



Little Elm ISD

Regular Meeting

Monday, December 14, 2015 6:30 PM

Agenda of Regular Meeting

The Board of Trustees Little Elm ISD

A Regular Meeting of the Board of Trustees of Little Elm ISD will be held December 14, 2015, beginning at 6:30 PM in the Zellars Center for Learning and Leadership.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. Call to Order Open Session in the Board Room at Zellars Center for Learning and Leadership on 300 Lobo Lane, Little Elm, Texas 75068.
2. Pledge of Allegiance
3. Invocation
4. Introduction and Roll Call
5. Citizen input
6. Approval of Minutes
 - A. Discuss and approve Regular Meeting Minutes - 11/09/2015 5
Presenter: Sonia F. Badillo
7. Superintendent Spotlight
 - A. Students of the Month - Little Elm High School
Presenter: Renee Pentecost
 - B. School Spotlight - Hackberry Elementary
Presenter: Tom Swartz
 - C. Triple E Award - Teacher Recognition
Presenter: Lowell H. Strike
8. Reports of the Superintendent
 - A. Communications Year End Review 10
Presenter: Pat Robbins
 - B. Prestwick STEM Academy Enrollment and Lottery 11
Presenter: Cyndy Mika
 - C. Class Size Report 13
Presenter: Matthew Gutierrez
 - D. 3rd Quarter 2015 Growth Report 26
Presenter: Rod Reeves
9. The Board will recess into Closed Meeting in the Professional Development Room as permitted by the Texas Open Meetings Act Code Subchapter 551.074

and 551.072. The Board and Superintendent will discuss:

A. Personnel - 551.074

B. Land - 551.072

10. Action Items

A. Discuss and approve Annual Financial Report for Year Ended August 31, 2015 59

Presenter: Grant Anderson

B. Discuss and approve Additional FTEs 146

Presenter: Matthew Gutierrez

C. Discuss and approve EIF (Local) 154

Presenter: Cyndy Mika

D. Discuss and approve Prestwick STEM Academy Enrollment Resolution 155

Presenter: Cyndy Mika

E. Discuss and approve Solution Tree Contract for 2016-2027 157

Presenter: Cyndy Mika

F. Discuss and approve the Financial Report 162

Presenter: Grant Anderson

G. Discuss and approve Resolution Concerning Appointment of the Texas 194

Commissioner of Education

Presenter: LeAnna Harding

H. Discuss and approve the Candidate to Board of Directors of Denton Central 198

Appraisal District

Presenter: LeAnna Harding

I. Discuss and approve Recommendation for Construction of an Operational 200

Services Facility

Presenter: Rod Reeves

J. Discuss and approve Selection of Construction Manager at Risk for a New 223

Operational Services Facility

Presenter: Rod Reeves

K. Discuss and approve Expansion of Grounds Maintenance Contract 264

Presenter: Rod Reeves

L. Discuss and approve Resolution to Sell Property not Necessary for School 280

District Operations of Purposes and Notification to Open-Enrollment Charter

Schools

Presenter: Rod Reeves

11. Consent Agenda

A. Discuss and approve Gifts and Donations 287

Presenter: Grant Anderson

12. Board President Comments

Presenter: LeAnna Harding

A. TASB Continuing Education Credit Report

13. Board Comments

14. Superintendent Comments

15. Adjournment

If, during the course of the meeting, the Board of Trustees should determine that a closed meeting should be conducted, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Texas Government Code Section 551.001 et seq. The meeting will be held by the School Board at the date, hour, and place given in this Notice or as soon after the commencement of the meeting covered by this Notice as the School Board may conveniently meet in such closed or executive meeting or session concerning any and all purposes permitted by the Act, including, but not limited to the following sections and purposes:

Texas Government Code Section:

551.071	Private consultation with the Board's attorney.
551.072	Discussing purchase, exchange, lease, or value of real property.
551.073	Discussing negotiated contracts for prospective gifts or donations.
551.074	Discussing personnel or to hear complaints against personnel.
551.075	To confer with employees of the school district to receive information or to ask questions.
551.076	Considering the deployment, specific occasions, for or implementation of security personnel or devices.
551.082	Considering discipline of a public school child, or complaint or charge against personnel.
551.0821	Considering personally identifiable information about public school student.
551.083	Considering the standards, guidelines, terms, or conditions the board will follow, or will instruct its representatives to follow, in consultation with representatives of employees groups,
551.084	Excluding witnesses from a hearing.

Before any closed meeting is convened, the presiding officer will publicly identify the section or sections or the Act authorizing the closed meeting.

Should any final action, final decision, or final vote be required in the opinion of the School Board with regard to any matter considered in such closed or executive session, then the final action, final decision, or final vote shall be either:

- (a) in the open meeting covered by the Notice upon the reconvening of the public meeting, or
- (b) at a subsequent public meeting of the School Board upon notice thereof; as the School Board shall determine.

Superintendent

Original copy of this agenda was posted on the bulletin board at the Little Elm ISD Administration Building 72 hours prior to the scheduled meeting.

Sonia Badillo

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Action
00-00-2015	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Subject:	REGULAR BOARD MEETING MINUTES - 11-09-2015				
Presenter or Contact Person:	Sonia F. Badillo, Superintendent Secretary.				
Policy/Code:	N/A				
Summary:	Board Meeting Minutes for November 9, 2015.				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	Meeting Minutes				
Recommendation:	The Administration recommends the approval of the Regular Board Meeting Minutes for November 9, 2015.				
Motion:	I move that the Board approve the attached Regular Board Meeting Minutes for November 9, 2015.				

Minutes of Regular Meeting

The Board of Trustees Little Elm ISD

A Regular Meeting of the Board of Trustees of Little Elm ISD was held Monday, November 9, 2015, beginning at 6:30 PM in the Zellars Center for Learning and Leadership.

PRESENT: Board Vice President Melissa Myers, Trustee Christopher Williams, Trustee David Montemayor, Trustee Jason Olson, Trustee Alejandro Flores and Superintendent Lowell H. Strike.

ABSENT: Board President LeAnna Harding and Board Secretary DeLeon English.

1. Call to Order Open Session in the Board Room at Zellars Center for Learning and Leadership on 300 Lobo Lane, Little Elm, Texas 75068. Board Vice President Melissa Myers called the meeting to order at 6:31 pm.
2. Pledge of Allegiance
Lakeview Elementary students led those present to the Pledges of the United States Flag and the Texas Flag.
3. Invocation
Pastor Jay Cousino with Little Elm Button United Methodist Church offered the invocation.
4. Introduction and Roll Call
Ms. Sonia F. Badillo took roll call.
5. Citizen input
There was no citizen input.
6. Approval of Minutes
 - A. Discuss and approve Regular Meeting Minutes - 10/19/2015
Trustee Jason Olson made the first motion to approve the Regular Meeting Minutes as submitted. Trustee Alejandro Flores seconded the motion. The motion passed (5-0).
7. Superintendent Spotlight
 - A. Students of the Month - Little Elm High School
Associate Principal Ruben Molinar presented to the Board the students of the month. Jacob Gregg and Abigal Resendiz de la Cruz received the student of the month awards.
 - B. School Spotlight - Lakeview Elementary
Principal Kelly Carr presented to the Board Music Teacher LoriAnn Nohre. Ms. Nohre presented her choir students and they performed patriotic songs.

8. Reports of the Superintendent

A. Demographics Snapshot

Dr. Cyndy Mika shared with the Board the Demographics Snapshot presentation.

The presentation included the following:

LEISD Demographics Snapshot Day 2015

- LEISD Enrollment by Grade Level
- Ethnic Distribution
- District Attribution
- Economic Disadvantaged Distribution
- ELL
- Program Enrollment
- Drop-outs
- At-Risk Students

B. English Language Learners

Dr. Cyndy Mika shared with the Board a presentation about English Language Learners. The presentation included the following:

English Language Learners

- Students by Program Type
- Number of Languages: 47
- School Services
- Instructional Support
- Instructional Priority
- Actions for Improved Achievement

9. The Board recessed into Closed Meeting in the Professional Development Room at 7:11 pm as permitted by the Texas Open Meetings Act Code Subchapter 551.074 and 551.072. The Board and Superintendent discussed:

A. Personnel - 551.074

B. Land - 551.072

The Board reconvened at 8:06 pm.

10. Action Items

A. Discuss and consider approval of District Improvement Plan

Mr. Matthew Gutierrez presented to the Board the District Improvement Plan. LEISD's District Improvement Council has prepared the Comprehensive Needs assessment and reviewed District goals. The District Improvement Plan is an ongoing process and changes based upon need.

Trustee David Montemayor made the first motion to approve the District Improvement Plan as submitted. Trustee Christopher Williams seconded the motion. The motion passed (5-0).

B. Discuss and consider approval of Campus Improvement Plans

Mr. Matthew Gutierrez shared with the Board the Campus Improvement Plans. Per federal statute, the CIP must be "developed with the involvement of parents and other members of the community to be served and individuals who will carry

out such plan, including teachers, principals, and administrators and, if appropriate, pupil services personnel, technical assistance providers, school staff, an, if the plan relates to a secondary school, students from such school. Trustee Alejandro Flores made the first motion to approve the Campus Improvement Plans as submitted. Trustee Jason Olson seconded the motion. The motion passed (5-0).

C. Discuss and consider approval of ICLE Phase II payment

Dr. Cyndy Mika approached the Board about ICLE Phase II payment. Last year the District began a three-year agreement with International Center for Leadership in Education. Through this agreement the District has provided training to all administrators and faculty focusing on increasing rigor, relevance, and learner engagement in all classrooms across all subjects in the district. The total cost of phase II is \$74,800 for the 2015-2016 school year to be billed in monthly invoices as the scope of work is completed.

Trustee David Montemayor made the first motion to approve the ICLE Phase II payment as submitted. Trustee Alejandro Flores seconded the motion. The motion passed (5-0).

D. Discuss and consider approval of 2016-2017 Calendar

Dr. Cyndy Mika presented to the Board the 2016-2017 School Calendar. HB 2610 passed by the 84th Legislation amends TEC 25.081 and changes school attendance requirements from 180 days of required instruction to 75,600 minutes of required instruction. Commissioner's Rules have not been released to date. The District would like to let the community know the start date as well as the major holidays. The District will complete the calendar with Professional Learning dates and the end date once the rules are published.

Trustee Christopher Williams made the first motion to approve the 2016-2017 School Calendar as submitted. Trustee Alejandro Flores seconded the motion. The motion passed (5-0).

11. Consent Agenda

A. Discuss and approve the Disposal of Out of Adoption Instructional Materials

B. Discuss and approve the PDAS appraisers for the 2015-2016 School Year

C. Discuss and approve the LEISD Highly Qualified Teacher Requirement Report - 2015/2016

D. Discuss and approve Addition of Authorized Representative TexSTAR Investment Pool

E. Discuss and approve Addition of Authorized Representative LoneStar Investment Pool

F. Discuss and approve the Financial Report

This Item was pulled from the Consent Agenda

Mr. Grant Anderson shared with the Board a presentation on Financial Reports. The presentation included the following:

Little Elm ISD Financial Report

- Notes to financials

- 2015-16 General Fund – Budget
- General Fund – Realized
- General Fund – Cash Flow
- Capital Projects

Trustee Alejandro Flores made the first motion to approve the Financial Report as submitted. Trustee Jason Olson seconded the motion. The motion passed (5-0).

G. Discuss and approve Gifts and Donations

Trustee Alejandro Flores made the first motion to approve the Consent Agenda as submitted with the exception of Item F. Trustee Jason Olson seconded the motion. The motion passed (5-0)

12. Reports, Routine Monthly

A. Notice of Expenditure in Excess of \$50,000

Dr. Lowell Strike approached the Board with this category. This category is for items just for viewing. Information area. No Board approval is needed.

13. Board President Comments

Board Vice President Melissa Myers discussed with the Board upcoming Board events:

- January 11th – Team of 8 Training
- January 19th – Regular Board Meeting
- February 22nd – Regular Board Meeting

14. Board Comments

Trustee Jason Olson commented about the Fish Fry at Chavez Elementary. Hopefully we will see more participation next year. Great event.

Trustee Christopher Williams commented about the Board Retreat. It was a fantastic event and meeting.

Board Vice President Melissa Myers commented about Ms. Ashley Helms and the great job she did facilitating the retreat.

15. Superintendent Comments

Dr. Lowell Strike commented about the following:

- Wearing jeans in honor of Jeans for Troops
- LEISD collected over 21,000 lbs. for LE Food Bank
- 24 High School students help LE Food Bank put the food away
- Saturday was an excellent and outstanding day - retreat

16. Adjournment

Trustee David Montemayor made the first motion to approve the adjournment of the meeting. Trustee Christopher Williams seconded the motion. The motion passed (5-0).

The meeting adjourned at 8:50 pm.

Board Agenda Item

Little Elm Independent School District

300 Lobo Lane

Little Elm, Texas 75068

	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 12-14-2015	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Subject:	Communications Year End Review				
Presenter or Contact Person:	Pat Robbins, Director, Communications Services and Community Relations				
Policy/Code:	N/A				
Summary:	Year in Review - Pat Robbins will give a brief intro to a video recap of our amazing 2015.				
Financial Implications:	There is no financial impact to the budget.				
Attachments:					
Recommendation:	Item is for informational purposes only. No recommendation is necessary.				
Motion:					

Board Agenda Item

Little Elm Independent School District
 300 Lobo Lane
 Little Elm, Texas 75068

Board Mtg. Date 12-14-2015	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Other
Subject:	Prestwick STEM Academy Enrollment and Lottery				
Presenter or Contact Person:	Cyndy Mika, Assistant Superintendent for Curriculum and Learning Services				
Policy/Code:					
Summary:	<p>An Update on Prestwick STEM Academy Enrollment and Lottery Information will be provided. The Administrative staff has frozen enrolment into PSA at grades K-3 except for Tribute HOA. Each grade can house 66 students. Current enrollment in grades K-5 are:</p> <ul style="list-style-type: none"> • K: 60 • 1: 74 – 3 class waivers • 2: 64 • 3: 66 – 1 class waiver • 4: 58 • 5: 57 				
Financial Implications:	<p>Plans for 2016-2017</p> <ul style="list-style-type: none"> • No Lottery for K-5 • Lottery for 6th grade for approximately 50 seats will be held in late January, early February for course selection at PSA • PSA teachers will be allowed to bring their students to school as students IF a seat is available at the grade level. <p>The Board will be discussing Rezoning for LEISD elementary schools for the 2016-2017 in January or February as discussed at the Workshop in December.</p> <p>There is no financial impact to the budget.</p>				

Attachments:

Recommendation: No recommendation is necessary.

Motion: No motion is necessary.

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Discussion
10-19-2015	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Presenter or Contact Person:	Matthew Gutierrez, Deputy Superintendent for Educational Services				
Policy/Code:	NA				
Summary:	A mid-year class-size study has been conducted by the administration.				
Financial Implications:	NA				
Attachments:	LEISD Class Size Update - December 2015				
Recommendation:	NA				
Motion:	NA				

LEISD Class Size Update

Matthew Gutierrez

December 14, 2015



LEISD Enrollment

District	Enrollment
Monday, August 24	6,962
Friday, September 4	7,156
Monday, November 30	7,170



Brent Elementary Enrollment – 590

Grade	Sections	Average Class Size	# of Sections with Class Size Waiver
PK	2	15	
K	4	DL 24 ML 22.6	3
1	5	DL 22 ML 16.5	
2	5	18	
3	5	20.6	
4	5	20	
5	4	21.75	

16



Chavez Elementary

Enrollment – 739

Grade	Sections	Average Class Size	# of Sections with Class Size Waiver
PK	4	12.2	
K	5	21.8	
1	5	19.4	
2	5	20	5
3	5	21.2	
4	5	20.8	
5	5	18.6	

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Hackberry Elementary

Enrollment – 631

Grade	Sections	Average Class Size	# of Sections with Class Size Waiver
PK	2	12	
K	5	DL 21 ML 17.3	
1	5	DL 21 ML 16	
2	6	DL 17 ML 18	
3	7	DL 16 ML 18.3	
4	6	DL 17.5 ML 17.6	
5	5	DL 16.5 ML 17	

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Lakeview Elementary Enrollment – 637

Grade	Sections	Average Class Size	# of Sections with Class Size Waiver
PK			
K	5	21.2	
1	5	20.2	
2	4	23.25	4
3	5	21.2	
4	5	21.8	
5	4	25	

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Oak Point Elementary

Enrollment – 639

Grade	Sections	Average Class Size	# of Sections with Class Size Waiver
PK	3	16.3	
K	5	Bi/DL 18 ML 18.6	
1	5	Bi/DL 20 ML 19.5	
2	6	Bi/DL 19.6 ML 21.5	
3	5	Bi/DL 16.25 ML 23.5	2
4	5	Bi/DL 13 ML 19	
5	4	Bi/DL 16 ML 21.3	

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Prestwick STEM K-5 Enrollment – 387

Grade	Sections	Average Class Size	# of Sections with Class Size Waiver
PK			
K	3	20	
1	3	24.6	3
2	3	21.3	
3	3	22.3	1
4	3	19.3	
5	3	19	



Prestwick STEM 6-8

Enrollment – 335

Top 10 Highest Core Classes

COURSE	AVG_CLASS_SIZE
ELA 8 PAP	23
Math 7	23
Pre Algebra 8	21.3
PAP Compacted Math GT	21
ELA 7	20.3
ELA PAP	20
Science 8 PAP	19.5
US History 8	19
Pre Algebra 7 PAP	18.5
Texas History	17.3

All Classes – 16.2

Core Content Classes – 17.3



Lakeside Middle School & Powell 6th Grade Center – 1,200 Top 10 Highest Core Classes

COURSE	AVG_CLASS_SIZE
Science 8	28.25
Math 6	26.6
Math 6 PAP	26.2
Math 7	25.82
Science 8 PAP	25.5
Pre Algebra	25.4
ELA 8 PAP	24.8
ELA 7	24.4
ELA 8	24.3
TX History 7 PAP	24.2

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Powell/LMS

All Classes – 21.1

Core Content Classes – 22.6



Little Elm High School

Enrollment – 2,003

Top 10 Highest Core Classes

COURSE	AVG_CLASS_SIZE
Econ/Government	37
Principles of Marketing	34
Principles of Health Science	32
World History PAP	31.4
Algebra II PAP	31
AP Psychology	30
Accounting	30
Anatomy/ Physiology	28.3
Biology PAP	28.3
English I PAP	28.2

All Classes – 17.41

Core Content Classes – 24.62



Administrative Recommendations

- At this time, additional FTEs are not needed for general education/ core content classrooms



Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Discussion
Board Mtg. Date 12-14-2015	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	3rd QUARTER 2015 GROWTH REPORT				
Presenter or Contact Person:	Rod Reeves, Executive Director for Operational Services				
Policy/Code:	N/A				
Summary:	Little Elm ISD growth reports provide quarterly data on the economic status, housing analysis, future developments, student enrollment history and student forecast for the Dallas/Fort Worth area and the District.				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	3rd Quarter 2015 Growth Report				
Recommendation:	Item is for informational purposes only. No recommendation is necessary.				
Motion:	Item is for informational purposes only. No motion is necessary.				



QUARTERLY REPORT 2015-2016

*Little Elm
Independent
School
District*



3Q15 Report

Economic Conditions – DFW MSA (September 2015)



Little Elm
Unemployment Rate



- U.S. 4.9%
- Texas 4.4%
- DFW MSA 3.9%
- Collin County 3.5%
- Little Elm 2.7%



- 98,700 new jobs created in the last 12 months
- More than the national rate of 2.0%



- 2,877 more than previous year over year
- A 12.5% rise from 3Q14



DFW Corporate Relocations

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Company	City	Office Type	Total Jobs	Completion	Type of Jobs	Salary Range
Toyota North America	Plano	Headquarters	4,000	350 Employees in 2015; Move-in projected 4Q16-1Q17	2,000 - Sales and Marketing (CA)	\$70,000 - \$120,000*
					1,000 - Engineering & Manufacturing (KY)	\$50,000 - \$100,000*
					1,000 - Financial Services (CA)	\$90,000 - \$130,000*
Liberty Mutual	Plano	Call Center	5,000	Relocations to start 1Q16; Move-in projected 4Q17	Call Center/Customer Service Rep	\$30,000 - \$45,000
					Claims Adjuster	\$40,000 - \$75,000
State Farm	Richardson	Call Center	8,000	Move-in underway; to be completed by 2017	Service Rep	\$30,000 - \$45,000
					Claims Associate	\$25,000 - \$50,000
Facebook	Ft. Worth	Data Center	40	4Q16	Tech/Engineers	\$63,000 - \$70,000
Active Networks	Dallas	Headquarters	1,000	Opened 4Q14	Engineering, Development, Executives	\$60,000
Omnitracs	Dallas	Headquarters	450	Opened 2Q15	Engineering, Research, Development and Finance	\$50,000
Kubota Tractor	Grapevine	Headquarters and Credit	344	Move-in underway; to be completed by 2016	Executive and Financial	Unknown

Source: Dallas Business Journal; Metrostudy

* Salary information based on current employment location

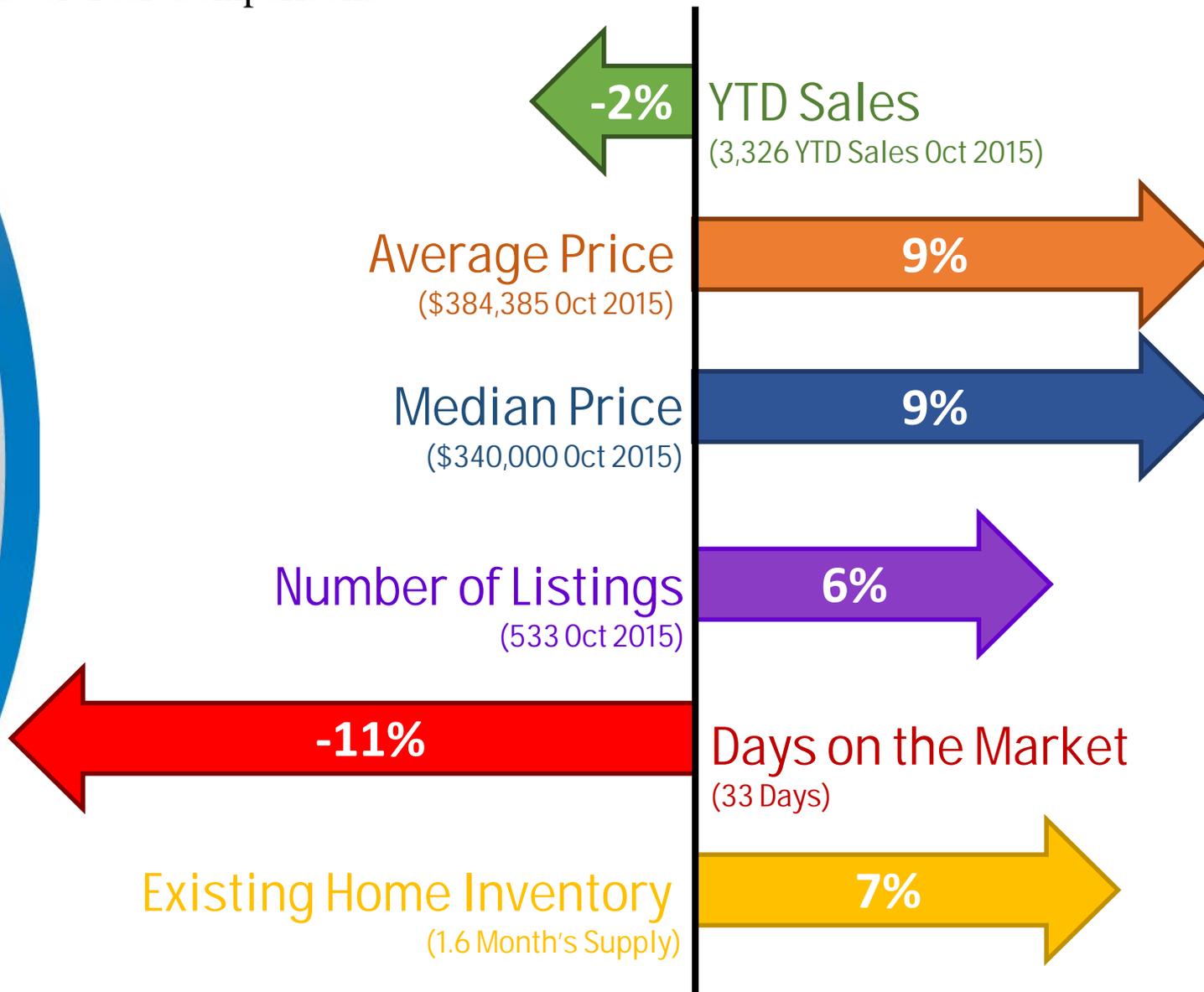




Frisco/Denton County East Housing Market

Year Over Year Comparisons

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DFW New Home Ranking Report

ISD Ranked by Annual Closings – 3Q15

Rank	District Name	Annual Starts	Annual Closings	VDL	Future
1	Frisco ISD	2,907	2,768	3,621	8,915
2	Denton ISD	1,846	1,694	2,706	16,613
3	Prosper ISD	1,570	1,374	2,925	31,759
4	Northwest ISD	1,151	1,105	1,722	22,841
5	Lewisville ISD	1,188	988	2,194	3,142
6	Keller ISD	973	971	1,015	2,372
7	Dallas ISD	1,125	968	2,334	5,641
8	Eagle Mtn. - Saginaw ISD	948	869	1,328	19,796
9	Little Elm ISD	786	536	1,385	5,463*
10	Rockwall ISD	681	665	1,836	8,379
11	Allen ISD	478	550	781	1,531
12	McKinney ISD	531	547	1,425	5,968
13	Mansfield ISD	608	517	1,012	5,657
14	Crowley ISD	534	508	1,319	8,057
15	Wylie ISD	641	460	728	4,353
16	HEB ISD	422	436	481	5,064
17	Forney ISD	409	435	679	12,466
18	Plano ISD	494	427	910	2,771
19	Midlothian ISD	480	415	1,255	20,524
20	Garland ISD	370	401	725	3,313

*Adjusted based on additional research by Templeton Demographics staff: **Added** 1,119 future lots to Tribute; 232 future lots to Hidden Cove;

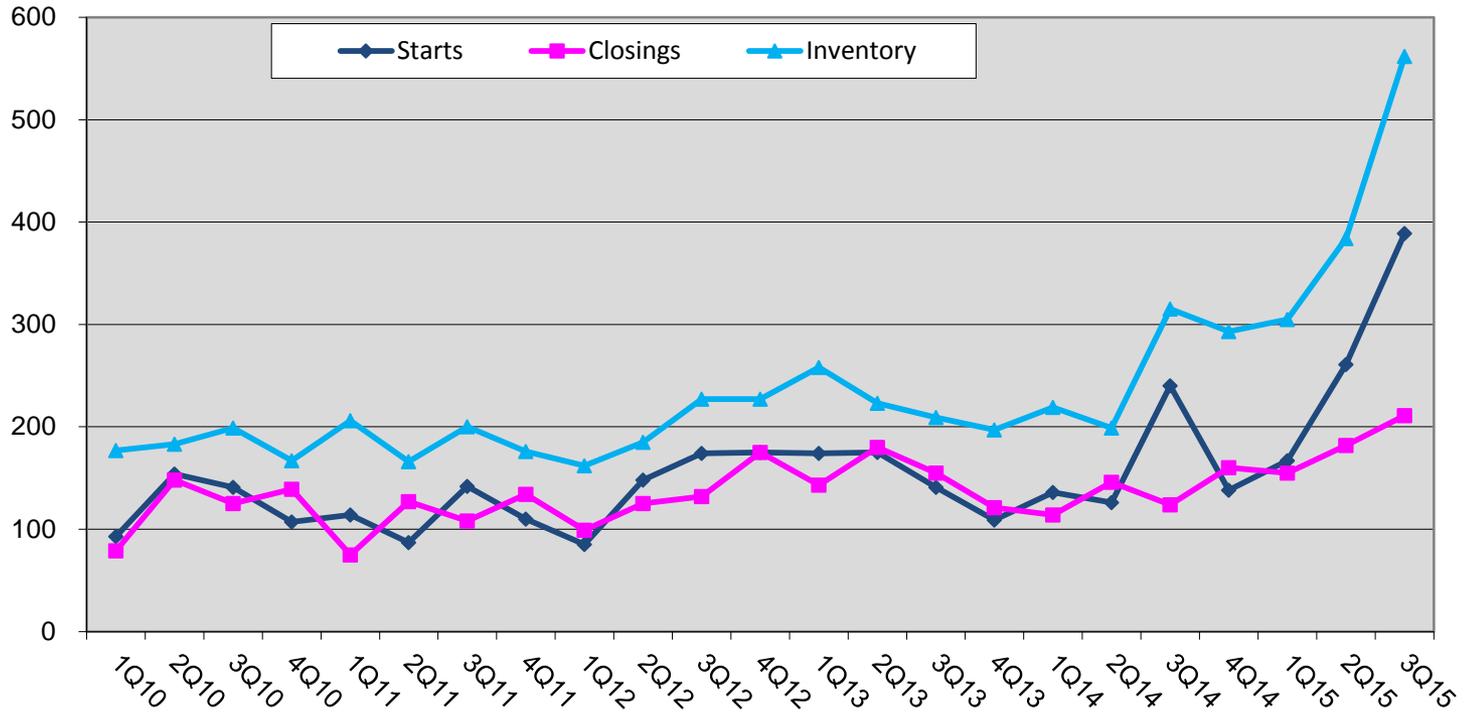
Excludes Frisco Lakes because it is an age restricted community: **Removed 925 Futures





New Housing Activity

Little Elm ISD



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Starts	2010	2011	2012	2013	2014	2015
1Q	93	114	85	174	136	167
2Q	154	87	148	175	126	261
3Q	141	142	174	141	240	389
4Q	107	110	175	109	138	
Total	495	453	582	599	640	817

Closings	2010	2011	2012	2013	2014	2015
1Q	79	75	99	143	114	155
2Q	148	127	125	180	146	182
3Q	125	108	132	155	124	211
4Q	139	134	175	121	160	
Total	491	444	531	599	544	548

- 3Q starts were the highest quarter starts in over 12 years
- Closings for 3Q were the highest since 2003
- 64 of the starts and 41 of the closings for 3Q15 were located in Frisco Lakes, an age restricted subdivision
- Inventory remains in excellent condition to sustain current closing rates

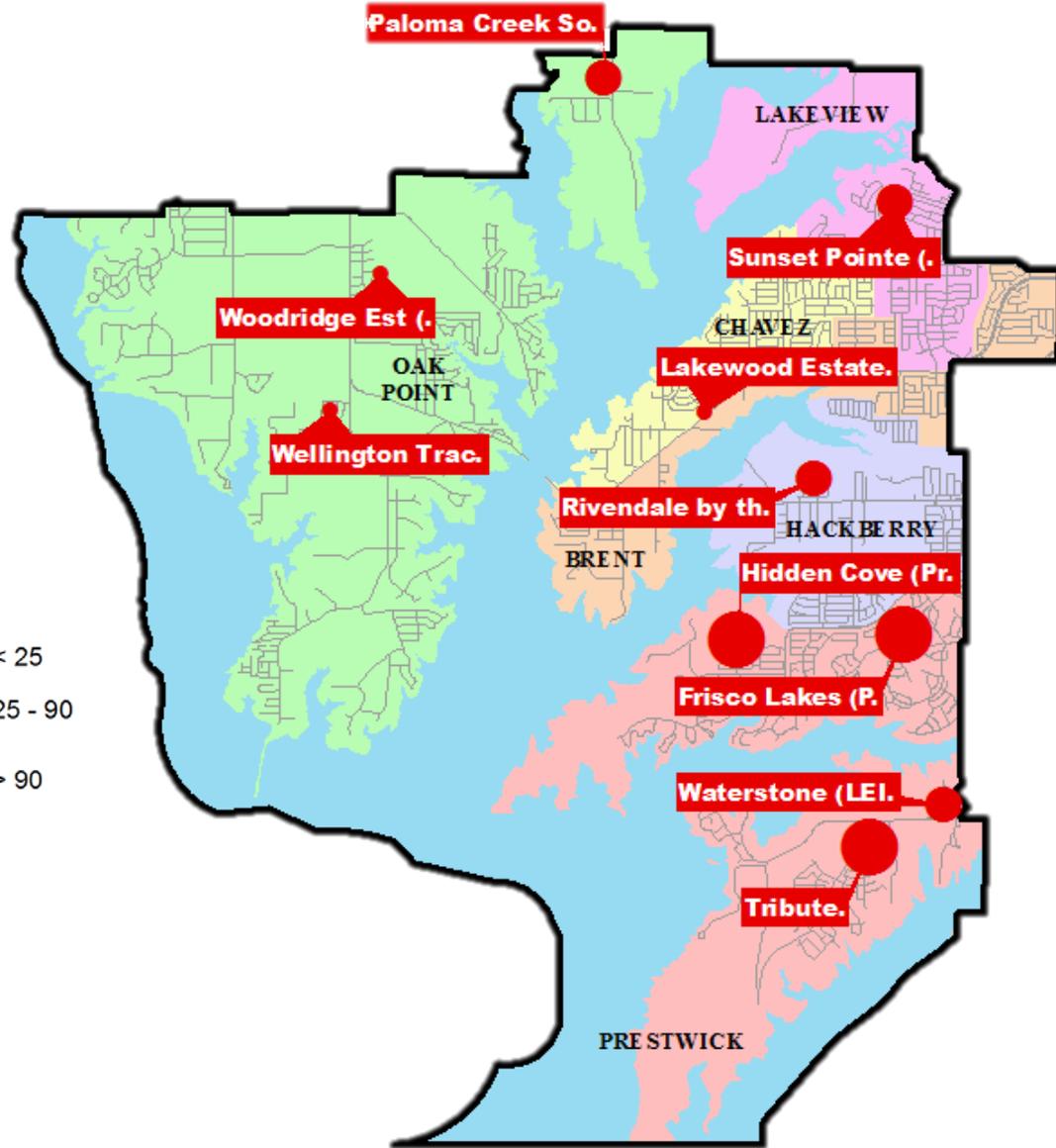




Annual Closing Distribution 3Q15

Top 10 Subdivisions - 3Q15 (Ranked by Annual Closings)

