270	1,302,606
(171,582)	171,582	--
<u>36,804,547</u>	<u>824,099</u>	<u>37,628,646</u>
1,022,240	--	1,022,240
20,761,755	--	20,761,755
<u>\$ 21,783,995</u>	<u>\$ --</u>	<u>\$ 21,783,995</u>

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2012

Data Control Codes	10 General Fund	50 Debt Service Fund	Other Governmental Funds	98 Total Governmental Funds	
<b>ASSETS:</b>					
1110	Cash and Cash Equivalents	\$ 3,628,680	\$ 393,905	\$ 612,770	\$ 4,635,355
1120	Current Investments	9,828,755	2,157,459	19,526	12,005,740
1225	Taxes Receivable, Net	961,395	159,716	--	1,121,111
1240	Due from Other Governments	5,085,633	42,722	611,522	5,739,877
1250	Accrued Interest	2,128	--	156	2,284
1260	Due from Other Funds	190,345	--	41,592	231,937
1290	Other Receivables	210,831	9,686	209,314	429,831
1300	Inventories	3,339	--	--	3,339
1410	Deferred Expenditures	94,856	--	950	95,806
1000	Total Assets	\$ 20,005,962	\$ 2,763,488	\$ 1,495,830	\$ 24,265,280
<b>LIABILITIES:</b>					
Current Liabilities:					
2110	Accounts Payable	\$ 859,697	\$ --	\$ 45,007	\$ 904,704
2150	Payroll Deductions & Withholdings	871,255	--	67,207	938,462
2160	Accrued Wages Payable	2,625,097	--	465,103	3,090,200
2170	Due to Other Funds	29,359	--	189,455	218,814
2180	Due to Other Governments	5,702	--	47,567	53,269
2300	Deferred Revenue	969,904	159,716	23,446	1,153,066
2000	Total Liabilities	5,361,014	159,716	837,785	6,358,515
<b>FUND BALANCES:</b>					
Nonspendable Fund Balances:					
3410	Inventories	3,339	--	--	3,339
Restricted Fund Balances:					
3450	Federal/State Funds Grant Restrictions	--	--	543,347	543,347
3480	Retirement of Long-Term Debt	--	2,603,772	18,046	2,621,818
Committed Fund Balances:					
3510	Construction	2,245,945	--	--	2,245,945
3545	Other Committed Fund Balance	21,740	--	96,652	118,392
3600	Unassigned	12,373,924	--	--	12,373,924
3000	Total Fund Balances	14,644,948	2,603,772	658,045	17,906,765
4000	Total Liabilities and Fund Balances	\$ 20,005,962	\$ 2,763,488	\$ 1,495,830	\$ 24,265,280

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 ASSETS*  
 JUNE 30, 2012

Total fund balances - governmental funds balance sheet	\$ 17,906,765
Amounts reported for governmental activities in the Statement of Net Assets ("SNA") are different because:	
Capital assets used in governmental activities are not reported in the funds.	29,723,922
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	1,121,111
Payables for bond principal which are not due in the current period are not reported in the funds.	(25,710,000)
Accumulated accretion of interest on capital appreciation bonds is not reported in the funds.	(900,887)
Payables for bond interest which are not due in the current period are not reported in the funds.	(342,602)
Bond premium is capitalized in the SNA but not in the funds.	(910,107)
Bond issuance costs and similar items are capitalized in the SNA but not in the funds.	895,794
Rounding difference	<u>(1)</u>
Net assets of governmental activities - Statement of Net Assets	<u>\$ 21,783,995</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, 2012

Data Control Codes	10 General Fund	50 Debt Service Fund	Other Governmental Funds	98 Total Governmental Funds
<b>REVENUES:</b>				
5700 Local and Intermediate Sources	\$ 10,645,288	\$ 1,483,319	\$ 1,234,182	\$ 13,362,789
5800 State Program Revenues	22,894,776	1,017,810	385,635	24,298,221
5900 Federal Program Revenues	238,620	--	6,142,858	6,381,478
5020 Total Revenues	<u>33,778,684</u>	<u>2,501,129</u>	<u>7,762,675</u>	<u>44,042,488</u>
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	18,806,039	--	2,843,927	21,649,966
0012 Instructional Resources and Media Services	122,143	--	503,795	625,938
0013 Curriculum and Staff Development	168,885	--	16,631	185,516
0021 Instructional Leadership	335,940	--	188,443	524,383
0023 School Leadership	2,494,251	--	8,064	2,502,315
0031 Guidance, Counseling, & Evaluation Services	1,060,963	--	431,701	1,492,664
0032 Social Work Services	45,006	--	963	45,969
0033 Health Services	104,203	--	282,650	386,853
0034 Student Transportation	1,579,987	--	269,169	1,849,156
0035 Food Service	--	--	2,798,762	2,798,762
0036 Cocurricular/Extracurricular Activities	1,077,266	--	19,671	1,096,937
0041 General Administration	1,288,820	--	3,913	1,292,733
0051 Plant Maintenance and Operations	3,665,611	--	88,231	3,753,842
0052 Security and Monitoring Services	170,204	--	2,325	172,529
0053 Data Processing Services	226,227	--	--	226,227
0061 Community Services	649	--	11,590	12,239
0071 Principal on Long-term Debt	--	909,997	360,000	1,269,997
0072 Interest on Long-term Debt	--	1,427,031	131,149	1,558,180
0073 Bond Issuance Costs and Fees	--	83,847	--	83,847
0081 Capital Outlay	824,228	--	--	824,228
0093 Payments to Shared Service Arrangements	377,291	--	119,435	496,726
0099 Other Intergovernmental Charges	247,298	--	--	247,298
6030 Total Expenditures	<u>32,595,011</u>	<u>2,420,875</u>	<u>8,080,419</u>	<u>43,096,305</u>
1100 Excess (Deficiency) of Revenues Over (Under)				
1100 Expenditures	<u>1,183,673</u>	<u>80,254</u>	<u>(317,744)</u>	<u>946,183</u>
Other Financing Sources and (Uses):				
7901 Refunding Bonds Issued	--	2,740,000	--	2,740,000
7915 Transfers In	--	--	507,716	507,716
7916 Premium or Discount on Issuance of Bonds	--	198,930	--	198,930
8911 Transfers Out	(662,832)	--	(16,466)	(679,298)
8940 Payment to Bond Refunding Escrow Agent	--	(2,854,611)	--	(2,854,611)
7080 Total Other Financing Sources and (Uses)	<u>(662,832)</u>	<u>84,319</u>	<u>491,250</u>	<u>(87,263)</u>
1200 Net Change in Fund Balances	520,841	164,573	173,506	858,920
0100 Fund Balances - Beginning	14,124,107	2,439,199	484,539	17,047,845
3000 Fund Balances - Ending	<u>\$ 14,644,948</u>	<u>\$ 2,603,772</u>	<u>\$ 658,045</u>	<u>\$ 17,906,765</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, 2012*

Net change in fund balances - total governmental funds	\$ 858,920
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	867,680
The depreciation of capital assets used in governmental activities is not reported in the funds.	(2,700,657)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	254,124
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	1,269,997
Bond issuance costs and similar items are amortized in the SOA but not in the funds.	(90,916)
The accretion of interest on capital appreciation bonds is not reported in the funds.	443,291
(Increase) decrease in accrued interest from beginning of period to end of period.	22,403
Funds transferred to fund the refunding of bonds is reported as another use in the funds.	2,854,611
Bond premium is reported as another source in the funds but amortized in the SOA.	(198,930)
Bond issuance costs are expensed in the funds but amortized over the life of the bonds in the SOA.	79,351
Proceeds of notes do not provide revenue in the SOA, but are reported as current resources in the funds.	(2,740,000)
Other bond issuance costs are expensed in the funds but amortized over the life of the bonds in the SOA.	<u>102,366</u>
Change in net assets of governmental activities - Statement of Activities	<u>\$ 1,022,240</u>

The accompanying notes are an integral part of this statement.



**LOCKHART INDEPENDENT SCHOOL DISTRICT**

## STATEMENT OF NET ASSETS

## ENTERPRISE FUNDS

JUNE 30, 2012

Data Control Codes		Nonmajor Enterprise Funds
	<b>ASSETS:</b>	
	Current Assets:	
1110	Cash and Cash Equivalents	\$ 47,480
	Receivables:	
1260	Due from Other Funds	10,865
1290	Other Receivables (net)	33,879
	Total Current Assets	<u>92,224</u>
1000	Total Assets	<u>\$ 92,224</u>
	<b>LIABILITIES:</b>	
	Current Liabilities:	
2110	Accounts Payable	\$ 6,763
2150	Payroll Deduction & Withholdings	6,930
2160	Accrued Wages Payable	48,764
2170	Due to Other Funds	23,403
2300	Unearned Revenues	6,364
	Total Current Liabilities	<u>92,224</u>
2000	Total Liabilities	<u>92,224</u>
	<b>NET ASSETS:</b>	
3000	Total Net Assets	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
 IN FUND NET ASSETS - ENTERPRISE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes		Nonmajor Enterprise Funds
	<b>OPERATING REVENUES:</b>	
5700	<i>Local and Intermediate Sources</i>	\$ 556,270
5800	<i>State Program Revenues</i>	96,247
5020	Total Revenues	<u>652,517</u>
	<b>OPERATING EXPENSES:</b>	
6100	<i>Payroll Costs</i>	598,043
6200	<i>Professional and Contracted Services</i>	162,176
6300	<i>Supplies and Materials</i>	48,162
6400	<i>Other Operating Costs</i>	15,718
6030	Total Expenses	<u>824,099</u>
	Income (Loss) before Contributions and Transfers	(171,582)
7915	<i>Transfers In</i>	241,817
8911	<i>Transfers Out</i>	(70,235)
1300	Change in Net Assets	<u>--</u>
0100	Total Net Assets - Beginning	--
3300	Total Net Assets - 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, 2012

	Total Nonmajor Enterprise Funds
<b>Cash Flows from Operating Activities:</b>	
<i>Cash Received from Customers</i>	\$ 540,064
<i>Cash Received from Grants</i>	96,247
<i>Cash Payments to Employees for Services</i>	(599,333)
<i>Cash Payments to Other Suppliers for Goods and Services</i>	(212,598)
Net Cash Provided (Used) by Operating Activities	<u>(175,620)</u>
<b>Cash Flows from Non-capital Financing Activities:</b>	
<i>Transfers From Other Funds</i>	241,817
<i>Transfers (To) Other Funds</i>	(70,235)
Net Cash Provided (Used) by Non-capital Financing Activities	<u>171,582</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(4,038)
Cash and Cash Equivalents at Beginning of Year	51,518
Cash and Cash Equivalents at End of Year	<u>\$ 47,480</u>
<b>Reconciliation of Operating Income to Net Cash     Provided by Operating Activities:</b>	
Operating Income (Loss)	\$ (171,582)
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>	(18,785)
<i>Increase (Decrease) in Accounts Payable</i>	(228)
<i>Increase (Decrease) in Payroll Deductions</i>	(1,114)
<i>Increase (Decrease) in Accrued Wages Payable</i>	(176)
<i>Increase (Decrease) in Interfund Payables</i>	13,686
<i>Increase (Decrease) in Unearned Revenue</i>	2,579
Total Adjustments	<u>(4,038)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (175,620)</u>

The accompanying notes are an integral part of this statement.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

## STATEMENT OF FIDUCIARY NET ASSETS

## FIDUCIARY FUNDS

JUNE 30, 2012

Data Control Codes	Private-purpose Trust Funds	Scholarship Fund	Agency Funds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS:</b>			
1110 <i>Cash and Cash Equivalents</i>	\$	51,979	\$ 135,677
1120 <i>Current Investments</i>		150,000	--
1250 <i>Accrued Interest</i>		156	--
1290 <i>Other Receivables</i>		--	500
1800 <i>Restricted Assets</i>		146,327	--
1000 <b>Total Assets</b>	<b>\$</b>	<b><u>348,462</u></b>	<b>\$ <u>136,177</u></b>
<b>LIABILITIES:</b>			
Current Liabilities:			
2110 <i>Accounts Payable</i>	\$	--	\$ 284
2170 <i>Due to Other Funds</i>		--	585
2190 <i>Due to Student Groups</i>		--	135,308
2300 <i>Unearned Revenues</i>		10	--
2000 <b>Total Liabilities</b>		<b><u>10</u></b>	<b><u>136,177</u></b>
<b>NET ASSETS</b>			
3800 <i>Held in Trust</i>		348,452	--
3000 <b>Total Net Assets</b>	<b>\$</b>	<b><u>348,452</u></b>	<b>\$ <u>--</u></b>

The accompanying notes are an integral part of this statement.

**LOCKHART INDEPENDENT SCHOOL DISTRICT***STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**FIDUCIARY FUNDS**FOR THE YEAR ENDED JUNE 30, 2012*

	Private- Purpose Trusts
	Scholarship Funds
<b>Additions:</b>	
Investment Income	\$ 3,293
Gifts and Bequests	56,335
Total Additions	<u>59,628</u>
<b>Deductions:</b>	
Scholarship Awards	30,660
Supplies and Materials	284
Professional Services	--
Total Deductions	<u>30,944</u>
<b>Change in Net Assets</b>	28,684
Net Assets-Beginning of the Year	319,768
Net Assets-End of the Year	<u>\$ 348,452</u>

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, 2012

### 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" as defined by the GASB in its Statement No. 14, "The Financial Reporting Entity" and there are no component units included within the reporting entity.

#### 2. Basis of Presentation, Basis of Accounting

##### a. Basis of Presentation

**Government-wide Financial Statements:** The statement of net assets 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, 2012

In addition, the District reports the following fund types:

Enterprise Funds: These funds are used to report the activities of after school programs and adult education.

Private-Purpose Trust Funds: These funds are used to report trust arrangements with numerous student activities and a scholarship fund supported by various gifts and bequests.

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 private organizations and have no measurement focus.

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. The accrual basis of accounting is used.

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.

The General, Debt Service and National School Breakfast and Lunch Program Funds have legally adopted annual budgets prepared on the GAAP basis. Budgets are legally controlled at the function level.

Under GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," all proprietary funds will continue to follow Financial Accounting Standards Board ("FASB") standards issued on or before November 30, 1989. However, from that date forward, proprietary funds will have the option of either 1) choosing not to apply future FASB standards (including amendments of earlier pronouncements), or 2) continuing to follow new FASB pronouncements unless they conflict with GASB guidance. The District has chosen not to apply future FASB standards.

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

### 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.

#### 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

Postage paid in advance for costs relating to future periods is recorded as inventory.

#### d. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated property is recorded at 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.

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

#### e. 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.

#### f. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation.



# LOCKHART INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

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 assets.

g. Use of Estimates

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

h. Data Control Codes

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

i. 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 governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. 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 governing board or by an official or body to which the governing board 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 conveys 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.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

### 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	Not applicable

#### 2. Deficit Fund Balance or Fund Net Assets of Individual Funds

Following are funds having deficit fund balances or fund net assets 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, 2012, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$4,682,835 and the bank balance was \$5,129,638. The District's cash deposits at June 30, 2012 and during the period ended June 30, 2012 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

FOR THE YEAR ENDED JUNE 30, 2012

The District's investments at June 30, 2012 are shown below.