Rank	Subdivision	Annual Closings	Quarter Closings	VDL
1	Frisco Lakes (Prestwick)*	172	41	291
2	Hidden Cove (Prestwick)	158	49	91
3	Tribute	94	37	271
4	Rivendale by the Lake	88	46	170
5	Sunset Pointe (LEISD)	68	10	26
6	Waterstone (LEISD)	34	1	5
7	Paloma Creek South (LEISD)	31	17	96
8	Woodridge Est (Oak Point)	24	4	116
9	Wellington Trace	14	6	27
10	Lakewood Estates (Little Elm)	13	0	0
TOTALS		696	211	1,093



*Frisco Lakes is an age restricted community

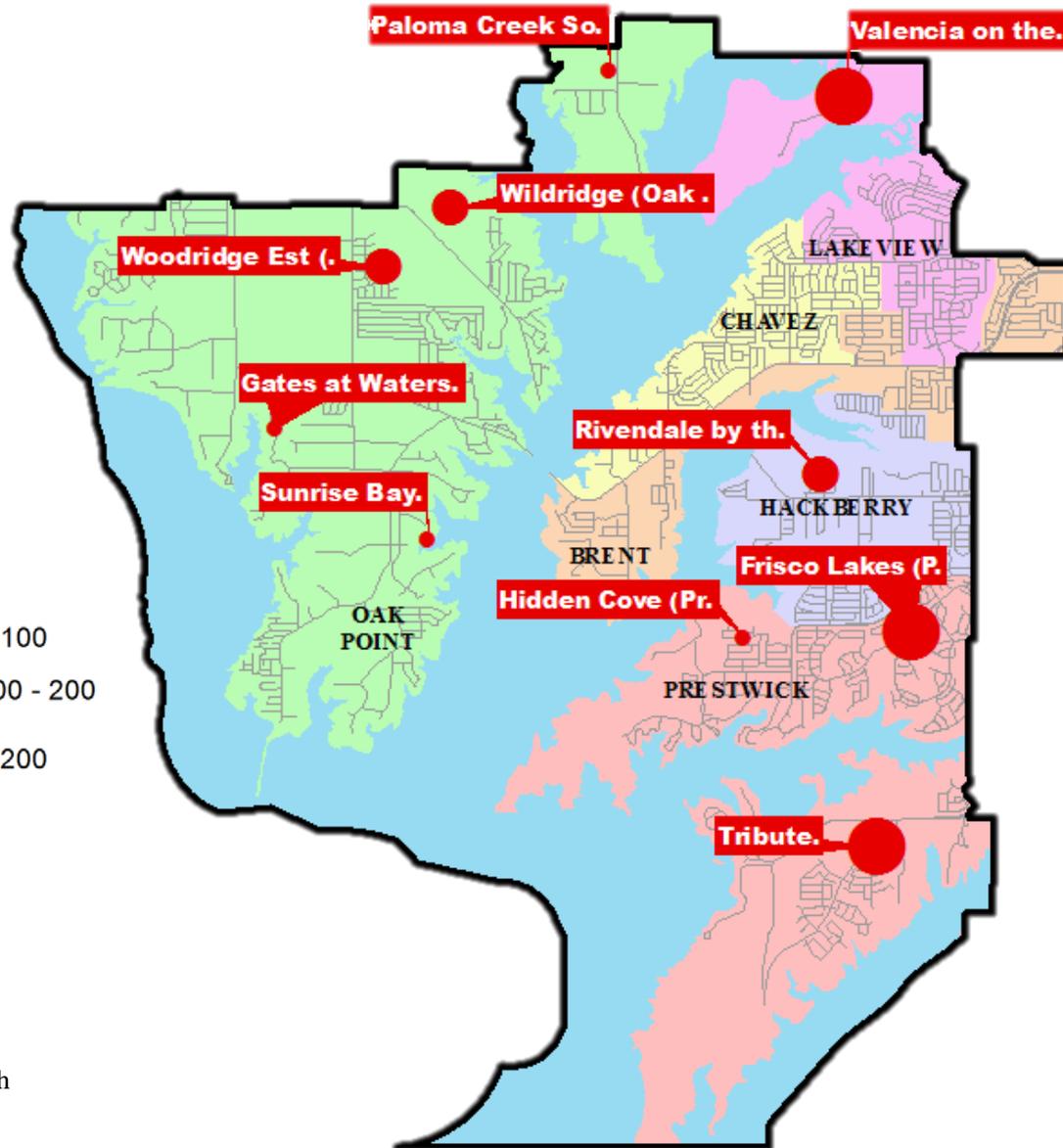




Vacant Developed Lots 3Q15

Top 10 Subdivisions - 3Q15 (Ranked by remaining VDL)

Rank	Subdivision	Annual Closings	VDL	Future
1	Frisco Lakes (Prestwick)*	172	291	925
2	Tribute**	94	271	1,518
3	Valencia on the Lake	0	210	1,027
4	Rivendale by the Lake	88	170	350
5	Wildridge (Oak Point)	0	167	745
6	Woodridge Est (Oak Point)	24	116	126
7	Paloma Creek South (LEISD)	31	96	372
8	Hidden Cove (Prestwick)	158	91	312
9	Sunrise Bay	1	67	0
10	Gates at Waters Edge	2	51	0
	TOTALS	570	1,530	4,040



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*Frisco Lakes is an age restricted community
 **Adjusted totals based on TD additional research

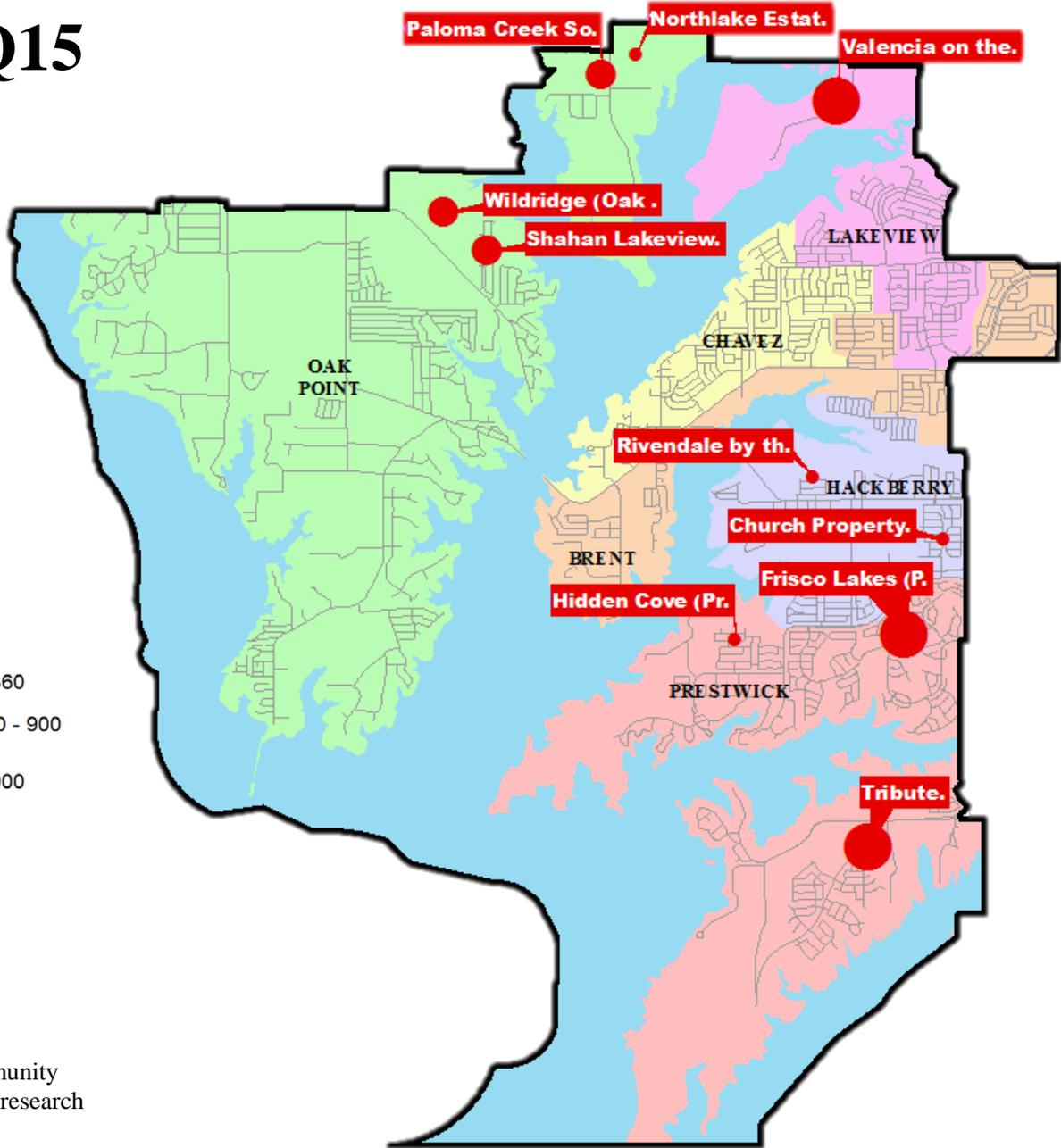




Future Lots 3Q15

Top 10 Subdivisions - 3Q15 (Ranked by Future Inventory)

Rank	Subdivision	VDL	Future
1	Tribute**	271	1,518
2	Valencia on the Lake	210	1,027
3	Frisco Lakes (Prestwick)*	291	925
4	Wildridge (Oak Point)	167	745
5	Shahan Lakeview Addition	0	379
6	Paloma Creek South (LEISD)	96	372
7	Church Property	0	354
8	Rivendale by the Lake	170	350
9	Hidden Cove (Prestwick)	91	312
10	Northlake Estates (Little Elm)	0	254
TOTALS		1,296	6,236



*Frisco Lakes is an age restricted community
 **Adjusted totals based on TD additional research





Overall Housing Data

By Elementary Attendance Zone

Elementary Zone	Annual Starts	Quarter Starts	Annual Closings	Quarter Closings	Inventory	VDL	Future Lots
BRENT	1	0	2	0	1	10	0
CHAVEZ	1	0	13	0	0	0	0
HACKBERRY	154	71	88	46	97	170	704
LAKEVIEW	45	18	68	10	21	236	1,027
OAK POINT	147	78	79	27	102	602	1,902
PRESTWICK (STEM)	438	158	286	87	270	367	1,830
Grand Total	786	325	536	170	491	1,385	5,463*

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*Adjusted total based on additional TD research and excluding Frisco Lakes

	Highest activity in the category
	Second highest activity in the category
	Third highest activity in the category





Active Housing

The Tribute- City of The Colony

The Tribute

- 2,400-2,600 total lots
 - 2,000 single-family residential
 - 600 of 2,000 single-family already developed or being developed
 - 400-600 future higher density lots
 - Villas
 - Townhomes
 - Condos
- 600-800 future multi-family units
- 1,600 total acres
 - 1,000 owned by developer
 - 600 open space (i.e. golf courses)
- 3Q15 housing data
 - 188 annual starts
 - 107 under construction
 - 271 vacant developed lots
 - \$300K-\$740K
- 191 current students
 - 148 Elementary students
 - 24 Middle school students
 - 19 High school students
- Current student yield= .36
- Matthews Southwest Development
- Prestwick Academy



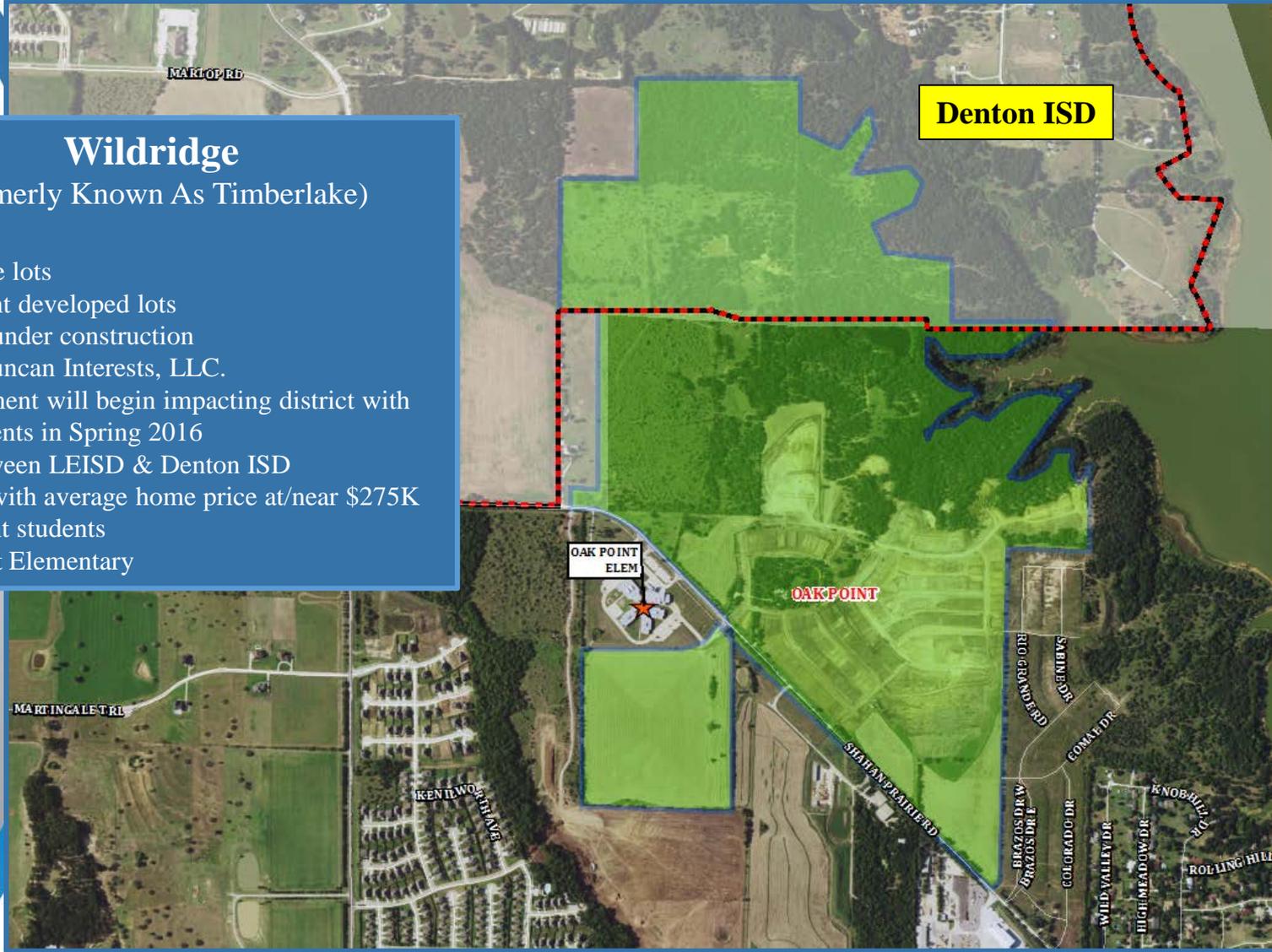
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Active Development

Wildridge – Town of Oak Point



Wildridge
(Formerly Known As Timberlake)

- 745 future lots
- 167 vacant developed lots
- 5 homes under construction
- Taylor-Duncan Interests, LLC.
- Development will begin impacting district with new students in Spring 2016
- Split between LEISD & Denton ISD
- \$250K+ with average home price at/near \$275K
- No current students
- Oak Point Elementary

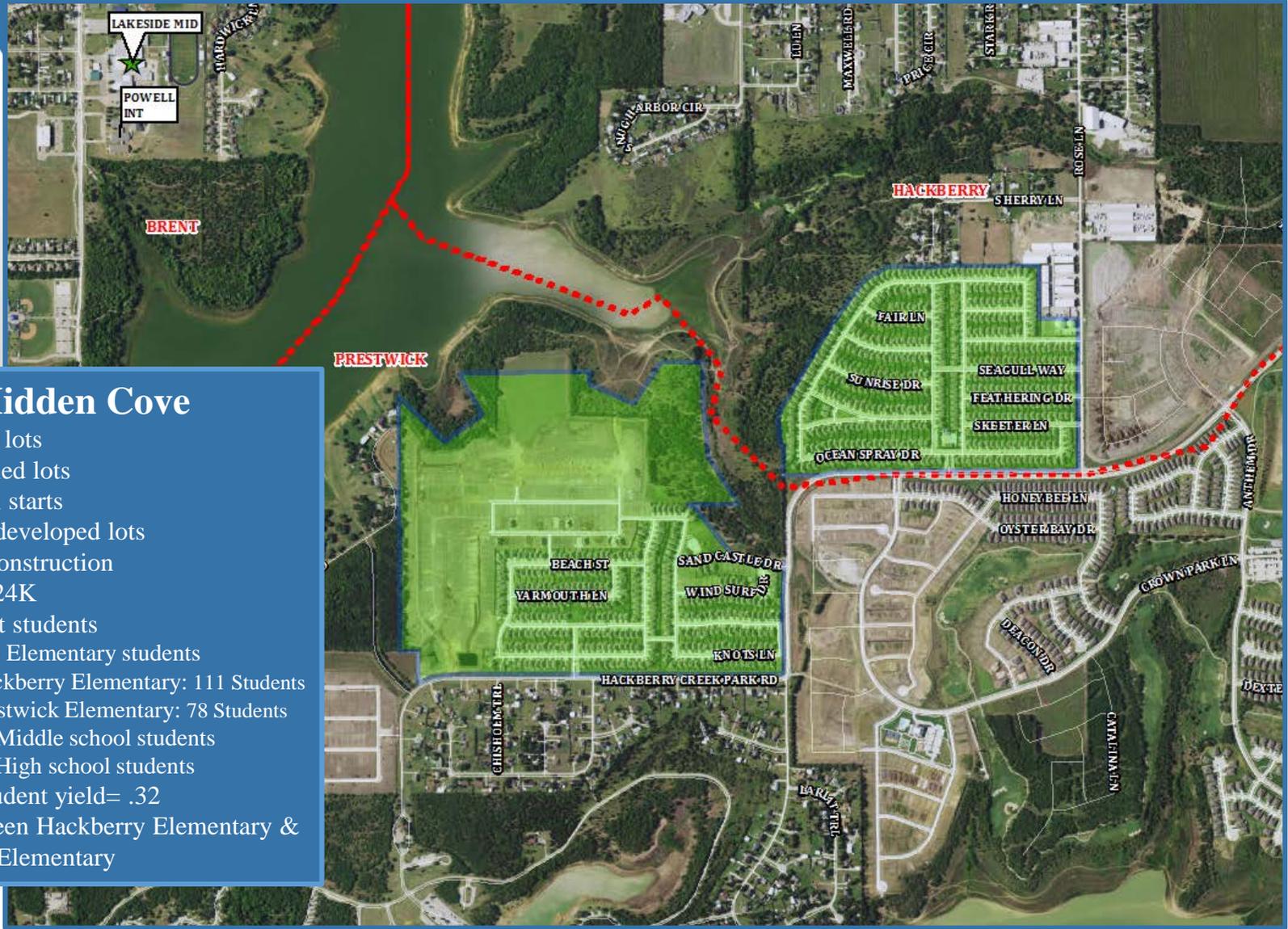
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Active Development

Hidden Cove – City of Frisco



Hidden Cove

- 40 1,299 total lots
- 982 occupied lots
- 230 annual starts
- 91 vacant developed lots
- 70 under construction
- \$246K-\$324K
- 322 current students
 - 189 Elementary students
 - Hackberry Elementary: 111 Students
 - Prestwick Elementary: 78 Students
 - 71 Middle school students
 - 62 High school students
- Current student yield= .32
- Split between Hackberry Elementary & Prestwick Elementary





Future Housing Activity

Valencia on the Lake – Town of Little Elm

Valencia on the Lake

- 1,237 total lots
- Phase I is under construction
- No homes on ground as of 3Q15
- Phase I = 209 lots
- Phase I lot delivery = Spring 2015
- Centurion American Development
- Split between LEISD & Denton ISD
 - Denton ISD = 239 lots
 - LEISD = 998 lots
- No current students
- Lakeview Elementary



Ten Year Forecast

By Grade Level

Year (Oct.)	EE/PK	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Total Growth	% Growth
2011/12	243	549	556	547	514	488	486	496	466	460	479	438	331	353	6,406		
2012/13	201	536	559	534	525	515	478	472	484	461	525	398	379	333	6,400	-6	-0.1%
2013/14	226	512	551	570	537	521	524	483	481	494	611	492	299	336	6,637	237	3.7%
2014/15	224	528	553	567	593	549	545	528	497	500	623	553	388	302	6,950	313	4.7%
2015/16	229	580	543	564	600	576	546	516	522	502	629	614	411	356	7,188	238	3.4%
2016/17	229	598	623	570	588	623	594	535	521	531	633	620	457	390	7,512	324	4.5%
2017/18	229	632	645	644	599	608	638	587	539	525	669	624	462	434	7,835	323	4.3%
2018/19	229	653	672	668	677	616	630	622	594	548	656	660	465	437	8,127	292	3.7%
2019/20	229	672	685	696	685	694	635	616	619	584	690	647	492	432	8,376	249	3.1%
2020/21	229	689	701	706	717	706	714	635	603	629	736	680	482	467	8,694	318	3.8%
2021/22	229	712	734	728	733	743	730	700	632	606	793	726	507	463	9,036	342	3.9%
2022/23	229	734	752	755	748	756	761	719	708	642	764	782	541	487	9,378	342	3.8%
2023/24	229	753	774	776	779	774	773	748	727	718	809	753	583	519	9,715	337	3.6%
2024/25	229	764	791	798	795	801	794	761	757	740	905	798	561	560	10,054	339	3.5%
2025/26	229	780	803	817	816	820	824	782	770	771	932	892	595	539	10,370	316	3.1%

*Yellow box = largest grade per year
*Green box = second largest grade per year

- Little Elm ISD may reach 8,000 students by 2018
- 5 year growth = 1,506 students
- 2020/21 enrollment = 8,694 students
- 10 year growth = 3,182 students
- 2025/26 enrollment = 10,370 students

Ten Year Forecast

By Elementary Campus

Campus	Capacity	HISTORY	Projected	ENROLLMENT PROJECTIONS									
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Brent Elementary	848	627	589	602	605	599	602	601	603	606	613	611	616
Chavez Elementary	914	753	738	746	751	753	741	746	739	740	732	729	732
Hackberry Elementary	848	657	640	674	689	729	766	802	829	852	876	898	922
Lakeview Elementary	782	581	641	686	735	787	839	897	948	977	997	1,015	1,026
Oak Point Elementary	782	616	641	691	746	786	837	900	951	994	1,047	1,097	1,140
Prestwick Elementary (EE-5th)	402	325	389	426	469	491	511	516	539	566	593	622	653
ELEMENTARY SCHOOL TOTAL	4,768	3,559	3,638	3,825	3,995	4,145	4,296	4,462	4,609	4,735	4,858	4,972	5,089
Elementary Absolute Growth		118	79	187	170	150	151	166	147	126	123	114	117
Elementary Percent Growth		3.43%	2.22%	5.14%	4.44%	3.75%	3.64%	3.86%	3.29%	2.73%	2.60%	2.35%	2.35%

*Yellow box = over maximum stated capacity

- Hackberry Elementary may have 700 students by 2018
- Lakeview Elementary and Oak Point Elementary both may be over stated capacity by 2018
- Prestwick Elementary may enroll more than 420 students next fall and more than 500 by 2019



Ten Year Forecast

By Middle School & High School Campus



Campus	Capacity	HISTORY	Projected	ENROLLMENT PROJECTIONS									
				2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
STEM Junior High (6th-8th)	432	343	335	341	334	355	376	413	435	458	462	484	498
Lakeside Middle School	1,512	1,181	1,205	1,246	1,317	1,409	1,443	1,454	1,503	1,611	1,731	1,774	1,825
MIDDLE SCHOOL TOTAL		1,524	1,540	1,587	1,651	1,764	1,819	1,867	1,938	2,069	2,193	2,258	2,323
Middle School Absolute Growth		67	16	47	64	113	55	48	71	131	124	65	65
Middle School Percent Growth		4.60%	1.05%	3.05%	4.03%	6.84%	3.12%	2.64%	3.80%	6.76%	5.99%	2.96%	2.88%
Little Elm High School	1,784	1,866	2,010	2,100	2,189	2,218	2,261	2,365	2,489	2,574	2,664	2,824	2,958
HIGH SCHOOL TOTAL		1,867	2,010	2,100	2,189	2,218	2,261	2,365	2,489	2,574	2,664	2,824	2,958
High School Absolute Growth		128	143	90	89	29	43	104	124	85	90	160	134
High School Percent Growth		7.36%	7.66%	4.48%	4.24%	1.32%	1.94%	4.60%	5.24%	3.42%	3.50%	6.01%	4.75%
DISTRICT TOTAL		6,950	7,188	7,512	7,835	8,127	8,376	8,694	9,036	9,378	9,715	10,054	10,370
District Absolute Growth		313	238	324	323	292	249	318	342	342	337	339	316
District Percent Growth		4.72%	3.42%	4.51%	4.30%	3.73%	3.06%	3.80%	3.93%	3.78%	3.59%	3.49%	3.14%

- Little Elm High School may have more than 2,100 students by next fall, and more than 2,200 by 2018
- Little Elm ISD is expected to grow by 4.5% next fall, adding 320 students





Summary

- The city of Little Elm has one of the lowest unemployment percentages in the state at just 2.7%
- DFW continues to be a leader in job and population growth with 98,700 jobs created over the last 12 months.
- Prestwick and Hackberry elementary zones continue to have the highest activity of new home starts representing more than 75% of the total annual starts for the district.
- LEISD can expect an increase of approximately 1,500 students during the next 5 years.
- 2020/21 enrollment projection: 8,694.
- Little Elm ISD is projected to have over 10,300 students for the 2025/26 school year.

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Housing Analysis

Prepared for Templeton Demographics
Little Elm ISD

Dallas/Ft. Worth

3Q15

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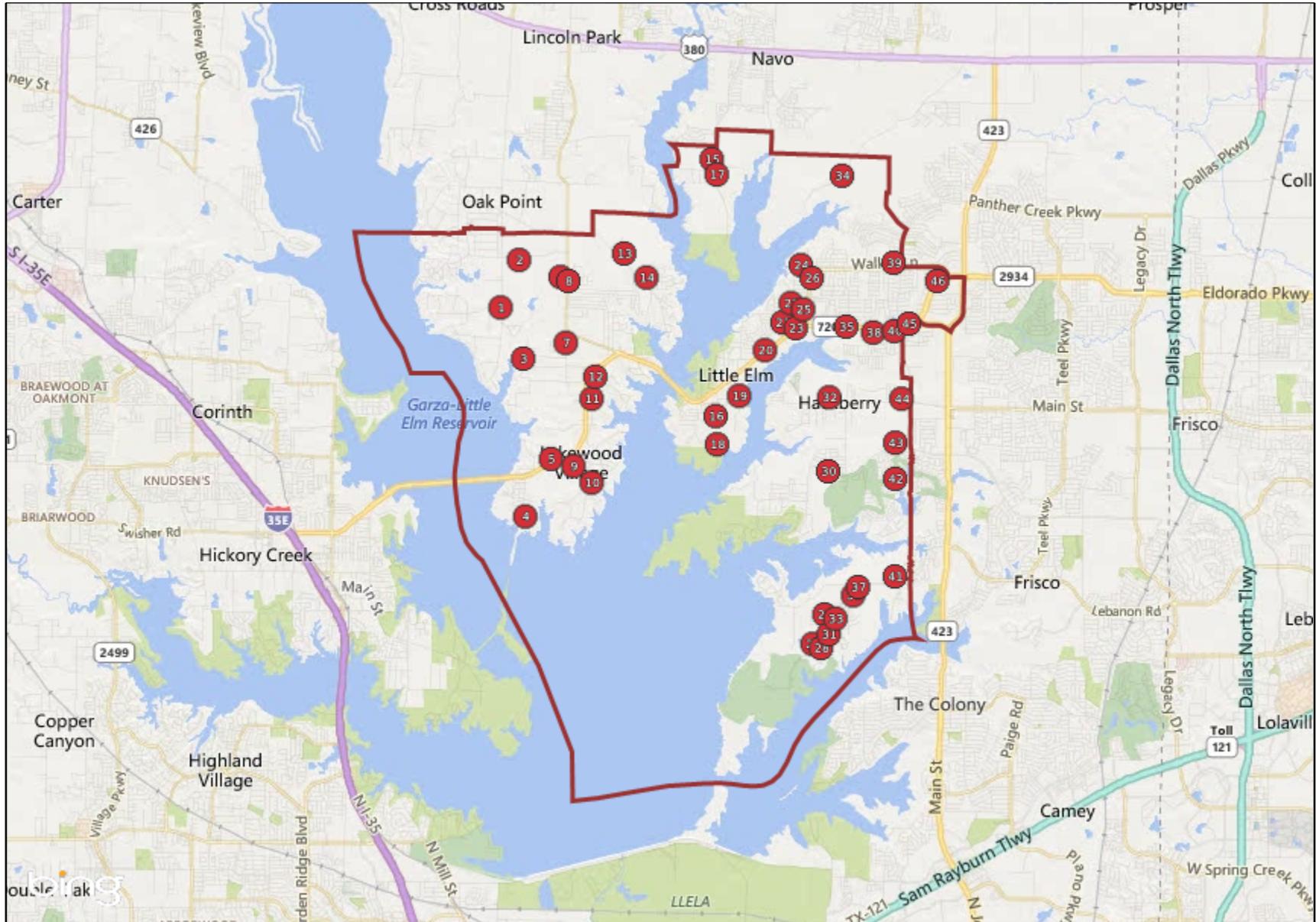
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Area of Interest

Little Elm ISD



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Current Activity and Profile Report

Little Elm ISD

Sorted by Subdivision

Map No	Subdivision Name	Sub Area	Status	Lot Size	Price Range	Qtr Starts	Ann Starts	Qtr Clos	Ann Clos	Occ	Inventory			VDL	Future	Total
											Mod	Fin Vac	U/C			
38	Arbor Creek Addition	DNE-LtiElm	BO 4Q08	36'	\$98-\$125	0	0	0	0	83	0	0	0	0	0	83
12	Bay Ridge Estates	DNE-LtiElm	Act 4Q97	175'	\$350-\$1000	0	0	0	4	30	0	0	0	12	0	42
4	Braewood Bay	DONW-DenCo	Act 1Q05	120'	\$510-\$1100	0	1	0	0	5	0	0	1	5	0	11
43	Church Property	DNE-Frisco	Future	55'-74'	\$0-\$0	0	0	0	0	0	0	0	0	354	354	
19	Cottonwood Point	DNE-LtiElm	BO 4Q11	80'-95'	\$127-\$380	0	0	0	0	107	0	0	0	0	0	107
1	Eagles Landing (Oak Point)	DONW-OakPt	Act 4Q94	143'	\$350-\$650	0	1	0	1	91	0	0	0	25	0	116
46	Eldorado Estates West	DNE-LtiElm	BO 4Q12	62'-65'	\$130-\$316	0	0	0	0	715	0	0	0	0	0	715
42	Frisco Lakes (LEISD)	DNE-Frisco	Act 2Q06	45'-70'	\$190-\$389	64	169	41	172	1,234	0	6	65	291	925	2,521
3	Gates at Waters Edge	DONW-OakPt	Act 2Q08	117'-175'	\$700-\$1000	1	2	0	2	7	0	0	1	51	0	59
40	Glen Cove	DNE-LtiElm	BO 4Q05	52'-60'	\$124-\$199	0	0	0	0	373	0	0	0	0	0	373
30	Hidden Cove (Denton Co)	DONW-DenCo	Act 2Q06	45'-55'	\$223-\$325	64	230	49	158	1,010	3	45	70	91	80	1,299
21	Hillside South	DNE-LtiElm	BO 4Q00	60'	\$88-\$125	0	0	0	0	61	0	0	0	0	0	61
6	Hunter's Ridge Estates	DONW-OakPt	Act 4Q07	190'	\$599-\$799	0	0	0	0	5	0	0	0	11	0	16
44	King's Crossing	DNE-LtiElm	BO 1Q07	50'	\$130-\$221	0	0	0	0	280	0	0	0	0	0	280
16	Lakes of Little Elm	DNE-LtiElm	BO 4Q00	60'	\$86-\$129	0	0	0	0	195	0	0	0	0	0	195
23	Lakeside	DNE-LtiElm	BO 4Q05	60'	\$115-\$165	0	0	0	0	42	0	0	0	0	0	42
22	Lakeside II	DNE-LtiElm	BO 4Q07	60'	\$100-\$168	0	0	0	0	183	0	0	0	0	0	183
9	Lakeview Estates (Lakewood	DNE-LkwdVil	Future	246'	\$0-\$0	0	0	0	0	0	0	0	0	0	4	4
20	Lakewood Estates (Little Elm)	DNE-LtiElm	BO 1Q15	60'	\$130-\$211	0	1	0	13	394	0	0	0	0	0	394
25	Mariner Point	DNE-LtiElm	BO 4Q02	50'	\$99-\$142	0	0	0	0	265	0	0	0	0	0	265
17	Northlake Estates (Little Elm)	DNE-LtiElm	Future	70'-80'	\$0-\$0	0	0	0	0	0	0	0	0	254	254	
15	Paloma Creek South (LEISD)	DONW-DenCo	Act 3Q05	40'-50'	\$217-\$299	47	85	17	31	332	0	14	48	96	372	862
2	Prestonwood Polo and Country	DONW-OakPt	Future	400'	\$0-\$0	0	0	0	0	0	0	0	0	22	22	
32	Rivendale by the Lake	DONW-DenCo	Act 1Q14	50'	\$235-\$301	71	154	46	88	88	2	8	87	170	350	705
26	Robinson Ridge (Little Elm)	DNE-LtiElm	BO 2Q06	60'-68'	\$115-\$197	0	0	0	0	556	0	0	0	0	0	556
5	Rustic Oaks Estates	DNE-LtiElm	BO 4Q01	166'	\$400-\$900	0	0	0	0	4	0	0	0	0	0	4