<u>Investment or Investment Type</u>	<u>Maturity</u>	<u>Ratings</u>	<u>Fair Value</u>	<u>Percentage</u>
TexPool Investment Pool	34 days average	AAA-m	\$ 9,168,105	76%
Texas TERM	50 days average	AAA-m	2,837,635	24%
			<u>\$ 12,005,740</u>	100%

### 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, as noted above. The District restricts investments to those rated at least AAA. The District does not have a formal investment policy that limits credit risk.

#### 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 investments representing more than 5% of total investments are disclosed above.

#### 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 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

#### 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

FOR THE YEAR ENDED JUNE 30, 2012

### 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 Prime is a public funds investment pool created by the Texas Treasury Safekeeping Trust Company (the Trust Company) to provide a safe, efficient, and liquid investment alternative for the placement of local government funds in authorized, short-term, fully-collateralized investment. TexPool Prime invests in U.S. Government securities, repurchase agreements collateralized by U.S. Government securities, and AAA-rated no-load money market mutual funds, commercial paper, and certificate of deposits. TexPool Prime is rated AAAM by Standard & Poor's, the highest rating a local government pool can achieve. The weighted average maturities of the pools cannot exceed 60 days, with maximum maturity of any investment limited to 13 months.

The State, with the authority of the Texas Legislature, created the Texas Treasury Safekeeping Trust Company (the Trust Company). This is a special purpose trust company with direct access to the service of the Federal Reserve Bank to manage, disburse, transfer, safe-keep, and invest public funds and securities more efficiently and economically. The Comptroller of Public Accounts is the sole officer, director, and shareholder of the Trust company. Lehman Brothers and Federated Investors manage the daily operations of the pool under a contract with the Comptroller. Lehman Brothers is the administrator for the TexPool program providing, Participant Services and Marketing functions to TexPool participants. Federated Investors is the investment manager and provides for accounting, custodial, and transfer agency services to TexPool.

Texas TERM is a Local Government Investment Pool and is managed by PFM Asset Management LLC. The AAA rated fund invests only in securities allowed by the Texas Public Funds Investment Act. The fund has a letter of credit that backs the maintenance of a \$1.00 net asset value.

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

### D. Capital Assets

Capital asset activity for the year ended June 30, 2012, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental activities:</b>				
<i>Capital assets not being depreciated:</i>				
Land and improvements	\$ 1,051,969	\$ 13,792	\$ --	\$ 1,065,761
Construction in progress	--	707,495	--	707,495
Total capital assets not being depreciated	<u>1,051,969</u>	<u>721,287</u>	<u>--</u>	<u>1,773,256</u>
<i>Capital assets being depreciated:</i>				
Buildings and improvements	56,932,224	102,941	16,930	57,018,235
Furniture and equipment	7,142,622	43,451	--	7,186,073
Total capital assets being depreciated	<u>64,074,846</u>	<u>146,392</u>	<u>16,930</u>	<u>64,204,308</u>
Less accumulated depreciation for:				
Buildings and improvements	(30,754,791)	(1,972,504)	(16,930)	(32,710,365)
Furniture and equipment	(2,815,127)	(728,153)	--	(3,543,280)
Total accumulated depreciation	<u>(33,569,918)</u>	<u>(2,700,657)</u>	<u>(16,930)</u>	<u>(36,253,645)</u>
Total capital assets being depreciated, net	<u>30,504,928</u>	<u>(2,554,265)</u>	<u>--</u>	<u>27,950,663</u>
Governmental activities capital assets, net	<u>\$ 31,556,897</u>	<u>\$ (1,832,978)</u>	<u>\$ --</u>	<u>\$ 29,723,919</u>

Depreciation was charged to functions as follows:

Instruction	\$ 1,482,973
Instructional Resources and Media Services	39,464
Curriculum and Staff Development	12,506
Instructional Leadership	35,546
School Leadership	168,042
Guidance, Counseling, & Evaluation Services	101,515
Social Work Services	3,252
Health Services	25,516
Student Transportation	133,113
Food Services	197,821
Extracurricular Activities	74,404
General Administration	88,388
Plant Maintenance and Operations	254,323
Security and Monitoring Services	11,956
Data Processing Services	15,357
Community Services	56,481
	<u>\$ 2,700,657</u>

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

### E. Interfund Balances and Activities

Due To and From Other Funds

Balances due to and due from other funds at June 30, 2012, consisted of the following:

Due To Fund	Due From Fund	Amount	Purpose
General Fund	Other Governmental Funds	\$ 189,455	Payroll costs
Other Governmental Funds	General Fund	18,494	Payroll costs
General Fund	Fiduciary Funds	585	Reimbursements due
Other Governmental Funds	Nonmajor Enterprise Funds	23,403	Cost of service allocations
Nonmajor Enterprise Funds	General Fund	10,865	Prorata costs of service
	Total	<u>\$ 242,802</u>	

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

Transfers to and from other funds at June 30, 2012, consisted of the following:

Transfers From	Transfers To	Amount	Reason
General fund	Maintenance Tax Debt Service	\$ 507,716	General Fund tax collections for maintenance note debt service
General fund	Nonmajor Enterprise Funds	155,116	General Fund support of internal service functions
Other Governmental Funds	Nonmajor Enterprise Funds	16,466	Bus fleet acquisition
Nonmajor Enterprise Funds	Nonmajor Enterprise Funds	70,235	Allocated costs
	Total	<u>\$ 749,533</u>	

### F. Fund Balances

The District has nonspendable, restricted, committed and unassigned fund balance as follows.

Description	Amount
Nonspendable Fund Balances:	
Inventories	\$ 3,339
Restricted Fund Balances:	
Federal/State Funds Grant Restrictions	\$ 543,347
Retirement of Long Term Debt	2,621,818
	<u>\$ 3,165,165</u>
Committed Fund Balances:	
General Fund:	
Construction	\$ 2,245,945
Other	21,740
Campus Activity	96,652
	<u>\$ 2,364,337</u>
Unassigned:	<u>\$ 12,373,924</u>
Total Fund Balance	<u>\$ 17,906,765</u>

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

### G. 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, 2012, are as follows:

Series	Original Issue (Millions)	Interest Rates	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental activities:</u>							
2002	15.50	2.00-5.10%	\$ 4,035,000	\$ --	\$ 3,375,000	\$ 660,000	\$ 660,000
2006	9.52	3.66%	8,909,977	--	64,977	8,845,000	665,000
2007	8.83	3.92%	8,470,000	--	90,000	8,380,000	90,000
2008	2.3	3.75-4.50%	1,815,000	--	120,000	1,695,000	130,000
2010	4.095	3.50%	3,750,000	--	360,000	3,390,000	375,000
2011	2.74	2.00%	--	2,740,000	--	2,740,000	70,000
Accumulated Accretion on CAB			1,344,178	161,712	605,003	900,887	--
Total governmental activities			<u>\$ 28,324,155</u>	<u>\$ 2,901,712</u>	<u>\$ 4,614,980</u>	<u>\$ 26,610,887</u>	<u>\$ 1,990,000</u>

The bonded debt detailed above was issued for the construction of school facilities or to refinance debt issued for that purpose. The Series 2006, 2007, 2008 and 2011 bonds were issued to refund outstanding school building bonds. The Series 2010 tax and revenue notes were issued to purchase school buses.

#### 2. Debt Service Requirements

Debt service requirements on long-term debt at June 30, 2012, are as follows:

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2013	\$ 1,990,000	\$ 869,673	\$ 2,859,673
2014	1,915,000	898,506	2,813,506
2015	2,050,000	742,469	2,792,469
2016	2,100,000	678,541	2,778,541
2017	2,140,000	612,853	2,752,853
2018-2022	9,200,000	3,313,609	12,513,609
2023-2027	5,370,000	634,621	6,004,621
2028-2032	945,000	18,522	963,522
Totals	<u>\$ 25,710,000</u>	<u>\$ 7,768,794</u>	<u>\$ 33,478,794</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, 2012, 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	\$ 11,574,988
Total	<u>\$ 11,574,988</u>

During 2012 the District issued \$2.74 in Unlimited Tax Refunding Bonds to partially refund the District's Tax School outstanding Building Bonds Series 2002. The proceeds of the refunding net of debt service costs of \$70,351 amounted to \$2.85 million and was deposited with an escrow agent to purchase direct obligations of

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

the United States. As a result of the refunding, the District decreased its aggregate debt service payment to maturity by \$138,434 and realized an economic gain (difference between the present value of debt service payments on the old debt and new debt) of \$131,919.

### 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 2012, 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.

### I. Pension Plan

#### 1. Plan Description

The District contributes to the Teacher Retirement System of Texas (TRS), a cost-sharing multiple employer defined benefit pension plan. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. TRS also administers proportional retirement benefits and service credit transfer under Texas Government Code, Title 8, Chapters 803 and 805, respectively. The Texas state legislature has the authority to establish and amend benefit provisions of the pension plan and may, under certain circumstances, grant special authority to the TRS Board of Trustees. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. That report may be obtained by downloading the report from the TRS internet website, [www.trs.state.tx.us](http://www.trs.state.tx.us), under the TRS Publications heading, by calling the TRS Communications Department at 1-800-223-8778, or by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701.

#### 2. Funding Policy

Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The state funding policy is as follows: (1) The state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10% of the aggregate annual compensation of all members of the system. (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of a 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. State law provides for a member contribution rate of 6.4% for fiscal years 2012, 2011, and 2010, and a state contribution rate of 6.0% for fiscal year 2012 and 6.644% for fiscal years 2011 and 2010. In certain instances the reporting district is required to make all or a portion of the state's contribution. State contributions to TRS made on behalf of the District's employees for the years ending June 30, 2012, 2011 and 2010 were \$1,354,147, \$1,497,487, and \$1,437,795, respectively. The District paid additional state contributions for the years ending June 30, 2012, 2011, and 2010 in the amount of \$380,182, \$432,353, and \$394,332, respectively, on portion of the employees' salaries that exceeded the statutory minimum.

### J. Health Care Coverage

During the period ended June 30, 2012, employees of the District were covered by a state-wide plan, TRS Active Care. The District paid premiums of \$276 per month per employee to the Plan with the State providing an additional \$75. 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 Blue Cross and Blue Shield of Texas while Medco Health was assigned the prescription drug plan.

The latest financial information on the state-wide plan is available from TRS (see note I1).



# LOCKHART INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

### K. Retiree Health Plan

#### 1. TRS-Care

##### a) Plan Description

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

##### b) Funding Policy

Contribution requirements are not actuarially determined but are legally established each biennium by the Texas Legislature. Texas Insurance Code, Sections 1575.202, 203, and 204 establish state, active employee, and public school contributions, respectively. Funding for free basic coverage is provided by the program based upon public school district payroll. Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than 0.25% or greater than 0.75% of the salary of each active employee of the public school. Funding for optional coverage is provided by those participants selecting the optional coverage. The State of Texas and active public school employee contribution rates were 1.0% and 0.65% of the public school payroll, respectively, with school districts contributing a percentage of payroll set at 0.55% for fiscal years 2012, 2011, and 2010. For the fiscal years ended 2012, 2011, and 2010, the State's contributions to TRS-Care were \$212,725, \$227,713, and \$219,998, respectively, the active member contributions were \$138,271, \$148,013, and \$142,999, respectively, and the District's contributions were \$116,999, \$125,242, and \$120,999, respectively, which equaled the required contributions each year.

#### 2. Medicare Part D Subsidies

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended 2012, 2011, and 2010, the subsidy payments received by TRS-Care on behalf of the District were \$55,011, \$59,692, and \$62,610, respectively.

#### 3. Early Retiree Reinsurance Program (ERRP)

The Early Retiree Reinsurance Program (ERRP) is a provision of the Patient Protection and Affordable Care Act (PPACA) and provides reimbursement to plan sponsors for a portion of the cost of providing health benefits to retirees between the ages of 55-64 and their covered dependants regardless of age. An "early retiree" is defined as a plan participant aged 55-64 who is not eligible for Medicare and is not covered by an active employee of the plan sponsor.

This temporary program is available to help employers continue to provide coverage to early retirees. ERRP reimbursement is available on a first come, first served basis for qualified employers that apply and become certified for the program. TRS has been certified for this program and has received funds from the ERRP program. For the fiscal year ended June 30, 2012, the amount received by TRS-CARE on behalf of the District was \$60,659.

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

### 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 June 30, 2012.

### M. Shared Services Arrangements

#### Shared Services Arrangement - Fiscal Agent

The District is the fiscal agent for a Shared Services Arrangement ("SSA") which provides special education and Medicaid reimbursement 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 Special Education and Medicaid Coop funds 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>Special Ed. Expenditures</u>	<u>Medicaid Expenditures</u>
Lockhart ISD	\$ 581,169	\$ 65,432
Luling ISD	175,147	17,008
Prairie Lea ISD	39,806	3,092
Total	<u>\$ 796,122</u>	<u>\$ 85,532</u>

### N. Workers' Compensation Insurance

Beginning in the fiscal year ended June 30, 2006, employees of the District were covered by a workers' compensation insurance plan (the plan). Contributions are made based upon statutory rates established for the District's various types of employees. A third party administrator acts on behalf of the self-funded pool.

The contract between the District and the third party administrator, Texas Association of School Boards (TASB) is renewable annually and the terms of coverage and costs are included in the contractual provisions. The District is protected against unanticipated catastrophic individual loss by stop-loss coverage carried through Safety National a commercial insurer licensed to do business in Texas in accordance with the Texas Insurance Code. Stop-loss coverage is in effect for specific occurrences exceeding \$300,000.

TASB has performed an evaluation of claims submitted for incidents occurring prior to year end, and has projected that additional claims will cost \$347,239. No long-term portion was identified by the actuary.