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Current Activity and Profile Report

Little Elm ISD

Sorted by Subdivision

Map No	Subdivision Name	Sub Area	Status	Lot Size	Price Range	Qtr Starts	Ann Starts	Qtr Clos	Ann Clos	Occ	Inventory			VDL	Future	Total
											Mod	Fin Vac	U/C			
14	Shahan Lakeview Addition	DONW-OakPt	Future	50'-100'	\$0-\$0	0	0	0	0	0	0	0	0	0	379	379
18	Shell Beach	DNE-LtiElm	Act 2Q98	80'-120'	\$163-\$1000	0	1	0	2	76	0	0	1	10	0	87
10	Shores of Lakewood Village	DNE-LtiElm	Act 2Q98	144'-150'	\$350-\$1500	0	1	0	2	77	0	0	1	25	0	103
24	Stardust Ranch	DNE-LtiElm	BO 3Q12	60'-75'	\$145-\$226	0	0	0	0	342	0	0	0	0	0	342
11	Sunrise Bay	DNE-LkwdVil	Act 2Q96	140'	\$350-\$1000	0	0	0	1	110	0	0	2	67	0	179
39	Sunset Pointe (LEISD)	DNE-LtiElm	Act 2Q04	50'-77'	\$197-\$326	18	45	10	68	997	2	0	19	26	0	1,044
29	Tribute/Aberdeen	DNW-Colony	Act 2Q07	50'	\$328-\$679	25	62	20	27	196	2	9	32	27	0	266
28	Tribute/Balmerino	DNW-Colony	Act 2Q07	90'	\$325-\$850	0	6	3	15	98	0	0	0	1	30	129
36	Tribute/Gardens	DNW-Colony	Act 2Q07	50'	\$342-\$490	6	18	3	15	65	1	0	7	57	0	130
31	Tribute/Glen	DNW-Colony	Act 2Q07	77'-85'	\$500-\$720	22	43	1	17	81	2	8	28	38	0	157
33	Tribute/Lochs	DNW-Colony	Act 2Q07	60'-90'	\$379-\$547	5	13	3	13	77	1	4	6	46	91	225
37	Tribute/Stonehaven	DNW-Colony	Act 3Q14	50'-60'	\$357-\$448	19	22	0	0	0	2	2	20	92	62	178
27	Tribute/Tullamore Meadows	DNW-Colony	Act 4Q14	60'	\$427-\$517	12	24	7	7	7	0	3	14	10	0	34
34	Valencia on the Lake	DNE-LtiElm	Act 2Q15	40'-100'	\$290-\$435	0	0	0	0	0	0	0	0	210	1,027	1,237
45	Villages of Woodlake	DNE-LtiElm	BO 4Q06	50'-65'	\$94-\$197	0	0	0	0	1,032	0	0	0	0	0	1,032
41	Waterstone (LEISD)	DNE-Frisco	Act 3Q12	70'	\$345-\$447	5	20	1	34	77	1	1	9	5	0	93
7	Wellington Trace	DONW-OakPt	Act 1Q04	60'-65'	\$221-\$299	25	43	6	14	119	1	2	27	27	0	176
13	Wildridge (Oak Point)	DONW-OakPt	Act 3Q15	50'-70'	\$260-\$400	5	5	0	0	0	0	0	5	167	745	917
8	Woodridge Est (Oak Point)	DONW-OakPt	Act 1Q05	64'-106'	\$215-\$285	0	9	4	24	237	0	0	0	116	126	479
35	Wynfield Farms	DNE-LtiElm	BO 1Q05	50'-52'	\$100-\$156	0	0	0	0	530	0	0	0	0	0	530
Selection Totals						389	955	211	708	10,181	17	102	443	1,676	4,821	17,240

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Quarterly Activity & Inventory Report

Little Elm ISD Sorted By Subdivision

Subdivision Name (Map No)	Sub Area	Price Range	Lot Size	Status	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	Ann. Rates/ *Inv. Supply	
Arbor Creek Addition (38) \$98-\$125 36'	DNE-LtlElm BO 4Q08	Starts			0	0	0	0	0	0	0	0	0	0	
		Closings			0	0	0	0	0	0	0	0	0	0	0
		Housing Inv			0	0	0	0	0	0	0	0	0	0	0.0
		VDL Inv			0	0	0	0	0	0	0	0	0	0	0.0
Bay Ridge Estates (12) \$350-\$1000 175'	DNE-LtlElm Act 4Q97	Starts			0	0	0	3	1	0	0	0	0	0	
		Closings			0	0	0	0	0	1	2	1	0	4	
		Housing Inv			0	0	0	3	4	3	1	0	0	0	0.0
		VDL Inv			16	16	16	13	12	12	12	12	12	12	n/a
Braewood Bay (4) \$510-\$1100 120' <i>Braewood Custom Homes/Parkway Custom Homes</i>	DONW-DenCo Act 1Q05	Starts			0	0	0	1	0	0	0	1	0	1	
		Closings			0	0	0	1	0	0	0	0	0	0	
		Housing Inv			0	0	0	0	0	0	0	0	1	1	n/a
		VDL Inv			7	7	7	6	6	6	6	5	5	5	60.0 mos
Church Property (43) \$0-\$0 55'-74'	DNE-Frisco Future	Starts			0	0	0	0	0	0	0	0	0	0	
		Closings			0	0	0	0	0	0	0	0	0	0	
		Housing Inv			0	0	0	0	0	0	0	0	0	0	0.0
		VDL Inv			0	0	0	0	0	0	0	0	0	0	0.0
Cottonwood Point (19) \$127-\$380 80'-95'	DNE-LtlElm BO 4Q11	Starts			0	0	0	0	0	0	0	0	0	0	
		Closings			0	0	0	0	0	0	0	0	0	0	
		Housing Inv			0	0	0	0	0	0	0	0	0	0	0.0
		VDL Inv			0	0	0	0	0	0	0	0	0	0	0.0
Eagles Landing (Oak) (1) \$350-\$650 143'	DONW-OakPt Act 4Q94	Starts			0	0	0	1	0	1	0	0	0	1	
		Closings			0	0	0	0	1	0	0	1	0	1	
		Housing Inv			0	0	0	1	0	1	1	0	0	0	0.0
		VDL Inv			27	27	27	26	26	25	25	25	25	25	300.0 mos
Eldorado Estates Wes (46) \$130-\$316 62'-65'	DNE-LtlElm BO 4Q12	Starts			0	0	0	0	0	0	0	0	0	0	
		Closings			0	0	0	0	0	0	0	0	0	0	
		Housing Inv			0	0	0	0	0	0	0	0	0	0	0.0
		VDL Inv			0	0	0	0	0	0	0	0	0	0	0.0
Frisco Lakes (LEISD) (42) \$190-\$389 45'-70' <i>Del Webb</i>	DNE-Frisco Act 2Q06	Starts			14	4	24	28	75	12	48	45	64	169	
		Closings			18	10	10	21	29	52	29	50	41	172	
		Housing Inv			13	7	21	28	74	34	53	48	71	5.0 mos	
		VDL Inv			88	84	60	142	234	222	318	355	291	20.7 mos	
Gates at Waters Edge (3) \$700-\$1000 117'-175' <i>Our Country Homes/Outback Custom Homes/Prominent Custom Homes/Summerstone Homes</i>	DONW-OakPt Act 2Q08	Starts			0	0	0	1	0	1	0	0	1	2	
		Closings			0	0	0	0	0	1	0	1	0	2	
		Housing Inv			0	0	0	1	1	1	1	0	1	6.0 mos	
		VDL Inv			12	12	12	11	11	52	52	52	51	306.0 mos	
Glen Cove (40) \$124-\$199 52'-60'	DNE-LtlElm BO 4Q05	Starts			0	0	0	0	0	0	0	0	0	0	
		Closings			0	0	0	0	0	0	0	0	0	0	
		Housing Inv			0	0	0	0	0	0	0	0	0	0	0.0
		VDL Inv			0	0	0	0	0	0	0	0	0	0	0.0

Dallas/Ft. Worth Residential Survey (3Q15)

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*Inventory Supply = Housing Inv/(Annual Closings/12)
Vacant Developed Lot Supply = VDL Inv/(Annual Starts/12)

N/A indicates Inventory is present but cannot calculate months of supply without starts or closings (see above).

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Sales: 1-800-227-8839

Quarterly Activity & Inventory Report

Little Elm ISD

Sorted By Subdivision

Subdivision Name (Map No)	Sub Area	Price Range	Lot Size	Status	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	Ann. Rates/ *Inv. Supply
Hidden Cove (Denton (30)) \$223-\$325 45'-55' Gehan Homes/Holiday Builders/Lennar Homes	DONW-DenCo			Starts	27	22	29	9	45	53	17	96	64	230
	Act 2Q06			Closings	57	26	29	31	8	25	39	45	49	158
				Housing Inv	35	31	31	9	46	74	52	103	118	9.0 mos
				VDL Inv	25	58	29	69	176	123	251	155	91	4.7 mos
Hillside South (21) \$88-\$125 60'	DNE-LtlElm			Starts	0	0	0	0	0	0	0	0	0	0
	BO 4Q00			Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Hunter's Ridge Estat (6) \$599-\$799 190' Custom Builders	DONW-OakPt			Starts	0	0	0	0	0	0	0	0	0	0
	Act 4Q07			Closings	0	0	1	0	0	0	0	0	0	0
				Housing Inv	1	1	0	0	0	0	0	0	0	0.0
				VDL Inv	11	11	11	11	11	11	11	11	11	n/a
King's Crossing (44) \$130-\$221 50'	DNE-LtlElm			Starts	0	0	0	0	0	0	0	0	0	0
	BO 1Q07			Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Lakes of Little Elm (16) \$86-\$129 60'	DNE-LtlElm			Starts	0	0	0	0	0	0	0	0	0	0
	BO 4Q00			Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Lakeside (23) \$115-\$165 60'	DNE-LtlElm			Starts	0	0	0	0	0	0	0	0	0	0
	BO 4Q05			Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Lakeside II (22) \$100-\$168 60'	DNE-LtlElm			Starts	0	0	0	0	0	0	0	0	0	0
	BO 4Q07			Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Lakeview Estates (La (9)) \$0-\$0 246'	DNE-LkwdVil			Starts	0	0	0	0	0	0	0	0	0	0
	Future			Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Lakewood Estates (Li (20)) \$130-\$211 60'	DNE-LtlElm			Starts	3	8	6	15	8	1	0	0	0	1
	BO 1Q15			Closings	4	3	2	15	11	12	1	0	0	13
				Housing Inv	6	11	15	15	12	1	0	0	0	0.0
				VDL Inv	38	30	24	8	1	0	0	0	0	0.0
Mariner Point (25) \$99-\$142 50'	DNE-LtlElm			Starts	0	0	0	0	0	0	0	0	0	0
	BO 4Q02			Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Northlake Estates (L (17)) \$0-\$0 70'-80'	DNE-LtlElm			Starts	0	0	0	0	0	0	0	0	0	0
	Future			Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0

Dallas/Ft. Worth Residential Survey (3Q15)

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Sales: 1-800-227-8839

*Inventory Supply = Housing Inv/(Annual Closings/12)
Vacant Developed Lot Supply = VDL Inv/(Annual Starts/12)

N/A indicates Inventory is present but cannot calculate months of supply without starts or closings (see above).

Quarterly Activity & Inventory Report

Little Elm ISD

Sorted By Subdivision

Subdivision Name (Map No)	Sub Area	Price Range	Lot Size	Status	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	Ann. Rates/ *Inv. Supply
Paloma Creek South (15)	DONW-DenCo	\$217-\$299	40'-50'	Starts	0	0	0	0	8	7	14	17	47	85
				Closings	2	0	0	0	0	5	6	3	17	31
<i>D.R. Horton Homes/Megatel Homes</i>				Housing Inv	0	0	0	0	8	10	18	32	62	24.0 mos
				VDL Inv	0	0	0	48	40	33	83	66	96	13.6 mos
Prestonwood Polo and (2)	DONW-OakPt	\$0-\$0	400'	Starts		0	0	0	0	0	0	0	0	0
				Closings		0	0	0	0	0	0	0	0	0
				Housing Inv		0	0	0	0	0	0	0	0	0.0
				VDL Inv		0	0	0	0	0	0	0	0	0.0
Rivendale by the Lak (32)	DONW-DenCo	\$235-\$301	50'	Starts	0	0	0	6	25	4	49	30	71	154
				Closings	0	0	0	0	0	4	16	22	46	88
<i>D.R. Horton Homes</i>				Housing Inv	0	0	0	6	31	31	64	72	97	13.2 mos
				VDL Inv	0	0	120	114	89	210	161	131	170	13.2 mos
Robinson Ridge (Litt (26)	DNE-LtlElm	\$115-\$197	60'-68'	Starts	0	0	0	0	0	0	0	0	0	0
				Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Rustic Oaks Estates (5)	DNE-LtlElm	\$400-\$900	166'	Starts	0	0	0	0	0	0	0	0	0	0
				Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Shahan Lakeview Addi (14)	DONW-OakPt	\$0-\$0	50'-100'	Starts	0	0	0	0	0	0	0	0	0	0
				Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Shell Beach (18)	DNE-LtlElm	\$163-\$1000	80'-120'	Starts	0	0	0	1	1	1	0	0	0	1
				Closings	0	1	0	0	0	1	0	1	0	2
<i>Anderson Sargent Custom Builder</i>				Housing Inv	1	0	0	1	2	2	2	1	1	6.0 mos
				VDL Inv	13	13	13	12	11	10	10	10	10	120.0 mos
Shores of Lakewood V (10)	DNE-LtlElm	\$350-\$1500	144'-150'	Starts	0	1	0	1	1	0	1	0	0	1
				Closings	0	0	0	0	1	1	0	1	0	2
<i>Brent CH</i>				Housing Inv	0	1	1	2	2	1	2	1	1	6.0 mos
				VDL Inv	29	28	28	27	26	26	25	25	25	300.0 mos
Stardust Ranch (24)	DNE-LtlElm	\$145-\$226	60'-75'	Starts	0	0	0	0	0	0	0	0	0	0
				Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Sunrise Bay (11)	DNE-LkwdVil	\$350-\$1000	140'	Starts	0	1	0	2	1	0	0	0	0	0
				Closings	0	0	0	1	0	1	0	0	0	1
<i>Alan Hoffman Company/Kenneth Graham</i>				Housing Inv	0	1	1	2	3	2	2	2	2	24.0 mos
<i>Custom Homes/Knight CH/Villa Custom Homes</i>				VDL Inv	71	70	70	68	67	67	67	67	67	n/a

Dallas/Ft. Worth Residential Survey (3Q15)

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*Inventory Supply = Housing Inv/(Annual Closings/12)
Vacant Developed Lot Supply = VDL Inv/(Annual Starts/12)

N/A indicates Inventory is present but cannot calculate months of supply without starts or closings (see above).

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Sales: 1-800-227-8839

Quarterly Activity & Inventory Report

Little Elm ISD Sorted By Subdivision

Subdivision Name (Map No)	Sub Area	Price Range	Lot Size	Status	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	Ann. Rates/ *Inv. Supply
Sunset Pointe (LEISD) (39)	DNE-LtlElm			Starts	23	34	23	31	21	17	7	3	18	45
\$197-\$326	50'-77'	Act 2Q04		Closings	36	29	24	28	29	28	14	16	10	68
<i>Dunhill Homes/Meritage Homes</i>				Housing Inv	45	50	49	52	44	33	26	13	21	3.7 mos
				VDL Inv	180	146	123	92	71	54	47	44	26	6.9 mos
Tribute/Aberdeen (29)	DNW-Colony			Starts	13	9	11	9	1	1	5	31	25	62
\$328-\$679	50'	Act 2Q07		Closings	13	14	7	7	11	1	6	0	20	27
<i>American Legend Homes/Belclaire Companies/Highland Homes</i>				Housing Inv	17	12	16	18	8	8	7	38	43	19.1 mos
				VDL Inv	31	22	11	2	1	88	83	52	27	5.2 mos
Tribute/Balmerino (28)	DNW-Colony			Starts	19	8	8	1	7	3	3	0	0	6
\$325-\$850	90'	Act 2Q07		Closings	9	12	8	13	6	4	4	4	3	15
<i>Sanders Custom Homes</i>				Housing Inv	24	20	20	8	9	8	7	3	0	0.0
				VDL Inv	32	24	16	14	7	4	1	1	1	2.0 mos
Tribute/Gardens (36)	DNW-Colony			Starts	3	1	4	0	3	9	2	1	6	18
\$342-\$490	50'	Act 2Q07		Closings	5	7	2	3	2	2	2	8	3	15
<i>Grand Homes/Reflection Homes</i>				Housing Inv	11	5	7	4	5	12	12	5	8	6.4 mos
				VDL Inv	50	49	45	45	42	34	32	34	57	38.0 mos
Tribute/Glen (31)	DNW-Colony			Starts	7	5	4	1	9	5	2	14	22	43
\$500-\$720	77'-85'	Act 2Q07		Closings	3	5	9	3	3	5	8	3	1	17
<i>Darling Homes/Highland Homes/Reflection Homes/S Clements Homes</i>				Housing Inv	13	13	8	6	12	12	6	17	38	26.8 mos
				VDL Inv	29	24	20	19	11	77	75	60	38	10.6 mos
Tribute/Lochs (33)	DNW-Colony			Starts	7	3	9	1	4	3	4	1	5	13
\$379-\$547	60'-90'	Act 2Q07		Closings	2	3	6	4	2	3	6	1	3	13
<i>Grand Homes/Reflection Homes</i>				Housing Inv	9	9	12	9	11	11	9	9	11	10.2 mos
				VDL Inv	28	74	65	64	60	56	52	51	46	42.5 mos
Tribute/Stonehaven (37)	DNW-Colony			Starts	0	0	0	0	2	0	0	3	19	22
\$357-\$448	50'-60'	Act 3Q14		Closings	0	0	0	0	0	0	0	0	0	0
<i>Meritage Homes</i>				Housing Inv	0	0	0	0	2	2	2	5	24	n/a
				VDL Inv	0	0	0	0	114	114	114	111	92	50.2 mos
Tribute/Tullamore Me (27)	DNW-Colony			Starts	0	0	0	0	0	0	5	7	12	24
\$427-\$517	60'	Act 4Q14		Closings	0	0	0	0	0	0	0	0	7	7
<i>American Legend Homes</i>				Housing Inv	0	0	0	0	0	0	5	12	17	29.1 mos
				VDL Inv	0	0	0	0	34	29	22	10	10	5.0 mos
Valencia on the Lake (34)	DNE-LtlElm			Starts	0	0	0	0	0	0	0	0	0	0
\$290-\$435	40'-100'	Act 2Q15		Closings	0	0	0	0	0	0	0	0	0	0
<i>Kaden Homes/Megateel Homes/Ryland Homes</i>				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	210	210	n/a
Villages of Woodlake (45)	DNE-LtlElm			Starts	0	0	0	0	0	0	0	0	0	0
\$94-\$197	50'-65'	BO 4Q06		Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Waterstone (LEISD) (41)	DNE-Frisco			Starts	15	8	11	9	18	8	3	4	5	20
\$345-\$447	70'	Act 3Q12		Closings	4	6	11	11	11	8	14	11	1	34
<i>Meritage Homes</i>				Housing Inv	18	20	20	18	25	25	14	7	11	3.9 mos
				VDL Inv	71	63	52	43	25	17	14	10	5	3.0 mos

Dallas/Ft. Worth Residential Survey (3Q15)

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*Inventory Supply = Housing Inv/(Annual Closings/12)
Vacant Developed Lot Supply = VDL Inv/(Annual Starts/12)

N/A indicates Inventory is present but cannot calculate months of supply without starts or closings (see above).

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Sales: 1-800-227-8839
A Hanleywood Company

Quarterly Activity & Inventory Report

Little Elm ISD

Sorted By Subdivision

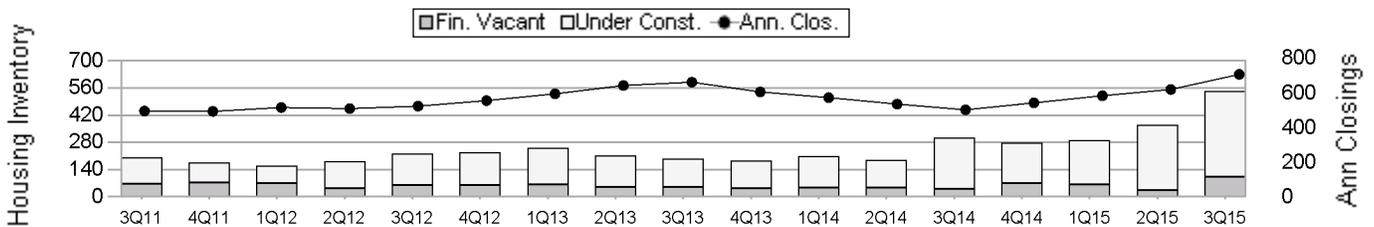
Subdivision Name (Map No)	Sub Area	Price Range	Lot Size	Status	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	Ann. Rates/ *Inv. Supply
Wellington Trace (7)	DONW-OakPt			Starts	0	0	0	1	0	5	5	8	25	43
\$221-\$299		60'-65'		Act 1Q04 Closings	1	0	0	0	0	0	0	8	6	14
<i>Bloomfield Homes/Classic Urban Homes</i>				Housing Inv	0	0	0	1	1	6	11	11	30	25.7 mos
				VDL Inv	5	5	5	3	70	65	60	52	27	7.5 mos
Wildridge (Oak Point (13))	DONW-OakPt			Starts	0	0	0	0	0	0	0	0	5	5
\$260-\$400		50'-70'		Act 3Q15 Closings	0	0	0	0	0	0	0	0	0	0
<i>Highland Homes/K. Hovnanian Homes/Plantation Homes</i>				Housing Inv	0	0	0	0	0	0	0	0	5	n/a
				VDL Inv	0	0	0	0	0	0	0	0	167	400.8 mos
Woodridge Est (Oak P (8))	DONW-OakPt			Starts	10	5	7	5	10	7	2	0	0	9
\$215-\$285		64'-106'		Act 1Q05 Closings	3	4	5	8	10	6	8	6	4	24
<i>Megatel Homes</i>				Housing Inv	15	16	18	15	15	16	10	4	0	0.0
				VDL Inv	37	32	25	20	10	3	1	112	116	154.7 mos
Wynfield Farms (35)	DNE-LtlElm			Starts	0	0	0	0	0	0	0	0	0	0
\$100-\$156		50'-52'		BO 1Q05 Closings	0	0	0	0	0	0	0	0	0	0
				Housing Inv	0	0	0	0	0	0	0	0	0	0.0
				VDL Inv	0	0	0	0	0	0	0	0	0	0.0
Selection Totals				Starts	141	109	136	126	240	138	167	261	389	955
				Closings	157	120	114	146	124	160	155	182	211	708
				Housing Inv	208	197	219	199	315	293	305	384	562	9.5 mos
				VDL Inv	800	795	779	857	1,121	1,343	1,529	1,673	1,676	21.1 mos

Historical Housing Activity Summary

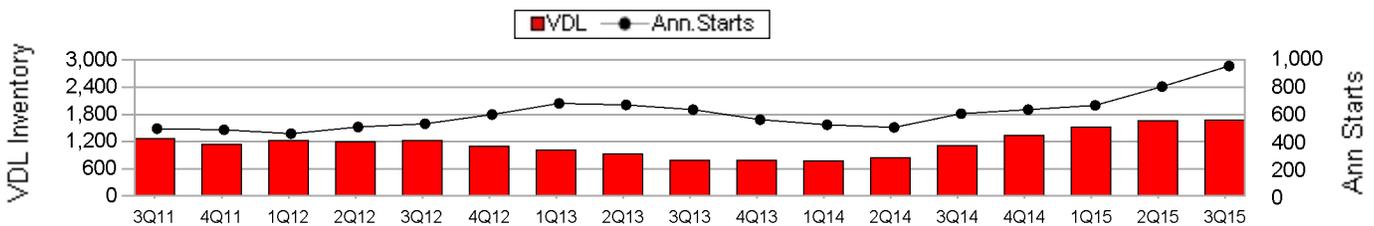
Little Elm ISD

Qtr	Qtr Clos	Ann Clos	Model	FinVac	UC	Total Inv	Total Supply	Qtr Starts	Ann Starts	VDL	VDL Supply	Fut Lots	Ann Lot Deliv
3Q11	124	497	15	66	137	218	5.3	152	503	1,266	30.2	5,740	151
4Q11	144	495	13	74	101	188	4.6	114	495	1,148	27.8	5,905	141
1Q12	108	517	14	69	90	173	4.0	93	467	1,224	31.5	5,740	240
2Q12	135	511	12	45	137	194	4.6	156	515	1,196	27.9	5,608	365
3Q12	138	525	10	60	161	231	5.3	175	538	1,232	27.5	5,398	504
4Q12	176	557	9	59	168	236	5.1	181	605	1,103	21.9	5,307	560
1Q13	147	596	10	63	189	262	5.3	173	685	1,014	17.8	5,677	475
2Q13	183	644	11	52	161	224	4.2	145	674	940	16.7	6,345	418
3Q13	157	663	12	51	145	208	3.8	141	640	800	15.0	6,324	208
4Q13	120	607	12	44	141	197	3.9	109	568	795	16.8	6,199	260
1Q14	114	574	12	46	161	219	4.6	136	531	779	17.6	6,205	296
2Q14	146	537	12	47	140	199	4.4	126	512	857	20.1	6,131	429
3Q14	124	504	13	40	262	315	7.5	240	611	1,121	22.0	5,634	932
4Q14	160	544	15	69	209	293	6.5	138	640	1,343	25.2	5,420	1,188
1Q15	155	585	16	65	224	305	6.3	167	671	1,529	27.3	5,422	1,421
2Q15	182	621	16	35	333	384	7.4	261	806	1,673	24.9	5,183	1,622
3Q15	211	708	17	102	443	562	9.5	389	955	1,676	21.1	4,821	1,510

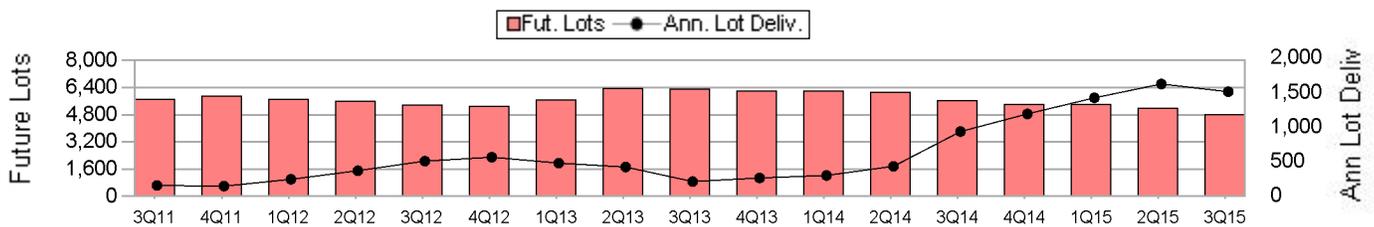
Housing Inventory and Closings By Quarter



Vacant Developed Lots and Starts By Quarter



Future Lots and Deliveries By Quarter



Price Range Analysis

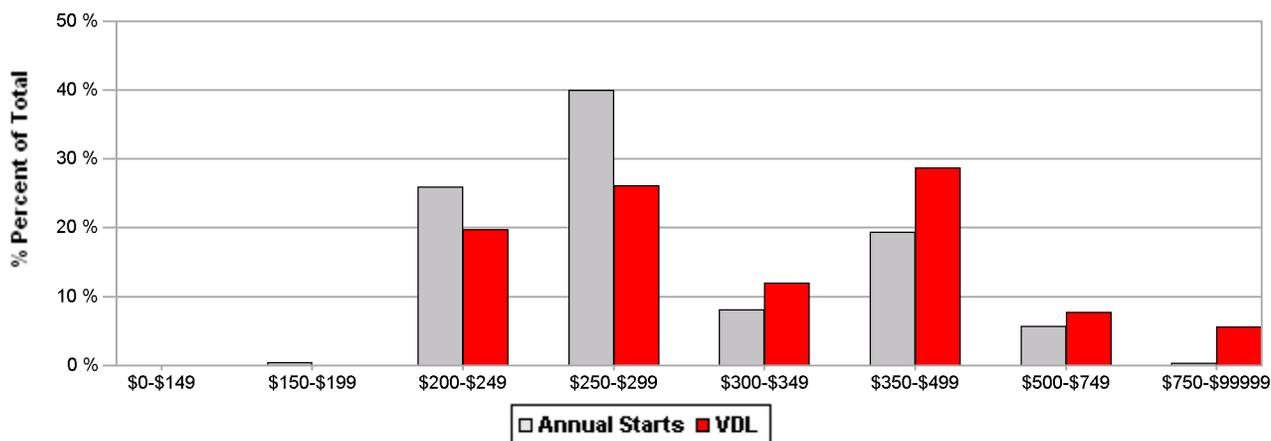
Little Elm ISD

\$0 \$150,000 \$200,000 \$250,000 \$300,000 \$350,000 \$500,000 \$750,000
 \$149,999 \$199,999 \$249,999 \$299,999 \$349,999 \$499,999 \$749,999 \$999,999 *Total

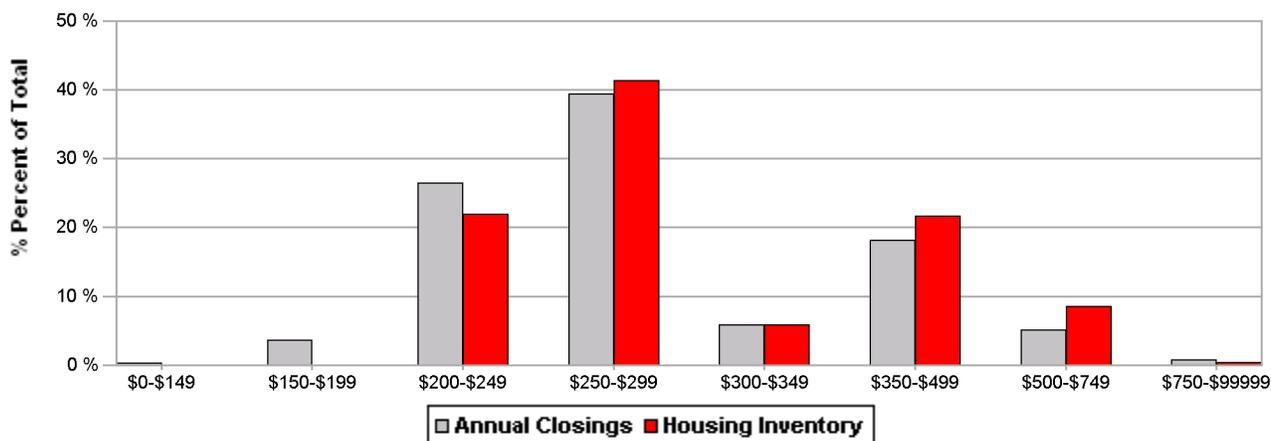
Custom Market Numerical Totals	Ann Starts	0	4	248	382	78	185	55	3	955
	Ann Closings	2	26	187	279	42	129	36	6	708
	Housing Inv	0	0	123	232	33	122	48	3	562
	VDL Inv	0	1	331	438	201	482	130	94	1,676
	Housing Supply (Mos)	-	0.1	7.9	10.0	9.5	11.3	15.9	5.3	9.5
VDL Supply (Mos)	-	1.4	16.0	13.8	30.9	31.3	28.5	353.8	21.1	

Custom Market Percentage Totals	Ann Starts		0.5 %	25.9 %	40.0 %	8.2 %	19.4 %	5.7 %	0.3 %	100 %
	Ann Closings	0.3 %	3.7 %	26.5 %	39.4 %	5.9 %	18.2 %	5.1 %	0.8 %	100 %
	Housing Inv		0.0 %	21.9 %	41.3 %	5.9 %	21.7 %	8.6 %	0.5 %	100 %
	VDL Inv		0.0 %	19.7 %	26.1 %	12.0 %	28.7 %	7.8 %	5.6 %	100 %

Price Range Distribution of Annual Starts vs VDL



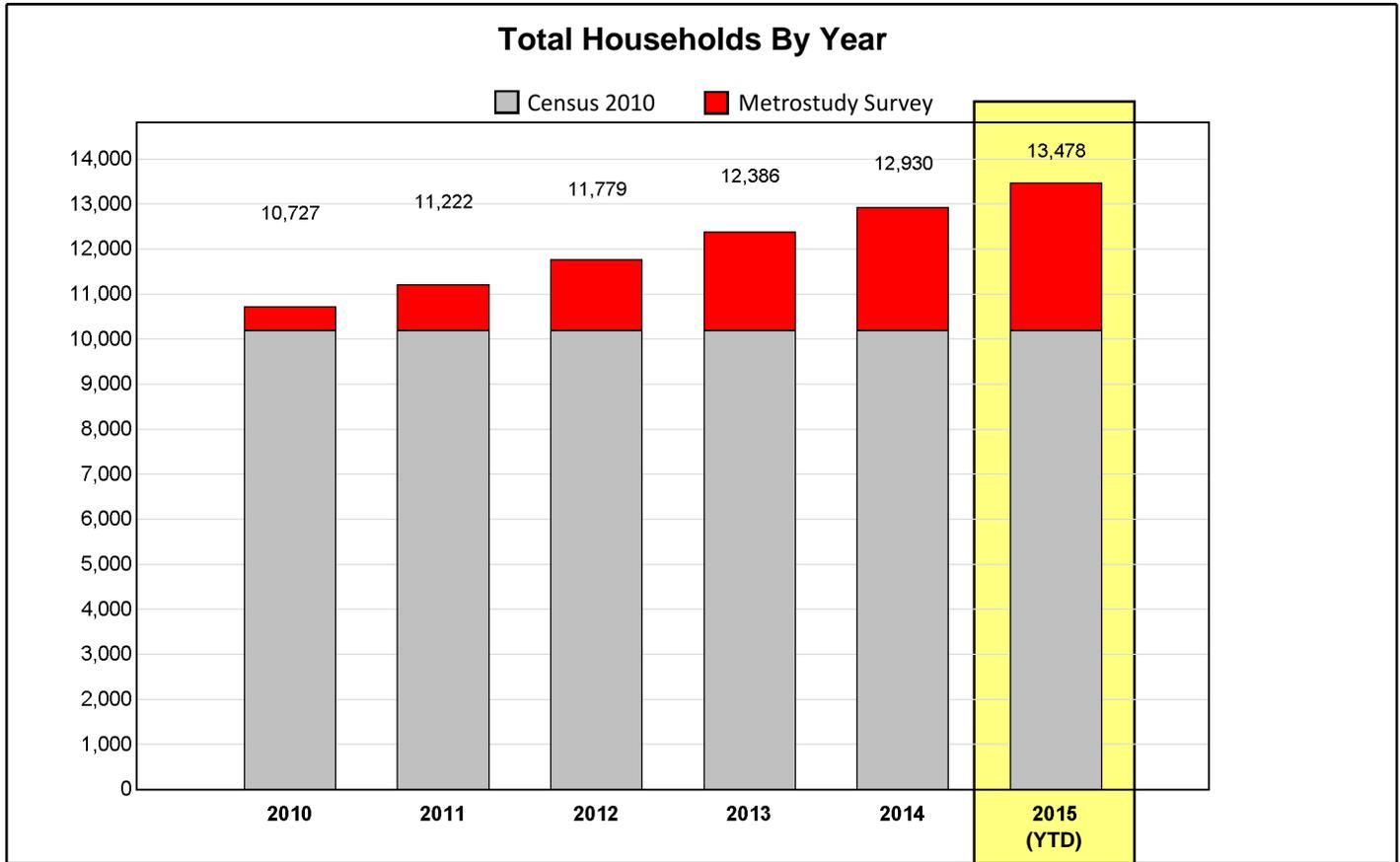
Price Range Distribution of Annual Closings vs Housing Inventory



*Because this report excludes sections without pricing information, the totals may not match those shown on other summary reports.

Household Growth Summary

Little Elm ISD



Household Development Summary								
Source	Selected Subdivisions		Households By Construction Status			Occupied Units	Annual Closings	Potential Households
	Count	Status	Future Lots	Vacant Lots	Housing Inventory			
Census						10,201		
Metrostudy	16	Builtout	0	0	0	312 ¹		
Metrostudy	25	Active	3,808	1,676	562	2,965 ¹		
Metrostudy	5	Future	1,013	0	0	0		
Totals	46		4,821	1,676	562	13,478	708	20,537

1. Cumulative closings since the Year 2010; Occupied units are recorded from onsite surveyor inspections performed during the Metrostudy residential survey. Closings are calculated as the change in occupied units between quarters.

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Discussion Item
12-14-2015	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	ANNUAL FINANCIAL REPORT FOR YEAR ENDED AUGUST 31, 2015				
Presenter or Contact Person:	Grant Anderson, CFO				
Policy/Code:	Accounting Audits - CFC (Legal)				
Summary:	Jerry Eastup with the audit firm Hankins, Eastup, Deaton, Tonn & Seay, PC to present audit report				
Financial Implications:					
Attachments:	1) Auditor Communication Letter 2) Annual Financial Report FY 14-15				
Recommendation:	The Administration recommends approval of the Annual Financial Report for the year ended August 31, 2015 as submitted.				
Motion:	I move that the Board approve the Annual Financial Report for the year ended August 31, 2015 as submitted.				

December 2, 2015

To the Board of Trustees
Little Elm Independent School District
Little Elm, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Little Elm Independent School District (the District) for the year ended August 31, 2015. Professional standards require that we communicate to you the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and OMB Circular A-133

As stated in our engagement letter dated November 2, 2015, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our 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

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter dated November 2, 2015.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. During fiscal year 2015, the District adopted the accounting policies required by GASB #68 relating to the District's pension plan. The adoption of the new standard resulted in a prior period adjustment that reduced beginning government-wide net position by \$7,659,059. No other new accounting policies were adopted and the application of existing policies was not changed during the fiscal year 2015. We noted no transaction entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

Management's estimate of state revenue, depreciation expense, and the allowance for uncollectible property taxes. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the current year misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 2, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Trustees and management of the District and is not intended to be and should not be used by anyone other than these specified parties.



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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT FOR THE
YEAR ENDED AUGUST 31, 2015

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2015

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CERTIFICATE OF BOARD

Little Elm Independent School District
Name of School District

Denton
County

061-914
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 August 31, 2015, at a meeting of the Board of Trustees of such school district on the ____ day of December, 2015.

Signature of Board Secretary

Signature of Board President

Members:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
TEXAS SOCIETY OF CERTIFIED
PUBLIC ACCOUNTANTS

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

CERTIFIED PUBLIC ACCOUNTANTS

902 NORTH LOCUST
P.O. BOX 977
DENTON, TX 76202-0977
TEL (940) 387-8563
FAX (940) 383-4746

Independent Auditors' Report

To the Board of Trustees
Little Elm Independent School District
Little Elm, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Little Elm Independent School District (the District), as of and for the year ended August 31, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Little Elm Independent School District as of August 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 10 to the financial statements, in 2015, the District adopted new accounting guidance prescribed by GASB #68 for its pension plan - a multiple-employer, cost-sharing, defined benefit pension plan that has a special funding situation. Because GASB #68 implements new measurement criteria and reporting provisions, significant information has been added to the Government Wide Statements. Exhibit A-1 discloses the District's Net Pension Liability and some deferred resource outflows and deferred resource inflows related to the District's pension plan. Exhibit B-1 discloses the adjustment to the District's Beginning Net Position. Our opinion is not modified with respect to the matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* on pages 5 through 11 and the Teacher Retirement System schedules on pages 54 and 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Little Elm Independent School District's basic financial statements. The combining and individual nonmajor fund financial statements and the required TEA 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. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, the required TEA schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the required TEA schedules, and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2015 on our consideration of Little Elm Independent School District's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Little Elm Independent School District's internal control over financial reporting and compliance.



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

December 2, 2015

**LITTLE ELM INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2015
(UNAUDITED)**

As management of Little Elm Independent School District, we offer readers of the District's financial statement this narrative overview and analysis of the financial activities of the District for the year ended August 31, 2015. Please read this narrative in conjunction with the independent auditors' report on page 3, and the District's Basic Financial Statements that begin on page 15.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of Little Elm Independent School District exceeded its assets and deferred outflows at the close of the most recent fiscal period by \$5,054,127 (net position). Of this amount, \$(11,361,913) (unrestricted net position) may be used to meet the District's ongoing obligations to citizens and creditors in accordance with the District's fiscal policies.
- The District's total net position increased by \$6,113,472 during the fiscal year from the result of current year operations. The net position decreased by \$7,659,059 due to new standards that required recording of the District's proportionate share of the Teacher Retirement System's net pension liability.
- As of the close of the current fiscal period, the District's governmental funds reported combined ending fund balances of \$31,819,391. 48% of this total amount \$15,235,960 is unassigned and available for use within the District's policies.
- At the end of the current fiscal period, unassigned fund balance for the general fund was \$15,235,960 or 28.6% of the total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 15 through 17). 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 18) 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. For proprietary activities, fund financial statements tell how goods or services of the District were sold to departments within the District or to external customers and how the sales revenues covered the expenses of the goods or services. 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 29) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The combining statements for nonmajor funds contain even more information about the District's individual funds. These are not required by TEA. The sections labeled TEA Required Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

The analysis of the District's overall financial condition and operations begins on page 15. Its primary purpose is to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources at the end of the year while the Statement of Activities includes all revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting (the basis used by private sector companies).

All of the current year's revenues and expenses are taken into account regardless of when 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 tuition received from students from outside the district and grants provided by the U.S. Department of Education to assist children with disabilities or 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. Liabilities are considered regardless of whether they must be paid in the current or future years.

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

In the Statement of Net Position and the Statement of Activities, we divide the District into two kinds of activities:

- Governmental activities—Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.
- Business-type activities—The District charges a fee to “customers” to help it cover all or most of the cost of services it provides in its child care operations.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 18 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-government and proprietary-use different accounting approaches.

- Governmental funds—All of the District's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.

- Proprietary funds—The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. In fact, the District's enterprise funds (one category of propriety funds) are the business-type activities reported in the government-wide statements but containing more detail and additional information, such as cash flows.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for money raised by student activities. The District's fiduciary activity is reported in a separate Statement of Fiduciary Net Position on page 26. 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 this fund are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

In accordance with GASB Statement #34 the following analysis of comparative balances and changes therein is presented for the current and prior year's operations and a discussion of significant changes in the accounts. The analysis focuses on the net position (Table I) and changes in net position (Table II) of the District's governmental activities.

Net position of the District's governmental activities decreased from \$(3,508,540) to \$(5,054,127). Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – was \$(11,361,913) at August 31, 2015. This decrease in governmental net position was the result of the District's revenues exceeding expenses by \$6,113,472 and a prior period adjustment of \$(7,659,059) due to new standards that required recording of the District's proportionate share of the Teacher Retirement System's net pension liability.

Table I
NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2014	2015	2014	2015	2014	2015
Current and other assets	\$ 37,236,378	\$ 37,847,872	\$ 83,387	\$ 43,352	\$ 37,319,765	\$ 37,891,224
Capital assets	141,041,244	139,295,590	113,347	103,218	141,154,591	139,398,808
Total assets	178,277,622	177,143,462	196,734	146,570	178,474,356	177,290,032
Deferred outflows of resources	6,712,506	8,778,914	-	-	6,712,506	8,778,914
Total assets and deferred outflows of resources	184,990,128	185,922,376	196,734	146,570	185,186,862	186,068,946
Long-term liabilities	180,533,040	183,430,837	-	-	180,533,040	183,430,837
Other liabilities	7,965,628	5,477,775	62,442	4,966	8,028,070	5,482,741
Total liabilities	188,498,668	188,908,612	62,442	4,966	188,561,110	188,913,578
Deferred inflows of resources	-	2,067,891	-	-	-	2,067,891
Total liabilities and deferred inflows of resources	-	190,976,503	-	-	-	190,981,469
Net Position:						
Net investment in capital assets	(3,942,150)	(2,194,615)	113,347	103,218	(3,828,803)	(2,091,397)
Restricted	7,005,656	8,502,401	-	-	7,005,656	8,502,401
Unrestricted	(6,572,046)	(11,361,913)	20,945	38,386	(6,551,101)	(11,323,527)
Total net position	\$(3,508,540)	\$(5,054,127)	\$134,292	\$141,604	\$(3,374,248)	\$(4,912,523)

Table II
CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2014	2015	2014	2015	2014	2015
Revenues:						
Program Revenues:						
Charges for services	\$ 1,405,193	\$ 1,619,736	\$582,235	\$599,323	\$ 1,987,428	\$ 2,219,059
Operating grants and contributions	7,566,092	8,325,892	-	-	7,566,092	8,325,892
General Revenues:						
Maintenance and operations taxes	21,877,593	25,054,044	-	-	21,877,593	25,054,044
Debt service taxes	10,515,600	12,019,598	-	-	10,515,600	12,019,598
State aid	22,622,080	24,444,501	-	-	22,622,080	24,444,501
Investment earnings	98,241	93,690	-	-	98,241	93,690
Miscellaneous	178,036	1,368,123	-	-	178,036	1,368,123
Other federal revenue	722,954	802,881	-	-	722,954	802,881
Insurance recovery	2,601,916	51,068	-	-	2,601,916	51,068
Sale of real and personal property	-	53,505	-	-	-	53,505
Total Revenue	67,587,705	73,833,038	582,235	599,323	68,169,940	74,432,361
Expenses:						
Instruction, curriculum and media services	34,141,072	36,497,342	-	-	34,141,072	36,497,342
Instructional and school leadership	4,069,430	4,406,882	-	-	4,069,430	4,406,882
Student support services	3,654,968	4,010,749	-	-	3,654,968	4,010,749
Child nutrition	3,084,262	3,342,361	-	-	3,084,262	3,342,361
Cocurricular activities	2,472,586	2,513,579	-	-	2,472,586	2,513,579
General administration	2,097,686	2,176,094	-	-	2,097,686	2,176,094
Plant maintenance, security & data processing	6,421,420	6,598,861	-	-	6,421,420	6,598,861
Community services	99,755	98,686	-	-	99,755	98,686
Childcare services	-	-	586,630	592,011	586,630	592,011
Debt services	7,960,833	7,812,344	-	-	7,960,833	7,812,344
Intergovernmental charges	248,088	262,668	-	-	248,088	262,668
Total Expenses	64,250,100	67,719,566	586,630	592,011	64,836,730	68,311,577
Increase (decrease) in net position	3,337,605	6,113,472	(4,395)	7,312	3,333,210	6,120,784
Net position at beginning of year	(7,187,594)	(3,508,540)	138,687	134,292	(7,048,907)	(3,374,248)
Prior period adjustment	341,449	(7,659,059)	-	-	341,449	(7,659,059)
Net position at end of year	\$(3,508,540)	\$(5,054,127)	\$134,292	\$141,604	\$(3,374,248)	\$(4,912,523)

The District notes the following highlights for the 2014-2015 school year in response to changes in personnel and continued growth in student enrollment.

- The District maintained its contract with a professional demographer in an effort to plan for future facility needs.
- The District maintained the employer's health insurance contribution of \$225 per month.
- The District operated an Energy Education Plan and an Energy Manager in an effort to conserve energy and reduce energy costs.
- The District maintained its Child Care Program at two campus locations, Hackberry Elementary and Zellars Center, until the end of May 2015. As of June 1, 2015 the program is located at Zellars Center.
- The Board of Trustees approved a property tax rate of \$1.54/\$100 of value (1.04 for M&O and .50 for Debt Service).
- The District maintained an employee induction program for new teachers that provides training and staff development.
- The District increased the existing salary scale that reflected a beginning teacher salary starting at \$45,500 along with an increase to the midpoints of existing staff members of 4%.
- The District maintained its agreement with nearby Denton ISD, allowing high school students to take vocational classes in Denton, and its partnership with North Central Texas College, providing credit and non-credit opportunities for high school students and community residents at our High School location.
- The District maintained its status of "Superior Achievement" according to the Financial Integrity Rating System of Texas.

The cost of all governmental activities for the current fiscal year was \$67,719,566. However, as shown in the Statement of Activities on pages 16 and 17, the amount that our taxpayers ultimately financed for these activities through District taxes was \$37,073,642 because some of the costs were paid by those who directly benefited from the programs (\$1,619,736) or by other governments and organizations that subsidized certain programs with grants and contributions (\$8,325,892) or by State equalization funding (\$24,444,501), or by other federal funding (\$802,881).

THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds (as presented in the balance sheet on page 18) reported a combined fund balance of \$31,819,391, which is \$3,241,483 higher than last year's total of \$28,577,908. Included in this year's total change in fund balance is an increase of \$1,593,620 in the District's General Fund. The primary reason for the General Fund's increase was due to revenues exceeding expenditures.

Over the course of the year, the Board of Trustees revised the District's budget several times. These budget amendments fall into three 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 we estimated in August 2014). The second category includes changes that the Board made during the year to reflect new information regarding revenue sources and expenditure needs. The third category involves amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

The District's General Fund balance of \$23,247,360 reported on page 18 differs from the General Fund's budgetary fund balance of \$19,701,028 reported in the budgetary comparison schedule on page 22. This is principally due to revenues being more than amounts budgeted, and cost savings.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At August 31, 2015, the District had \$139,295,590 invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents a net decrease of \$1,745,654 or 1 percent, below last year.

This year's major additions were building renovations and furniture and equipment purchases.

More detailed information about the District's capital assets is presented in Note 4 to the financial statements.

Debt Administration

At year-end, the District had \$176,670,880 in bonds, leases and a maintenance tax note outstanding (including accreted interest on bonds) versus \$180,533,040 last year—a decrease of 2.14 percent. The District's general obligation bond rating is AAA (as a result of guarantees of the Texas Permanent School Fund), according to national rating agencies.

More detailed information about the District's long-term liabilities is presented in Note 7 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District took actions for 2015-2016 to compensate for some increases in costs and continued increases in enrollment:

- The Board adopted a \$68.5 million appropriations budget including General Operating, Child Nutrition, and Debt Service.
- 2015 Certified Taxable Property Values increased \$275.6 million from \$2,090,301,110 to \$2,365,894,654 from 2014 to 2015.
- Student enrollment increased 234 students from 6,793 to 7,027 students beginning of the school year 2014 to the beginning of the 2015 school year.
- The Board held a tax ratification election to increase tax rate from \$1.54 to \$1.67, AND approved a motion to decrease the debt service rate by \$.13. The public approved the tax ratification election by 80%.
- The Board adopted a total tax rate of \$1.54/\$100 of taxable property value (\$1.17 for M&O and \$.37 for Debt Service).
- The legislature approved and the voters approved an additional \$15,000 homestead exemption.
- The District approved a 5% actual increase in salaries and \$100 additional employee health insurance contribution.
- The District increased the beginning teacher hiring salary scale from \$45,500 to \$48,000.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to 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 Little Elm Independent School District, 300 Lobo Lane, Little Elm, Texas 75068, (972) 947-9340.

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BASIC FINANCIAL STATEMENTS

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
AUGUST 31, 2015

EXHIBIT A-1

Data Control Codes	1	2 Primary Government	3
	Governmental Activities	Business Type Activities	Total
ASSETS			
1110 Cash and Cash Equivalents	\$ 36,278,319	\$ 40,750	\$ 36,319,069
1220 Property Taxes Receivable (Delinquent)	588,991	-	588,991
1230 Allowance for Uncollectible Taxes	(38,285)	-	(38,285)
1240 Due from Other Governments	972,839	-	972,839
1290 Other Receivables, net	32,770	2,602	35,372
1410 Prepayments	13,238	-	13,238
Capital Assets:			
1510 Land	10,742,680	-	10,742,680
1520 Buildings, Net	122,238,195	103,218	122,341,413
1530 Furniture and Equipment, Net	5,010,476	-	5,010,476
1580 Construction in Progress	1,304,239	-	1,304,239
1000 Total Assets	<u>177,143,462</u>	<u>146,570</u>	<u>177,290,032</u>
DEFERRED OUTFLOWS OF RESOURCES			
1701 Deferred Charge for Refunding	7,107,349	-	7,107,349
1705 Deferred Outflow Related to TRS	1,671,565	-	1,671,565
1700 Total Deferred Outflows of Resources	<u>8,778,914</u>	<u>-</u>	<u>8,778,914</u>
LIABILITIES			
2110 Accounts Payable	2,273,261	2,873	2,276,134
2160 Accrued Wages Payable	1,805,999	2,093	1,808,092
2200 Accrued Expenses	34,539	-	34,539
2300 Unearned Revenue	1,363,976	-	1,363,976
Noncurrent Liabilities			
2501 Due Within One Year	3,897,082	-	3,897,082
2502 Due in More Than One Year	172,773,798	-	172,773,798
2540 Net Pension Liability (District's Share)	6,759,957	-	6,759,957
2000 Total Liabilities	<u>188,908,612</u>	<u>4,966</u>	<u>188,913,578</u>
DEFERRED INFLOWS OF RESOURCES			
2605 Deferred Inflow Related to TRS	2,067,891	-	2,067,891
2600 Total Deferred Inflows of Resources	<u>2,067,891</u>	<u>-</u>	<u>2,067,891</u>
NET POSITION			
3200 Net Investment in Capital Assets	(2,194,615)	103,218	(2,091,397)
Restricted:			
3820 Restricted for Federal and State Programs	1,193,666	-	1,193,666
3850 Restricted for Debt Service	5,320,687	-	5,320,687
3860 Restricted for Capital Projects	1,789,031	-	1,789,031
3870 Restricted for Campus Activities	158,641	-	158,641
3890 Restricted for Textbooks	40,376	-	40,376
3900 Unrestricted	(11,361,913)	38,386	(11,323,527)
3000 Total Net Position	<u>\$ (5,054,127)</u>	<u>\$ 141,604</u>	<u>\$ (4,912,523)</u>

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2015

Data Control Codes	1	Program Revenues	
		3	4
	Expenses	Charges for Services	Operating Grants and Contributions
Primary Government:			
GOVERNMENTAL ACTIVITIES:			
11 Instruction	\$ 35,042,029	\$ 98,738	\$ 3,281,106
12 Instructional Resources and Media Services	769,108	-	30,038
13 Curriculum and Staff Development	686,205	-	148,885
21 Instructional Leadership	852,361	-	201,506
23 School Leadership	3,554,521	-	195,270
31 Guidance, Counseling and Evaluation Services	1,716,783	-	248,119
32 Social Work Services	13,509	-	1,252
33 Health Services	486,303	-	26,872
34 Student (Pupil) Transportation	1,794,154	-	444,861
35 Food Services	3,342,361	1,326,439	2,043,115
36 Extracurricular Activities	2,513,579	111,855	441,857
41 General Administration	2,176,094	-	77,250
51 Facilities Maintenance and Operations	5,481,657	82,704	160,105
52 Security and Monitoring Services	362,091	-	2,563
53 Data Processing Services	755,113	-	40,968
61 Community Services	98,686	-	104,921
72 Debt Service - Interest on Long Term Debt	7,523,547	-	877,204
73 Debt Service - Bond Issuance Cost and Fees	288,797	-	-
95 Payments to Juvenile Justice Alternative Ed. Prg.	20,826	-	-
99 Other Intergovernmental Charges	241,842	-	-
	<u>67,719,566</u>	<u>1,619,736</u>	<u>8,325,892</u>
BUSINESS-TYPE ACTIVITIES:			
01 Childcare	592,011	599,323	-
	<u>592,011</u>	<u>599,323</u>	<u>-</u>
[TP] TOTAL PRIMARY GOVERNMENT:	<u>\$ 68,311,577</u>	<u>\$ 2,219,059</u>	<u>\$ 8,325,892</u>

Data Control Codes	General Revenues:
	Taxes:
MT	Property Taxes, Levied for General Purposes
DT	Property Taxes, Levied for Debt Service
SF	State Aid - Formula Grants
IE	Investment Earnings
MI	Miscellaneous Local and Intermediate Revenue
S1	Special Item - Other Federal Revenues
S2	Special Item - Insurance Recovery
E1	Special Item - Sale of Real and Personal Property
TR	Total General Revenues and Special Items
CN	Change in Net Position
NB	Net Position - Beginning
PA	Prior Period Adjustment "Required by GASB 68"
NE	Net Position--Ending

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

Net (Expense) Revenue and Changes in Net Position		
6	7	8
	Primary Government	
Governmental Activities	Business Type Activities	Total
\$ (31,662,185)	\$ -	\$ (31,662,185)
(739,070)	-	(739,070)
(537,320)	-	(537,320)
(650,855)	-	(650,855)
(3,359,251)	-	(3,359,251)
(1,468,664)	-	(1,468,664)
(12,257)	-	(12,257)
(459,431)	-	(459,431)
(1,349,293)	-	(1,349,293)
27,193	-	27,193
(1,959,867)	-	(1,959,867)
(2,098,844)	-	(2,098,844)
(5,238,848)	-	(5,238,848)
(359,528)	-	(359,528)
(714,145)	-	(714,145)
6,235	-	6,235
(6,646,343)	-	(6,646,343)
(288,797)	-	(288,797)
(20,826)	-	(20,826)
(241,842)	-	(241,842)
<u>(57,773,938)</u>	<u>-</u>	<u>(57,773,938)</u>
-	7,312	7,312
-	7,312	7,312
<u>(57,773,938)</u>	<u>7,312</u>	<u>(57,766,626)</u>
25,054,044	-	25,054,044
12,019,598	-	12,019,598
24,444,501	-	24,444,501
93,690	-	93,690
1,368,123	-	1,368,123
802,881	-	802,881
51,068	-	51,068
53,505	-	53,505
<u>63,887,410</u>	<u>-</u>	<u>63,887,410</u>
6,113,472	7,312	6,120,784
(3,508,540)	134,292	(3,374,248)
(7,659,059)	-	(7,659,059)
<u>\$ (5,054,127)</u>	<u>\$ 141,604</u>	<u>\$ (4,912,523)</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2015

Data Control Codes	10 General Fund	50 Debt Service Fund	Other Funds	Total Governmental Funds
ASSETS				
1110 Cash and Cash Equivalents	\$ 27,483,624	\$ 5,390,317	\$ 3,404,378	\$ 36,278,319
1220 Property Taxes - Delinquent	413,165	175,826	-	588,991
1230 Allowance for Uncollectible Taxes (Credit)	(26,856)	(11,429)	-	(38,285)
1240 Receivables from Other Governments	768,902	-	203,937	972,839
1290 Other Receivables	14,220	-	18,550	32,770
1410 Prepayments	11,926	-	1,312	13,238
1000 Total Assets	<u>\$ 28,664,981</u>	<u>\$ 5,554,714</u>	<u>\$ 3,628,177</u>	<u>\$ 37,847,872</u>
LIABILITIES				
2110 Accounts Payable	\$ 2,005,385	\$ -	\$ 267,876	\$ 2,273,261
2160 Accrued Wages Payable	1,703,070	-	102,929	1,805,999
2200 Accrued Expenditures	29,220	-	5,319	34,539
2300 Unearned Revenues	1,293,637	-	70,339	1,363,976
2000 Total Liabilities	<u>5,031,312</u>	<u>-</u>	<u>446,463</u>	<u>5,477,775</u>
DEFERRED INFLOWS OF RESOURCES				
2601 Unavailable Revenue - Property Taxes	386,309	164,397	-	550,706
2600 Total Deferred Inflows of Resources	<u>386,309</u>	<u>164,397</u>	<u>-</u>	<u>550,706</u>
FUND BALANCES				
Nonspendable Fund Balance:				
3430 Prepaid Items	11,926	-	-	11,926
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	-	-	1,193,666	1,193,666
3480 Retirement of Long-Term Debt	-	5,390,317	-	5,390,317
Committed Fund Balance:				
3545 Campus Activities	-	-	158,641	158,641
3545 Textbooks	-	-	40,376	40,376
Assigned Fund Balance:				
3550 Construction	-	-	1,789,031	1,789,031
3590 Other Assigned Fund Balance	8,000,000	-	-	8,000,000
3600 Unassigned Fund Balance	15,235,434	-	-	15,235,434
3000 Total Fund Balances	<u>23,247,360</u>	<u>5,390,317</u>	<u>3,181,714</u>	<u>31,819,391</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 28,664,981</u>	<u>\$ 5,554,714</u>	<u>\$ 3,628,177</u>	<u>\$ 37,847,872</u>

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
AUGUST 31, 2015

Total Fund Balances - Governmental Funds	\$	31,819,391
1 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements.		189,005,269
2 Accumulated depreciation has not been included in the fund financial statements..		(49,709,679)
3 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68 in the amount of \$6,759,957, a Deferred Resource Inflow related to TRS in the amount of \$2,067,891, and a Deferred Resource Outflow related to TRS in the amount of \$1,671,565. This amounted to a decrease in Net Position in the amount of \$7,156,283.		(7,156,283)
4 Bonds payable, leases payable and the maintenance tax note have not been included in the fund financial statements.		(142,517,557)
5 Accreted interest on capital appreciation bonds has not been included in the fund financial statements.		(26,284,295)
6 Deferred loss on bond refunding has not been included in the fund financial statements.		7,107,349
7 Bond discounts and premiums were not recognized in the fund financial statements.		(7,869,028)
8 Property tax revenue reported as unavailable revenue in the fund financial statements is recognized as revenue in the government-wide financial statements.		550,706
19 Net Position of Governmental Activities	\$	(5,054,127)

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2015

EXHIBIT C-3

Data Control Codes	10 General Fund	50 Debt Service Fund	Other Funds	Total Governmental Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 26,915,837	\$ 12,104,026	\$ 2,077,729	\$ 41,097,592
5800 State Program Revenues	27,165,719	877,204	571,932	28,614,855
5900 Federal Program Revenues	802,881	-	3,475,135	4,278,016
5020 Total Revenues	<u>54,884,437</u>	<u>12,981,230</u>	<u>6,124,796</u>	<u>73,990,463</u>
EXPENDITURES:				
Current:				
0011 Instruction	30,622,362	-	1,883,950	32,506,312
0012 Instructional Resources and Media Services	612,099	-	-	612,099
0013 Curriculum and Instructional Staff Development	548,298	-	126,946	675,244
0021 Instructional Leadership	685,274	-	172,997	858,271
0023 School Leadership	3,467,022	-	12,082	3,479,104
0031 Guidance, Counseling and Evaluation Services	1,541,958	-	174,295	1,716,253
0032 Social Work Services	12,296	-	1,252	13,548
0033 Health Services	470,612	-	-	470,612
0034 Student (Pupil) Transportation	1,384,373	-	6,685	1,391,058
0035 Food Services	77,442	-	3,295,617	3,373,059
0036 Extracurricular Activities	1,493,297	-	392,603	1,885,900
0041 General Administration	2,158,643	-	3,186	2,161,829
0051 Facilities Maintenance and Operations	5,276,928	-	-	5,276,928
0052 Security and Monitoring Services	382,305	-	-	382,305
0053 Data Processing Services	739,070	-	-	739,070
0061 Community Services	37,765	-	67,156	104,921
Debt Service:				
0071 Principal on Long Term Debt	538,455	3,319,318	-	3,857,773
0072 Interest on Long Term Debt	298,069	7,987,829	-	8,285,898
0073 Bond Issuance Cost and Fees	-	288,797	-	288,797
Capital Outlay:				
0081 Facilities Acquisition and Construction	2,691,376	-	63,787	2,755,163
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	20,826	-	-	20,826
0099 Other Intergovernmental Charges	241,842	-	-	241,842
6030 Total Expenditures	<u>53,300,312</u>	<u>11,595,944</u>	<u>6,200,556</u>	<u>71,096,812</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,584,125</u>	<u>1,385,286</u>	<u>(75,760)</u>	<u>2,893,651</u>
OTHER FINANCING SOURCES (USES):				
7901 Refunding Bonds Issued	-	20,610,000	-	20,610,000
7912 Sale of Real and Personal Property	9,495	-	44,010	53,505
7916 Premium or Discount on Issuance of Bonds	-	1,336,346	-	1,336,346
8940 Payment to Bond Refunding Escrow Agent (Use)	-	(21,652,019)	-	(21,652,019)
7080 Total Other Financing Sources (Uses)	<u>9,495</u>	<u>294,327</u>	<u>44,010</u>	<u>347,832</u>
1200 Net Change in Fund Balances	1,593,620	1,679,613	(31,750)	3,241,483
0100 Fund Balance - September 1 (Beginning)	<u>21,653,740</u>	<u>3,710,704</u>	<u>3,213,464</u>	<u>28,577,908</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 23,247,360</u>	<u>\$ 5,390,317</u>	<u>\$ 3,181,714</u>	<u>\$ 31,819,391</u>