Following is a reconciliation of changes in the aggregate liabilities for claims in the current fiscal year:

	<u>2011</u>	<u>2012</u>
Unpaid claims, beginning of the fiscal year	\$ 146,562	190,791
Incurred claims	372,757	347,239
Claim payments	(328,528)	(397,196)
Unpaid claims, end of the fiscal year	<u>\$ 190,791</u>	<u>140,834</u>

## *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, 2012

**EXHIBIT G-1**

Page 1 of 2

Data Control Codes	1		2		3	Variance with Final Budget Positive (Negative)
	Budgeted Amounts				Actual	
	Original	Final				
<b>REVENUES:</b>						
5700	Local and Intermediate Sources	\$ 10,088,196	\$ 10,145,071	\$ 10,645,288	\$ 500,217	
5800	State Program Revenues	22,331,678	23,491,729	22,894,776	(596,953)	
5900	Federal Program Revenues	1,030,299	237,900	238,620	720	
5020	Total Revenues	<u>33,450,173</u>	<u>33,874,700</u>	<u>33,778,684</u>	<u>(96,016)</u>	
<b>EXPENDITURES:</b>						
Current:						
Instruction & Instructional Related Services:						
0011	Instruction	18,855,458	19,211,083	18,806,039	405,044	
0012	Instructional Resources and Media Services	626,945	155,971	122,143	33,828	
0013	Curriculum and Staff Development	202,335	214,207	168,885	45,322	
	Total Instruction & Instr. Related Services	<u>19,684,738</u>	<u>19,581,261</u>	<u>19,097,067</u>	<u>484,194</u>	
Instructional and School Leadership:						
0021	Instructional Leadership	338,023	340,052	335,940	4,112	
0023	School Leadership	2,589,922	2,568,008	2,494,251	73,757	
	Total Instructional & School Leadership	<u>2,927,945</u>	<u>2,908,060</u>	<u>2,830,191</u>	<u>77,869</u>	
Support Services - Student (Pupil):						
0031	Guidance, Counseling and Evaluation Services	1,097,125	1,076,078	1,060,963	15,115	
0032	Social Work Services	45,020	45,020	45,006	14	
0033	Health Services	322,803	117,315	104,203	13,112	
0034	Student (Pupil) Transportation	1,551,959	1,632,459	1,579,987	52,472	
0035	Food Services	--	6,329	--	6,329	
0036	Cocurricular/Extracurricular Activities	1,046,900	1,145,541	1,077,266	68,275	
	Total Support Services - Student (Pupil)	<u>4,063,807</u>	<u>4,022,742</u>	<u>3,867,425</u>	<u>155,317</u>	
Administrative Support Services:						
0041	General Administration	1,292,382	1,370,468	1,288,820	81,648	
	Total Administrative Support Services	<u>1,292,382</u>	<u>1,370,468</u>	<u>1,288,820</u>	<u>81,648</u>	
Support Services - Nonstudent Based:						
0051	Plant Maintenance and Operations	3,620,777	3,783,075	3,665,611	117,464	
0052	Security and Monitoring Services	124,914	177,425	170,204	7,221	
0053	Data Processing Services	238,020	239,388	226,227	13,161	
	Total Support Services - Nonstudent Based	<u>3,983,711</u>	<u>4,199,888</u>	<u>4,062,042</u>	<u>137,846</u>	
Ancillary Services:						
0061	Community Services	308	967	649	318	
	Total Ancillary Services	<u>308</u>	<u>967</u>	<u>649</u>	<u>318</u>	
Capital Outlay:						
0081	Capital Outlay	--	2,614,185	824,228	1,789,957	
	Total Capital Outlay	<u>--</u>	<u>2,614,185</u>	<u>824,228</u>	<u>1,789,957</u>	
Intergovernmental Charges:						
0093	Payments to Fiscal Agent/Member Dist.-SSA	400,000	385,000	377,291	7,709	
0099	Other Intergovernmental Charges	235,000	263,650	247,298	16,352	
	Total Intergovernmental Charges	<u>635,000</u>	<u>648,650</u>	<u>624,589</u>	<u>24,061</u>	
6030	Total Expenditures	<u>32,587,891</u>	<u>35,346,221</u>	<u>32,595,011</u>	<u>2,751,210</u>	

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2012

EXHIBIT G-1

Page 2 of 2

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	862,282	(1,471,521)	1,183,673	2,655,194
	Other Financing Sources (Uses):				
8911	Transfers Out	(689,685)	(751,884)	(662,832)	89,052
7080	Total Other Financing Sources and (Uses)	(689,685)	(751,884)	(662,832)	89,052
1200	Net Change in Fund Balance	172,597	(2,223,405)	520,841	2,744,246
0100	Fund Balance - Beginning	14,124,107	14,124,107	14,124,107	--
3000	Fund Balance - Ending	\$ 14,296,704	\$ 11,900,702	\$ 14,644,948	\$ 2,744,246

*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, 2012

Data Control Codes	Special Revenue Funds	Debt Service Fund Maintenance Tax Note Debt Service	Total Nonmajor Governmental Funds (See Exhibit C-1)	
<b>ASSETS:</b>				
1110	Cash and Cash Equivalents	\$ 612,502	\$ 268	\$ 612,770
1120	Current Investments	1,748	17,778	19,526
1240	Due from Other Governments	611,522	--	611,522
1250	Accrued Interest	156	--	156
1260	Due from Other Funds	41,592	--	41,592
1290	Other Receivables	209,314	--	209,314
1410	Deferred Expenditures	950	--	950
1000	Total Assets	\$ 1,477,784	\$ 18,046	\$ 1,495,830
<b>LIABILITIES:</b>				
Current Liabilities:				
2110	Accounts Payable	\$ 45,007	\$ --	\$ 45,007
2150	Payroll Deductions & Withholdings	67,207	--	67,207
2160	Accrued Wages Payable	465,103	--	465,103
2170	Due to Other Funds	189,455	--	189,455
2180	Due to Other Governments	47,567	--	47,567
2300	Deferred Revenue	23,446	--	23,446
2000	Total Liabilities	837,785	--	837,785
<b>FUND BALANCES:</b>				
Restricted Fund Balances:				
3450	Federal/State Funds Grant Restrictions	543,347	--	543,347
3480	Retirement of Long-Term Debt	--	18,046	18,046
Committed Fund Balances:				
3545	Other Committed Fund Balance	96,652	--	96,652
3000	Total Fund Balances	639,999	18,046	658,045
4000	Total Liabilities and Fund Balances	\$ 1,477,784	\$ 18,046	\$ 1,495,830

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes	Special Revenue Funds	Debt Service Fund Maintenance Tax Note Debt Service	Capital Projects Fund Bus Fleet Acquisition	Total Nonmajor Governmental Funds (See Exhibit C-2)
<b>REVENUES:</b>				
5700	Local and Intermediate Sources	\$ 1,234,003	\$ 179	\$ 1,234,182
5800	State Program Revenues	385,635	--	385,635
5900	Federal Program Revenues	6,142,858	--	6,142,858
5020	Total Revenues	<u>7,762,496</u>	<u>179</u>	<u>7,762,675</u>
<b>EXPENDITURES:</b>				
Current:				
0011	Instruction	2,843,927	--	2,843,927
0012	Instructional Resources and Media Services	503,795	--	503,795
0013	Curriculum and Staff Development	16,631	--	16,631
0021	Instructional Leadership	188,443	--	188,443
0023	School Leadership	8,064	--	8,064
0031	Guidance, Counseling, & Evaluation Services	431,701	--	431,701
0032	Social Work Services	963	--	963
0033	Health Services	282,650	--	282,650
0034	Student Transportation	269,169	--	269,169
0035	Food Service	2,798,762	--	2,798,762
0036	Cocurricular/Extracurricular Activities	19,671	--	19,671
0041	General Administration	3,913	--	3,913
0051	Plant Maintenance and Operations	88,231	--	88,231
0052	Security and Monitoring Services	2,325	--	2,325
0061	Community Services	11,590	--	11,590
0071	Principal on Long-term Debt	--	360,000	360,000
0072	Interest on Long-term Debt	--	131,149	131,149
0093	Payments to Shared Service Arrangements	119,435	--	119,435
6030	Total Expenditures	<u>7,589,270</u>	<u>491,149</u>	<u>8,080,419</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	<u>173,226</u>	<u>(490,970)</u>	<u>(317,744)</u>
Other Financing Sources and (Uses):				
7915	Transfers In	--	507,716	507,716
8911	Transfers Out	--	(16,466)	(16,466)
7080	Total Other Financing Sources and (Uses)	--	<u>507,716</u>	<u>491,250</u>
1200	Net Change in Fund Balances	<u>173,226</u>	<u>16,746</u>	<u>173,506</u>
0100	Fund Balances - Beginning	466,773	1,300	484,539
	Fund Balances - Beginning, as Restated	466,773	1,300	484,539
3000	Fund Balances - Ending	<u>\$ 639,999</u>	<u>\$ 18,046</u>	<u>\$ 658,045</u>



# LOCKHART INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2012

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	\$ 4,649	\$ 3,599	\$ --	\$ --
1120	Current Investments	--	--	--	--
1240	Due from Other Governments	158,229	191	167,083	6,887
1250	Accrued Interest	--	--	--	--
1260	Due from Other Funds	383	--	33,821	--
1290	Other Receivables	--	--	--	--
1410	Deferred Expenditures	575	--	--	--
1000	Total Assets	\$ 163,836	\$ 3,790	\$ 200,904	\$ 6,887
<b>LIABILITIES:</b>					
Current Liabilities:					
2110	Accounts Payable	\$ 3,190	\$ --	\$ 13,597	\$ --
2150	Payroll Deductions & Withholdings	20,619	74	12,303	672
2160	Accrued Wages Payable	133,383	--	109,017	4,517
2170	Due to Other Funds	6,644	3,716	65,987	1,698
2180	Due to Other Governments	--	--	--	--
2300	Deferred Revenue	--	--	--	--
2000	Total Liabilities	163,836	3,790	200,904	6,887
<b>FUND BALANCES:</b>					
Restricted Fund Balances:					
3450	Federal/State Funds Grant Restrictions	--	--	--	--
Committed Fund Balances:					
3545	Other Committed Fund Balance	--	--	--	--
3000	Total Fund Balances	--	--	--	--
4000	Total Liabilities and Fund Balances	\$ 163,836	\$ 3,790	\$ 200,904	\$ 6,887

240 National School Breakfast/Lunch Program	244 Vo Ed Basic Grant	255 ESEA Title II Training & Recruiting	263 English Language Acquisition and Enhancement	287 Education Jobs Fund
\$ 288,462	\$ 113	\$ 19,560	\$ 86	\$ --
1,748	--	--	--	--
24,338	8,479	37,627	3,665	205,023
156	--	--	--	--
7,388	--	--	--	--
208,273	--	--	--	--
--	--	375	--	--
<u>\$ 530,365</u>	<u>\$ 8,592</u>	<u>\$ 57,562</u>	<u>\$ 3,751</u>	<u>\$ 205,023</u>
\$ 368	\$ 3,163	\$ --	\$ --	\$ --
4,940	114	5,239	86	13,889
(933)	4,196	35,523	2,330	105,784
4,000	1,119	1,090	1,335	85,350
24	--	15,710	--	--
--	--	--	--	--
<u>8,399</u>	<u>8,592</u>	<u>57,562</u>	<u>3,751</u>	<u>205,023</u>
521,966	--	--	--	--
--	--	--	--	--
<u>521,966</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 530,365</u>	<u>\$ 8,592</u>	<u>\$ 57,562</u>	<u>\$ 3,751</u>	<u>\$ 205,023</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2012

Data Control Codes	385 Supplemental Visually Impaired	404 Student Success Initiative	410 State Textbook Fund	411 Technology Allotment	
<b>ASSETS:</b>					
1110	Cash and Cash Equivalents	\$ 2,238	\$ 151	\$ 37	\$ 45,381
1120	Current Investments	--	--	--	--
1240	Due from Other Governments	--	--	--	--
1250	Accrued Interest	--	--	--	--
1260	Due from Other Funds	--	--	--	--
1290	Other Receivables	--	--	--	--
1410	Deferred Expenditures	--	--	--	--
1000	Total Assets	\$ 2,238	\$ 151	\$ 37	\$ 45,381
<b>LIABILITIES:</b>					
Current Liabilities:					
2110	Accounts Payable	\$ --	\$ --	\$ --	\$ 24,000
2150	Payroll Deductions & Withholdings	--	--	--	--
2160	Accrued Wages Payable	--	--	--	--
2170	Due to Other Funds	2,238	151	--	--
2180	Due to Other Governments	--	--	--	--
2300	Deferred Revenue	--	--	37	--
2000	Total Liabilities	2,238	151	37	24,000
<b>FUND BALANCES:</b>					
Restricted Fund Balances:					
3450	Federal/State Funds Grant Restrictions	--	--	--	21,381
Committed Fund Balances:					
3545	Other Committed Fund Balance	--	--	--	--
3000	Total Fund Balances	--	--	--	21,381
4000	Total Liabilities and Fund Balances	\$ 2,238	\$ 151	\$ 37	\$ 45,381

437 Special Education	450 Medicaid Coop	461 Campus Activity Funds	484 Lions Club	485 Meadows Foundation
\$ 107,819	\$ 19,662	\$ 96,725	\$ 516	\$ 549
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	438	--	--	--
--	--	--	--	--
<u>\$ 107,819</u>	<u>\$ 20,100</u>	<u>\$ 96,725</u>	<u>\$ 516</u>	<u>\$ 549</u>
\$ 78	\$ --	\$ --	\$ --	\$ 549
9,271	--	--	--	--
71,286	--	--	--	--
15,451	--	73	--	--
11,733	20,100	--	--	--
--	--	--	516	--
<u>107,819</u>	<u>20,100</u>	<u>73</u>	<u>516</u>	<u>549</u>
--	--	--	--	--
--	--	96,652	--	--
--	--	96,652	--	--
<u>\$ 107,819</u>	<u>\$ 20,100</u>	<u>\$ 96,725</u>	<u>\$ 516</u>	<u>\$ 549</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2012

Data Control Codes	486	490	491
	Target	Sodexo	Wal-Mart
<b>ASSETS:</b>			
1110 Cash and Cash Equivalents	\$ 97	\$ 1,744	\$ 80
1120 Current Investments	--	--	--
1240 Due from Other Governments	--	--	--
1250 Accrued Interest	--	--	--
1260 Due from Other Funds	--	--	--
1290 Other Receivables	--	--	--
1410 Deferred Expenditures	--	--	--
1000 Total Assets	<u>\$ 97</u>	<u>\$ 1,744</u>	<u>\$ 80</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
2110 Accounts Payable	\$ --	\$ --	\$ --
2150 Payroll Deductions & Withholdings	--	--	--
2160 Accrued Wages Payable	--	--	--
2170 Due to Other Funds	--	--	--
2180 Due to Other Governments	--	--	--
2300 Deferred Revenue	97	1,744	80
2000 Total Liabilities	<u>97</u>	<u>1,744</u>	<u>80</u>
<b>FUND BALANCES:</b>			
Restricted Fund Balances:			
3450 Federal/State Funds Grant Restrictions	--	--	--
Committed Fund Balances:			
3545 Other Committed Fund Balance	--	--	--
3000 Total Fund Balances	<u>--</u>	<u>--</u>	<u>--</u>
4000 Total Liabilities and Fund Balances	<u>\$ 97</u>	<u>\$ 1,744</u>	<u>\$ 80</u>