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED AUGUST 31, 2015

Total Net Change in Fund Balances - Governmental Funds	\$	3,241,483
Current year capital asset additions are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The net effect of reclassifying the current year capital asset additions is to increase net position.		3,348,962
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position in the government-wide financial statements.		(5,094,616)
Current year long-term debt principal payments on contractual obligations are expenditures in the governmental fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.		3,857,773
Current year interest accretion on capital appreciation bonds is not recognized in the fund financial statements, but is shown as an increase in long-term debt in the government-wide financial statements.		702,291
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.		68,794
The implementation of GASB 68 required that certain expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of 8/31/2014 caused the change in the ending net position to increase in the amount of \$1,127,615. Contributions made before the measurement but during the 2015 FY were also de-expended and recorded as a reduction in the net pension liability for the District. These contributions were replaced with the District's pension expense for the year of \$624,839, which caused a net decrease in the change in net position. The impact of all of these is to increase the change in net position by \$502,776.		502,776
Revenues from property taxes are shown as unearned in the fund financial statements until they are considered available to finance current expenditures, but such revenues are recognized when assessed, net of an allowance for uncollectible amounts, in the government-wide financial statements.		(210,930)
Current year amortization of the premium/discount on bonds payable is not recorded in the fund financial statements, but is shown as a reduction in long-term debt in the government-wide financial statements.		303,442
The premium on the current year issuance of bonds is recorded as other resources in the fund financial statements, but is capitalized in the government-wide financial statements.		(1,336,346)
Payments to refund bonds payable are shown as other financing uses in the fund financial statements, but are shown as reduction in long-term debt in the government-wide financial statements.		21,652,019
Current year issuances of bonds are shown as other resources in the fund financial statements, but are shown as increases in long-term debt in the government-wide financial statements.		(20,610,000)
Current year amortization of deferred charge on bond refunding is not recorded in the fund financial statements, but is shown as a reduction of the deferred loss in the government-wide financial statements.		(312,176)
Change in Net Position of Governmental Activities	\$	6,113,472

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2015

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 23,126,210	\$ 26,861,452	\$ 26,915,837	\$ 54,385
5800	State Program Revenues	26,074,068	26,513,154	27,165,719	652,565
5900	Federal Program Revenues	275,000	802,125	802,881	756
5020	Total Revenues	49,475,278	54,176,731	54,884,437	707,706
EXPENDITURES:					
Current:					
0011	Instruction	29,759,560	31,467,322	30,622,362	844,960
0012	Instructional Resources and Media Services	659,590	669,478	612,099	57,379
0013	Curriculum and Instructional Staff Development	520,242	580,896	548,298	32,598
0021	Instructional Leadership	554,163	723,840	685,274	38,566
0023	School Leadership	3,123,288	3,514,384	3,467,022	47,362
0031	Guidance, Counseling and Evaluation Services	1,681,237	1,634,863	1,541,958	92,905
0032	Social Work Services	49,000	12,800	12,296	504
0033	Health Services	473,366	492,413	470,612	21,801
0034	Student (Pupil) Transportation	1,548,150	1,530,150	1,384,373	145,777
0035	Food Services	74,460	91,960	77,442	14,518
0036	Extracurricular Activities	1,348,014	1,563,443	1,493,297	70,146
0041	General Administration	1,900,189	2,239,091	2,158,643	80,448
0051	Facilities Maintenance and Operations	5,082,853	5,595,809	5,276,928	318,881
0052	Security and Monitoring Services	573,604	454,536	382,305	72,231
0053	Data Processing Services	964,125	919,285	739,070	180,215
0061	Community Services	36,831	43,831	37,765	6,066
Debt Service:					
0071	Principal on Long Term Debt	538,174	538,456	538,455	1
0072	Interest on Long Term Debt	311,432	312,150	298,069	14,081
Capital Outlay:					
0081	Facilities Acquisition and Construction	-	3,467,736	2,691,376	776,360
Intergovernmental:					
0095	Payments to Juvenile Justice Alternative Ed. Prg.	32,000	32,000	20,826	11,174
0099	Other Intergovernmental Charges	245,000	245,000	241,842	3,158
6030	Total Expenditures	49,475,278	56,129,443	53,300,312	2,829,131
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,952,712)	1,584,125	3,536,837
OTHER FINANCING SOURCES (USES):					
7912	Sale of Real and Personal Property	-	-	9,495	9,495
1200	Net Change in Fund Balances	-	(1,952,712)	1,593,620	3,546,332
0100	Fund Balance - September 1 (Beginning)	21,653,740	21,653,740	21,653,740	-
3000	Fund Balance - August 31 (Ending)	\$ 21,653,740	\$ 19,701,028	\$ 23,247,360	\$ 3,546,332

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 AUGUST 31, 2015

	Business-Type Activities
	Total Enterprise Funds
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 40,750
Other Receivables	2,602
Total Current Assets	<u>43,352</u>
Noncurrent Assets:	
Capital Assets:	
Buildings and Improvements	114,687
Depreciation on Buildings	<u>(11,469)</u>
Total Noncurrent Assets	<u>103,218</u>
Total Assets	<u>146,570</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	2,873
Accrued Wages Payable	<u>2,093</u>
Total Liabilities	<u>4,966</u>
NET POSITION	
Net Investment in Capital Assets	103,218
Unrestricted Net Position	<u>38,386</u>
Total Net Position	<u><u>\$ 141,604</u></u>

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2015

	Business-Type Activities
	Total Enterprise Funds
<hr/>	
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 599,323
Total Operating Revenues	<u>599,323</u>
OPERATING EXPENSES:	
Payroll Costs	545,648
Professional and Contracted Services	2,067
Supplies and Materials	23,646
Other Operating Costs	9,181
Depreciation Expense	11,469
Total Operating Expenses	<u>592,011</u>
Operating Income	7,312
Total Net Position - September 1 (Beginning)	<u>134,292</u>
Total Net Position - August 31 (Ending)	<u><u>\$ 141,604</u></u>

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2015

	Business-Type Activities
	Total Enterprise Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Received from User Charges	\$ 597,580
Cash Payments for Payroll Costs	(545,970)
Cash Payments for Professional Services	(2,067)
Cash Payments for Supplies and Materials	(80,753)
Cash Payments for Other Costs	(9,228)
Net Cash Used for Operating Activities	<u>(40,438)</u>
<u>Cash Flows from Capital & Related Financing Activities:</u>	
Acquisition of Capital Assets	<u>(1,340)</u>
Net Decrease in Cash and Cash Equivalents	(41,778)
Cash and Cash Equivalents at Beginning of Year	<u>82,528</u>
Cash and Cash Equivalents at End of Year	<u>\$ 40,750</u>
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Used for Operating Activities:</u>	\$ 7,312
Operating Income:	
Adjustments to Reconcile Operating Income to Net Cash Used for Operating Activities:	
Depreciation	11,469
Effect of Increases and Decreases in Current Assets and Liabilities:	
Decrease (increase) in Other Receivables	(1,743)
Increase (decrease) in Accounts Payable	(57,107)
Increase (decrease) in Accrued Wages Payable	(322)
Increase (decrease) in Accrued Expenses	(47)
Net Cash Used for Operating Activities	<u>\$ (40,438)</u>

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2015

EXHIBIT E-1

	Private Purpose Trust Funds	Agency Fund
ASSETS		
Cash and Cash Equivalents	\$ 191,525	\$ 93,323
Other Receivables	-	500
Total Assets	191,525	\$ 93,823
LIABILITIES		
Due to Student Groups	-	\$ 93,823
Total Liabilities	-	\$ 93,823
NET POSITION		
Unrestricted Net Position	191,525	
Total Net Position	\$ 191,525	

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2015

	Private Purpose Trust Funds
ADDITIONS:	
Local and Intermediate Sources	\$ 35,333
Total Additions	<u>35,333</u>
DEDUCTIONS:	
Other Operating Costs	<u>6,000</u>
Total Deductions	<u>6,000</u>
Change in Net Position	29,333
Total Net Position - September 1 (Beginning)	<u>162,192</u>
Total Net Position - August 31 (Ending)	<u><u>\$ 191,525</u></u>

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

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Little Elm Independent School District's (the "District") combined financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide (FAR). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

A. REPORTING ENTITY

The Board of Trustees, a seven member group, has fiscal accountability over all activities related to public elementary and secondary education within the jurisdiction of the District. The board of trustees are elected by the public. The trustees as a body corporate have 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 (Agency) or to the State Board of Education are reserved for the trustees, and the Agency may not substitute its judgment for the lawful exercise of those powers and duties by the trustees. The District is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards.

The District's basic financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is fiscal dependency by the organization on the District

Based on the aforementioned criteria, Little Elm Independent School District has no component units.

B. BASIS OF PRESENTATION

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

Fund Financial Statements:

The District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The District has presented the following major governmental funds:

1. **General Fund** - This fund is established to account for resources financing the fundamental operations of the District, in partnership with the community, in enabling and motivating students to reach their full potential. All revenues and expenditures not required to be accounted for in other funds are included here. This is a budgeted fund and any fund balances are considered resources available for current operations. Fund balances may be appropriated by the Board of Trustees to implement its responsibilities.
2. **Debt Service Fund** - This fund is established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. This is a budgeted fund. Any unused sinking fund balances are transferred to the General Fund after all of the related debt obligations have been met.

Additionally, the District reports the following fund types:

1. **Special Revenue Funds** - These funds are established to account for federally financed or expenditures legally restricted for specified purposes. In many special revenue funds, any unused balances are returned to the grantor at the close of specified project periods. For funds in this fund type, project accounting is employed to maintain integrity for the various sources of funds.
2. **Capital Projects Fund** - This fund is established to account for proceeds, from the sale of bonds and other resources to be used for Board authorized acquisition, construction, or renovation, as well as, furnishings and equipping of major capital facilities.
3. **Enterprise Fund** - The District utilizes an enterprise fund to account for the Districts' activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities. The District uses this fund to account for its child care program, because the child care program is self-supporting and does not require subsidies from the general fund.
4. **Private Purpose Trust Fund** - This fund is used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments not reported in other fiduciary fund types. This fund is not budgeted.
5. **Agency Funds** - These custodial funds are used to account for activities of student groups and other organizational activities requiring clearing accounts. Financial resources for the Agency funds are recorded as assets and liabilities; therefore, these funds do not include revenues and expenditures and have no fund equity. If any unused resources are declared surplus by the student groups, they are transferred to the General Fund with a recommendation to the Board for an appropriate utilization through a budgeted program.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows of resources and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

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

The revenue susceptible to accrual are property taxes, charges for services, interest income and intergovernmental revenues. All other Governmental Fund Type revenues are recognized when received.

Revenues from state and federal grants are recognized as earned when the related program expenditures are incurred. Funds received but unearned are reflected as unearned revenues, and funds expended but not yet received are shown as receivables.

Revenue from investments, including governmental external investment pool, is based upon fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Most investments are reported at amortized cost when the investments have remaining maturities of one year or less at time of purchase. External investment pools are permitted to report short-term debt investments at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer, or other factors. For that purpose, a pool's short-term investments are those with remaining maturities of up to ninety days.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

In accordance with the FAR, the District has adopted and installed an accounting system which exceeds the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure presented in the Accounting Code Section of the FAR.

D. BUDGETARY CONTROL

Formal budgetary accounting is employed for all required Governmental Fund Types, as outlined in TEA's FAR module, and is presented on the modified accrual basis of accounting consistent with generally accepted accounting principles. The budget is prepared and controlled at the function level within each organization to which responsibility for controlling operations is assigned.

The official school budget is prepared for adoption for required Governmental Fund Types prior to August 20 of the preceding fiscal year for the subsequent fiscal year beginning September 1. The budget is formally adopted by the Board of Trustees at a public meeting held at least ten days after public notice has been given. The budget is prepared by fund, function, object, and organization. The budget is controlled at the organizational level by the appropriate department head or campus principal within Board allocations. Therefore, organizations may transfer appropriations as necessary without the approval of the board unless the intent is to cross fund, function or increase the overall budget allocations. Control of appropriations by the Board of Trustees is maintained within Fund Groups at the function code level and revenue object code level.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Debt Service Fund and Child Nutrition Fund. The special revenue funds adopt project-length budgets which do not correspond to the District's fiscal year. Each annual budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles. The budget is amended throughout the year by the Board of Trustees. Such amendments are reflected in the official minutes of the Board.

E. ENCUMBRANCE ACCOUNTING

The District employs encumbrance accounting, whereby encumbrances for goods or purchased services are documented by purchase orders and contracts. An encumbrance represents a commitment of Board appropriation related to unperformed contracts for goods and services. The issuance of a purchase order or the signing of a contract creates an encumbrance but does not represent an expenditure for the period, only a commitment to expend resources. Appropriations lapse at August 31 and encumbrances outstanding at that time are either canceled or appropriately provided for in the subsequent year's budget. There were no outstanding encumbrances at August 31, 2015 that were subsequently provided for in the 2015-16 budget.

F. PREPAID ITEMS

Prepaid balances are for payments made by the District in the current year to provide services occurring in the subsequent fiscal year, and the nonspendable fund balance has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

G. CAPITAL ASSETS

Capital assets, which includes property, plant, equipment, and infrastructure assets, are reported in the governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

Assets capitalized have an original cost of \$5,000 or more and over one-year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	40 Years
Furniture and Equipment	5-10 Years

H. COMPENSATED ABSENCES

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

I. CASH EQUIVALENTS

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

J. NET POSITION

Net position represents the difference between assets, deferred outflows of resources, deferred inflows of resources and liabilities. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation's adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is available for general governmental uses. When both restricted and unrestricted net position is available, restricted net position is expended before unrestricted net position if such use is consistent with the restricted purpose.

K. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt service expenditures in the year bonds are issued.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal 2015, 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.

During the year ended August 31, 2015, the District participated in the Texas Association of School Boards Risk Management Fund (the Fund). The Fund was created and is operated under provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The following are Funds the District participated in during the year ended August 31, 2015.

Workers' Compensation Aggregate Deductible

The District met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund. The Fund's Workers Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members and their injured employees.

The District participates in the Fund's reimbursable aggregate deductible program. As such, the member is responsible for a certain amount of claims liability as outlined on the member's Contribution and Coverage Summary document. After the member's deductible has been met, the Fund is responsible for additional claims liability.

The Fund and its members are protected against higher than expected claims cost through the purchase of stop loss coverage for any claim in excess of the Fund's self-insured retention of \$1.5 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of August 31, 2014, the fund carries a discounted reserve of \$56,905,750 for future development on reported claims and claims that have been incurred but not yet reported. For the year-ended August 31, 2015, the Fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions and reimbursable aggregate deductibles.

Unemployment Compensation Pool

The District provided unemployment compensation coverage to its employees through participation in the TASB Risk Management Fund. The Fund's Unemployment Compensation Program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund meets its quarterly obligation to the Texas Workforce Commission. Expenses are accrued monthly until the quarterly payment has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop loss coverage for the Unemployment Compensation pool.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

Auto, Liability and Property Programs

The District participated in the following TASB Risk Management Fund programs:

Auto Liability
Auto Physical Damage
General Liability
Legal Liability
Property

The Fund purchases stop-loss coverage for protection against catastrophic and larger than anticipated claims for its Auto, Liability and Property programs. The terms and limits of the stop-loss program vary by line coverage. The Fund uses the services of an independent actuary to determine the adequacy of reserves. For the year ended August 31, 2015, the Fund anticipates Little Elm ISD has no additional liability beyond the contractual obligations for payment of contributions.

The Texas Association of School Boards Risk Management Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2013, are available at the TASB offices and have been filed with Texas Department of Insurance in Austin.

M. ESTIMATES

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

N. IMPLEMENTATION OF NEW STANDARD

In the current fiscal year, the District implemented the following new standards:

GASB Statement 68, *Accounting and Financial Reporting for Pensions* ("GASB 68") establishes accounting and financial reporting standards for pensions that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts or similar arrangements that meet certain criteria. The Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. Implementation is reflected in the financial statements, notes to the financial statements and required supplementary information.

GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* ("GASB 71") amends the transition provisions of GASB 68. GASB 71 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions made subsequent to the measurement date of the beginning net pension liability. Implementation is reflected in the financial statements and the notes to the financial statements.

NOTE 2. FUND BALANCE

The District has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

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

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified prepaid items as being nonspendable as these items are not expected to be converted to cash.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the District's bonded debt and are restricted through debt covenants. Federal and State grant resources are being restricted because their use is restricted pursuant to the mandates of the Federal or State grants.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board of Trustees. The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This can also be done through adoption and amendment of the budget. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board of Trustees have committed resources as of August 31, 2015 for campus activities and textbooks.
- Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or through the Board of Trustees delegating this responsibility to other individuals in the District. Under the District's adopted policy, only the Board of Trustees may assign amounts for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned: This classification includes all amounts not included in other spendable classifications, including the residual fund balance for the General Fund.

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

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 18) and are described below:

General Fund

The General Fund has unassigned fund balance of \$15,235,960 at August 31, 2015. Deferred expenditures (prepaid items) of \$11,400 are considered nonspendable fund balance. \$8,000,000 has been assigned for future capital projects, payroll and general operating expenditures.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

Other Major Funds

The Debt Service Fund has restricted funds of \$5,390,317 at August 31, 2015 consisting primarily of property tax collections that are restricted for debt service payments on bonded debt.

Other Funds

The fund balance of \$158,641 of the Campus Activity Fund and \$40,376 Textbook Funds (special revenue funds) are shown as committed due to Board policy committing those funds to campus activities and textbooks. The fund balance of \$1,193,666 in the Food Service Fund is shown as restricted for food service operations. The fund balance in the State Textbook Fund is shown as committed for textbooks.

The Capital Projects Fund has restricted funds of \$1,789,031 at August 31, 2015 consisting primarily of unspent bond funds.

NOTE 3. 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 August 31, 2015, the carrying amount of the District's deposits in checking accounts and interest-bearing savings accounts was \$18,298,717, which includes \$9,045 cash on hand. The combined bank balance was \$18,679,665. The District's cash deposits at August 31, 2015 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 Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The district is in substantial compliance with the requirements of the Act and with local policies.

In compliance with the Public Funds Investment Act, the District has adopted a deposit and investment policy. That policy addresses the following risks:

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

- a. Custodial Credit Risk – Deposits: In the case of deposits, this is the risk that, in the event of a bank failure, the District’s deposits may not be returned to it. As of August 31, 2015, the District’s cash balances in the bank totaled \$18,289,672. This entire amount was either collateralized with securities held by the District’s financial institution’s agent in the District’s name or covered by FDIC insurance. Thus, the District’s deposits were not exposed to custodial credit risk at August 31, 2015.
- b. Custodial Credit Risk - Investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At August 31, 2015, the District held investments in four public funds investment pools (TexPool, TexSTAR, Lonestar and Texas Class). Investments in external investment pools are considered unclassified as to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.
- c. Credit Risk: This is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligations. The rating of securities by nationally recognized rating agencies is designed to give an indication of credit risk. The credit quality rating for the four investment pools range from AAA (Standard & Poor’s) to AAAm (Standard & Poor’s).
- d. Interest Rate Risk: This is the risk that changes in interest rates will adversely affect the fair value of an investment. The District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year from the time of purchase. The weighted average maturity for both TexPool and TexStar is less than 60 days.
- e. Foreign Currency Risk: This is the risk that exchange rates will adversely affect the fair value of an investment. At August 31, 2015, the District was not exposed to foreign currency risk.
- f. Concentration of Credit Risk: This is the risk of loss attributed to the magnitude of the District’s investment in a single issuer (i.e., lack of diversification). Concentration risk is defined as positions of 5 percent or more in the securities of a single issuer. Investment pools and government securities are excluded from the 5 percent disclosure requirement.

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.

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FOR THE YEAR ENDED AUGUST 31, 2015

The District's investments pools at August 31, 2015, are shown below:

<u>Name</u>	<u>Carrying Amount</u>	<u>Market Value</u>
TexPool	\$ 2,937,764	\$ 2,937,764
TexSTAR	1,379,555	1,379,555
Lonestar	12,176,981	12,176,981
Texas Class	<u>1,810,900</u>	<u>1,810,900</u>
Total	<u>\$18,305,200</u>	<u>\$18,305,200</u>

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended August 31, 2015, was as follows:

	<u>Balance September 1</u>	<u>Additions/ Completions</u>	<u>Retirement/ Adjustments</u>	<u>Balance August 31</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 10,740,498	\$ 2,182	\$ -	\$ 10,742,680
Construction in Progress	<u>826,263</u>	<u>1,158,922</u>	<u>680,946</u>	<u>1,304,239</u>
Total capital assets, not being depreciated	<u>11,566,761</u>	<u>1,161,104</u>	<u>680,946</u>	<u>12,046,919</u>
Capital assets, being depreciated:				
Buildings	167,062,546	2,275,005	-	169,337,551
Furniture and Equipment	<u>7,027,000</u>	<u>593,799</u>	-	<u>7,620,799</u>
Total capital assets, being depreciated	<u>174,089,546</u>	<u>2,868,804</u>	-	<u>176,958,350</u>
Less accumulated depreciation for:				
Buildings	(42,636,464)	(4,462,892)	-	(47,099,356)
Furniture and Equipment	<u>(1,978,599)</u>	<u>(631,724)</u>	-	<u>(2,610,323)</u>
Total accumulated depreciation	<u>(44,615,063)</u>	<u>(5,094,616)</u>	-	<u>(49,709,679)</u>
Total capital assets being depreciated, net	<u>129,474,483</u>	<u>(2,225,812)</u>	-	<u>127,248,671</u>
Governmental activities capital assets, net	<u>\$141,041,244</u>	<u>\$(1,064,708)</u>	<u>\$ 680,946</u>	<u>\$139,295,590</u>
Business-type activities:				
Buildings and Improvements	\$ 113,347	\$ 1,340	\$ -	\$ 114,687
Totals at historic cost	<u>113,347</u>	<u>1,340</u>	-	<u>114,687</u>
Less accumulated depreciation for:				
Buildings and Improvements	-	(11,469)	-	(11,469)
Total accumulated depreciation	-	(11,469)	-	(11,469)
Business-type activities capital assets net	<u>\$ 113,347</u>	<u>\$(10,129)</u>	<u>\$ -</u>	<u>\$ 103,218</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2015

Depreciation expense was charged as direct expense to programs of the District as follows:

Governmental activities:	
Instruction	\$2,892,881
Instructional Resources & Media Services	163,074
Curriculum & Instructional Staff Development	16,350
Instructional Leadership	3,520
School Leadership	111,800
Guidance, Counseling & Evaluation Services	24,004
Health Services	20,079
Student (Pupil) Transportation	403,096
Food Services	346,513
Cocurricular/Extracurricular Activities	654,248
General Administration	32,528
Plant Maintenance and Operations	371,182
Security and Monitoring Services	34,297
Data Processing Services	20,786
Community Services	<u>258</u>
Total depreciation expense-Governmental activities	<u>\$5,094,616</u>
Business-type activities:	
Child Care	<u>\$ 11,469</u>
Total depreciation expense Business-type activities	<u>\$ 11,469</u>

NOTE 5. MAINTENANCE TAX NOTE

The District is obligated under a maintenance tax note, which is an obligation of the General Fund.

A summary of changes in the maintenance tax note for the year ended August 31, 2015 is as follows:

<u>Description</u>	<u>Interest Rate</u>	<u>Amount Outstanding 9-1-14</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding 8-31-15</u>	<u>Due Within One Year</u>
Maintenance Tax Note	4.25%	<u>\$4,515,000</u>	<u>\$ -</u>	<u>\$110,000</u>	<u>\$4,405,000</u>	<u>\$190,000</u>

Presented below is a summary of the maintenance tax note requirements to maturity:

<u>Year Ended August 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2016	\$ 190,000	\$ 151,338	\$ 341,338
2017	195,000	147,538	342,538
2018	200,000	143,638	343,638
2019	200,000	139,638	339,638
2020	205,000	134,638	339,638
2021-2025	1,125,000	581,014	1,706,014
2026-2030	1,345,000	367,910	1,712,910
2031-2033	<u>945,000</u>	<u>81,599</u>	<u>1,026,599</u>
	<u>\$4,405,000</u>	<u>\$1,747,313</u>	<u>\$6,152,313</u>

NOTE 6. CAPITAL LEASES

The District is obligated under certain leases accounted for as capital leases. Assets under capital leases totaled \$4,766,589 at August 31, 2015.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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A summary of changes in capital leases payable for the year ended August 31, 2015 is as follows:

<u>Description</u>	<u>Interest Rate</u>	<u>Amount</u>	<u>Issued</u>	<u>Retired</u>	<u>Amount</u>	<u>Due</u>
		<u>Outstanding</u>	<u>Current</u>	<u>Current</u>	<u>Outstanding</u>	<u>Within</u>
		<u>9-1-14</u>	<u>Year</u>	<u>Year</u>	<u>8-31-15</u>	<u>One</u>
		<u>Year</u>	<u>Year</u>	<u>Year</u>	<u>Year</u>	<u>Year</u>
Equipment	5.36%	\$ 275,915	\$ -	\$ 87,162	\$ 188,753	\$ 91,887
Buses	1.99%	<u>3,330,300</u>	-	<u>341,293</u>	<u>2,989,007</u>	<u>348,147</u>
		<u>\$3,606,215</u>	<u>\$ -</u>	<u>\$428,455</u>	<u>\$3,177,760</u>	<u>\$440,034</u>

The following is a schedule of future minimum lease payments under capital leases:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>August 31,</u>			<u>Requirements</u>
2016	\$ 440,034	\$ 70,258	\$ 510,292
2017	452,006	58,286	510,292
2018	362,271	45,903	408,174
2019	369,546	38,628	408,174
2020	376,967	31,207	408,174
2021	384,538	23,636	408,174
2022	392,260	15,914	408,174
2023	<u>400,138</u>	<u>8,036</u>	<u>408,174</u>
	<u>\$3,177,760</u>	<u>\$291,868</u>	<u>\$3,469,628</u>

NOTE 7. LONG-TERM DEBT

Long-term debt includes par bonds, capital appreciation (deep discount) serial bonds, a maintenance tax note and two capital leases. All long-term debt represents transactions in the District's governmental activities.

The District has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Depository of Texas (SID), which is the Municipal Advisory Council. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the District.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The following is a summary of the changes in the District's Long-term Debt for the year ended August 31, 2015:

Description	Interest Rate Payable	Amounts Outstanding 9/1/14	Additions	Refunded/ Retired	Amounts Outstanding 8/31/15	Due Within One Year
Bonded Indebtedness:						
1995A School Bldg.	5.90%	\$ 90,000	\$ -	\$ -	\$ 90,000	\$ -
1999 School Bldg. & Ref.	6.22%	1,816,361	-	139,148	1,677,213	152,135
2001 School Bldg. & Ref.	5.625%	181,434	-	181,434	-	-
2002 School Bldg. & Ref.	6.29%	4,321,302	-	674,926	3,646,376	670,634
2002A School Bldg. & Ref.	5.98%	339,041	-	187,697	151,344	151,344
2003 School Bldg. & Ref.	5.93%	1,173,644	-	1,063,780	109,864	57,935
2004 School Bldg. & Ref.	4.00%	11,040,000	-	11,040,000	-	-
2006 School Bldg. & Ref.	5.00%	31,995,000	-	10,205,000	21,790,000	1,535,000
2008A School Building	4.00%	7,500,000	-	55,000	7,445,000	110,000
2008B Refunding	4.00%	1,067,333	-	52,333	1,015,000	150,000
2010 Refunding	4.25%	19,960,000	-	-	19,960,000	-
2012 Refunding	5.00%	48,265,000	-	-	48,265,000	-
2013 School Bldg. & Ref.	5.00%	5,880,000	-	-	5,880,000	-
2014 Refunding	4.25%	4,960,000	-	-	4,960,000	-
2015A Refunding	4.00%	-	12,045,000	540,000	11,505,000	410,000
2015B Refunding	4.00%	-	8,565,000	125,000	8,440,000	30,000
Total Bonded Indebtedness		<u>138,589,115</u>	<u>20,610,000</u>	<u>24,264,318</u>	<u>134,934,797</u>	<u>3,267,048</u>
Maintenance Tax Note	4.25%	4,515,000	-	110,000	4,405,000	190,000
Capital Leases	5.36%	3,606,215	-	428,455	3,177,760	440,034
Accreted Interest	5.17%	26,986,586	2,008,391	2,710,682	26,284,295	-
Discount/Premium on Issuance of Debt		6,836,124	1,336,346	303,442	7,869,028	-
Total Other Obligations		<u>41,943,925</u>	<u>3,344,737</u>	<u>3,552,579</u>	<u>41,736,083</u>	<u>630,034</u>
Total Obligations of District		<u>\$180,533,040</u>	<u>\$23,954,737</u>	<u>\$27,816,897</u>	<u>\$176,670,880</u>	<u>\$3,897,082</u>

The 1995A, 1999, 2001, 2002, 2002A, 2003, 2008A, 2008B, 2010, 2012, 2013 and 2015A bond series include outstanding capital appreciation bonds in the principal amount of \$13,339,796. The bonds mature variously beginning in 2015 through 2042. Interest accrues on these bonds each February 15 and August 15, even though the interest is not paid until maturity. The accrued interest of \$26,284,295 is accounted for as Accrued Interest Payable-Capital Appreciation Bonds.

General Obligation Bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the District. General Obligation Bonds require the District to compute, at the time taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) a fund to pay interest and principal at maturity. The District is in compliance with this requirement.

There are a number of limitations and restrictions contained in the various general obligation bonds indentures. The District is in compliance with all significant limitations and restrictions at August 31, 2015.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

Presented below is a summary of general obligation bond requirements to maturity:

Year Ended			Total
August 31,	<u>Principal</u>	<u>Interest</u>	<u>Requirements</u>
2016	\$ 3,267,048	\$ 8,126,602	\$ 11,393,650
2017	3,958,560	7,524,676	11,483,236
2018	3,841,158	7,539,547	11,380,705
2019	3,963,818	7,414,282	11,378,100
2020	3,950,216	7,433,484	11,383,700
2021-2025	16,592,939	38,587,847	55,180,786
2026-2030	22,231,058	31,645,549	53,876,607
2031-2035	39,440,000	14,442,456	53,882,456
2036-2040	30,805,000	5,250,975	36,055,975
2041-2042	6,885,000	511,775	7,396,775
	<u>\$134,934,797</u>	<u>\$128,477,193</u>	<u>\$263,411,990</u>

NOTE 8. DEBT ISSUANCE AND DEFEASED BONDS OUTSTANDING

On March 17, 2015 the District issued \$12,035,000 (par value) in unlimited tax refunding bonds (current interest bonds) and \$10,000 in premium capital appreciation bonds to advance refund \$12,045,000 of unlimited tax school building and refunding bonds. The bonds were issued at a premium of \$266,039, and, after paying issuance costs of \$145,074 the net proceeds were \$12,165,965. \$12,147,459 of the net proceeds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments on the refunded bonds until the bonds mature. The advanced refunding met the requirements of an in-substance debt defeasance and the unlimited tax school building bonds were removed from the District's General Long-Term Debt. The advance refunding resulted in a present value economic gain (difference between present value of debt service payments on the old and new debt) of \$2,044,165.

On April 2, 2015 the District issued \$8,565,000 (par value) in unlimited tax refunding bonds (current interest bonds) to advance refund \$8,900,000 of unlimited tax school building and refunding bonds. The bonds were issued at a premium of \$1,070,307, and, after paying issuance costs of \$117,899 the net proceeds were \$9,517,408. \$9,504,560 of the net proceeds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments on the refunded bonds until the bonds mature. The advanced refunding met the requirements of an in-substance debt defeasance and the unlimited tax school building bonds were removed from the District's General Long-Term Debt. The advance refunding resulted in a present value economic gain (difference between present value of debt service payments on the old and new debt) of \$1,744,994.

In the current and prior years, the District issued refunding bonds to defease certain outstanding bonds for the purpose of consolidation and to achieve debt service savings. The District has placed the proceeds from the refunding issues in irrevocable escrow accounts with a trust agent to ensure payment of debt service on the refunded bonds.

Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the District's financial statements. Although defeased, the refunded debt from those earlier issues will not be actually retired until the call dates have come due or until maturity if they are not callable issues. On August 31, 2015, \$29,381,025 of bonds outstanding are considered defeased.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

NOTE 9. PROPERTY TAXES

Property taxes are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The District levies its taxes on October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. The assessed value of the property tax roll upon which the levy for the 2014-15 fiscal year was based was \$2,333,023,752. Taxes are delinquent if not paid by June 30. Delinquent taxes are subject to both penalty and interest charges plus 15 % delinquent collection fees for attorney costs.

The tax rates assessed for the year ended August 31, 2015, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$1.04 and \$0.50 per \$100 valuation, respectively, for a total of \$1.54 per \$ 100 valuation.

Current tax collections for the year ended August 31, 2015 were 99.47% of the year-end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting 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. As of August 31, 2015, property taxes receivable, net of estimated uncollectible taxes, totaled \$386,309 and \$164,397 for the General and Debt Service Funds, respectively.

Property taxes are recorded as receivables and unavailable revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with Generally Accepted Accounting Principles have been recognized as revenue.

NOTE 10. DEFINED BENEFIT PENSION PLAN

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

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

Pension Plan Fiduciary Net Position. Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.state.tx.us/about/documents/cafr.pdf#CAFR>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592. The information provided in the Notes to the Financial Statements in the 2014 Comprehensive Annual Financial Report for TRS provides the following information regarding the Pension Plan fiduciary net position as of August 31, 2014.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
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<u>Net Pension Liability</u>	<u>Total</u>
Total Pension Liability	\$159,496,075,886
Less: Plan Fiduciary Net Position	<u>(132,779,243,085)</u>
Net Pension Liability	<u>\$ 26,716,832,801</u>
 Net Position as percentage of Total Pension Liability	 83.25%

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

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 thru 2017. It also added a 1.5% contribution for employers not paying Old Age Survivor and Disability Insurance (OASDI) on certain employees effective for fiscal year 2015 as discussed in Note 1 of the TRS 2014 CAFR. The 83rd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2014 and 2015.

<u>Contribution Rates</u>		
	<u>2014</u>	<u>2015</u>
Member	6.4%	6.7%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers	6.8%	6.8%
 Little Elm ISD 2014 Employer Contributions		 \$ 641,614
Little Elm ISD 2014 Member Contributions		\$ 2,195,155
Little Elm ISD 2014 NECE On-Behalf Contributions		\$ 1,708,350

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
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As the non-employer contributing entity for public education, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during the fiscal year reduced by the amounts described below which are paid by the employers. Employers including public schools are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding source or a privately sponsored source, from non-educational and general, or local funds.

In addition to the employer contributions listed above, when employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions. The total pension liability in the August 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2014
Actuarial Cost Method	Normal
Amortization Method of Payroll, Open	Individual Entry Age Level Percentage of
Remaining Amortization Period	30 years
Asset Valuation Method	5 year Market Value
Discount Rate	8.00%
Long-term expected Investment Rate of Return*	8.00%
Salary Increases*	4.25% to 7.25%
Weighted-Average at Valuation Date	5.55%
Payroll Growth Rate	3.50%
*Includes Inflation of 3%	

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 2010 and adopted on April 8, 2011. With the exception of the post-retirement mortality rates for healthy lives and a minor change to the expected retirement age for inactive vested members stemming from the actuarial audit performed in the Summer of 2014, the assumptions and methods are the same as used in the prior valuation. When the mortality assumptions were adopted in 2011 they contained a significant margin for possible future mortality improvement. As of the date of the valuation there has been a significant erosion of this margin to the point that the margin has been eliminated. Therefore, the post-retirement mortality rates for current and future retirees was decreased to add additional margin for future improvement in mortality in accordance with the Actuarial Standards of Practice No. 35.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

Discount Rate. The discount rate used to measure the total pension liability was 8.0%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 8%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2014 are summarized below:

Asset Class	Target Allocation	Real Return Geometric Basis	Long-Term Expected Portfolio Real Rate of Return*
Global Equity			
U.S.	18%	7.0%	1.4%
Non-U.S. Developed	13%	7.3%	1.1%
Emerging Markets	9%	8.1%	0.9%
Directional Hedge Funds	4%	5.4%	0.2%
Private Equity	13%	9.2%	1.4%
Stable Value			
U.S. Treasuries	11%	2.9%	0.3%
Absolute Return	0%	4.0%	0.0%
Stable Value Hedge Funds	4%	5.2%	0.2%
Cash	1%	2.0%	0.0%
Real Return			
Global Inflation Linked Bonds	3%	3.1%	0.0%
Real Assets	16%	7.3%	1.5%
Energy and Natural Resources	3%	8.8%	0.3%
Commodities	0%	3.4%	0.0%
Risk Parity			
Risk Parity	5%	8.9%	0.4%
Alpha	0%		1.0%
Total	<u>100%</u>		<u>8.7%</u>

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

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (8%) in measuring the 2014 Net Pension Liability.

	1% Decrease in Discount Rate (7.0%)	Discount Rate (8.0%)	1% Increase in Discount Rate (9.0%)
Little Elm ISD's proportionate share of the net pension liability:	\$12,079,633	\$6,759,957	\$2,781,830

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2015

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At August 31, 2014, Little Elm Independent School District reported a liability of \$6,759,957 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to Little Elm Independent School District. The amount recognized by Little Elm Independent School District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with Little Elm Independent School District were as follows:

District's Proportionate share of the collective net pension liability	\$ 6,759,957
State's proportionate share that is associated with the District	<u>18,037,366</u>
Total	<u>\$24,797,323</u>

The net pension liability was measured as of August 31, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2013 thru August 31, 2014.

At August 31, 2014 the employer's proportion of the collective net pension liability was .000253074%. Since this is the first year of implementation, the District does not have the proportion measured as of August 31, 2013. The Notes to the Financial Statements for August 31, 2014 for TRS stated that the change in proportion was immaterial and therefore disregarded this year.

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

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

There was a change in employer contribution requirements that occurred after the measurement date of the net pension liability and the employer's reporting date. A 1.5% contribution for employers not paying Old Age Survivor and Disability Insurance (OASDI) on certain employees went into law effective 09/01/2014. The amount of the expected resultant change in the employer's proportion cannot be determined at this time.

For the year ended August 31, 2014, Little Elm Independent School District recognized pension expense of \$641,614 and revenue of \$1,708,350 for support provided by the State.

At August 31, 2014, Little Elm Independent School District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 104,545	\$ -
Changes in actuarial assumptions	439,405	-
Difference between projected and actual investment earnings	-	2,066,119
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	-	1,772
Contributions paid to TRS subsequent to the measurement date [to be calculated by employer]	1,127,615	-
Total	\$1,671,565	\$2,067,891

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2015

\$1,127,615 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended August 31:	Pension Expense Amount
2016	\$ (425,064)
2017	(425,064)
2018	(425,064)
2019	(425,064)
2020	91,465
2021	84,850

NOTE 11. SCHOOL DISTRICT RETIREE HEALTH PLAN

Plan Description. Little Elm Independent School 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 dependents) who retired under the Teacher Retirement System of Texas. The statutory authority for the program is Texas Insurance Code, Chapter 1575. Section 1575.052 grants the TRS Board of Trustees authority to establish and amend the 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, by writing to the Communications Department of the Teacher Retirement System of Texas at 1000 Red River Street, Austin, Texas 78701, or by calling 1-800-223-8778.

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. The State of Texas and active public school employee contribution rates were 1.0% as of September 1, 2013 (0.5% from September 1, 2012 to August 31, 2013 and 1.0% prior to September 1, 2012) and 0.65% of public school payroll, respectively, with school districts contributing a percentage of payroll set at 0.55%. 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. For the years ended August 31, 2015, 2014, and 2013, the State's contributions to TRS-Care were \$363,871, \$342,994, and \$324,431, respectively, the active member contributions were \$236,516, \$222,946, and \$210,880, respectively, and the school district's contribution were \$200,130, \$188,646, and \$178,432, respectively, which equaled the required contributions each year.

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 D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments are recognized as equal revenues and expenditures/expenses by the District. For the year ended August 31, 2015, the contribution made on behalf of the District was \$108,947.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2015

NOTE 12. HEALTH CARE

During the year ended August 31, 2015, employees of Little Elm Independent School District were covered by the TRS-Active Care health insurance plan (the Plan). The District contributed \$225 per month per employee to the Plan and employees, at their option, authorized payroll withholdings to pay any additional contribution and contributions for dependents. All contributions were paid to a self-funded pool. The Plan was authorized by Section 21.922, Texas Education Code and was documented by contractual agreement.

NOTE 13. DUE FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of August 31, 2015, are summarized below. All federal grants shown below are passed through the TEA and are reported on the financial statements as Due from Other Governments.

Fund	State Grant	Federal Grants	Total
General Fund	\$768,902	\$ -	\$768,902
Special Revenue	<u>-</u>	<u>203,937</u>	<u>203,937</u>
Total	<u>\$768,902</u>	<u>\$203,937</u>	<u>\$972,839</u>

NOTE 14. LITIGATION AND CONTINGENCIES

The District participates in numerous state and Federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at August 31, 2015 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

NOTE 15. REVENUES FROM LOCAL AND INTERMEDIATE SOURCES

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

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Property Taxes	\$24,957,279	\$ -	\$11,998,169	\$ -	\$36,955,448
Food Sales	-	1,326,439	-	-	1,326,439
Investment Income	71,872	4,756	14,799	2,264	93,691
Penalties, interest and other tax related income	238,065	-	91,058	-	329,123
Co-curricular student activities	111,855	489,203	-	-	601,058
Other	<u>1,536,766</u>	<u>255,067</u>	<u>-</u>	<u>-</u>	<u>1,791,833</u>
Total	<u>\$26,915,837</u>	<u>\$2,075,465</u>	<u>\$12,104,026</u>	<u>\$ 2,264</u>	<u>\$41,097,592</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2015

NOTE 16. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

	General Fund	Special Revenue Fund	Total
State Funding	\$1,278,317	\$ -	\$1,278,317
Tuition	15,320	-	15,320
Devise Protection Plan	-	63,212	63,212
Supplies and Other	-	7,127	7,127
	<u>\$1,293,637</u>	<u>\$ 70,339</u>	<u>\$1,363,976</u>

NOTE 17. GENERAL FUND FEDERAL SOURCE REVENUES

<u>Program or Source</u>	<u>CFDA Number</u>	<u>Amount</u>	<u>Total Grant or Entitlement</u>
General Fund:			
Impact Aid	84.041	\$558,975	\$558,975
Watershed Protection & Flood Control	10.904	37,902	37,902
SHARS		<u>206,004</u>	<u>206,004</u>
Total for General Fund		<u>\$802,881</u>	<u>\$802,881</u>

NOTE 18. GOVERNMENTAL FUNDS EXPENDITURES

Expenditures reported in the governmental funds are generally recorded when a liability is incurred, as under accrual accounting, and reported in the statement of revenues, expenditures, and changes in fund balances according to function or general operational area.

The following presents Little Elm ISD's expenditures according to the nature of the transactions.

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
6100 Payroll Costs	\$40,441,916	\$2,272,199	\$ -	\$ -	\$42,714,115
6200 Professional and contracted services	5,073,943	429,954	-	-	5,503,897
6300 Supplies and materials	3,240,055	2,859,996	-	-	6,100,051
6400 Other operating costs	774,657	222,661	-	-	997,318
6500 Debt service expenditures	836,524	-	11,595,944	-	12,432,468
6600 Capital outlay	<u>2,933,217</u>	<u>351,959</u>	-	<u>63,787</u>	<u>3,348,963</u>
Total governmental expenditures	<u>\$53,300,312</u>	<u>\$6,136,769</u>	<u>\$11,595,944</u>	<u>\$63,787</u>	<u>\$71,096,812</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2015

NOTE 19. PRIOR PERIOD ADJUSTMENT .

In fiscal year 2015, the District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and *GASB Statement No 71, Pension Transition for Contributions Made Subsequent to the Measurement Date*. As such, the prior period adjustment was necessary to record the beginning pension liability of the District. The following illustrates the effect of the prior period adjustment:

Beginning Net Position – As Originally Presented	\$ (3,508,540)
Restatement due to:	
Net pension liability (measurement date as of August 31, 2013)	(8,300,673)
Deferred Outflows:	
District contributions made to TRS during the fiscal year	<u>641,614</u>
 Beginning Net Position – As Restated	 <u>\$(11,167,599)</u>

NOTE 20. SUBSEQUENT EVENTS

On September 5, 2015 the voters in the Little Elm Independent School District passed a Tax Ratification Election which allows the District to raise its maintenance and operations maximum tax rate from \$1.04 per one hundred dollar valuation to \$1.17 per one hundred dollar valuation.

REQUIRED SUPPLEMENTARY INFORMATION

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2015

EXHIBIT G-1

	2015
District's Proportion of the Net Pension Liability (Asset)	0.000253074%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 6,759,957
State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	18,037,366
Total	\$ 24,797,323
District's Covered-Employee Payroll	\$ 36,340,923
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	18.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.25%

Note: GASB 68, Paragraph 81 requires that the information on this schedule be data from the period corresponding with the period covered as of the measurement date of August 31, 2014 - the period from September 1, 2013 - August 31, 2014.

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 TEACHER RETIREMENT SYSTEM OF TEXAS
 FOR FISCAL YEAR 2015

EXHIBIT G-2

	2015
Contractually Required Contribution	\$ 1,127,615
Contribution in Relation to the Contractually Required Contribution	(1,127,615)
Contribution Deficiency (Excess)	\$ -0-
District's Covered-Employee Payroll	\$ 36,340,923
Contributions as a Percentage of Covered-Employee Payroll	3.10%

Note: GASB 68, Paragraph 81 requires that the data in this schedule be presented as of the District's current fiscal year as opposed to the time period covered by the measurement date of September 1, 2013 - August 31, 2014.

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2015

Changes of benefit terms.

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

Changes of assumptions.

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

COMBINING SCHEDULES

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2015

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program	
ASSETS					
1110	Cash and Cash Equivalents	\$ (26,984)	\$ (31,873)	\$ (1,093)	\$ 1,373,490
1240	Receivables from Other Governments	39,184	94,338	1,241	55,789
1290	Other Receivables	-	260	-	4,535
1410	Prepayments	-	-	-	-
1000	Total Assets	<u>\$ 12,200</u>	<u>\$ 62,725</u>	<u>\$ 148</u>	<u>\$ 1,433,814</u>
LIABILITIES					
2110	Accounts Payable	\$ 5,576	\$ 15,307	\$ 148	\$ 185,942
2160	Accrued Wages Payable	6,107	43,566	-	53,256
2200	Accrued Expenditures	517	3,852	-	950
2300	Unearned Revenues	-	-	-	-
2000	Total Liabilities	<u>12,200</u>	<u>62,725</u>	<u>148</u>	<u>240,148</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	1,193,666
Committed Fund Balance:					
3545	Campus Activities	-	-	-	-
3546	Textbooks	-	-	-	-
Assigned Fund Balance:					
3550	Construction	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,193,666</u>
4000	Total Liabilities and Fund Balances	<u>\$ 12,200</u>	<u>\$ 62,725</u>	<u>\$ 148</u>	<u>\$ 1,433,814</u>

244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	289 Summer School LEP	397 Advanced Placement Incentives	410 State Textbook Fund	461 Campus Activity Funds	491 Textbook Fund
\$ -	\$ (3,423)	\$ (11,274)	\$ -	\$ 450	\$ 26,051	\$ 253,809	\$ 14,325
-	3,423	9,962	-	-	-	-	-
-	-	-	-	-	-	13,755	-
-	-	1,312	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 450</u>	<u>\$ 26,051</u>	<u>\$ 267,564</u>	<u>\$ 14,325</u>
\$ -	\$ -	\$ -	\$ -	\$ 450	\$ -	\$ 38,584	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	70,339	-
-	-	-	-	450	-	108,923	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	158,641	-
-	-	-	-	-	26,051	-	14,325
-	-	-	-	-	-	-	-
-	-	-	-	-	26,051	158,641	14,325
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 450</u>	<u>\$ 26,051</u>	<u>\$ 267,564</u>	<u>\$ 14,325</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2015

Data Control Codes	Total Nonmajor Special Revenue Funds	647 Capital Projects Fund	Total Nonmajor Governmental Funds	
ASSETS				
1110	Cash and Cash Equivalents	\$ 1,593,478	\$ 1,810,900	\$ 3,404,378
1240	Receivables from Other Governments	203,937	-	203,937
1290	Other Receivables	18,550	-	18,550
1410	Prepayments	1,312	-	1,312
1000	Total Assets	<u>\$ 1,817,277</u>	<u>\$ 1,810,900</u>	<u>\$ 3,628,177</u>
LIABILITIES				
2110	Accounts Payable	\$ 246,007	\$ 21,869	\$ 267,876
2160	Accrued Wages Payable	102,929	-	102,929
2200	Accrued Expenditures	5,319	-	5,319
2300	Unearned Revenues	70,339	-	70,339
2000	Total Liabilities	<u>424,594</u>	<u>21,869</u>	<u>446,463</u>
FUND BALANCES				
Restricted Fund Balance:				
3450	Federal or State Funds Grant Restriction	1,193,666	-	1,193,666
Committed Fund Balance:				
3545	Campus Activities	158,641	-	158,641
3546	Textbooks	40,376	-	40,376
Assigned Fund Balance:				
3550	Construction	-	1,789,031	1,789,031
3000	Total Fund Balances	<u>1,392,683</u>	<u>1,789,031</u>	<u>3,181,714</u>
4000	Total Liabilities and Fund Balances	<u>\$ 1,817,277</u>	<u>\$ 1,810,900</u>	<u>\$ 3,628,177</u>

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2015

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 1,331,195
5800 State Program Revenues	-	-	-	17,950
5900 Federal Program Revenues	429,771	874,230	5,646	1,942,967
5020 Total Revenues	<u>429,771</u>	<u>874,230</u>	<u>5,646</u>	<u>3,292,112</u>
EXPENDITURES:				
Current:				
0011 Instruction	249,874	669,837	4,319	-
0013 Curriculum and Instructional Staff Development	13,225	31,070	355	-
0021 Instructional Leadership	98,218	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling and Evaluation Services	-	173,323	972	-
0032 Social Work Services	1,252	-	-	-
0034 Student (Pupil) Transportation	46	-	-	-
0035 Food Services	-	-	-	3,295,617
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0061 Community Services	67,156	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	<u>429,771</u>	<u>874,230</u>	<u>5,646</u>	<u>3,295,617</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(3,505)
OTHER FINANCING SOURCES (USES):				
7912 Sale of Real and Personal Property	-	-	-	44,010
1200 Net Change in Fund Balance	-	-	-	40,505
0100 Fund Balance - September 1 (Beginning)	-	-	-	1,153,161
3000 Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,193,666</u>

244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	289 Summer School LEP	397 Advanced Placement Incentives	410 State Textbook Fund	461 Campus Activity Funds	491 Textbook Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 743,659	\$ 611
-	-	-	-	900	553,082	-	-
46,836	44,651	124,395	6,639	-	-	-	-
<u>46,836</u>	<u>44,651</u>	<u>124,395</u>	<u>6,639</u>	<u>900</u>	<u>553,082</u>	<u>743,659</u>	<u>611</u>
39,078	-	65,055	-	-	551,761	303,908	118
7,758	28,367	1,040	-	900	-	44,231	-
-	16,284	58,300	-	-	195	-	-
-	-	-	-	-	-	12,082	-
-	-	-	-	-	-	-	-
-	-	-	6,639	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	392,603	-
-	-	-	-	-	-	3,186	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>46,836</u>	<u>44,651</u>	<u>124,395</u>	<u>6,639</u>	<u>900</u>	<u>551,956</u>	<u>756,010</u>	<u>118</u>
-	-	-	-	-	1,126	(12,351)	493
-	-	-	-	-	-	-	-
-	-	-	-	-	1,126	(12,351)	493
-	-	-	-	-	24,925	170,992	13,832
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,051</u>	<u>\$ 158,641</u>	<u>\$ 14,325</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2015

Data Control Codes	Total Nonmajor Special Revenue Funds	647 Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 2,075,465	\$ 2,264	\$ 2,077,729
5800 State Program Revenues	571,932	-	571,932
5900 Federal Program Revenues	3,475,135	-	3,475,135
5020 Total Revenues	<u>6,122,532</u>	<u>2,264</u>	<u>6,124,796</u>
EXPENDITURES:			
Current:			
0011 Instruction	1,883,950	-	1,883,950
0013 Curriculum and Instructional Staff Development	126,946	-	126,946
0021 Instructional Leadership	172,997	-	172,997
0023 School Leadership	12,082	-	12,082
0031 Guidance, Counseling and Evaluation Services	174,295	-	174,295
0032 Social Work Services	1,252	-	1,252
0034 Student (Pupil) Transportation	6,685	-	6,685
0035 Food Services	3,295,617	-	3,295,617
0036 Extracurricular Activities	392,603	-	392,603
0041 General Administration	3,186	-	3,186
0061 Community Services	67,156	-	67,156
Capital Outlay:			
0081 Facilities Acquisition and Construction	-	63,787	63,787
6030 Total Expenditures	<u>6,136,769</u>	<u>63,787</u>	<u>6,200,556</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,237)	(61,523)	(75,760)
OTHER FINANCING SOURCES (USES):			
7912 Sale of Real and Personal Property	44,010	-	44,010
1200 Net Change in Fund Balance	29,773	(61,523)	(31,750)
0100 Fund Balance - September 1 (Beginning)	<u>1,362,910</u>	<u>1,850,554</u>	<u>3,213,464</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 1,392,683</u>	<u>\$ 1,789,031</u>	<u>\$ 3,181,714</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF NET POSITION
 PRIVATE PURPOSE TRUST FUNDS
 AUGUST 31, 2015

	818 Grants & Scholarships	819 Co-Serv Scholarship	820 The Tribute	Total Private Purpose Trust Funds
ASSETS				
Cash and Cash Equivalents	\$ 5,491	\$ 173,034	\$ 13,000	\$ 191,525
Total Assets	<u>5,491</u>	<u>173,034</u>	<u>13,000</u>	<u>191,525</u>
NET POSITION				
Unrestricted Net Position	<u>5,491</u>	<u>173,034</u>	<u>13,000</u>	<u>191,525</u>
Total Net Position	<u>\$ 5,491</u>	<u>\$ 173,034</u>	<u>\$ 13,000</u>	<u>\$ 191,525</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 PRIVATE PURPOSE TRUST FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2015

	818 Grants & Scholarships	819 Co-Serv Scholarship	820 The Tribute	Total Private Purpose Trust Funds
ADDITIONS:				
Local and Intermediate Sources	\$ 4,695	\$ 20,638	\$ 10,000	\$ 35,333
Total Additions	<u>4,695</u>	<u>20,638</u>	<u>10,000</u>	<u>35,333</u>
DEDUCTIONS:				
Other Operating Costs	500	-	5,500	6,000
Total Deductions	<u>500</u>	<u>-</u>	<u>5,500</u>	<u>6,000</u>
Change in Net Position	4,195	20,638	4,500	29,333
Total Net Position - September 1 (Beginning)	<u>1,296</u>	<u>152,396</u>	<u>8,500</u>	<u>162,192</u>
Total Net Position - August 31 (Ending)	<u>\$ 5,491</u>	<u>\$ 173,034</u>	<u>\$ 13,000</u>	<u>\$ 191,525</u>

REQUIRED T.E.A. SCHEDULES

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 FISCAL YEAR ENDED AUGUST 31, 2015

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2006 and prior years	Various	Various	\$ Various
2007	1.361000	0.379000	1,271,013,054
2008	1.030000	0.430000	1,438,423,004
2009	1.040000	0.490000	1,603,936,928
2010	1.040000	0.500000	1,644,677,210
2011	1.040000	0.500000	1,640,765,714
2012	1.040000	0.500000	1,790,876,497
2013	1.040000	0.500000	1,803,880,502
2014	1.040000	0.500000	2,009,976,804
2015 (School year under audit)	1.040000	0.500000	2,333,023,752
1000 TOTALS			

(10) Beginning Balance 9/1/2014	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2015
\$ 97,595	\$ -	\$ 1,436	\$ 354	\$ (673)	\$ 95,132
20,592	-	629	175	-	19,788
18,911	-	800	334	-	17,777
17,866	-	780	368	(349)	16,369
87,897	-	82,226	39,532	68,056	34,195
90,350	-	85,291	41,005	77,168	41,222
96,492	-	95,125	45,733	87,297	42,931
114,039	-	97,446	46,849	85,591	55,335
270,842	-	178,197	85,672	67,427	74,400
-	35,928,566	24,415,350	11,738,148	416,774	191,842
<u>\$ 814,584</u>	<u>\$ 35,928,566</u>	<u>\$ 24,957,280</u>	<u>\$ 11,998,170</u>	<u>\$ 801,291</u>	<u>\$ 588,991</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
 FOR THE YEAR ENDED AUGUST 31, 2015

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 1,118,025	\$ 1,118,025	\$ 1,331,195	\$ 213,170
5800 State Program Revenues	17,000	17,000	17,950	950
5900 Federal Program Revenues	1,714,759	1,714,759	1,942,967	228,208
5020 Total Revenues	2,849,784	2,849,784	3,292,112	442,328
EXPENDITURES:				
0035 Food Services	2,849,784	3,393,799	3,295,617	98,182
6030 Total Expenditures	2,849,784	3,393,799	3,295,617	98,182
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(544,015)	(3,505)	540,510
OTHER FINANCING SOURCES (USES):				
7912 Sale of Real and Personal Property	-	-	44,010	44,010
1200 Net Change in Fund Balances	-	(544,015)	40,505	584,520
0100 Fund Balance - September 1 (Beginning)	1,153,161	1,153,161	1,153,161	-
3000 Fund Balance - August 31 (Ending)	\$ 1,153,161	\$ 609,146	\$ 1,193,666	\$ 584,520

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND
 FOR THE YEAR ENDED AUGUST 31, 2015

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 10,557,643	\$ 12,053,689	\$ 12,104,026	\$ 50,337
5800	State Program Revenues	773,250	877,204	877,204	-
5020	Total Revenues	11,330,893	12,930,893	12,981,230	50,337
EXPENDITURES:					
Debt Service:					
0071	Principal on Long Term Debt	3,034,318	3,319,318	3,319,318	-
0072	Interest on Long Term Debt	8,276,575	7,991,575	7,987,829	3,746
0073	Bond Issuance Cost and Fees	20,000	314,328	288,797	25,531
6030	Total Expenditures	11,330,893	11,625,221	11,595,944	29,277
1100	Excess of Revenues Over Expenditures	-	1,305,672	1,385,286	79,614
OTHER FINANCING SOURCES (USES):					
7901	Refunding Bonds Issued	-	20,610,000	20,610,000	-
7916	Premium or Discount on Issuance of Bonds	-	1,336,347	1,336,346	(1)
8940	Payment to Bond Refunding Escrow Agent (Use)	-	(21,652,019)	(21,652,019)	-
7080	Total Other Financing Sources (Uses)	-	294,328	294,327	(1)
1200	Net Change in Fund Balances	-	1,600,000	1,679,613	79,613
0100	Fund Balance - September 1 (Beginning)	3,710,704	3,710,704	3,710,704	-
3000	Fund Balance - August 31 (Ending)	\$ 3,710,704	\$ 5,310,704	\$ 5,390,317	\$ 79,613

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FEDERAL AWARDS SECTION

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

To the Board of Trustees
Little Elm Independent School District
Little Elm, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Little Elm Independent School District, as of and for the year ended August 31, 2015, and the related notes to the financial statements, which collectively comprise Little Elm Independent School District's basic financial statements, and have issued our report dated December 2, 2015.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



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

December 2, 2015

Members:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
TEXAS SOCIETY OF CERTIFIED
PUBLIC ACCOUNTANTS

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

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Trustees
Little Elm Independent School District
Little Elm, Texas

Report on Compliance for Each Major Federal Program

We have audited Little Elm 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 Little Elm Independent School District's major federal programs for the year ended August 31, 2015. Little Elm Independent School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of finding and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Little Elm Independent School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 Little Elm Independent School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Little Elm Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2015.

Report on Internal Control Over Compliance

Management of Little Elm Independent School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Little Elm Independent School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 Little Elm 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



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

December 2, 2015

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED AUGUST 31, 2015

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiencies in internal control identified that are not considered to be material weakness(es)? _____ Yes X None reported
- Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiencies in internal control identified that are not considered to be material weakness(es)? _____ Yes X None reported

An unmodified opinion was issued on compliance for major programs.

- Any audit findings disclosed that are required to be reported in accordance with section 510(a) 2-7 of OMB Circular A-133? _____ Yes X

Identification of major programs:

<u>CFDA Number</u>	<u>Program</u>
84.010A	ESEA Title I, Part A – Improving Basic Programs
84.041	Impact Aid
84.365	Title III, Part A – English Language Training

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

Auditee qualified as low-risk auditee? X Yes _____ No

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

None

SECTION IV – OTHER FINDINGS

None

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF STATUS OF PRIOR FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2015

FINDING/NONCOMPLIANCE

None

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED AUGUST 31, 2015

(1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal CFDA Number	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Direct Programs</u>			
Impact Aid - P.L. 81.874 (Note A)	84.041		\$ 558,975
Total Direct Programs			\$ 558,975
<u>Passed Through State Department of Education</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	15610101061914	\$ 429,771
*IDEA - Part B, Formula	84.027	15660001061914	874,230
*IDEA - Part B, Preschool	84.173	15661001061914	5,646
Total Special Education Cluster (IDEA)			879,876
Career and Technical - Basic Grant	84.048	15420006061914	46,836
Title III, Part A - English Language Acquisition	84.365A	15671001061914	124,395
ESEA, Title II, Part A, Teacher/Principal Training	84.367A	15694501061914	44,651
Summer School LEP	84.369A	69551302	6,639
Total Passed Through State Department of Education			\$ 1,532,168
TOTAL U.S. DEPARTMENT OF EDUCATION			\$ 2,091,143
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the State Department of Agriculture</u>			
*School Breakfast Program	10.553	71401501	\$ 335,728
*National School Lunch Program - Cash Assistance	10.555	71301501	1,423,025
*National School Lunch Prog. - Non-Cash Assistance	10.555	71301501	184,214
Total CFDA Number 10.555			1,607,239
Total Child Nutrition Cluster			1,942,967
Watershed Protection & Flood Control	10.904		37,902
Total Passed Through the State Department of Agriculture			\$ 1,980,869
TOTAL U.S. DEPARTMENT OF AGRICULTURE			\$ 1,980,869
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 4,072,012

*Clustered Programs

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES ON ACCOUNTING POLICIES FOR FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2015

1. The District uses the fund types specified in Texas Education Agency's Financial Accountability System Resource Guide. Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.
2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in a Special Revenue Fund, which is a Governmental Fund type. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

The modified accrual basis of accounting is used for the Governmental Fund types and Agency Funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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

3. The District participates in numerous state and Federal grant programs that 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, if any, refunds of any money received may be required and the collectability of any related receivable at August 31, 2015, may be impaired. In the opinion of the District, there are not significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions has been recorded in the accompanying combined financial statements for such contingencies.

Board Agenda Item

Little Elm Independent School District
 300 Lobo Lane
 Little Elm, Texas 75068

Board Mtg. Date 10-19-2015	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Discussion
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Presenter or Contact Person:	Matthew Gutierrez, Deputy Superintendent for Educational Services				
Policy/Code:	DC (LOCAL)				
Summary:	<p>Lakeside Middle School is in need of an additional paraprofessional FTE for the Social Adjustment Classroom (SAC) due to increased enrollment, intense needs of learners, and to allow for students to participate in general classroom.</p> <p>Powell 6th Grade Center and Lakeside have a need for an teacher FTE for ELL. The two campuses currently share one teacher. There is a need to reduce the ELL caseload and increase inclusion support.</p>				
Financial Implications:	\$60,000				
Attachments:	ELL PowerPoint and Memorandum for SAC FTE				
Recommendation:	The administration recommends approval of the needed additional FTEs.				
Motion:	I move the Board approve the needed additional FTEs.				

TO: Matthew Gutierrez, Deputy Superintendent

FROM: Cortney Clover, Director of Special Populations

DATE: December 9, 2015

RE: Request for additional FTE - Lakeside Middle School Paraprofessional CW

In October 2015, the special education department completed an abbreviated staffing study to ensure appropriate instructional and programmatic supports were allocated to students eligible to receive services for the current school year.

At that time, there was a projected need for additional paraprofessional support at Lakeside Middle School in the Social Adjustment Classroom. This instructional setting is designed to meet the unique needs of students with serious emotional disturbances and behavior disorders.

The district has been supplementing this need with the use of a substitute for additional support until further data was collected to validate the need.

In brief, I am requesting the addition of one paraprofessional position for the 2015-2016 school year to support the increased need in special education at Lakeside Middle School.

The following are data points that were reviewed and prioritized in making this request:

- The total number of students from our last six weeks data from the 2014-2015 school year has increased to date
- The increased needs are due to the very unique and often intensive needs of these students in whole
- Due to student successes, children are able to participate in general education classes with support from the SAC classroom staff while others are self-contained

I am proposing that this additional paraprofessional position be funded by federal IDEA-B grant monies for personnel for the remainder of the school year.

Budget Code 224.11.6129.00.041.623000

Thank you for reviewing these data points and your consideration in the request of this position.