492 Headstart	494 Parent Teacher Organization	495 Miscellaneous Grants Fund	496 Athletic Booster Club	Total Nonmajor Special Revenue Funds (See Exhibit H-1)
\$ --	\$ 6,726	\$ 494	\$ 13,814	\$ 612,502
--	--	--	--	1,748
--	--	--	--	611,522
--	--	--	--	156
--	--	--	--	41,592
603	--	--	--	209,314
--	--	--	--	950
<u>\$ 603</u>	<u>\$ 6,726</u>	<u>\$ 494</u>	<u>\$ 13,814</u>	<u>\$ 1,477,784</u>
\$ --	\$ 62	\$ --	\$ --	\$ 45,007
--	--	--	--	67,207
--	--	--	--	465,103
603	--	--	--	189,455
--	--	--	--	47,567
--	6,664	494	13,814	23,446
<u>603</u>	<u>6,726</u>	<u>494</u>	<u>13,814</u>	<u>837,785</u>
--	--	--	--	543,347
--	--	--	--	96,652
--	--	--	--	639,999
<u>\$ 603</u>	<u>\$ 6,726</u>	<u>\$ 494</u>	<u>\$ 13,814</u>	<u>\$ 1,477,784</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, 2012

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>REVENUES:</b>				
5700 Local and Intermediate Sources	\$ --	\$ --	\$ --	\$ --
5800 State Program Revenues	--	--	--	--
5900 Federal Program Revenues	919,994	13,111	1,456,567	30,058
5020 Total Revenues	<u>919,994</u>	<u>13,111</u>	<u>1,456,567</u>	<u>30,058</u>
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	709,881	--	1,190,480	30,058
0012 Instructional Resources and Media Services	--	--	--	--
0013 Curriculum and Staff Development	160	--	1,684	--
0021 Instructional Leadership	8,896	13,111	--	--
0023 School Leadership	--	--	--	--
0031 Guidance, Counseling, & Evaluation Services	138,179	--	79,813	--
0032 Social Work Services	--	--	--	--
0033 Health Services	53,314	--	--	--
0034 Student Transportation	--	--	184,169	--
0035 Food Service	--	--	--	--
0036 Cocurricular/Extracurricular Activities	--	--	--	--
0041 General Administration	--	--	--	--
0051 Plant Maintenance and Operations	--	--	--	--
0052 Security and Monitoring Services	--	--	--	--
0061 Community Services	9,564	--	421	--
0093 Payments to Shared Service Arrangements	--	--	--	--
6030 Total Expenditures	<u>919,994</u>	<u>13,111</u>	<u>1,456,567</u>	<u>30,058</u>
1100 Excess (Deficiency) of Revenues Over (Under)	--	--	--	--
1100 Expenditures	--	--	--	--
1200 Net Change in Fund Balances	--	--	--	--
0100 Fund Balances - Beginning	--	--	--	--
3000 Fund Balances - Ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

240 National School Breakfast/Lunch Program	244 Vo Ed Basic Grant	255 ESEA Title II Training & Recruiting	263 English Language Acquisition and Enhancement	287 Education Jobs Fund
\$ 672,009	\$ --	\$ --	\$ --	\$ --
22,946	--	--	--	36,605
2,376,271	51,778	209,047	3,665	810,785
<u>3,071,226</u>	<u>51,778</u>	<u>209,047</u>	<u>3,665</u>	<u>847,390</u>
--	51,778	208,908	3,665	124,259
--	--	--	--	498,886
--	--	139	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	224,245
--	--	--	--	--
2,798,762	--	--	--	--
--	--	--	--	--
--	--	--	--	--
88,218	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>2,886,980</u>	<u>51,778</u>	<u>209,047</u>	<u>3,665</u>	<u>847,390</u>
184,246	--	--	--	--
<u>184,246</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
337,720	--	--	--	--
<u>\$ 521,966</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, 2012

Data Control Codes	359 ESEA Title I Part A Improving Basic Programs - ARRA	364 IDEA - Part B Formula - ARRA	365 IDEA - Part B Preschool ARRA	397 Advanced Placement Incentives
<b>REVENUES:</b>				
5700	Local and Intermediate Sources	\$ --	\$ --	\$ --
5800	State Program Revenues	--	--	3,902
5900	Federal Program Revenues	121,255	22,365	--
5020	Total Revenues	<u>121,255</u>	<u>22,365</u>	<u>3,902</u>
<b>EXPENDITURES:</b>				
Current:				
0011	Instruction	86,691	1,009	22,794
0012	Instructional Resources and Media Services	--	--	--
0013	Curriculum and Staff Development	14,345	--	3,902
0021	Instructional Leadership	--	--	--
0023	School Leadership	2,434	--	--
0031	Guidance, Counseling, & Evaluation Services	11,984	--	--
0032	Social Work Services	--	--	--
0033	Health Services	4,966	--	--
0034	Student Transportation	--	--	--
0035	Food Service	--	--	--
0036	Cocurricular/Extracurricular Activities	--	--	--
0041	General Administration	--	--	--
0051	Plant Maintenance and Operations	--	--	--
0052	Security and Monitoring Services	--	--	--
0061	Community Services	835	--	--
0093	Payments to Shared Service Arrangements	--	21,356	12,546
6030	Total Expenditures	<u>121,255</u>	<u>22,365</u>	<u>3,902</u>
1100	Excess (Deficiency) of Revenues Over (Under)	--	--	--
1100	Expenditures	--	--	--
1200	Net Change in Fund Balances	--	--	--
0100	Fund Balances - Beginning	--	--	--
3000	Fund Balances - Ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

410 State Textbook Fund	411 Technology Allotment	414 Reading, Math and Science Initiative	429 State Funded Special Revenue Fund	437 Special Education
\$ --	\$ 650	\$ --	\$ --	\$ 516,838
42,262	--	26	609	279,285
--	--	--	--	--
<u>42,262</u>	<u>650</u>	<u>26</u>	<u>609</u>	<u>796,123</u>
41,813	26,887	--	609	341,140
449	--	26	--	--
--	--	--	--	--
--	--	--	--	166,436
--	--	--	--	--
--	--	--	--	199,931
--	--	--	--	--
--	--	--	--	--
--	--	--	--	85,000
--	--	--	--	--
--	--	--	--	--
--	--	--	--	3,616
--	--	--	--	--
--	--	--	--	--
<u>42,262</u>	<u>26,887</u>	<u>26</u>	<u>609</u>	<u>796,123</u>
--	(26,237)	--	--	--
--	(26,237)	--	--	--
--	47,618	--	--	--
<u>\$ --</u>	<u>\$ 21,381</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, 2012

Data Control Codes	450 Medicaid Coop	461 Campus Activity Funds	482 TASB Risk Management	484 Lions Club	
<b>REVENUES:</b>					
5700	Local and Intermediate Sources	\$ --	\$ 15,661	\$ 2,000	\$ 569
5800	State Program Revenues	--	--	--	--
5900	Federal Program Revenues	92,622	--	--	--
5020	Total Revenues	92,622	15,661	2,000	569
<b>EXPENDITURES:</b>					
Current:					
0011	Instruction	7,089	(11,105)	--	569
0012	Instructional Resources and Media Services	--	4,409	--	--
0013	Curriculum and Staff Development	--	(3,599)	--	--
0021	Instructional Leadership	--	--	--	--
0023	School Leadership	--	5,630	--	--
0031	Guidance, Counseling, & Evaluation Services	--	1,794	--	--
0032	Social Work Services	--	12	--	--
0033	Health Services	--	125	--	--
0034	Student Transportation	--	--	--	--
0035	Food Service	--	--	--	--
0036	Cocurricular/Extracurricular Activities	--	1,773	--	--
0041	General Administration	--	297	--	--
0051	Plant Maintenance and Operations	--	13	--	--
0052	Security and Monitoring Services	--	325	2,000	--
0061	Community Services	--	770	--	--
0093	Payments to Shared Service Arrangements	85,533	--	--	--
6030	Total Expenditures	92,622	444	2,000	569
1100	Excess (Deficiency) of Revenues Over (Under)	--	15,217	--	--
1100	Expenditures	--	15,217	--	--
1200	Net Change in Fund Balances	--	15,217	--	--
0100	Fund Balances - Beginning	--	81,435	--	--
3000	Fund Balances - Ending	\$ --	\$ 96,652	\$ --	\$ --

485	490	491	492	494
Meadows Foundation	Sodexo	Wal-Mart	Headstart	Parent Teacher Organization
\$ 951	\$ 1,756	\$ 1,000	\$ 603	\$ 5,465
--	--	--	--	--
--	--	--	--	--
<u>951</u>	<u>1,756</u>	<u>1,000</u>	<u>603</u>	<u>5,465</u>
--	--	1,000	603	5,440
--	--	--	--	25
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
951	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	1,756	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>951</u>	<u>1,756</u>	<u>1,000</u>	<u>603</u>	<u>5,465</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, 2012

Data Control Codes	495 Miscellaneous Grants Fund	496 Athletic Booster Club	Total Nonmajor Special Revenue Funds (See Exhibit H-2)	
<b>REVENUES:</b>				
5700	Local and Intermediate Sources	\$ 1,579	\$ 14,922	\$ 1,234,003
5800	State Program Revenues	--	--	385,635
5900	Federal Program Revenues	--	--	6,142,858
5020	Total Revenues	<u>1,579</u>	<u>14,922</u>	<u>7,762,496</u>
<b>EXPENDITURES:</b>				
Current:				
0011	Instruction	359	--	2,843,927
0012	Instructional Resources and Media Services	--	--	503,795
0013	Curriculum and Staff Development	--	--	16,631
0021	Instructional Leadership	--	--	188,443
0023	School Leadership	--	--	8,064
0031	Guidance, Counseling, & Evaluation Services	--	--	431,701
0032	Social Work Services	--	--	963
0033	Health Services	--	--	282,650
0034	Student Transportation	--	--	269,169
0035	Food Service	--	--	2,798,762
0036	Cocurricular/Extracurricular Activities	1,220	14,922	19,671
0041	General Administration	--	--	3,913
0051	Plant Maintenance and Operations	--	--	88,231
0052	Security and Monitoring Services	--	--	2,325
0061	Community Services	--	--	11,590
0093	Payments to Shared Service Arrangements	--	--	119,435
6030	Total Expenditures	<u>1,579</u>	<u>14,922</u>	<u>7,589,270</u>
1100	Excess (Deficiency) of Revenues Over (Under)	--	--	173,226
1100	Expenditures	--	--	173,226
1200	Net Change in Fund Balances	--	--	173,226
0100	Fund Balances - Beginning	--	--	466,773
3000	Fund Balances - Ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 639,999</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF NET ASSETS

NONMAJOR ENTERPRISE FUNDS

JUNE 30, 2012

Data Control Codes	Enterprise Fund	Enterprise Fund	Enterprise Fund
	Summer Recreation	After School Program	Cubhouse Students
<b>ASSETS:</b>			
Current Assets:			
1110	\$ 17,081	\$ 10,593	\$ 17,507
<i>Receivables:</i>			
1260	190	--	--
1290	60	6	--
	<u>17,331</u>	<u>10,599</u>	<u>17,507</u>
1000	<u>\$ 17,331</u>	<u>\$ 10,599</u>	<u>\$ 17,507</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
2110	\$ 2,688	\$ --	\$ --
2150	--	472	2,921
2160	8,279	9,965	13,600
2170	--	162	986
2300	6,364	--	--
	<u>17,331</u>	<u>10,599</u>	<u>17,507</u>
2000	<u>17,331</u>	<u>10,599</u>	<u>17,507</u>
<b>NET ASSETS:</b>			
3000	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

Enterprise Fund	Enterprise Fund	Enterprise Fund	Enterprise Fund	Total Nonmajor Enterprise Funds (See Exhibit D-1)
GED Adult Ed	Cubhouse Employees	Community Ed. Adm.	Teen Parents	
\$ (8,840)	\$ 6,829	\$ 848	\$ 3,462	\$ 47,480
--	10,675	--	--	10,865
33,813	--	--	--	33,879
<u>24,973</u>	<u>17,504</u>	<u>848</u>	<u>3,462</u>	<u>92,224</u>
\$ <u>24,973</u>	\$ <u>17,504</u>	\$ <u>848</u>	\$ <u>3,462</u>	\$ <u>92,224</u>
\$ 3,704	\$ --	\$ 371	\$ --	\$ 6,763
--	2,919	1	617	6,930
--	13,599	476	2,845	48,764
21,269	986	--	--	23,403
--	--	--	--	6,364
<u>24,973</u>	<u>17,504</u>	<u>848</u>	<u>3,462</u>	<u>92,224</u>
<u>24,973</u>	<u>17,504</u>	<u>848</u>	<u>3,462</u>	<u>92,224</u>
\$ --	\$ --	\$ --	\$ --	\$ --

# LOCKHART INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes	Enterprise Fund	Enterprise Fund	Enterprise Fund
	Summer Recreation	After School Program	Cubhouse Students
<b>OPERATING REVENUES:</b>			
5700 <i>Local and Intermediate Sources</i>	\$ 69,082	\$ 179,718	\$ --
5800 <i>State Program Revenues</i>	1,171	11,628	58,671
5020 <b>Total Revenues</b>	<u>70,253</u>	<u>191,346</u>	<u>58,671</u>
<b>OPERATING EXPENSES:</b>			
6100 <i>Payroll Costs</i>	49,115	140,308	131,212
6200 <i>Professional and Contracted Services</i>	4,839	3,243	2,415
6300 <i>Supplies and Materials</i>	5,636	11,334	9,238
6400 <i>Other Operating Costs</i>	2,475	342	880
6030 <b>Total Expenses</b>	<u>62,065</u>	<u>155,227</u>	<u>143,745</u>
Operating Income (Loss)	<u>8,188</u>	<u>36,119</u>	<u>(85,074)</u>
Income (Loss) before Contributions and Transfers	8,188	36,119	(85,074)
7915 <i>Transfers In</i>	--	--	85,074
8911 <i>Transfers Out</i>	(8,188)	(36,119)	--
1300 <b>Change in Net Assets</b>	--	--	--
0100 <b>Total Net Assets - Beginning</b>	--	--	--
3300 <b>Total Net Assets - Ending</b>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>



Enterprise Fund	Enterprise Fund	Enterprise Fund	Enterprise Fund	Total Nonmajor Enterprise Funds (See Exhibit D-2)
GED Adult Ed	Cubhouse Employees	Community Ed. Adm.	Teen Parents	
\$ 183,634	\$ 105,231	\$ 18,605	\$ --	\$ 556,270
131	13,152	10,522	972	96,247
<u>183,765</u>	<u>118,383</u>	<u>29,127</u>	<u>972</u>	<u>652,517</u>
2,021	124,792	128,849	21,746	598,043
134,810	1,237	15,632	--	162,176
10,492	4,650	6,812	--	48,162
10,514	94	1,413	--	15,718
<u>157,837</u>	<u>130,773</u>	<u>152,706</u>	<u>21,746</u>	<u>824,099</u>
<u>25,928</u>	<u>(12,390)</u>	<u>(123,579)</u>	<u>(20,774)</u>	<u>(171,582)</u>
25,928	(12,390)	(123,579)	(20,774)	(171,582)
--	12,390	123,579	20,774	241,817
<u>(25,928)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(70,235)</u>
--	--	--	--	--
--	--	--	--	--
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## COMBINING STATEMENT OF CASH FLOWS

### NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

	Summer Recreation	After School Program	Cubhouse Students
<b>Cash Flows from Operating Activities:</b>			
<i>Cash Received from Customers</i>	\$ 72,536	\$ 179,742	\$ --
<i>Cash Received from Grants</i>	1,171	11,628	58,671
<i>Cash Payments to Employees</i>	(44,135)	(150,616)	(131,162)
<i>Cash Payments to Suppliers for Goods and Services</i>	(12,747)	(13,914)	(12,389)
Net Cash Provided (Used) by Operating Activities	<u>16,825</u>	<u>26,840</u>	<u>(84,880)</u>
<b>Cash Flows from Non-capital Financing Activities:</b>			
<i>Transfers From (To) Other Funds</i>	(8,188)	(36,119)	85,074
Net Cash Provided (Used) by Non-capital Financing Activities	<u>(8,188)</u>	<u>(36,119)</u>	<u>85,074</u>
Net Increase (Decrease) in Cash and Cash Equivalents	8,637	(9,279)	194
Cash and Cash Equivalents at Beginning of Year	8,444	19,872	17,313
Cash and Cash Equivalents at End of Year	<u>\$ 17,081</u>	<u>\$ 10,593</u>	<u>\$ 17,507</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>			
Operating Income (Loss)	\$ 8,188	\$ 36,119	\$ (85,074)
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>	875	24	--
<i>Increase (Decrease) in Accounts Payable</i>	203	843	(842)
<i>Increase (Decrease) in Payroll Deductions</i>	--	(2,300)	284
<i>Increase (Decrease) in Accrued Wages Payable</i>	4,980	(8,008)	(234)
<i>Increase (Decrease) in Interfund Payables</i>	--	162	986
<i>Increase (Decrease) in Unearned Revenue</i>	2,579	--	--
Total Adjustments	<u>8,637</u>	<u>(9,279)</u>	<u>194</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 16,825</u>	<u>\$ 26,840</u>	<u>\$ (84,880)</u>

GED Adult Ed	Cubhouse Employees	Community Ed. Adm.	Teen Parents	Total Nonmajor Enterprise Funds (See Exhibit D-3)
\$ 163,950	\$ 105,231	\$ 18,605	\$ --	\$ 540,064
131	13,152	10,522	972	96,247
(2,021)	(124,743)	(128,372)	(18,284)	(599,333)
(144,972)	(4,995)	(23,581)	--	(212,598)
<u>17,088</u>	<u>(11,355)</u>	<u>(122,826)</u>	<u>(17,312)</u>	<u>(175,620)</u>
(25,928)	12,390	123,579	20,774	171,582
<u>(25,928)</u>	<u>12,390</u>	<u>123,579</u>	<u>20,774</u>	<u>171,582</u>
(8,840)	1,035	753	3,462	(4,038)
--	5,794	95	--	51,518
<u>\$ (8,840)</u>	<u>\$ 6,829</u>	<u>\$ 848</u>	<u>\$ 3,462</u>	<u>\$ 47,480</u>
\$ 25,928	\$ (12,390)	\$ (123,579)	\$ (20,774)	\$ (171,582)
--	--	--	--	--
--	--	--	--	--
(19,684)	--	--	--	(18,785)
(708)	--	276	--	(228)
--	284	1	617	(1,114)
--	(235)	476	2,845	(176)
11,552	986	--	--	13,686
--	--	--	--	2,579
<u>(8,840)</u>	<u>1,035</u>	<u>753</u>	<u>3,462</u>	<u>(4,038)</u>
<u>\$ 17,088</u>	<u>\$ (11,355)</u>	<u>\$ (122,826)</u>	<u>\$ (17,312)</u>	<u>\$ (175,620)</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 JUNE 30, 2012

Data Control Codes		888 Bluebonnet Activity Funds	891 Clear Fork Activity Fund	892 Navarro Activity Fund
<b>ASSETS:</b>				
1110	Cash and Cash Equivalents	\$ 229	\$ --	\$ 17,476
1290	Other Receivables	--	--	--
1000	Total Assets	<u>\$ 229</u>	<u>\$ --</u>	<u>\$ 17,476</u>
<b>LIABILITIES:</b>				
Current Liabilities:				
2110	Accounts Payable	\$ --	\$ 26	\$ --
2170	Due to Other Funds	--	(26)	--
2190	Due to Student Groups	229	--	17,476
2000	Total Liabilities	<u>229</u>	<u>--</u>	<u>17,476</u>
<b>NET ASSETS</b>				
3000	Total Net Assets	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

895 Junior High Activity Fund	896 High School Activity Fund	897 Plum Creek Activity Fund	898 Freshman Campus Activity Fund	Total Agency Funds (See Exhibit E-1)
\$ 9,867	\$ 94,543	\$ 11,522	\$ 2,040	\$ 135,677
500	--	--	--	500
<u>\$ 10,367</u>	<u>\$ 94,543</u>	<u>\$ 11,522</u>	<u>\$ 2,040</u>	<u>\$ 136,177</u>
\$ --	\$ 258	\$ --	\$ --	\$ 284
5	310	296	--	585
10,362	93,975	11,226	2,040	135,308
<u>10,367</u>	<u>94,543</u>	<u>11,522</u>	<u>2,040</u>	<u>136,177</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2012

EXHIBIT H-9

Data Control Codes	97 Balance July 1, 2011	5030 Additions	6050 Deductions	98 Balance June 30, 2012
<b>STUDENT ACTIVITIES:</b>				
<b>ASSETS</b>				
<i>Cash &amp; Temporary Investments</i>	\$ 130,099	\$ 272,286	\$ 266,708	\$ 135,677
<i>Other Receivables</i>	--	500	--	500
<i>Due from Other Funds</i>	83	--	83	--
Total Assets	<u>\$ 130,182</u>	<u>\$ 272,786</u>	<u>\$ 266,791</u>	<u>\$ 136,177</u>
<b>LIABILITIES</b>				
<i>Accounts Payable</i>	\$ --	\$ 284	\$ --	\$ 284
<i>Due to Other Funds</i>	246	1,324	985	585
<i>Due to Student Groups</i>	129,936	270,962	265,590	135,308
Total Liabilities	<u>\$ 130,182</u>	<u>\$ 272,570</u>	<u>\$ 266,575</u>	<u>\$ 136,177</u>
<b>COMBINING STATEMENT:</b>				
<i>Cash &amp; Temporary Investments</i>				
<i>Bluebonnet</i>	\$ 245	\$ 250	\$ 266	\$ 229
<i>Clear Fork</i>	257	84	336	5
<i>Navarro</i>	19,335	7,257	9,116	17,476
<i>Junior High</i>	8,685	26,194	24,512	10,367
<i>High School</i>	86,980	225,667	218,362	94,285
<i>Plum Creek</i>	11,607	8,143	8,475	11,275
<i>Freshman Campus</i>	2,990	4,691	5,641	2,040
	<u>\$ 130,099</u>	<u>\$ 272,286</u>	<u>\$ 266,708</u>	<u>\$ 135,677</u>
<i>Other Receivables</i>				
<i>High School</i>	\$ --	\$ 500	\$ --	\$ 500
<i>Due from Other Funds</i>				
<i>Bluebonnet</i>	\$ 83	\$ --	\$ 83	\$ --
<i>Accounts Payable</i>				
<i>High School</i>	\$ --	\$ 284	\$ --	\$ 284
<i>Due to Other Funds</i>				
<i>Clear Fork</i>	--	84	109	(25)
<i>Junior High</i>	--	5	--	5
<i>High School</i>	--	1,178	868	310
<i>Plum Creek</i>	246	57	8	295
	<u>\$ 246</u>	<u>\$ 1,324</u>	<u>\$ 985</u>	<u>\$ 585</u>
<i>Due to Student Groups</i>				
<i>Bluebonnet</i>	\$ 82	\$ 250	\$ 103	\$ 229
<i>Clear Fork</i>	257	--	257	--
<i>Navarro</i>	19,335	7,257	9,116	17,476
<i>Junior High</i>	8,685	26,189	24,512	10,362
<i>High School</i>	86,980	224,489	217,494	93,975
<i>Plum Creek</i>	11,607	8,086	8,467	11,226
<i>Freshman Campus</i>	2,990	4,691	5,641	2,040
	<u>\$ 129,936</u>	<u>\$ 270,962</u>	<u>\$ 265,590</u>	<u>\$ 135,308</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, 2012*

Year Ended June 30	Tax Rates		3 Assessed/Appraised Value For School Tax Purposes
	1 Maintenance	2 Debt Service	
2003 and Prior Years	\$ Various	\$ Various	\$ Various
2004	1.2637	.2017	685,489,421
2005	1.386	.2027	699,992,351
2006	1.50	.19	724,621,146
2007	1.37	.17	753,235,584
2008	1.04	.162	764,288,852
2009	1.04	.185	823,703,755
2010	1.04	.19	852,035,448
2011	1.04	.1548	898,857,968
2012 (School Year Under Audit)	1.04	.1482	972,780,008

1000 Totals

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



10 Beginning Balance 7/1/11	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance 6/30/12
\$ 366,468	\$ --	\$ 9,168	\$ 1,791	\$ (2,710)	\$ 352,799
72,867	--	3,855	618	(411)	67,983
71,227	--	3,853	564	(470)	66,340
74,536	--	7,543	955	(543)	65,495
90,615	--	18,065	2,242	568	70,876
102,241	--	22,496	3,504	1,891	78,132
184,742	--	52,818	9,269	2,467	125,122
330,622	--	110,498	20,192	3,226	203,158
641,383	--	289,403	43,034	41,327	350,273
--	11,558,573	9,567,761	1,363,144	18,646	646,314
<u>\$ 1,934,701</u>	<u>\$ 11,558,573</u>	<u>\$ 10,085,460</u>	<u>\$ 1,445,313</u>	<u>\$ 63,991</u>	<u>\$ 2,026,492</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-2**

*SCHEDULE OF EXPENDITURES FOR COMPUTATION OF INDIRECT COST FOR 2013-2014  
GENERAL AND SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012*

**FUNCTION 41 AND RELATED FUNCTION 53 - GENERAL ADMINISTRATION**

Account Number	Account Name	1 (702) School Board	2 (703) Tax Collection	3 (701) Supt's Office	4 (750) Indirect Cost	5 (720) Direct Cost	6 (Other) Misc.	7 Total
611X-6146	Payroll Costs	\$ 4,060	\$ --	\$ 213,125	\$ 685,022	\$ --	\$ --	\$ 902,207
6149	Fringe Benefits (Unused Leave for Separating Employees in Function 41 and Related 53)	--	--	--	--	--	--	--
6149	Fringe Benefits (Unused Leave for Separating Employees in all Functions except Function 41 and Related 53)	--	--	--	--	--	--	--
6211	Legal Services	--	--	164,967	--	--	--	164,967
6212	Audit Services	--	--	--	16,750	--	--	16,750
6213	Tax Appraisal and Collection	--	63,172	--	--	--	--	63,172
621X	Other Prof. Services	--	--	--	2,638	--	--	2,638
6220	Tuition and Transfer Payments	--	--	--	--	--	--	--
6230	Education Service Centers	--	--	--	2,534	--	--	2,534
6240	Contr. Maint. and Repair	--	--	--	--	8,906	--	8,906
6250	Utilities	--	--	--	--	--	--	--
6260	Rentals	--	--	--	2,037	--	--	2,037
6290	Miscellaneous Contr.	5,348	--	--	90,884	--	--	96,232
6310	Operational Supplies, Materials	--	--	--	--	--	--	--
6320	Textbooks and Reading	320	--	--	--	--	--	320
6330	Testing Materials	--	--	--	--	--	--	--
63XX	Other Supplies, Materials	4,298	--	4,440	24,059	--	--	32,797
6410	Travel, Subsistence, Stipends	7,612	--	1,243	11,294	--	--	20,149
6420	Ins. and Bonding Costs	--	--	--	12,728	--	--	12,728
6430	Election Costs	21,702	--	--	--	--	--	21,702
6490	Miscellaneous Operating	3,605	--	250	39,140	--	--	42,995
6500	Debt Service	--	--	--	--	--	--	--
6600	Capital Outlay	--	--	--	--	--	--	--

Total \$ 46,945 \$ 63,172 \$ 384,025 \$ 887,086 \$ 8,906 \$ -- \$ 1,390,134

Total Expenditures for General and Special Revenue Funds (9) \$ 40,184,281

LESS: Deductions of Unallowable Costs

FISCAL YEAR

Total Capital Outlay (6600)	(10)	\$ 867,679
Total Debt & Lease (6500)	(11)	\$ --
Plant Maintenance (Function 51, 6100-6400)	(12)	\$ 3,753,842
Food (Function 35, 6341 and 6499)	(13)	\$ 1,167
Stipends (6413)	(14)	\$ --
Column 4 (above) - Total Indirect Cost		<u>\$ 887,086</u>

Subtotal 5,509,774

Net Allowed Direct Cost \$ 34,674,507

CUMULATIVE

Total Cost of Buildings Before Depreciation (1520)	(15)	\$ 57,018,235
Historical Cost of Buildings over 50 years old	(16)	2,331,661
Amount of Federal Money in Building Cost (Net of #16)	(17)	--
Total Cost of Furniture & Equipment Before Depreciation (1530 & 1540)	(18)	7,186,074
Historical Cost of Furniture & Equipment over 16 years old	(19)	534,386
Amount of Federal Money in Furniture & Equipment (Net of #19)	(20)	\$ 215,951

(8) Note A - \$97,401 in Function 53 expenditures and no Function 99 expenditures are included in this report on administrative costs.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-3**

NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes		1	2	3
		Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>				
5700	Local and Intermediate Sources	\$ 607,549	\$ 672,009	\$ 64,460
5800	State Program Revenues	45,986	22,946	(23,040)
5900	Federal Program Revenues	2,496,527	2,376,271	(120,256)
5020	Total Revenues	<u>3,150,062</u>	<u>3,071,226</u>	<u>(78,836)</u>
<b>EXPENDITURES:</b>				
Current:				
Support Services - Student (Pupil):				
0035	Food Services	3,018,992	2,798,762	220,230
	Total Support Services - Student (Pupil)	<u>3,018,992</u>	<u>2,798,762</u>	<u>220,230</u>
Support Services - Nonstudent Based:				
0051	Plant Maintenance and Operations	89,131	88,218	913
	Total Support Services - Nonstudent Based	<u>89,131</u>	<u>88,218</u>	<u>913</u>
6030	Total Expenditures	<u>3,108,123</u>	<u>2,886,980</u>	<u>221,143</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	41,939	184,246	142,307
1200	Net Change in Fund Balance	<u>41,939</u>	<u>184,246</u>	<u>142,307</u>
0100	Fund Balance - Beginning	337,720	337,720	--
3000	Fund Balance - Ending	<u>\$ 379,659</u>	<u>\$ 521,966</u>	<u>\$ 142,307</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-4**

MAINTENANCE TAX NOTE DEBT SERVICE  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes	1	2	3
	Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
5700 <i>Local and Intermediate Sources</i>	\$ 142	\$ 179	\$ 37
5020 <i>Total Revenues</i>	<u>142</u>	<u>179</u>	<u>37</u>
<b>EXPENDITURES:</b>			
Debt Service:			
0071 <i>Principal on Long-Term Debt</i>	360,000	360,000	--
0072 <i>Interest on Long-Term Debt</i>	131,150	131,149	1
<i>Total Debt Service</i>	<u>491,150</u>	<u>491,149</u>	<u>1</u>
6030 <i>Total Expenditures</i>	<u>491,150</u>	<u>491,149</u>	<u>1</u>
1100 <i>Excess (Deficiency) of Revenues Over (Under)</i>			
1100 <i>Expenditures</i>	<u>(491,008)</u>	<u>(490,970)</u>	<u>38</u>
Other Financing Sources (Uses):			
7915 <i>Transfers In</i>	507,750	507,716	(34)
7080 <i>Total Other Financing Sources and (Uses)</i>	<u>507,750</u>	<u>507,716</u>	<u>(34)</u>
1200 <i>Net Change in Fund Balance</i>	16,742	16,746	4
0100 <i>Fund Balance - Beginning</i>	1,300	1,300	--
3000 <i>Fund Balance - Ending</i>	<u>\$ 18,042</u>	<u>\$ 18,046</u>	<u>\$ 4</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-5**

DEBT SERVICE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2012

Data Control Codes	1	2	3
	Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
5700 Local and Intermediate Sources	\$ 1,418,016	\$ 1,483,319	\$ 65,303
5800 State Program Revenues	968,862	1,017,810	48,948
5020 Total Revenues	<u>2,386,878</u>	<u>2,501,129</u>	<u>114,251</u>
<b>EXPENDITURES:</b>			
Debt Service:			
0071 Principal on Long-Term Debt	1,515,000	909,997	605,003
0072 Interest on Long-Term Debt	864,266	1,427,031	(562,765)
0073 Bond Issuance Costs and Fees	91,351	83,847	7,504
Total Debt Service	<u>2,470,617</u>	<u>2,420,875</u>	<u>49,742</u>
6030 Total Expenditures	<u>2,470,617</u>	<u>2,420,875</u>	<u>49,742</u>
1100 Excess (Deficiency) of Revenues Over (Under)			
1100 Expenditures	<u>(83,739)</u>	<u>80,254</u>	<u>163,993</u>
Other Financing Sources (Uses):			
7901 Refunding Bonds Issued	2,740,000	2,740,000	--
7916 Premium or Discount on Issuance of Bonds	198,930	198,930	--
8940 Payment to Bond Refunding Escrow Agent	(2,854,611)	(2,854,611)	--
7080 Total Other Financing Sources and (Uses)	<u>84,319</u>	<u>84,319</u>	<u>--</u>
1200 Net Change in Fund Balance	580	164,573	163,993
0100 Fund Balance - Beginning	2,439,199	2,439,199	--
3000 Fund Balance - Ending	<u>\$ 2,439,779</u>	<u>\$ 2,603,772</u>	<u>\$ 163,993</u>

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

**Independent Auditors' Report**

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 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, 2012, which collectively comprise the Lockhart Independent School District's basic financial statements and have issued our report thereon dated October 22, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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.

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

Compliance and Other Matters

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

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

*West, Davis & Company*

West, Davis & Company, LLP  
October 22, 2012

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

**Independent Auditors' Report**

Report on Compliance with Requirements That Could Have a Direct and  
Material Effect on each Major Program and on Internal Control Over Compliance  
In Accordance With OMB Circular A-133

Board of Trustees  
Lockhart Independent School District  
Lockhart, Texas

Members of the Board of Trustees:

Compliance

We have audited Lockhart Independent School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Lockhart Independent School District's major federal programs for the year ended June 30, 2012. Lockhart Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Lockhart Independent School District's management. Our responsibility is to express an opinion on Lockhart Independent School District's compliance based on our audit.

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

In our opinion, Lockhart Independent School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

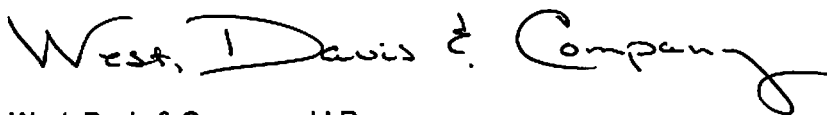
Management of Lockhart Independent School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Lockhart Independent School District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 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 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses, as defined above.

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

A handwritten signature in black ink that reads "West, Davis & Company". The signature is written in a cursive, flowing style.

West, Davis & Company, LLP  
October 22, 2012

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

One or more material weaknesses identified?  Yes  No

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

Noncompliance material to financial statements noted?  Yes  No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified?  Yes  No

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

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?  Yes  No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553	School Breakfast Program
10.555	National School Lunch Program
10.559	Summer Food Service Program for Children
84.410A	Education Jobs Fund

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?  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, 2012**

**EXHIBIT K-1**  
Page 1 of 2

(1)	(2)	(2A)	(3)
Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U. S. DEPARTMENT OF EDUCATION</b>			
Direct Programs:			
<i>ESEA Title I Part C - Education of Migratory Children</i>	84.011	028-902	\$ 13,111
Total Direct Programs			<u>13,111</u>
Passed Through State Department of Education:			
<i>ESEA Title I Part A - Improving Basic Programs *</i>	84.010A	12610101028902	939,857
<i>IDEA-B Formula *</i>	84.027A	126600010289026000	1,481,091
<i>Career and Technical - Basic Grant</i>	84.048A	12420006028902	52,822
<i>IDEA-B Preschool *</i>	84.173A	126610010289026000	30,058
<i>Title III Part A English Language Acquisition and Language Enhancement</i>	84.365	13671001227950	3,665
<i>ESEA Title II Part A - Teacher &amp; Principal Training &amp; Recruiting</i>	84.367A	12694501028902	209,047
<i>ARRA - SSA ESEA Title I Part A - Improving Basic Programs *</i>	84.389A	10551001028902	122,994
<i>ARRA - SSA IDEA-Part B Formula *</i>	84.391A	10554001028902	22,365
<i>ARRA - SSA IDEA Part B, Preschool *</i>	84.392A	10555001028902	36,117
<i>Education Jobs Fund</i>	84.410A	11550101028902	810,785
Total Passed Through State Department of Education			<u>3,708,801</u>
Total U. S. Department of Education			<u>\$ 3,721,912</u>
<b>U. S. DEPARTMENT OF AGRICULTURE</b>			
Passed Through State Department of Education:			
Commodity Supplemental Food Program	10.550	028-902	\$ 133,911
School Breakfast Program *	10.553	71401201	842,814
National School Lunch Program *	10.555	71301201	1,376,195
Summer Food Service Program for Children *	10.559	028-902	23,350
Total Passed Through State Department of Education			<u>2,376,270</u>
Total U. S. Department of Agriculture			<u>2,376,270</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 6,098,182</u>

\* Indicates clustered program under OMB Circular A-133 Compliance Supplement

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, 2012*

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Lockhart Independent School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

*SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS  
AS OF JUNE 30, 2012*

<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 default on bonded indebtedness obligations?	No
SF4    Did the district receive a clean audit? - Was there an unqualified opinion in the Annual Financial Report?	Yes
SF5    Did the Annual Financial Report disclose any instances of material weaknesses in internal controls?	No
SF9    Was there any disclosure in the Annual Financial Report of material noncompliance?	No
SF10    What was the total accumulated accretion on capital appreciation bonds included in the government-wide financial statements at fiscal year-end?	\$     900,887

# 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.

<b>Contents</b>	<b>Page</b>
Financial Trends	84
<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	93
<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	98
<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	103
<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	105
<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 ASSETS BY COMPONENT  
 LAST TEN FISCAL YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)  
 (IN THOUSANDS OF DOLLARS)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Primary Government										
Invested in Capital Assets,										
Net of Related Debt	\$ 7,229	\$ 771	\$ 5,893	\$ 4,786	\$ 3,983	\$ 3,331	\$ 4,651	\$ 3,863	\$ 4,577	\$ 4,014
Restricted	1,493	10,698	1,091	1,401	1,235	2,620	2,752	1,506	2,578	2,774
Unrestricted	8,538	4,986	7,841	7,623	10,453	10,493	11,763	14,420	13,607	14,996
Total Primary Government Net Assets	<u>\$ 17,260</u>	<u>\$ 16,455</u>	<u>\$ 14,825</u>	<u>\$ 13,810</u>	<u>\$ 15,671</u>	<u>\$ 16,444</u>	<u>\$ 19,166</u>	<u>\$ 19,789</u>	<u>\$ 20,762</u>	<u>\$ 21,784</u>

# LOCKHART INDEPENDENT SCHOOL DISTRICT

EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2003	2004	2005	2006
<b>Expenses</b>				
Governmental Activities:				
Instruction	\$ 18,402,439	\$ 19,636,033	\$ 20,017,666	\$ 20,392,666
Instructional Resources & Media Services	689,749	595,253	1,083,496	1,073,048
Curriculum & Staff Development	467,695	252,812	176,491	141,502
Instructional Leadership	336,292	333,054	433,641	499,002
School Leadership	1,879,974	1,918,365	2,281,989	2,323,042
Guidance, Counseling & Evaluation Svcs	1,481,468	1,330,424	1,460,320	1,534,457
Social Work Services	18,356	21,975	153,976	214,988
Health Services	244,321	260,700	288,065	358,395
Student Transportation	1,422,838	1,535,965	1,562,747	1,543,043
Food Service	1,584,515	1,674,175	1,932,024	1,848,389
Cocurricular/Extracurricular Activities	1,421,622	1,433,830	1,177,877	1,039,678
General Administration	1,095,303	1,278,978	1,469,071	1,482,512
Plant Maintenance & Operations	3,171,783	3,289,466	3,600,117	3,700,807
Security & Monitoring Services	44,023	81,390	120,850	155,173
Data Processing Services	356,086	358,488	227,977	208,777
Community Services	1,374,852	1,265,257	1,056,004	1,024,296
Interest on Long-Term Debt	1,713,077	1,826,642	1,539,946	2,038,849
Bond Issuance Costs & Fees	11,006	13,527	95,947	144,278
Payments Related to SSA's	405,642	452,230	387,167	570,358
Other Intergovernmental Charges	--	--	--	--
Total Governmental Activities Expenses	<u>36,121,041</u>	<u>37,558,564</u>	<u>39,065,371</u>	<u>40,293,260</u>
Total Primary Government Expenses	<u>\$ 36,121,041</u>	<u>\$ 37,558,564</u>	<u>\$ 39,065,371</u>	<u>\$ 40,293,260</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
Instruction	\$ 924,349	\$ 1,307,598	\$ 244,034	\$ 229,953
Curriculum & Staff Development	--	--	--	--
Instructional Leadership	--	--	--	--
Guidance, Counseling & Evaluation Svcs	--	--	--	--
Student Transportation	--	--	--	--
Food Services	682,357	628,304	645,291	658,243
Cocurricular/Extracurricular Activities	388,295	393,345	90,959	76,230
General Administration	--	--	--	--
Plant Maintenance & Operations	--	--	--	--
Security & Monitoring Services	--	--	--	--
Community Services	--	--	--	--
Other Activities	448,728	129,708	973,469	979,506
Operating Grants and Contributions	6,995,179	6,602,377	5,006,376	5,427,937
Total Governmental Activities Program Rev.	<u>9,438,908</u>	<u>9,061,332</u>	<u>6,960,129</u>	<u>7,371,869</u>
Total Primary Government Program Rev.	<u>9,438,908</u>	<u>9,061,332</u>	<u>6,960,129</u>	<u>7,371,869</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	<u>\$ (26,682,133)</u>	<u>\$ (28,497,232)</u>	<u>\$ (32,105,242)</u>	<u>\$ (32,921,391)</u>
Total Primary Government Net Expense	<u>\$ (26,682,133)</u>	<u>\$ (28,497,232)</u>	<u>\$ (32,105,242)</u>	<u>\$ (32,921,391)</u>

Note: The District began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.



TABLE L-2

		Fiscal Year									
		2007	2008	2009	2010	2011	2012				
\$	19,873,324	\$	22,165,983	\$	22,306,425	\$	23,448,148	\$	23,811,319	\$	23,126,939
	742,381		686,262		745,650		786,278		763,821		665,402
	153,623		343,372		351,557		324,272		362,855		198,022
	399,373		437,458		501,038		552,081		593,199		559,929
	2,164,177		2,486,360		2,500,856		2,549,598		2,700,025		2,670,357
	1,515,025		1,607,917		1,632,916		1,723,302		1,771,468		1,594,179
	203,554		200,342		193,996		191,717		191,079		49,221
	364,341		435,281		384,847		402,739		408,659		412,369
	1,471,497		1,663,148		1,694,203		1,874,478		1,869,828		1,982,269
	1,813,603		2,005,005		2,082,702		2,481,645		2,606,953		2,996,583
	873,588		1,009,164		1,151,084		1,216,754		1,170,177		1,133,889
	1,361,457		1,522,086		1,281,659		1,304,514		1,428,539		1,381,121
	3,371,101		3,629,965		3,896,398		4,052,169		4,052,978		4,008,165
	153,385		149,721		125,324		124,360		135,554		184,485
	207,365		236,327		243,801		230,952		236,028		241,584
	870,314		923,126		38,843		91,136		82,489		68,720
	1,747,319		1,046,314		1,083,372		1,136,473		906,126		1,092,486
	158,110		57,695		59,457		15,497		53,323		95,412
	302,516		375,840		334,927		577,552		674,289		496,726
	--		--		237,876		243,278		241,348		247,298
	<u>37,746,053</u>		<u>40,981,366</u>		<u>40,846,931</u>		<u>43,326,943</u>		<u>44,060,057</u>		<u>43,205,156</u>
\$	<u>37,746,053</u>	\$	<u>40,981,366</u>	\$	<u>40,846,931</u>	\$	<u>43,326,943</u>	\$	<u>44,060,057</u>	\$	<u>43,205,156</u>
\$	240,433	\$	241,195	\$	170,398	\$	--	\$	--	\$	--
	200		--		2		--		--		--
	81,674		94,188		93,754		--		--		--
	126,958		140,748		124,161		--		--		--
	7		20,810		38,775		--		--		--
	596,352		623,484		591,554		591,536		563,452		642,242
	97,126		90,769		114,138		92,349		113,200		105,685
	1,816		2,416		2,342		--		--		--
	63,132		64,916		76,287		79,106		47,738		65,323
	9		3,441		6,707		385		473		670
	531,085		567,390		--		--		--		--
	--		--		--		2,464		--		--
	<u>5,378,881</u>		<u>6,048,948</u>		<u>6,137,485</u>		<u>6,020,113</u>		<u>8,516,794</u>		<u>6,608,929</u>
	<u>7,117,673</u>		<u>7,898,305</u>		<u>7,355,603</u>		<u>6,785,953</u>		<u>9,241,657</u>		<u>7,422,849</u>
	<u>7,117,673</u>		<u>7,898,305</u>		<u>7,355,603</u>		<u>6,785,953</u>		<u>9,241,657</u>		<u>7,422,849</u>
\$	<u>(30,628,380)</u>	\$	<u>(33,083,061)</u>	\$	<u>(33,491,328)</u>	\$	<u>(36,540,990)</u>	\$	<u>(34,818,400)</u>	\$	<u>(35,782,307)</u>
\$	<u>(30,628,380)</u>	\$	<u>(33,083,061)</u>	\$	<u>(33,491,328)</u>	\$	<u>(36,540,990)</u>	\$	<u>(34,818,400)</u>	\$	<u>(35,782,307)</u>