English Language Learners
Student and Programmatic Update
For Lakeside Middle School and
Powell 6th Grade Center

Student Enrollment

Powell 6th Grade Center

- ∞ 6th grade English Language Learners (59)
- ∞ 6th grade Monitored students (41)

Student Enrollment

Lakeside Middle School

7th grade English Language Learners (44)

8th grade English Language Learners(50)

7th grade Monitored students (34)

8th grade Monitored students(16)

Instructional Support

℘ ELL Teachers (1)

℘ Instructional Paraprofessionals (1)

Instructional Priority

❧ High Priority indicated by Level 3 performance:

❧ ESL Writing (33.7%) & Bilingual Science (41%)

❧ Moderate Priority indicated by Level 2 performance:

❧ LEP EOC Math (47.2%)

❧ ESL Science (47.5%)

❧ Bilingual Writing (58.2%)

❧ ESL Math (59%)

❧ ESL Reading (59.7%)

Additional Information

- ❧ Bilingual/ESL staged as needing improvement under Performance Based Monitoring Analysis System (PBMAS)
- ❧ 48/59 6th grade ELLs have been in US Schools since at least 1st grade.
- ❧ 36/44 7th grade students have been in US Schools since 1st grade.
- ❧ 44/50 8th grade students have been in US Schools since 1st grade.

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 12-14-2015	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	EIF (Local)				
Presenter or Contact Person:	Cyndy Mika, Assistant Superintendent for Curriculum and Learning Services				
Policy/Code:	EIF (Local)				
Summary:	<p>On November 11, 2013, the Board approved to continue requiring a ½ credit of Health for graduation. We can find no record EIF (Local) was updated to reflect this although it has been explicitly part of the LEHS Course Guide. In 2014, health was moved to 8th grade as a required course and out of the HS to allow students to have more credit allotments for their pathways for graduation. This is placing a strain on the middle school schedules. We would like to remove the requirement for ½ credit of health for graduation as it is no longer required by the State as a graduation requirement. We would continue to offer health as an elective option at the high school levels.</p>				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	Under Cover				
Recommendation:	The Administration recommends the removal of ½ credit of Health as a graduation requirement.				
Motion:	I move the Board approve the removal of ½ credit of Health as a graduation requirement.				

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 12-14-2015	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	Prestwick STEM Academy Enrollment Resolution				
Presenter or Contact Person:	Cyndy Mika, Assistant Superintendent for Curriculum and Learning Services				
Policy/Code:					
Summary:	Resolution for students currently attending PSA who do not reside in the Tribute HOA to be able to continue at PSA regardless of any future rezoning.				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	Resolution for Prestwick STEM Academy Enrollment				
Recommendation:	The administration recommends approval of the resolution as submitted.				
Motion:	I move the Board approve the resolution as submitted.				



Resolution

Prestwick STEM Academy Enrollment

This is a Resolution by the Little Elm ISD Board of Trustees to ensure that students currently enrolled during the 2015-2016 school year at Prestwick STEM Academy who do not reside within the Tribute Home Owners Association will be able to continue their enrollment at Prestwick STEM Academy through eighth grade regardless of rezoning of LEISD campuses so long as the student does not pose discipline or attendance issues. This resolution does not include siblings who do not attend Prestwick during the 2015-2016 school year. This resolution also does not include students who discontinue their enrollment at Prestwick STEM Academy and wish to re-enter at a later date.

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 12-14-2015	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	Solutions Tree Contract for 2016-2017				
Presenter or Contact Person:	Cyndy Mika, Assistant Superintendent for Curriculum and Learning Services				
Policy/Code:	CH (Local)				
Summary:	<p>We will be providing a Professional Learning Communities Conference next year on October 13-14 for all of our faculty and administrative staff at the campuses as part of our Professional Learning Communities initiative and professional learning support of said initiative. We are contracting with 4 nationally recognized speakers who will be with us for two days providing a day of keynote and breakout sessions in a conference style. This is part of next year's budget and will be included in 2016-2017 budget; however, there is a deposit that is required now. As the contract is in excess of \$50,000, we are seeking Board approval this year for the entire contract of \$55,000.</p>				
Financial Implications:	There is no financial impact to the 2015-2016 budget.				
Attachments:	Solutions Tree Contract				
Recommendation:	The Administration recommends the Board approve the expenditure to Solutions Tree as submitted.				
Motion:	I move the Board approve the expenditure to Solutions Tree as submitted.				



Solution Tree Purchasing Agreement

Effective July 7, 2015, Solution Tree, Inc. (“Solution Tree”) located at 555 N. Morton St., Bloomington, IN 47404 and Little Elm Independent Schools District (“Customer”) located at 300 Lobo Lane Little Elm, TX 75068, agree as follows:

- 1. Products:** Customer shall purchase the following Professional Development Services (“Products”). Additional terms for specific Products are described in Exhibit A, attached hereto. Any additional Products may be added to this Agreement by a written Addendum signed by both parties.

Quantity	Item	Unit	Amount	Total
2	Onsite Professional Development-Tim Brown	Day	\$6,500.00	\$13,000.00
2	Onsite Professional Development-Luis Cruz	Day	\$6,500.00	\$13,000.00
2	Onsite Professional Development-Anthony Muhammad	Day	\$8,300.00	\$16,600.00
2	Onsite Professional Development-Tom Schimmer	Day	\$6,200.00	\$12,400.00
			TOTAL	\$55,000.00

- 2. Invoicing and Purchase Orders:** Customer will provide Solution Tree with a purchase order immediately upon entering this Agreement for the full amount due under this Agreement. Solution Tree will invoice Customer based on the following schedule:

Description	Investments	Expected Invoice Date
Deposit (20%, non-refundable)	\$11,000.00	Upon execution of Agreement
Professional Development	\$44,000.00	October 13, 2016

All payment terms are net 30 days from the actual date of invoice. All late payments are subject to a Finance Charge of 1.5% monthly. Please make purchase order(s) out to: Solution Tree, 555 North Morton Street, Bloomington, IN 47404.

Who will receive and pay the invoices?	
Contact:	_____
Title:	_____
Address:	_____
City, State	_____
Phone:	_____
E-mail:	_____
Fax:	_____

- 3. Intellectual Property:** Customer acknowledges that Solution Tree or Solution Tree’s subcontractors own the copyrights to all tangible or electronic presentation materials, handouts, and/or program books used in conjunction with the services performed under this Agreement, and that no materials will be developed specifically for Customer. Solution Tree shall retain all copyrights owned prior to entering this Agreement,



and Customer may not reproduce any materials not designated reproducible without the express written permission of Solution Tree.

- 4. **Entire Agreement:** This Agreement contains the entire understanding and supersedes all prior understandings between the parties relating to the subject matter herein.
- 5. **Offer Valid:** The offer set forth in this Agreement shall be open through October 16, 2015.

This Agreement is acknowledged and accepted by Customer and Solution Tree:

_____	_____	_____	_____
Cyndy Mika	Date	Shannon Ritz	Date
Assistant Superintendent for C & I		Director of Professional Development	
Little Elm Independent Schools District		Solution Tree, Inc	

Please fax or email this agreement to: Brandon Cohen
Fax: (812) 961-4696
Email: brandon.cohen@solution-tree.com



EXHIBIT A: PROFESSIONAL DEVELOPMENT SERVICES

Description of Services

SERVICE 1: Onsite Professional Development

Date(s): October 13 & 14, 2016

Associate(s):

Tim Brown

Luis Cruz

Anthony Muhammad

Tom Schimmer

Number of Participants: 350

Participant Demographics: K-12, Teachers & Admin

Start Time: 8:30 am

End Time: 3:00 pm

Workshop Location: Little Elm, TX

Cost of Service: \$55,000.00, inclusive of travel & expenses

Description of Service:

Solution Tree will provide “Associates” to disseminate information on the following topics:

- Tim Brown- Creating a Climate of High Expectations
- Luis Cruz- Closing the Achievement Gap for ELLs
- Anthony Muhammad-Building a Culture of Collaboration
- Tom Schimmer-Assessment



Additional Terms

- 1. Travel Arrangements and Expenses:** The total Agreement amount includes all travel, lodging, and other incidental expenses incurred by Associate.
- 2. Reproducibles:** Customer is responsible for the reproduction of all handouts and other print materials related to the services, and Customer will notify the Associate directly of any deadlines for reproduction.
- 3. Venue and Audio/Video Equipment:** Customer will provide a venue, audio/video equipment and technical support for the sessions.
- 4. Recording of Presentation:** All audio, video, and digital recording of the workshop is prohibited.
- 5. Termination:** If Customer terminates this Agreement within 90 days of the workshop for any reason but Force Majeure, Customer shall reimburse Solution Tree for any reasonable business expenses incurred in anticipation of performance of this Agreement that exceed the amount of the deposit.
- 6. Force Majeure:** If events beyond the parties' control, such as acts of God, disaster, war, curtailment or interruption of transportation facilities, acts of terrorism, State Department or other governmental or international agency travel advisory, civil disturbance, interruption or cessation of electrical power, strikes, disease, epidemic, or any other cause beyond the parties' control which makes it impossible for to perform under this Agreement, then Solution Tree agrees to offer services at a later date, provided such can be rescheduled with Customer. Solution Tree shall have an affirmative duty to notify Customer immediately of any circumstance or event that will prevent Solution Tree from performing under this Agreement.

Professional Development Services Contact Information

Who will be the contact person for the work?

Contact: _____
Title: _____
Phone: _____
Mobile: _____
E-mail: _____
Fax: _____

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Discussion Item
12-14-2015	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	FINANCIAL REPORTS - OCTOBER 2015				
Presenter or Contact Person:	Grant Anderson, CFO				
Policy/Code:	Board Legal Status Powers and Duties - BAA (Local) Annual Operating Budget - CE (Local)				
Summary:	Monthly financial reports prepared by Business Services Department				
Financial Implications:	Increase in General Fund revenues and increase in appropriate expenditure budgets				
Attachments:	<ol style="list-style-type: none">1) Budget Amendments2) Information - Miscellaneous Business Office Reports<ul style="list-style-type: none">Monthly Fund Balance ComparisonStatement of Unaudited Revenue and ExpendituresCash Flow StatementsBank ReconciliationsInvestment ReportFund Summary of Revenue and ExpendituresTax Collection ReportConstruction Report				
Recommendation:	The Administration recommends approval of the Consent Agenda as submitted.				
Motion:	I move that the Board approve the Consent Agenda as submitted				

Little Elm Independent School District
 General Fund
 Budget Amendments
 December 2015

	Fund	FX	Decrease	FX	Increase	Org	Incr / (Decr) Fund Bal	Reason
1	183	00	10,300	36	10,300	999		Increase budget by amount received for rental fees
2	183	00	6,208	36	6,208	999		Increase budget by amount received for playoff host revenue
3	199	00	250	31	250	041		Increase budget for PTA donation received for counselor supplies
4	199	00	100	36	100	041		Increase budget for Smith Thompson Security donation received for Washington DC trip
5	199	00	2,995	11	4,185	041		Increase budget for band fees received and reallocate funds for additional band supplies
		36	1,190					
6	199	23	25	33	25	041		Reallocate funds to cover nurse travel costs at Lakeside
7	199	23	71	33	71	041		Reallocate funds to cover nurse travel costs at Powell
8	199	00	530	11	530	042		Increase budget for band and music fees received
9	199	23	125	31	125	041		Reallocate funds to cover counselor travel
10	199	11	400	23	400	107		Reallocate funds to cover postage
11	199	31	800	13	800	821		Reallocate funds to cover teacher travel
12	199	11	805	23	805	001		Reallocate funds to purchase furniture
13	199	11	17,000	41	17,000	701		Reallocate funds to cover ICLE training
14	199	11	1,000	41	1,000	701		Reallocate funds to purchase refrigerator
15	199	00	4,500	11	4,500	107		Increase budget for PTA donation received for reading specialists (part of \$8,000 donation approved by board in Oct)
16	196	51	38,366	11	27,254	Var		Reallocate funds to cover equipment purchases in other functional areas
				36	6,167			
				41	4,945			

Little Elm Independent School District
 General Fund
 Budget Amendments
 December 2015

	Fund	FX	Decrease	FX	Increase	Org	Incr / (Decr) Fund Bal	Reason
17	197	81	170,473	11	73,591	Var		Reallocate funds to cover classroom furniture and maintenance project costs in other functional areas
				51	96,882			
18	199	00	0	36	12,742	001	(12,742)	Rollforward FY 14-15 balance for Athletic uniforms ordered in prior year but not received until FY 15-16
19	199	00	0	81	481,123	Var	(481,123)	Rollforward FY 14-15 balance for summer renovation projects not being completed until FY 15-16
20	199	00	1,100,000	00	0			Increase budget for Tribute HOA
21	199	00	817,165	41	75,000	999		Increase budget for reimbursement SHARS Annual Cost Report YR 13-14
22	199	00	3,500,000	00	0			Increase budget for anticipated increase property tax collections due to M&O tax rate increase
23	199	00	1,000,000	00	0			Increase budget for anticipated increase in state funding
24	199	00	0	11	1,793,559	Var		Increase in payroll due to 5% salary increase and increase by \$100 for healthcare contribution
				12	34,092			
				13	29,030			
				21	45,009			
				23	214,194			
				31	84,085			
				33	29,156			
				36	32,148			
				41	90,356			
				51	124,307			
				52	1,783			
				53	37,807			

Little Elm Independent School District
 General Fund
 Budget Amendments
 December 2015

	Fund	FX	Decrease	FX	Increase	Org	Incr / (Decr) Fund Bal	Reason
25	199	00	123,585	11	85,356	Var		Budget for TRS On-Behalf revenue and expenditures related to 5% increase in salaries
				12	1,560			
				13	1,471			
				21	2,150			
				23	10,238			
				31	4,015			
				33	1,333			
				35	1,694			
				36	1,587			
				41	4,682			
				51	6,015			
				52	63			
				53	1,858			
				61	1,563			
26	199	00	0	11	25,035	826		Increase in Technology Dept operations budget
				12	12,900			
				13	14,995			
				51	20,000			
				53	84,950			
27	199	00	0	11	615,000	826		Set up Technology Infrastructure budget to fund 1:1 classroom technology and library and media resources
				12	150,000			
				53	35,000			
28	196	00	0	51	500,000	851		Increase maintenance budget to fund purchases of furniture, fixtures and equipment
29	196	00	0	51	500,000	851		Increase budget for renovations and maintenance for facilities projects
				81	1,000,000			
30	199	00	0	51	340,000	851		Increase budget for landscaping and irrigation contracted service

Little Elm Independent School District
General Fund
Budget Amendments
December 2015

	Fund	FX	Decrease	FX	Increase	Org	Incr / (Decr) Fund Bal	Reason
31	199	00	0	11	59,959	821		Increase Curriculum and Instruction budget for contracted services, travel and set up district counselor budget
				13	123,999			
				21	57,000			
				31	10,000			
32	199	00	0	13	5,000	823		Increase SPED Department budget for travel and contracted services for counseling
				21	5,000			
				31	35,000			
33	199	00	2,863	11	44,964	999		Increase budget for temporary district wide instructional position
34	199	00	0	41	24,150	740		Increase Communiations Dept budget for awards, district webpage and printing costs
35	199	00	0	11	15,000	821		Increase High School Allotment budget for supplies and AVID tutors
36	199	00	0	11	4,000	821		Increase Gifted & Talented budget for supplies, travel and testing materials
				13	1,500			
				31	1,000			
37	199	00	0	11	3,000	821		Increase budget for ELL program for testing materials
38	199	00	0	11	50,050	749		Increase budget for substitutes due to increase in pay rates
39	199	00	0	11	12,000	Var		Increase Fine Arts budget for K-5 supplies and employee travel
				13	6,000			
40	199	00	0	36	22,000	001		Increase budget to cover purchase of microphone for LE High School Theater
41	199	00	1,700	53	26,700	826		Additional of tech position for Technology Department
42	199	00	0	41	27,000	741		Set up budget for Student Services Dept for contracted services
	Total		6,800,451		7,294,316		(493,865)	Net decrease to Fund Balance

Little Elm Independent School District
 Debt Service Fund
 Budget Amendments
 December 2015

	Fund	FX	Decrease	FX	Increase	Org	Incr / (Decr) Fund Bal	Reason
1	511	00	3,500,000	00	0	Var	(3,500,000)	Decrease in anticipated current year tax collections due to decrease in I&S tax rate
	Total		3,500,000		0		(3,500,000)	

**Little Elm Independent School District
2015-2016 Fund Balance Comparison
as of October 31, 2015**

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		GENERAL FUND			DEBT SERVICE FUND		
		1XX			511		
CONTROL		ORIGINAL	PROPOSED	AMENDED	ORIGINAL	PROPOSED	AMENDED
CODES	REVENUES	BUDGET	AMENDMENTS	BUDGET	BUDGET	AMENDMENTS	BUDGET
5700	LOCAL	28,540,532	20,921	28,561,453	13,696,553		13,696,553
5800	STATE	25,129,508		25,129,508	-		-
5900	FEDERAL	325,000		325,000	-		-
		53,995,040	20,921	54,015,961	13,696,553	-	13,696,553
Expenditures							
11	Instruction	31,793,937	17,881	31,811,818	-		-
12	Library Services	610,391		610,391	-		-
13	Staff Development	596,541	(770)	595,771	-		-
21	Instructional Admin	1,049,409		1,049,409	-		-
23	Campus Administration	3,633,792	(1,626)	3,632,166	-		-
31	Guidance & Counseling	1,636,392	(3,055)	1,633,337	-		-
32	Attendance & Social Services	20,350		20,350	-		-
33	Health Services	473,205		473,205	-		-
34	Student Transportation	1,622,150		1,622,150	-		-
35	Food Services	82,545		82,545	-		-
36	Co-curricular Activities	1,405,723	10,941	1,416,664	-		-
41	General Administration	2,428,498		2,428,498	-		-
51	Plant Maintenance	5,717,538	(1,450)	5,716,088	-		-
52	Security	360,026	(1,000)	359,026	-		-
53	Data Processing	884,964		884,964	-		-
61	Community Services	37,949		37,949	-		-
71	Debt Services	851,630		851,630	11,413,651		11,413,651
81	Facilities	500,000		500,000	-		-
95	Payments to JUV Justice Alt	32,000		32,000	-		-
99	Intergovernmental Charges	258,000		258,000	-		-
	TOTAL EXPENDITURES	53,995,040	20,921	54,015,961	11,413,651	-	11,413,651
00	Other Resources	-		-			-
00	Other Uses	-		-			-
	EST FUND BALANCE 08/31/15	23,247,360		23,247,360	5,390,317		5,390,317
	EST FUND BALANCE @ 10/31/15	23,247,360	-	23,247,360	7,673,219	-	7,673,219

**Little Elm Independent School District
2015-2016 Fund Balance Comparison
as of October 31, 2015**

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		FOOD SERVICE FUND			CHILD CARE		
		240			720		
CONTROL		ORIGINAL	PROPOSED	AMENDED	ORIGINAL	PROPOSED	AMENDED
CODES	REVENUES	BUDGET	AMENDMENTS	BUDGET	BUDGET	AMENDMENTS	BUDGET
5700	LOCAL	1,222,000		1,222,000	575,054		575,054
5800	STATE	17,000		17,000	-		-
5900	FEDERAL	1,811,393		1,811,393	-		-
		3,050,393	-	3,050,393	575,054	-	575,054
Expenditures							
	11 Instruction	-		-	-		-
	12 Library Services	-		-	-		-
	13 Staff Development	-		-	-		-
	21 Instructional Admin	-		-	-		-
	23 Campus Administration	-		-	-		-
	31 Guidance & Counseling	-		-	-		-
	32 Attendance & Social Services	-		-	-		-
	33 Health Services	-		-	-		-
	34 Student Transportation	-		-	-		-
	35 Food Services	3,050,393		3,050,393	-		-
	36 Co-curricular Activities	-		-	-		-
	41 General Administration	-		-	-		-
	51 Plant Maintenance	-		-	-		-
	52 Security	-		-	-		-
	53 Data Processing	-		-	-		-
	61 Community Services	-		-	586,389		586,389
	71 Debt Services	-		-	-		-
	81 Facilities	-		-	-		-
	95 Payments to JUV Justice Alt	-		-	-		-
	99 Intergovernmental Charges	-		-	-		-
	TOTAL EXPENDITURES	3,050,393	-	3,050,393	586,389	-	586,389
	EST FUND BALANCE 08/31/15	1,193,666		1,193,666	141,604		141,604
	EST FUND BALANCE @ 10/31/15	1,193,666	-	1,193,666	130,269	-	130,269

Little Elm Independent School District
Statement of Unaudited Revenues and Expenditures - Budget vs. Actual
As of October 31, 2015

GENERAL FUND
Fund 1XX

CONTROL CODES	REVENUES	2015-2016	PERIOD	Y-T-D	VARIANCE	PERCENT TO TOTAL	PERCENT OF YEAR ELAPSED
		Approved Budget	RECEIPTS/ EXPENDITURES	RECEIVED/ ENC + EXP	FAVORABLE (UNFAVORABLE)		
5700	LOCAL	28,561,453.00	482,947.26	609,135.35	(27,952,317.65)	2.13%	17%
5800	STATE	25,129,508.00	4,052,872.49	9,442,018.45	(15,687,489.55)	37.57%	17%
5900	FEDERAL	325,000.00	37,799.53	83,285.51	(241,714.49)	25.63%	17%
TOTAL REVENUES		54,015,961.00	4,573,619.28	10,134,439.31	(43,881,521.69)	18.76%	17%
EXPENDITURES							
0011	Instruction	31,811,818.00	3,597,667.67	7,161,556.84	24,650,261.16	22.51%	17%
0012	Library Services	610,391.00	83,823.14	144,808.05	465,582.95	23.72%	17%
0013	Curriculum & Staff Development	595,771.00	58,290.50	156,414.97	439,356.03	26.25%	17%
0021	Instructional Leadership	1,049,409.00	109,373.92	203,454.27	845,954.73	19.39%	17%
0023	School Leadership	3,632,166.00	321,564.72	634,820.64	2,997,345.36	17.48%	17%
0031	Guidance & Counseling	1,633,337.00	131,237.29	266,300.42	1,367,036.58	16.30%	17%
0032	Social Work Services	20,350.00	-	200.00	20,150.00	0.98%	17%
0033	Health Services	473,205.00	58,013.10	110,090.51	363,114.49	23.26%	17%
0034	Student Transportation	1,622,150.00	179,336.41	187,693.37	1,434,456.63	11.57%	17%
0035	Food Services	82,545.00	7,373.48	14,565.20	67,979.80	17.65%	17%
0036	Co-curricular Activities	1,416,664.00	159,473.51	310,962.48	1,105,701.52	21.95%	17%
0041	General Administration	2,428,498.00	206,535.14	466,344.40	1,962,153.60	19.20%	17%
0051	Plant Maintenance	5,716,088.00	356,170.33	1,136,590.82	4,579,497.18	19.88%	17%
0052	Security & Monitoring	359,026.00	28,325.53	51,086.26	307,939.74	14.23%	17%
0053	Data Processing	884,964.00	95,132.77	192,794.70	692,169.30	21.79%	17%
0061	Community Service	37,949.00	3,144.36	5,953.35	31,995.65	15.69%	17%
0071	Debt Services	851,630.00	-	408,173.80	443,456.20	47.93%	17%
0081	Facility Acquisition	500,000.00	361,495.45	483,599.53	16,400.47	96.72%	17%
0095	Pmt to Juvenile Justice	32,000.00	2,136.00	2,136.00	29,864.00	6.68%	17%
0099	Intergovernmental Charges	258,000.00	-	61,208.32	196,791.68	23.72%	17%
TOTAL EXPENDITURES		54,015,961.00	5,759,093.32	11,998,753.93	42,017,207.07	22.21%	17%
OPERATING TRANSFERS							
7910	Other Resources	-	-	-	-		
8910	Other Uses	-	-	-	-		
TOTAL OPERATING TRANSFERS		-	-	-	-		
0100	Estimated Fund Balance 08/31/15	23,247,360.00	-	23,247,360.00			
3000	Year to Date Fund Bal. (unaudited)	23,247,360.00		21,383,045.38			

**Little Elm Independent School District
General Operating Cash Flow Statement
FY 2015-2016**

	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	TOTAL
<i>Beginning Cash Balance in Bank</i>	16,220,058.52	15,293,418.67	-	-	-	-	-	-	-	-	-	-	16,220,058.52
RECEIPTS													
Tax Collections	29,961.10	212,127.79	-	-	-	-	-	-	-	-	-	-	242,088.89
Interest	3,418.65	3,606.39	-	-	-	-	-	-	-	-	-	-	7,025.04
Other Local Revenue	357,548.13	187,019.48	-	-	-	-	-	-	-	-	-	-	544,567.61
State Revenue - Available School	-	-	-	-	-	-	-	-	-	-	-	-	-
State Revenue - Foundation	4,689,592.00	3,841,342.00	-	-	-	-	-	-	-	-	-	-	8,530,934.00
State Revenue - Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-
State Revenue - Misc	-	331,319.76	-	-	-	-	-	-	-	-	-	-	331,319.76
MAC Receipts/SHARS	31,847.87	19,810.40	-	-	-	-	-	-	-	-	-	-	51,658.27
Federal Program Revenue	13,638.11	166,138.09	-	-	-	-	-	-	-	-	-	-	179,776.20
Federal Program Revenue 240	55,788.75	231,085.91	-	-	-	-	-	-	-	-	-	-	286,874.66
Lunch Revenue - local 240	168,744.89	183,816.64	-	-	-	-	-	-	-	-	-	-	352,561.53
Payroll Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds Maintenance Tax Notes	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Investment Acct	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	5,350,539.50	5,176,266.46	-	-	-	-	-	-	-	-	-	-	10,526,805.96
DISBURSEMENTS													
Payroll Checks	2,467,271.52	2,805,677.82	-	-	-	-	-	-	-	-	-	-	5,272,949.34
Accounts Payable Checks	2,770,209.66	1,937,833.98	-	-	-	-	-	-	-	-	-	-	4,708,043.64
TRS Deposit	687,652.37	698,620.00	-	-	-	-	-	-	-	-	-	-	1,386,272.37
IRS Deposit	350,917.85	428,192.94	-	-	-	-	-	-	-	-	-	-	779,110.79
Bank Charges/ NSF's/Bk Trans	1,127.95	536.21	-	-	-	-	-	-	-	-	-	-	1,664.16
Total Expenditures	6,277,179.35	5,870,860.95	-	-	-	-	-	-	-	-	-	-	12,148,040.30
→													
Cash to TEA	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Transferred to Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to Investment Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures & Transfers	6,277,179.35	5,870,860.95	-	-	-	-	-	-	-	-	-	-	12,148,040.30
Net Change in Cash	(926,639.85)	(694,594.49)	-	-	-	-	-	-	-	-	-	-	(1,621,234.34)
Ending Cash Balance in bank	15,293,418.67	14,598,824.18	-	-	-	-	-	-	-	-	-	-	14,598,824.18
Beginning Cash Balance Lone Star	12,176,981.06	12,178,751.96	-	-	-	-	-	-	-	-	-	-	12,176,981.06
Beginning Cash Balance TexStar	1,379,554.63	1,379,667.36	-	-	-	-	-	-	-	-	-	-	1,379,554.63
Beginning Cash Balance Texas Class	1,810,899.95	1,811,189.24	-	-	-	-	-	-	-	-	-	-	1,810,899.95
Interest Earned Lone Star	1,770.90	1,958.20	-	-	-	-	-	-	-	-	-	-	3,729.10
Interest Earned TexStar	112.73	128.71	-	-	-	-	-	-	-	-	-	-	241.44
Interest Earned TexasClass	289.29	328.84	-	-	-	-	-	-	-	-	-	-	618.13
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash Balance Invested	15,369,608.56	15,372,024.31	-	-	-	-	-	-	-	-	-	-	15,372,024.31
TOTAL CASH AVAILABLE	30,663,027.23	29,970,848.49	-	-	-	-	-	-	-	-	-	-	29,970,848.49

**Little Elm Independent School District
Debt Service Cash Flow Statement
FY 2015-2016**

	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	TOTAL
<i>Beginning Cash Balance in Bank</i>	2,450,561.15	2,464,982.73	-	-	-	-	-	-	-	-	-	-	2,450,561.15
RECEIPTS													
Tax Collections	13,612.51	68,820.77	-	-	-	-	-	-	-	-	-	-	82,433.28
Interest	809.07	844.65	-	-	-	-	-	-	-	-	-	-	1,653.72
Bond Refunding	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from General Operating	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Investment Acct	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	14,421.58	69,665.42	-	-	-	-	-	-	-	-	-	-	84,087.00
DISBURSEMENTS													
Bank Charges/ NSF's/Bk Trans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to Investment Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to General Operating	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures & Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Change in Cash	14,421.58	69,665.42	-	-	-	-	-	-	-	-	-	-	84,087.00
Ending Cash Balance in bank	2,464,982.73	2,534,648.15	-	-	-	-	-	-	-	-	-	-	2,534,648.15
Beginning Cash Balance TexPool	2,937,764.48	2,937,969.79	-	-	-	-	-	-	-	-	-	-	2,937,764.48
Interest Earned TexPool	205.31	241.05	-	-	-	-	-	-	-	-	-	-	446.36
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash Balance Invested	2,937,969.79	2,938,210.84	-	-	-	-	-	-	-	-	-	-	2,938,210.84
TOTAL CASH AVAILABLE	5,402,952.52	5,472,858.99	-	-	-	-	-	-	-	-	-	-	5,472,858.99

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
Cash and Investments Reconciliation
as of October 31, 2015

Operating Fund:

Balance per bank	14,598,824.18
Add: Texas Class/MBIA	1,811,518.08
Lone Star	12,180,710.16
TexStar	1,379,796.07
Add: Deposits in Transit	4,851.07
Taxes in Transit	202,789.33
Less: Outstanding Checks/Wires	(750,353.81)

Balance per Books **29,428,135.08**

Interest & Sinking Fund:

Balance per bank	2,534,648.15
Add: Texpool	2,938,210.84
Add: Taxes in Transit	65,843.12
Less: Outstanding Checks	-

Balance per Books **5,538,702.11**

Total Balance per Books **34,966,837.19**

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
SUMMARY OF CURRENT INVESTMENTS - BY FUND
MONTH ENDED: October 31, 2015

General Fund 199

PURCHASE /SOLD DATE	TRADE TICKET #	CUSIP #	TYPE OF INVESTMENT	PAR VALUE	BEGINNING MARKET VALUE	ENDING MARKET VALUE	AVERAGE MONTHLY RATE	BOOK VALUE	DAYS TO MATURE	YIELD TO MATURE	INTEREST ACCRUED FOR PERIOD	W/D FOR PERIOD
10/01/15	Lone Star		Investment Pool Investment	12,178,751.96	100.0000%	100.0000%	0.0000%	12,178,751.96				
			Withdrawal	-				12,178,751.96				
10/31/15			Interest	1,958.20			0.1900%	12,180,710.16			1,958.20	-
				<u>12,180,710.16</u>				<u>12,180,710.16</u>			<u>1,958.20</u>	<u>-</u>

General Fund 199

PURCHASE /SOLD DATE	TRADE TICKET #	CUSIP #	TYPE OF INVESTMENT	PAR VALUE	BEGINNING MARKET VALUE	ENDING MARKET VALUE	AVERAGE MONTHLY RATE	BOOK VALUE	DAYS TO MATURE	YIELD TO MATURE	INTEREST ACCRUED FOR PERIOD	W/D FOR PERIOD
10/01/15	TexSTAR		Investment Pool Investment	1,379,667.36	100.0000%	100.0000%	0.0000%	1,379,667.36				
			Withdrawal	-				1,379,667.36				
10/31/15			Interest	128.71			0.1099%	1,379,796.07			128.71	-
				<u>1,379,796.07</u>				<u>1,379,796.07</u>			<u>128.71</u>	<u>-</u>

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Construction Fund 647

PURCHASE /SOLD DATE	TRADE TICKET #	CUSIP #	TYPE OF INVESTMENT	PAR VALUE	BEGINNING MARKET VALUE	ENDING MARKET VALUE	AVERAGE MONTHLY RATE	BOOK VALUE	DAYS TO MATURE	YIELD TO MATURE	INTEREST ACCRUED FOR PERIOD	W/D FOR PERIOD
10/01/15	Texas CLASS		Investment Pool Investment	1,811,189.24	100.0000%	100.0000%	0.0000%	1,811,189.24				
			Withdrawal	-				1,811,189.24				
10/31/15			Interest	328.84			0.2100%	1,811,518.08			328.84	-
				<u>1,811,518.08</u>				<u>1,811,518.08</u>			<u>328.84</u>	<u>-</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
SUMMARY OF CURRENT INVESTMENTS - BY FUND
MONTH ENDED: October 31, 2015

Debt Service Fund 511

PURCHASE /SOLD DATE	TRADE TICKET #	CUSIP #	TYPE OF INVESTMENT	PAR VALUE	BEGINNING MARKET VALUE	ENDING MARKET VALUE	AVERAGE MONTHLY RATE	BOOK VALUE	DAYS TO MATURE	YIELD TO MATURE	INTEREST ACCRUED FOR PERIOD	W/D FOR PERIOD
10/01/15	TexPool		Investment Pool	2,937,969.79	100.0000%	100.0000%	0.0000%	2,937,969.79				
			Investment	-				2,937,969.79				
			Withdrawal	-				2,937,969.79				-
10/31/15			Interest	241.05			0.0850%	2,938,210.84			241.05	
				<u>2,938,210.84</u>				<u>2,938,210.84</u>			<u>241.05</u>	<u>-</u>