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## GENERAL REVENUES AND TOTAL CHANGE IN NET ASSETS

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2003	2004	2005	2006
<b>Net (Expense)/Revenue</b>				
Governmental Activities	\$ (26,682,133)	\$ (28,497,232)	\$ (32,105,242)	\$ (32,921,404)
Total Primary Government Net Expense	<u>(26,682,133)</u>	<u>(28,497,232)</u>	<u>(32,105,242)</u>	<u>(32,921,404)</u>
<b>General Revenues &amp; Other Changes in Net Assets</b>				
Governmental Activities:				
Property Taxes:				
Levied for General Purposes	7,229,428	8,372,940	9,450,848	10,535,713
Levied for Debt Service	1,012,926	1,400,283	1,386,796	1,356,970
Investment Earnings	342,642	277,719	405,202	532,972
Unrestricted Grants and Contributions	18,781,573	16,725,219	18,482,913	18,237,919
Miscellaneous	1,189,181	916,431	749,193	1,242,401
Total Governmental Activities	<u>28,555,750</u>	<u>27,692,592</u>	<u>30,474,952</u>	<u>31,905,975</u>
Total Primary Government	<u>28,555,750</u>	<u>27,692,592</u>	<u>30,474,952</u>	<u>31,905,975</u>
<b>Change in Net Assets</b>				
Governmental Activities	1,873,617	(804,640)	(1,630,290)	(1,015,429)
Total Primary Government	<u>\$ 1,873,617</u>	<u>\$ (804,640)</u>	<u>\$ (1,630,290)</u>	<u>\$ (1,015,429)</u>

Note: The District began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

TABLE L-3

Fiscal Year					
2007	2008	2009	2010	2011	2012
\$ (30,628,380)	\$ (33,083,061)	\$ (33,491,328)	\$ (36,540,990)	\$ (34,818,400)	\$ (35,782,307)
<u>(30,628,380)</u>	<u>(33,083,061)</u>	<u>(33,491,328)</u>	<u>(36,540,990)</u>	<u>(34,818,400)</u>	<u>(35,782,307)</u>
10,525,082	8,092,297	8,545,050	9,175,212	9,424,259	10,557,885
1,322,110	1,255,819	1,501,822	1,655,572	1,408,009	1,513,478
565,756	597,263	227,937	87,264	87,638	86,710
19,664,964	23,480,775	25,637,405	25,646,703	24,228,545	24,071,720
411,709	430,192	301,129	599,547	642,153	574,754
<u>32,489,621</u>	<u>33,856,346</u>	<u>36,213,343</u>	<u>37,164,298</u>	<u>35,790,604</u>	<u>36,804,547</u>
<u>32,489,621</u>	<u>33,856,346</u>	<u>36,213,343</u>	<u>37,164,298</u>	<u>35,790,604</u>	<u>36,804,547</u>
1,861,241	773,285	2,722,015	623,308	972,204	1,022,240
\$ <u>1,861,241</u>	\$ <u>773,285</u>	\$ <u>2,722,015</u>	\$ <u>623,308</u>	\$ <u>972,204</u>	\$ <u>1,022,240</u>

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## FUND BALANCES OF GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS

#### (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>General Fund</b>					
Reserved	\$ --	\$ --	\$ --	\$ --	\$ --
Unreserved	7,693,491	7,298,389	6,920,005	6,867,836	9,414,955
Nonspendable					
Inventories					
Committed					
Construction					
Capital Expenditures					
Other Committed					
Unassigned					
Total General Fund	<u>\$ 7,693,491</u>	<u>\$ 7,298,389</u>	<u>\$ 6,920,005</u>	<u>\$ 6,867,836</u>	<u>\$ 9,414,955</u>
<b>All Other Governmental Funds</b>					
Reserved					
Special Revenue Funds					
Federal & State Programs	\$ 78,873	\$ 59,678	\$ 415,099	\$ 686,952	\$ 212,443
Other - Special Revenue	1,044,026	497,912	--	--	620,013
Food Service	167,386	220,319	235,648	285,033	339,244
Capital Acquisitions	13,707,934	6,277,633	106,923	36,934	14,768
Debt Service	167,948	213,009	368,305	387,544	2,531,910
Unreserved					
State & Federal Programs	--	--	--	--	--
Restricted					
Federal/State Grant Restrictions					
Capital Acquisitions & Contractual Obligations					
Retirement of Long-Term Debt					
Committed					
Other Committed					
Total All Other Governmental Funds	<u>\$ 15,166,167</u>	<u>\$ 7,268,551</u>	<u>\$ 1,125,975</u>	<u>\$ 1,396,463</u>	<u>\$ 3,718,378</u>
Total All Governmental Funds	<u>\$ 22,859,658</u>	<u>\$ 14,566,940</u>	<u>\$ 8,045,980</u>	<u>\$ 8,264,299</u>	<u>\$ 13,133,333</u>

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

TABLE L-4

Fiscal Year				
2008	2009	2010	2011	2012
\$ --	\$ --	\$ --	\$	\$
10,861,727	12,999,892	13,581,806		
			4,005	3,339
			552,420	2,245,945
			154,000	--
			--	21,740
			13,413,682	12,373,924
<u>\$ 10,861,727</u>	<u>\$ 12,999,892</u>	<u>\$ 13,581,806</u>	<u>\$ 14,124,107</u>	<u>\$ 14,644,948</u>
\$ --	\$ --	\$ --	\$	\$
--	--	--		
361,363	384,379	300,631		
63	140,217	1,466,997		
2,249,329	1,427,084	1,547,120		
776,783	504,037	13,220		
			385,339	543,347
			16,466	--
			2,440,499	2,621,818
			81,434	96,652
<u>\$ 3,387,538</u>	<u>\$ 2,455,717</u>	<u>\$ 3,327,968</u>	<u>\$ 2,923,738</u>	<u>\$ 3,261,817</u>
<u>\$ 14,249,265</u>	<u>\$ 15,455,609</u>	<u>\$ 16,909,774</u>	<u>\$ 17,047,845</u>	<u>\$ 17,906,765</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>Revenues</b>					
Local & Intermediate Sources	\$ 12,869,713	\$ 13,287,369	\$ 14,106,416	\$ 15,552,911	\$ 14,329,507
State Program Revenues	20,867,716	18,390,205	19,074,218	18,954,740	20,570,257
Federal Program Revenues	4,554,017	4,750,626	4,411,204	4,707,536	4,435,281
Total Revenues	<u>38,291,446</u>	<u>36,428,200</u>	<u>37,591,838</u>	<u>39,215,187</u>	<u>39,335,045</u>
<b>Expenditures</b>					
Instruction	17,551,634	18,645,318	18,926,028	19,164,621	18,483,169
Instructional Resources & Media Services	658,007	625,678	1,060,576	1,000,486	684,514
Curriculum & Staff Development	451,824	243,295	182,809	136,160	146,480
Instructional Leadership	320,421	366,701	417,953	479,088	380,653
School Leadership	1,800,620	1,796,789	2,122,938	2,153,972	1,986,486
Guidance, Counseling & Evaluation Svcs	1,417,985	1,286,327	1,411,004	1,478,758	1,457,775
Social Work Services	18,356	21,971	144,703	200,335	187,405
Health Services	228,450	247,047	271,354	337,231	340,864
Student Transportation	1,359,355	1,453,528	1,562,747	1,543,043	1,471,497
Food Service	1,521,032	1,674,175	1,797,484	1,853,439	1,846,094
Cocurricular/Extracurricular Activities	1,374,010	1,363,667	1,151,689	963,081	801,949
General Administration	1,031,820	1,222,287	1,376,574	1,373,574	1,249,847
Plant Maintenance & Operations	3,028,946	3,084,433	3,376,086	3,430,826	3,259,680
Security & Monitoring Services	44,023	97,761	270,566	206,839	141,038
Data Processing Services	393,112	337,440	213,621	195,211	191,919
Community Services	1,311,369	1,221,596	993,352	953,904	805,265
Principal on Long-Term Debt	1,680,000	1,630,000	1,515,000	1,635,000	35,000
Interest on Long-Term Debt	1,636,139	1,617,429	1,503,536	1,326,544	608,695
Bond Issuance Costs & Fees	4,957	7,478	68,099	117,978	110,150
Capital Outlay	2,337,197	7,345,450	5,444,566	--	81,622
Payments Related to SSA's	389,771	432,548	365,125	570,358	302,516
Other Intergovernmental Charges	--	--	--	--	--
Total Expenditures	<u>38,559,028</u>	<u>44,720,918</u>	<u>44,175,810</u>	<u>39,120,448</u>	<u>34,572,618</u>
Excess of Revenues Over (Under) Expenditures	(267,582)	(8,292,718)	(6,583,972)	94,739	4,762,427
<b>Other Financing Sources (Uses)</b>					
Capital-Related Debt					
Issued	15,255,419	--	1,799,996	9,524,996	8,835,000
Transfers In	24,017	25,002	19,519	2,658	--
Premium or Discount					
On Issuance of Bonds	--	--	127,862	469,931	565,901
Other Resources	35,792	--	--	3,723	--
Transfers Out	(24,017)	(25,002)	(19,519)	(2,658)	--
Payment to Bond Refunding					
Escrow Agent	--	--	(1,864,835)	(9,875,073)	(9,294,294)
Other Uses	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>15,291,211</u>	<u>--</u>	<u>63,023</u>	<u>123,577</u>	<u>106,607</u>
Net Change in Fund Balances	<u>\$ 15,023,629</u>	<u>\$ (8,292,718)</u>	<u>\$ (6,520,949)</u>	<u>\$ 218,316</u>	<u>\$ 4,869,034</u>
Debt Service As A Percentage Of Noncapital Expenditures	9.2%	8.7%	8.0%	7.9%	2.2%

Note: The District changed its fiscal year end in 2007 from August 31 to June 30.

TABLE L-5

	Fiscal Year				
	2008	2009	2010	2011	2012
\$ 12,510,367	\$ 11,913,158	\$ 12,355,561	\$ 12,404,898	\$ 13,362,789	
24,770,185	26,929,603	24,528,449	25,217,861	24,298,221	
4,699,343	4,836,167	7,134,601	7,525,475	6,381,478	
<u>41,979,895</u>	<u>43,678,928</u>	<u>44,018,611</u>	<u>45,148,234</u>	<u>44,042,488</u>	
20,909,101	21,081,337	22,440,694	22,453,863	21,649,966	
643,004	696,213	741,132	722,065	625,938	
323,970	332,941	308,188	342,241	185,516	
420,121	480,277	531,011	559,134	524,383	
2,318,483	2,327,350	2,394,845	2,545,785	2,502,315	
1,530,697	1,552,915	1,645,691	1,671,724	1,492,664	
187,203	180,479	180,020	180,077	45,969	
411,886	362,359	382,871	386,172	386,853	
1,663,148	1,694,203	4,601,694	3,094,495	1,849,156	
2,005,005	2,082,702	2,338,556	2,497,766	2,798,762	
947,782	1,072,398	1,230,172	1,131,950	1,096,937	
1,419,258	1,223,157	1,225,325	1,346,681	1,292,733	
3,409,800	3,631,770	3,832,326	3,820,715	3,753,842	
176,983	116,750	116,997	127,782	172,529	
222,141	227,441	216,900	222,488	226,227	
863,375	38,843	33,319	25,463	12,239	
1,179,998	2,359,996	1,780,000	1,260,000	1,269,997	
1,628,841	1,267,941	1,027,299	1,013,008	1,558,180	
9,735	51,550	5,000	1,200	83,847	
217,581	1,004,209	657,970	514,391	824,228	
375,840	334,927	577,552	674,289	496,726	
--	237,876	243,278	241,348	247,298	
<u>40,863,952</u>	<u>42,357,634</u>	<u>46,510,840</u>	<u>44,832,637</u>	<u>43,096,305</u>	
1,115,943	1,321,294	(2,492,229)	315,597	946,183	
--	2,345,000	4,095,000	--	2,740,000	
6,430	108	29,801	465,990	507,716	
--	34,629	--	--	198,930	
--	--	--	--	--	
(6,430)	(164,058)	(178,405)	(643,519)	(679,298)	
--	(2,330,629)	--	--	(2,854,611)	
(37)	--	--	--	--	
(37)	(114,950)	3,946,396	(177,529)	(87,263)	
<u>\$ 1,115,906</u>	<u>\$ 1,206,344</u>	<u>\$ 1,454,167</u>	<u>\$ 138,068</u>	<u>\$ 858,920</u>	
6.9%	8.9%	6.1%	5.1%	6.9%	

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Other Property</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>
2003	321,830,773	50,886,476	39,279,310	308,460,017	76,871,694	643,584,882
2004	341,269,132	55,386,144	39,388,830	330,737,954	81,248,279	685,533,781
2005	351,699,404	57,458,280	43,693,830	382,874,649	135,721,232	700,004,931
2006	364,338,244	59,909,477	48,968,260	397,694,033	146,288,868	724,621,146
2007	392,234,612	67,512,510	46,841,160	435,255,953	151,748,415	790,095,820
2008	428,246,312	70,043,307	46,881,510	412,915,111	154,017,893	804,068,347
2009	441,209,562	75,266,445	46,273,560	461,750,451	159,917,239	864,582,779
2010	449,390,158	78,494,266	46,320,345	493,111,825	177,104,027	890,212,567
2011	455,430,540	86,491,452	63,658,435	411,788,514	91,546,890	925,822,051
2012	436,822,511	88,370,466	65,286,710	513,169,942	98,347,410	1,005,302,219

Source: Caldwell County Appraisal District



**TABLE L-6**

<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Taxable Assessed Value as a Percentage of Actual Taxable Value</u>
1.4391	584,417,836	110.124%
1.4654	621,125,434	110.370%
1.5887	635,490,445	110.152%
1.6900	649,386,987	111.585%
1.5400	707,452,438	111.682%
1.2020	721,880,828	111.385%
1.2225	771,874,834	112.011%
1.2300	790,114,157	112.669%
1.1948	827,929,833	111.824%
1.1882	898,655,081	111.867%

**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
2003	1.2637	0.1754	1.4391	0.5409	0.5166
2004	1.2637	0.2017	1.4654	0.5674	0.5566
2005	1.3860	0.2027	1.5887	0.5992	0.5700
2006	1.5000	0.1900	1.6900	0.6297	0.6150
2007	1.3700	0.1700	1.5400	0.6437	0.6350
2008	1.0400	0.1620	1.2020	0.6837	0.7074
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

Source: Caldwell County Appraisal District

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND TEN YEARS AGO

Taxpayer	2012			2003		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Flint Hills Resources LP (TPL)	\$ 45,629,140	1	4.69%	\$ 4,372,610	3	0.68%
LCRA Transmission Srv Corp	26,250,930	2	2.70%	4,790,230	2	0.74%
TJ Lambert Construction	9,350,850	3	0.96%	--	--	--
TJ Lambrecht Construction	7,407,220	4	0.76%	--	--	--
Economy Realty Ltd	6,561,300	5	0.67%	--	--	--
Union Pacific RR Company	4,682,430	6	0.48%	2,140,850	10	0.33%
Bluebonnet Electric Cooperative	4,566,920	7	0.47%	3,420,150	7	0.53%
Dormae Products, INC	4,357,500	8	0.45%	--	--	--
Lockhart DMA Housing LLC	3,982,460	9	0.41%	--	--	--
Southwestern Bell Telephone	3,699,770	10	0.38%	6,695,040	1	1.04%
H.E. Butt Grocery	--	--	--	4,116,130	4	0.64%
Walmart Properties Inc	--	--	--	3,951,444	5	0.61%
Kewaunee Scientific Eqp. Corp.	--	--	--	3,934,725	6	0.61%
Hoskins, Fred W.	--	--	--	3,062,080	8	0.48%
Forister Ranch, LTD	--	--	--	2,797,080	9	0.43%
Total	\$ <u>116,488,520</u>		<u>11.97%</u>	\$ <u>39,280,339</u>		<u>6.10%</u>

Source: Caldwell County Appraisal District, District Records

**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
2003	8,768,635	8,121,451	92.62%	577,281	8,698,732	99.20%
2004	9,519,615	8,860,817	93.08%	637,465	9,498,282	99.78%
2005	10,570,504	9,846,508	93.15%	586,498	10,433,006	98.70%
2006	11,659,603	10,888,562	93.39%	641,024	11,529,586	98.88%
2007	11,599,828	10,819,529	93.27%	670,690	11,490,219	99.06%
2008	9,186,752	8,540,510	92.97%	529,709	9,070,219	98.73%
2009	10,090,371	9,276,179	91.93%	618,547	9,894,726	98.06%
2010	10,480,036	9,751,039	93.04%	430,785	10,181,824	97.15%
2011	10,739,555	9,963,142	92.77%	332,437	10,295,579	95.87%
2012	11,558,573	10,930,905	94.57%	--	10,930,905	94.57%

Source: Caldwell County Appraisal District, District Records

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

*RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS*

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Bonded Debt Per Capita</u>	<u>Bonded Debt As a % of Personal Income</u>	<u>Notes Payable</u>
2003	33,619,224	5.26%	1,600	0.06%	224,091
2004	32,649,994	4.76%	1,531	0.06%	--
2005	31,134,993	4.45%	1,535	0.06%	--
2006	29,499,990	4.07%	1,499	0.07%	--
2007	29,464,990	3.91%	1,567	0.07%	--
2008	28,324,980	3.71%	1,384	0.09%	--
2009	25,924,984	3.14%	1,266	0.10%	--
2010	24,144,984	2.83%	1,175	0.10%	4,095,000
2011	23,229,997	2.58%	1,131	0.11%	3,750,000
2012	22,320,000	2.29%	1,086	0.11%	3,390,000

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

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

Fiscal Year	General Bonded Debt Outstanding		Percentage of Actual Taxable Value of Property	Bonded Debt As a % Personal Income	Per Capita
	General Obligation Bonds	Total			
2003	33,619,224	33,619,224	5.30%	0.06%	1,600
2004	32,649,994	32,649,994	4.80%	0.06%	1,531
2005	33,446,361	33,446,361	4.80%	0.06%	1,535
2006	31,134,991	31,134,991	4.30%	0.07%	1,499
2007	32,659,978	32,659,978	4.30%	0.07%	1,567
2008	28,324,980	28,324,980	3.70%	0.09%	1,384
2009	25,924,984	25,924,984	3.10%	0.10%	1,266
2010	24,144,984	24,144,984	2.80%	0.10%	1,175
2011	23,229,997	23,229,997	2.60%	0.11%	1,131
2012	22,320,000	22,320,000	2.30%	0.11%	1,086

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

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

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Caldwell County	\$ 8,800,000	68.790%	\$ 6,053,520
City of Lockhart	16,365,000	100.000%	<u>16,365,000</u>
Total Overlapping Debt			22,418,520
Lockhart ISD	22,319,987	100.000%	<u>22,319,987</u>
Total Direct and Overlapping Debt			<u>\$ 44,738,507</u>

Note: Overlapping debt was calculated based upon the 2011 net taxable assessed values for  
 Lockhart ISD and Caldwell County:  $\$997,400,839 / \$1,449,826,652 = 68.79\%$

Sources: Texas Municipal Report.

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## LEGAL DEBT MARGIN INFORMATION

### LAST TEN FISCAL YEARS

	Fiscal Year				
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Debt Limit	\$ 43,924,454	\$ 43,505,202	\$ 48,999,465	\$ 49,167,235	\$ 52,726,491
Total Net Debt Applicable to Limit	<u>33,451,276</u>	<u>32,436,985</u>	<u>30,766,688</u>	<u>30,747,447</u>	<u>26,933,080</u>
Legal Debt Margin	\$ <u>10,473,178</u>	\$ <u>11,068,217</u>	\$ <u>18,232,777</u>	\$ <u>18,419,788</u>	\$ <u>25,793,411</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	76.16%	74.56%	62.79%	62.54%	51.08%

Source: Texas Municipal Reports



		Fiscal Year				
	2008	2009	2010	2011	2012	
\$	53,500,220	\$ 57,777,176	\$ 59,642,483	\$ 62,920,060	\$ 68,094,606	
	<u>25,455,661</u>	<u>24,497,901</u>	<u>22,597,864</u>	<u>20,790,785</u>	<u>19,698,169</u>	
\$	<u>28,044,559</u>	<u>\$ 33,279,275</u>	<u>\$ 37,044,619</u>	<u>\$ 42,129,275</u>	<u>\$ 48,396,437</u>	
	47.58%	42.40%	37.89%	33.04%	28.93%	

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

Assessed Value	\$ 972,780,088
Debt Limit (7% of Assessed Value)	68,094,606
Debt Applicable to Limit:	
General Obligation Bonds	22,320,000
Less: Amount Set Aside for Repayment of General Obligation Debt	<u>2,621,818</u>
Total Net Debt Applicable to Limit	<u>19,698,182</u>
Legal Debt Margin	<u>\$ 48,396,424</u>

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN CALENDAR YEARS

Calendar Year	Population	Personal Income ( <i>thousands of dollars</i> )	Per Capita Personal Income	Unemployment Rate
2003	34,846	717,144	20,088	7.40%
2004	35,510	752,494	20,196	6.50%
2005	36,335	812,775	20,748	5.30%
2006	36,542	833,016	21,992	4.90%
2007	36,720	872,891	23,849	4.50%
2008	35,843	872,891	24,499	5.40%
2009	36,899	872,891	25,714	8.30%
2010	37,533	957,644	25,328	8.60%
2011	37,087	957,644	25,328	8.90%
2012	38,442	957,644	25,328	8.50%

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

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

PRINCIPAL EMPLOYERS

CURRENT YEAR AND TEN YEARS AGO

Employer	2012			2003		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Lockhart ISD	637	1	32.38%	550	1	31.52%
The GEO Group, Inc.	234	2	11.90%	--		
Serta Dormae Mfg.	174	3	8.85%	--		
H.E.B. Food Store	160	4	8.13%	75	8	4.30%
Wal-Mart	125	5	6.35%	100	6	5.73%
Golden Age Home	110	6	5.59%	110	4	6.30%
Pegasus	90	7	4.58%	--		
City of Lockhart	88	8	4.47%	105	5	6.02%
Chisholm Trail Rehab Center	60	9	3.05%	67	9	3.84%
Livengood Feed	60	10	3.05%	--		
Wackenhut Corrections				244	2	13.98%
Caldwell County				160	3	9.17%
Kewaunee Scientific Corp.				81	7	4.64%
First Lockhart National Bank				50	10	2.87%
Total	<u>1,967</u>			<u>1,745</u>		

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

	Full-Time Equivalent Employees as of Year End									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Instruction	383	387	378	415	392	398	402	403	410	403
Instructional Resources & Media Services	12	12	13	14	14	14	14	14	14	8
Instructional Leadership	6	4	4	4	4	4	4	4	4	4
School Leadership	36	36	38	40	40	40	40	40	41	41
Guidance & Counseling	21	22	27	27	27	27	28	28	28	28
Health Services	9	8	9	8	9	9	9	9	9	9
Food Service	46	41	43	45	45	45	45	45	45	45
Cocurricular/Extracurricular Activities	1	1	3	3	2	2	2	2	2	2
General Administration	23	26	18	18	17	17	17	17	17	14
Plant Maintenance & Operations	64	66	66	75	71	70	70	70	71	71
Security & Monitoring Services	2	2	3	3	2	2	2	2	2	2
Data Processing Services	2	3	3	3	3	3	3	3	3	3
Community Services	20	33	32	31	31	29	28	28	28	28
<b>Total</b>	<u>625</u>	<u>641</u>	<u>637</u>	<u>686</u>	<u>657</u>	<u>660</u>	<u>664</u>	<u>665</u>	<u>674</u>	<u>658</u>

Source: In-house District information

# 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>
2003	4,453	26,404,985	5,930	5.4%	38,559,028
2004	4,466	26,468,132	5,927	-0.1%	44,720,918
2005	4,492	28,247,587	6,288	6.1%	44,175,819
2006	4,542	29,124,436	6,412	2.0%	39,120,448
2007	4,451	27,513,024	6,181	-3.6%	44,358,556
2008	4,440	31,025,348	6,988	13.0%	40,942,708
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	4,782	33,257,843	6,955	-0.4%	43,096,305

Note: 2007 Expenditures are for ten months as compared with twelve months in the other years.

Source: AEIS Reports

TABLE L-17

Cost Per Pupil	Percentage Change	Teaching Staff	Pupil- Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
8,659	11%	304	14.7	51.8%
10,014	16%	303	14.7	53.6%
9,834	-2%	375	14.6	55.0%
8,613	-12%	330	13.8	58.0%
9,966	16%	317	14.0	60.2%
9,221	-7%	324	13.7	59.7%
10,121	10%	327	13.9	62.6%
10,071	0%	327	14.2	67.1%
9,869	-2%	331	14.2	69.3%
9,012	-9%	325	14.7	71.6%

**LOCKHART INDEPENDENT SCHOOL DISTRICT**

*TEACHER BASE SALARIES  
LAST TEN FISCAL YEARS*

<u>Fiscal Year</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>	<u>County Average Salary</u>	<u>Statewide Average Salary</u>
2003	32,500	47,937	36,838	39,974
2004	32,500	47,937	38,233	40,478
2005	33,500	48,957	37,903	41,011
2006	33,500	49,844	38,515	41,744
2007	36,250	52,344	40,758	44,897
2008	38,100	55,300	41,300	46,179
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	Not Available	Not Available

Sources: AEIS Reports, District Records

# LOCKHART INDEPENDENT SCHOOL DISTRICT

## SCHOOL BUILDING INFORMATION

### LAST TEN FISCAL YEARS

School	Fiscal Year				
	2003	2004	2005	2006	2007
<b>School</b>					
<b>Elementary</b>					
Carver Kindergarten (1953)					
Square Feet	52,578	52,578	52,578	52,578	52,578
Capacity	385	385	385	385	385
Enrollment	--	--	--	388	417
Clear Fork (1953)					
Square Feet	57,113	57,113	57,113	57,113	57,113
Capacity	441	441	441	441	441
Enrollment	--	--	--	419	414
Plum Creek (1986)					
Square Feet	67,233	67,233	67,233	67,233	67,233
Capacity	449	449	449	449	449
Enrollment	--	--	--	449	458
Navarro (1972)					
Square Feet	55,573	55,573	55,573	55,573	55,573
Capacity	415	415	415	415	415
Enrollment	--	--	--	421	417
Bluebonnet (2005)					
Square Feet	--	--	64,992	64,992	64,992
Capacity	--	--	479	479	479
Enrollment	--	--	--	468	482
<b>School</b>					
<b>Secondary</b>					
Lockhart Junior High (2000)					
Square Feet	152,105	152,105	152,105	152,105	152,105
Capacity	1,036	1,036	1,036	1,036	1,036
Enrollment	--	--	--	1,019	999
Lockhart HS Freshman Campus (1923)					
Square Feet	71,057	71,057	71,057	71,057	71,057
Capacity	361	361	361	361	361
Enrollment	--	--	352	352	319
Lockhart High School (1965)					
Square Feet	175,180	175,180	175,180	175,180	175,180
Capacity	924	924	924	924	924
Enrollment	--	--	831	831	850
Pride High School (1992)					
Square Feet	10,647	10,647	10,647	10,647	10,647
Capacity	58	58	58	58	58
Enrollment	--	--	--	57	43
Discipline Mgmt Center (1997)					
Square Feet	8,088	8,088	8,088	8,088	8,088
Capacity	40	40	40	40	40
Enrollment	--	--	--	--	--

Source: District records.

Capacity above is Functional Capacity. Prior years' data is not available.



TABLE L-19

Fiscal Year				
2008	2009	2010	2011	2012
52,578	52,578	52,578	52,578	52,578
385	385	385	385	385
360	391	427	445	457
57,113	57,113	57,113	57,113	57,113
441	441	441	441	441
424	412	409	423	428
67,233	67,233	67,233	67,233	67,233
449	449	449	449	449
462	422	441	451	459
55,573	55,573	55,573	55,573	55,573
415	415	415	415	415
414	407	417	426	423
64,992	64,992	64,992	64,992	64,992
479	479	479	479	479
525	531	583	580	590
152,105	152,105	152,105	152,105	152,105
1,036	1,036	1,036	1,036	1,036
963	992	1,039	1,058	1,073
71,057	71,057	71,057	71,057	71,057
361	362	327	327	327
335	343	330	350	352
175,180	175,180	175,180	175,180	175,180
924	924	924	924	924
874	963	990	945	974
10,647	10,647	10,647	10,647	10,647
58	58	58	58	58
43	62	31	31	26
8,088	8,088	8,088	8,088	8,088
40	40	40	40	40
--	--	--	--	--