Little Elm Independent School District
Summary of Revenue & Expenditures As Of 10/31/15
Accounting Period: 10

	Fund: 1XX	%	Fund: 211	%	Fund: 224	%	Fund: 225	%
	General Operating		Title I-A Improving Basic		IDEA-B Formula (Spec Ed)		IDEA-B Pre-School (Spec Ed)	
Revenue Budget	54,015,961.00	100.00%	420,442.00	100.00%	702,863.00	100.00%	8,256.00	100.00%
Period Receipts	4,573,619.28		-		-		-	
Revenue Received to Date	10,134,439.31	18.76%	-	0.00%	-	0.00%	-	0.00%
Revenues Receivable:	43,881,521.69	81.24%	420,442.00	100.00%	702,863.00	100.00%	8,256.00	100.00%
Expenditure Budget	54,015,961.00	100.00%	420,442.00	100.00%	702,863.00	100.00%	8,256.00	100.00%
Period Expenditures	5,759,093.32		37,251.23		109,973.47		793.97	
Exp./Encumbrances to Date	11,998,753.93	22.21%	73,903.04	17.58%	186,554.60	26.54%	2,047.97	24.81%
Balance to Expend:	42,017,207.07	77.79%	346,538.96	82.42%	516,308.40	73.46%	6,208.03	75.19%
Actual Revenue Over (Under)								
Actual Expenditures & Encumbrances:	(1,864,314.62)		(73,903.04)		(186,554.60)		(2,047.97)	

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**Little Elm Independent School District
Summary of Revenue & Expenditures As Of 10/31/15
Accounting Period: 10**

	Fund: 244	%	Fund: 255	%	Fund: 263	%	Fund 289	%
	Voc Ed Basic Grant		Title II TPTR		Title III, Part A LEP/Immigrant		Summer School LEP	
Revenue Budget	47,871.00	100.00%	43,121.00	100.00%	120,466.00	100.00%	-	100.00%
Period Receipts	-		-		-		-	
Revenue Received to Date	-	0.00%	-	0.00%	-	0.00%	-	
Revenues Receivable:	47,871.00	100.00%	43,121.00	100.00%	120,466.00	100.00%	-	
Expenditure Budget	47,871.00	100.00%	43,121.00	100.00%	120,466.00	100.00%	-	100.00%
Period Expenditures	2,014.33		422.14		6,156.01		-	
Exp./Encumbrances to Date	4,635.16	9.68%	30,699.08	71.19%	30,674.78	25.46%	-	#DIV/0!
Balance to Expend:	43,235.84	90.32%	12,421.92	28.81%	89,791.22	74.54%	-	
Actual Revenue Over (Under) Actual Expenditures:	(4,635.16)		(30,699.08)		(30,674.78)		-	

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**Little Elm Independent School District
Summary of Revenue & Expenditures As Of 10/31/15
Accounting Period: 10**

	Fund 397	%	Fund 410	%	Fund: 240	%	Fund: 511	%
	APIB Campus Awards		Instructional Materials		Food Service		Debt Service	
Revenue Budget	-	100.00%	331,320.00	100.00%	3,050,393.00	100.00%	13,696,553.00	100.00%
Period Receipts	-		331,319.76		431,888.89		133,085.52	
Revenue Received to Date	-	#DIV/0!	331,319.76	100.00%	613,094.01	20.10%	144,035.16	1.05%
Revenues Receivable:	-		0.24	0.00%	2,437,298.99	79.90%	13,552,517.84	98.95%
Expenditure Budget	-	100.00%	357,371.00	100.00%	3,050,393.00	100.00%	11,413,651.00	100.00%
Period Expenditures	-		131,036.81		443,402.76		810.00	
Exp./Encumbrances to Date	-	#DIV/0!	338,854.76	94.82%	607,056.88	19.90%	810.00	0.01%
Balance to Expend:	-		18,516.24	5.18%	2,443,336.12	80.10%	11,412,841.00	99.99%
Actual Revenue Over (Under)	-		(7,535.00)		6,037.13		143,225.16	
Actual Expenditures & Encumbrances:	-							

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**Little Elm Independent School District
Summary of Revenue & Expenditures As Of 10/31/15
Accounting Period: 10**

	Fund: 647		Fund: 720	
		%		%
	2012 & 2014 Bonds		Child Care	
Revenue Budget	18,180,345.00	100.00%	575,054.00	100.00%
Period Receipts	328.84		50,087.84	
Revenue Received to Date	18,195,079.62	100.08%	97,767.13	17.00%
Revenues Receivable:	-	0.00%	477,286.87	83.00%
Expenditure Budget	18,180,345.00	100.00%	586,389.00	100.00%
Period Expenditures	9,000.00		54,089.24	
Exp./Encumbrances to Date	16,414,471.59	90.29%	128,426.23	21.90%
Balance to Expend:	1,765,873.41	9.71%	457,962.77	78.10%
Actual Revenue Over (Under)				
Actual Expenditures & Encumbrances:	1,780,608.03		(30,659.10)	

Denton County
Monthly Collection Status Report
October 2015

Little Elm ISD

	Collections Month of October	Cumulative Total 10/1/15 thru 10/31/15	% of Tax Levy
Current Tax Year Collections			
Base M&O	391,745.67	391,745.67	1.25%
Base I&S	123,885.42	123,885.42	
Base I&S Bond	-	-	
P&I M&O	-	-	
P&I I&S	-	-	
P&I I&S Bond	-	-	
Attorney Fee	-	-	
Subtotal	<u>515,631.09</u>	<u>515,631.09</u>	1.25%
Delinquent TaxYears Collections			
Base M&O	13,246.96	13,246.96	
Base I&S	6,358.62	6,358.62	
Base I&S Bond	-	-	
P&I M&O	3,661.72	3,661.72	
P&I I&S	1,755.78	1,755.78	
P&I I&S Bond	-	-	
Attorney Fee	5,019.32	5,019.32	
Other*	-	-	
Subtotal	<u>30,042.40</u>	<u>30,042.40</u>	
Combined Current & Delinquent:			
Base M&O	404,992.63	404,992.63	
Base I&S	130,244.04	130,244.04	
Base I&S Bond	-	-	
P&I M&O	3,661.72	3,661.72	
P&I I&S	1,755.78	1,755.78	
Attorney Fee	5,019.32	5,019.32	
Other*	-	-	
Total Collections	<u><u>545,673.49</u></u>	<u><u>545,673.49</u></u>	
Original 2015 Tax Levy		<u>41,181,714.37</u>	
Current 2015 Tax Levy		<u><u>41,225,008.05</u></u>	

Denton County
Cumulative Comparative Collection Status Report
October 2015

Little Elm ISD

	Tax Year 2015 Collections thru October 2015	% of Tax Levy	Tax Year 2014 Collections thru October 2014	% of Tax Levy
Current Tax Year Collections				
Base M&O + I&S	515,631.09	1.25%	974,002.34	2.68%
P&I M&O + I&S	-		121.63	
Attorney Fee	-		-	
Subtotal	<u>515,631.09</u>	1.25%	<u>974,123.97</u>	2.68%
Delinquent Tax Years Collections				
Base M&O + I&S	19,605.58		93,348.71	
P&I M&O + I&S	5,417.50		18,880.45	
Attorney Fee	5,019.32		4,403.69	
Subtotal	<u>30,042.40</u>		<u>116,632.85</u>	
Combined Current & Delinquent:				
Base M&O + I&S	535,236.67		1,067,351.05	
P&I M&O + I&S	5,417.50		19,002.08	
Attorney Fee	5,019.32		4,403.69	
Other	-		-	
Total Collections	<u>545,673.49</u>		<u>1,090,756.82</u>	
Adjusted 2014 Tax Levy			<u>36,330,521.26</u>	
Original 2015 Tax Levy	<u>41,181,714.37</u>			
Current 2015 Tax Levy	<u>41,225,008.05</u>			

Denton County
Levy Outstanding Status Report
October 2015
Little Elm ISD

	Current Tax Year	Delinquent Tax Years
Current Month:		
Tax Levy Remaining as of 10/31/15	41,181,714.37	568,254.16
Base M&O + I&S Collections	515,631.09	19,605.58
Supplement/Adjustments	43,293.68	7,603.26
	<hr/>	<hr/>
Remaining Levy as of 10/31/15	<u>40,709,376.96</u>	<u>556,251.84</u>
Cumulative (From 10/01/15 thru 10/31/15)		
Original 2014 Tax Levy (as of 10-1-15)	41,181,714.37	568,254.16
Base M&O + I&S Collections	515,631.09	19,605.58
Supplement/Adjustments	43,293.68	7,603.26
	<hr/>	<hr/>
Remaining Levy as of 10/31/15	<u>40,709,376.96</u>	<u>556,251.84</u>

Summer Renovation Projects

Total Project Authorized by Board of Trustees
 Add'l Approved by Board for Hackberry Moisture Barrier

1,092,073.00
50,000.00
1,142,073.00

Expenditures as of 12-04-15

Project Codes	Project	Project Budget	Expenditures to Date		Encumbered	Total	Retainage	Available +/-	% of Budget Committed
			FY 14-15	FY 15-16					
199-81-6629-00-105-599004	Hackberry Renovations - Architect	45,000.00	43,447.50	4,500.00		47,947.50		(2,947.50)	107%
199-81-6629-01-105-599004	Hackberry Renovations	731,845.00	606,091.88	61,261.21		667,353.09		64,491.91	91% (1)
199-81-6629-01-103-599005	Brent Renovations	92,631.00	55,702.50	33,568.50		89,271.00		3,360.00	96% (2)
199-81-6629-01-107-599006	Lakeview Renovations	102,939.00	38,600.00	64,338.82		102,938.82		0.18	100%
199-81-6629-01-104-599007	Chavez Renovations	95,972.00	70,205.00	25,767.50		95,972.50		(0.50)	100%
199-81-6629-01-999-599008	Zellars Childcare Renovations	23,286.00	9,159.38			9,159.38		14,126.62	39%
199-81-6629-01-999-599009	Lakeside Kitchen Renovations	3,400.00	15,460.00			15,460.00		(12,060.00)	455%
199-81-6629-01-042-599010	Prestwick Band Storage	37,000.00	-			-		37,000.00	0% (3)
199-36-6299-00-999-599000	Refinish Gym Floors	10,000.00	7,720.00	-		7,720.00		2,280.00	77%
	Total	1,142,073.00	846,386.26	189,436.03	-	1,035,822.29	-	106,250.71	91%

(1) No retainage, balance to finish \$35,457.44

(2) No retainage, balance to finish \$3,500.11

(3) Materials for band storage not delivered until FY 15-16. Requesting to roll balance forward after completion of the audit.

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Renovations / Maintenance Projects

Total Approved in Original Budget FY 15-16 500,000.00

Expenditures as of 12-04-15

Account Code	Account Description	Vendor	Description	Expenditures	Encumbered	Total
197-11-6398-00-105-611000	Hackberry Classroom Furniture	Office Depot	Furniture for Collaborative Areas	-	73,590.38	73,590.38
197-51-6249-00-103-699000	Brent Repair & Maintenance	The Deal Group	Interior Entry Renovation	12,942.00	-	12,942.00
197-51-6249-00-104-699000	Chavez Repair & Maintenance	The Deal Group	Interior Entry Renovation	7,842.00	-	7,842.00
199-51-6299-00-001-699000	LEHS Electrical Service	The Deal Group	LEHS electrical service work	18,027.94	-	18,027.94
197-51-6299-00-041-699000	Middle School Misc Contracted Service	The Deal Group	Lakeside MS Serving Line	5,493.00	-	5,493.00
197-51-6299-00-041-699000	Middle School Misc Contracted Service	The Deal Group	7 LED wall packs with photo cell control	4,642.00	-	4,642.00
197-51-6299-00-105-699000	Hackberry Misc Contracted Service	The Deal Group	Exterior Signs	-	13,124.00	13,124.00
197-51-6299-00-105-699000	Hackberry Misc Contracted Service	The Deal Group	Catch Basin	-	2,048.00	2,048.00
197-51-6299-00-999-699000	Zellars Misc Contracted Service	The Deal Group	Lobo Lane Signs	11,660.03	-	11,660.03
197-51-6299-00-999-699000	Zellars Misc Contracted Service	Perkins & Wills	School Graphics	5,116.44	-	5,116.44
197-51-6299-00-999-699000	Zellars Misc Contracted Service	The Deal Group	Steel beam work, light fixtures	4,766.00	-	4,766.00
197-51-6299-01-001-699000	LEHS Landscaping	The Deal Group	Landscaping 5 flower beds	8,852.00	-	8,852.00
197-51-6299-01-001-699000	LEHS Landscaping	The Deal Group	Regrading at LEHS	2,368.00	-	2,368.00
197-81-6629-00-001-699003	LEHS Gym Lighting	Facility Solutions Group	Replace lighting in gym	-	51,719.44	51,719.44
197-81-6629-00-041-699001	Powell Roof	CBS Roofing	Roof Repair	68,515.00	-	68,515.00
197-81-6629-00-041-699006	Lakeside Irrigation System	The Deal Group	Irrigation	7,633.00	-	7,633.00
197-81-6629-00-041-699007	Powell Renovations Interior	The Deal Group	Ro0m 210 architectural, electrical and data	9,068.75	-	9,068.75
197-81-6629-00-042-699004	Prestwick STEM Canope	The Deal Group	Prestwick Canope	-	24,956.00	24,956.00
197-81-6629-00-108-699002	Oak Point Canope	The Deal Group	Oak Point Canope	-	25,796.00	25,796.00
197-81-6629-00-851-699005	Zellars - Concrete Sidewalk	The Deal Group	Front Entry Concrete	46,843.75	-	46,843.75
197-81-6629-00-999-699008	Zellars Renov - Curriculum	The Deal Group	Renovations Curriculum & Technology Dept	-	37,951.25	37,951.25
197-81-6629-01-042-699010	Band Storage Cabinets	Wenger Corporation	Prestwick Band Storage	40,399.00	-	40,399.00
						-
	Total			254,168.91	229,185.07	483,353.98

Available	16,646.02
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Maintenance Furniture, Fixtures and Equipment Purchases

Total Approved in Original Budget FY 15-16 252,001.00

Expenditures as of 12-04-15

Project Codes	Account Description	Vendor	Description	Expenditures	Encumbered	Total
196-11-6398-00-042-611000	Furn & Equip	Wilson Office Interiors	Prestwick classroom furniture	27,253.45	-	27,253.45
196-36-6398-00-999-699000	Athletic Complex Equip	The Deal Group	TV's for Athletic Complex - 3 concession, 1 ticket booth, 1 pro shop	6,167.00	-	6,167.00
196-41-6398-00-749-699000	Furn & Equip HR Dept	Office Depot	HR Dept Conference Room Furniture	4,945.39	-	4,945.39
196-51-6639-00-851-699000	Equipment Maintenance	Sam Pack's Five Star Ford	Maintenance vehicles - 4 Transit Connect Cargo, 1 Transit Connect 5 Passenger	-	133,520.24	133,520.24
						-
	Total			38,365.84	133,520.24	171,886.08

Available	80,114.92
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Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Other
12-14-2015	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	Resolution Concerning Appointment of the Texas Commissioner of Education				
Presenter or Contact Person:	Dr. Lowell H. Strike, Superintendent				
Policy/Code:					
Summary:	Resolution Concerning Appointment of the Texas Commissioner of Education.				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	Resolution Concerning Appointment of the Texas Commissioner of Education				
Recommendation:	The administration recommends approval of the Resolution Concerning Appointment of the Texas Commissioner of Education.				
Motion:	I move the Board approve the Resolution Concerning Appointment of the Texas Commissioner of Education.				

**BOARD OF TRUSTEES
LITTLE ELM INDEPENDENT SCHOOL DISTRICT**

**RESOLUTION CONCERNING
APPOINTMENT OF THE TEXAS COMMISSIONER OF EDUCATION**

STATE OF TEXAS §
 §
COUNTY OF _____ §

I. Recitals

The Texas Education Agency’s Commissioner of Education (“Commissioner”) serves as the educational leader of the state. The Commissioner creates rules and policies governing the state's approximately 1,200 school districts, oversees the TEA and its \$21 billion annual budget, and works closely with the state legislature, various state agencies, and the U.S. Department of Education.

In order to effectively lead the state’s education system, the Commissioner must understand and have relevant experience in all areas related to public schools in Texas, including the Texas Essential Knowledge and Skills, school curriculum, instructional materials, student academic achievement, social factors affecting student learning, special education requirements, legislative mandates, school finance, and teacher, administrator, and school board roles and duties. The 5.2 million children currently in Texas public schools need a Commissioner who is qualified upon appointment to avoid months or years of training on the complexities of Texas public schools.

In Texas, in order to be eligible for a Principal Certificate, an educator must have a master’s degree, valid classroom teaching certificate, and at least two years of teaching experience, which permits the educator to fulfill the role of principal, assistant principal, or other administrator in a public school. *See* 19 TEX. ADMIN. CODE § 241.20(2). Similarly, an educator is required to possess a master’s degree in order to serve as superintendent of a Texas public school district. *See* TEX. ADMIN. CODE § 242.20(3). Presently, however, the only qualification mandated by the Texas Education Code for the Commissioner of Education to oversee the statewide public education system is that he or she must be a citizen of the United States.

The Texas Legislature has recognized the importance of appointing or selecting other state-level commissioners with relevant experience and expertise in the area the commissioner leads. For example, state law requires the Commissioner of Agriculture to have worked for at least five years in the general agriculture field. *See* TEX. AGRIC. CODE § 11.005. Further, the Commissioner of Insurance must be well informed and qualified in the field of insurance and have at least five years of relevant experience. *See* TEX. INS. CODE § 31.023. Texas statutes also require professional and consulting service providers (*see* TEX. GOV’T CODE § 2254) and senior judges (*see* TEX. GOV’T CODE § 62.102) to possess some level of experience and qualifications. Further, other U.S. states have mandated by statute that the leader of their state education system possess experience and qualifications related to education, including New Mexico and Virginia.

II. Resolution

Based on the recitals above, the Little Elm Independent School District implores Governor Abbott to appoint a Texas Commissioner of Education who possesses a minimum of a master's degree in education as well as extensive experience in education leadership.

PASSED AND APPROVED on this _____ day of _____, 2015.

By: _____
Board President

By: _____
Board Member

By: _____
Board Vice President

By: _____
Board Member

By: _____
Board Secretary

By: _____
Board Member

By: _____
Board Member

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 12-14-2015	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	Resolution Concerning Board of Directors of Denton Central Appraisal District				
Presenter or Contact Person:	Dr. Lowell H. Strike, Superintendent				
Policy/Code:					
Summary:	Resolution Concerning the Board of Directors of Denton Central Appraisal District.				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	Resolution Concerning the Board of Directors of Denton Central Appraisal District.				
Recommendation:	The administration recommends approval of the Resolution Concerning the Board of Directors of Denton Central Appraisal District.				
Motion:	I move the Board approve the Resolution Concerning the Board of Directors of Denton Central Appraisal District.				



LITTLE ELM
Independent School District
Engage Equip Empower

RESOLUTION

BE IT RESOLVED that the Board of Trustees of the Little Elm Independent School District casts its votes for the Board of Directors of the Denton Central Appraisal District as follows:

Name: David Terre

No. of Votes: 130

Submitted this 14th Day of December, 2015

LITTLE ELM INDEPENDENT SCHOOL DISTRICT

DeLeon English, Secretary
Board of Trustees

ATTEST:

Dr. Lowell H. Strike
Superintendent

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Discussion
Board Mtg. Date 12-14-2015	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	RECOMMENDATION FOR CONSTRUCTION OF AN OPERATIONAL SERVICES FACILITY				
Presenter or Contact Person:	Rod Reeves, Executive Director of Facilities and Construction				
Policy/Code:	NA				
Summary:	The District Administration is requesting that the Board of Trustees accept the recommendation of Financial & Facilities Committees to move forward on the construction of a new operational services facility.				
Financial Implications:	A breakdown of funding for the Operational Services Facility is as follows: Approximately \$4 million from Fund Balance \$1.8 million from previous sold bonds Sale of Existing Operational Services Property Any additional funds will be taken from the General Fund				
Attachments:	Operational Services Facility Presentation				
Recommendation:	The Administration recommends accepting the Financial & Facilities Committees recommendation to move forward on the construction of a new operational services facility.				
Motion:	I move the Board accept the recommendation from the District's Financial & Facilities Committees for the construction of a new operational services facility.				



\$2.5 Million for everything!

Construction Cost

Fixtures, Furniture, Equipment, Surveys,
Testing & Balancing, Core Samples, Platting
Architects Fees

Land

→ **20% +**
Above Construction Cost

Where did we start?

Athletic Complex Site - Tilt Wall



Why did we change?

Athletic Complex Site - Metal Building



Eldorado (Garza Site)



How will the project be funded?

- Approximately \$4 million from Fund Balance
- \$1.8 million from previously sold bonds
- Sale of existing Operational Services property
- Any additional funds will be taken from the General Fund

Athletic Complex Site - Tilt Wall : \$3-4 Million

March 2014 : 17,500 Sq.Ft. (CSP)

- Operational Services & Transportation Offices
- Only Propane at Site
- Mezzaine Levels
- Two Full Transportation Bays
- Shared Breakroom for 24
- Only room for 43 Buses
- 2 Operational Services Offices Short
- Construction Cost: \$2.7 - \$3.4 / Over Budget
- No Fixtures, Furniture or Equipment

1

Athletic Complex Site - Metal Building : \$3-4 Million

November 2014 : 15,000 Sq.Ft. (CSP)

- Operational Services & Transportation Offices
- Only Propane at Site
- Mezzaine Levels
- One Full Transportation Bay
- Shared Breakroom for 24
- Only room for 43 Buses
- Construction Cost: \$2.4 - \$2.8 / Over Budget
- No Fixtures, Furniture or Equipment

2

Eldorado (Garza Site) : \$6-7 Million

2015-2016 : 29,000 Sq.Ft. (CM@Risk)

- Operational Services, Transportation, Child Nutrition, Shipping & Reciving, Textbook and Warehouse Offices
- Propane, Unleaded & Diesel at Site
- Two Full Transportation Bays
- Covered Area for Operational Vehicules
- Fenced Yard for Vehicles & Equipment
- Tire Storage on Ground Level
- Divided Break rooms for Transportation & Operational Services
- Plan Room & Storage
- Common Lobby for Operational & Transportation
- Child Nutrition has Separate Entrance
- Separate Area for Inventory of Textbooks & Technology
- Area for Record Storage
- Possible District Freezer
- Room for Bus Parking & Room for Growth
- Loading Dock

3

Why did we move & grow?

From One Site to Another



- New Administration - Fresh Look
- Shipping & Receiving Removed from High School for CTE
- Needed Warehouse Space
- Zellers at Capacity
- Sale of Property for Increased TAV's
- Child Nutrition Under Operational Services
- Limited Space at Athletic Complex
- Within Residential Area

Recommendations....



Operational Services Facility



202

Rod Reeves
Executive Director for Operational Services
14 Nov 2015



Where did we start?

\$2.5 Million
for everything!

Construction Cost

Fixtures, Furniture, Equipment, Surveys,
Testing & Balancing, Core Samples, Platting



for everything!

Construction Cost

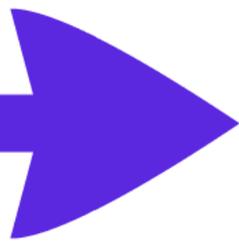
Fixtures, Furniture, Equipment, Surveys,
Testing & Balancing, Core Samples, Platting
Architects Fees

Land

Athletic Complex Site - Tilt Wall : \$3-4 Millio

March 2014 : 17,500 Sq.Ft. (CSP)

Operational Services & Transportation Offices



20% +

Above Construction Cost

Architects Fees

Land

Athletic Complex Site - Tilt Wall : \$3-4 Million

March 2014 : 17,500 Sq.Ft. (CSP)

- Operational Services & Transportation Offices
- Only Propane at Site
- Mezzanine Levels
- Two Full Transportation Bays
- Shared Breakroom for 24
- Only room for 43 Buses
- 2 Operational Services Offices Short
- Construction Cost: \$2.7 - \$3.4 / Over Budget
- No Fixtures, Furniture or Equipment



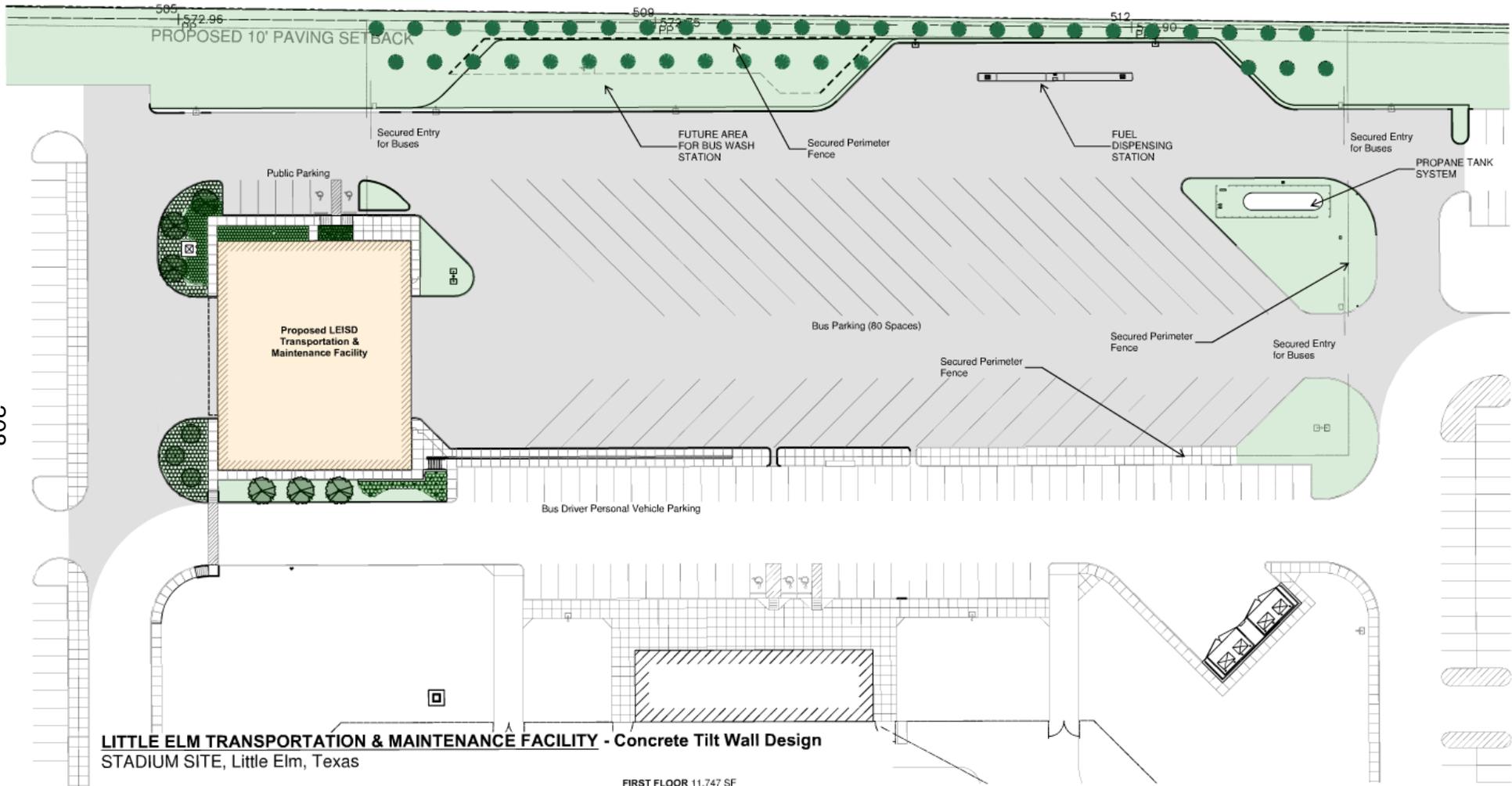
207

Athletic Complex Site - Metal Building : \$3-4 Million

November 2014 : 15,000 Sq.Ft. (CSP)

- Operational Services & Transportation Offices

Athletic Complex Site - Tilt Wall

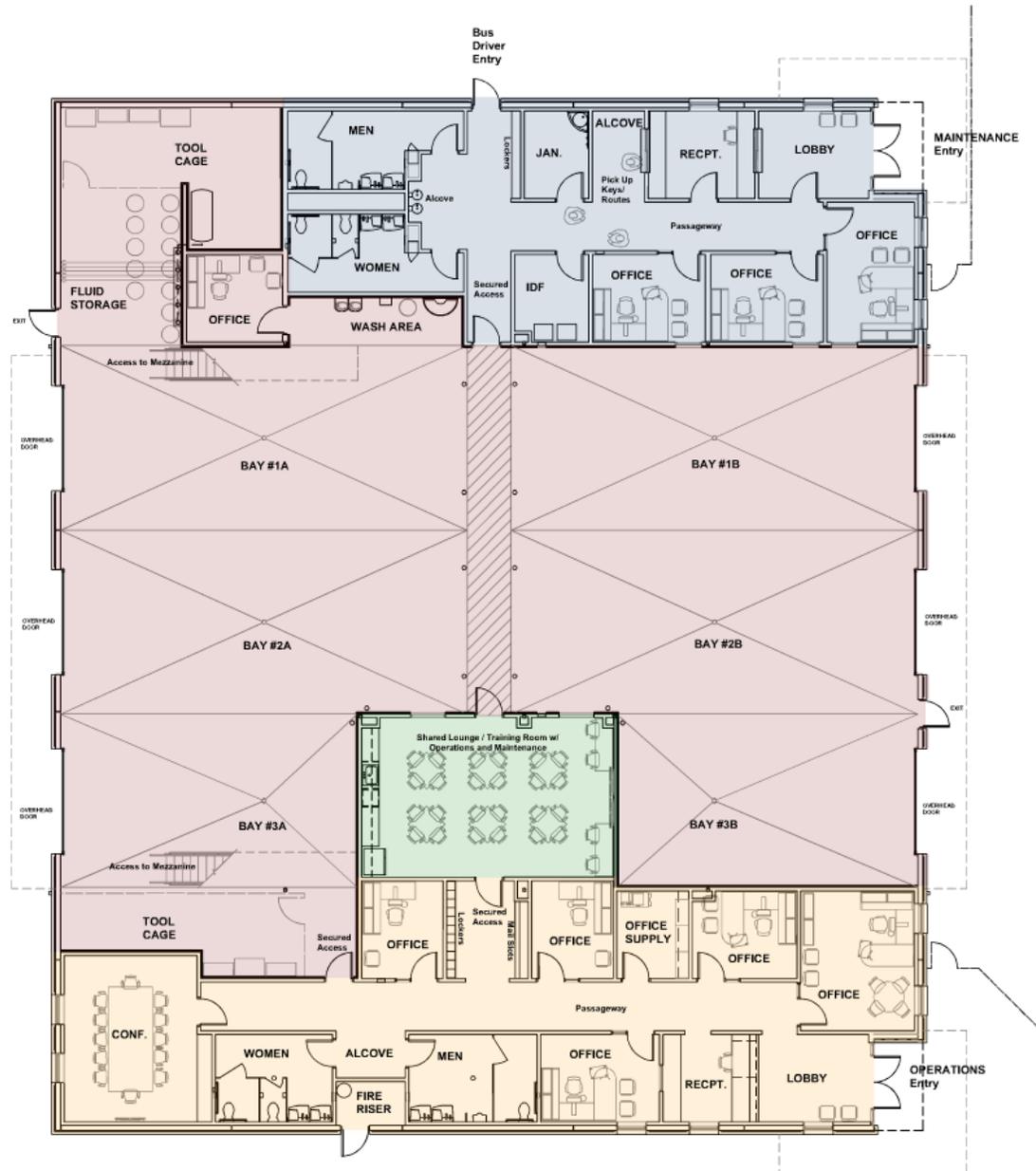


LITTLE ELM TRANSPORTATION & MAINTENANCE FACILITY - Concrete Tilt Wall Design
 STADIUM SITE, Little Elm, Texas

Hidell and Associates Architects
 Issue for Construction 03.07.2014

FIRST FLOOR 11,747 SF
 MEZZANINE 5,896 SF
 COSTS - Received Bids (Range)
 \$2,720,500 - 3,240,500

SITE PLAN



- LEIBD OPERATIONS OFFICE AREA 2,495 SF
- LEIBD MAINTENANCE OFFICE AREA 1,896 SF
- SHARED SPACES 553 SF
- LEIBD MAINTENANCE FACILITY 6,801 SF

- MEZZANINE AREA
- STORAGE

LITTLE ELM TRANSPORTATION & MAINTENANCE FACILITY - Concrete Tilt Wall Design
 STADIUM SITE, Little Elm, Texas

Hidell and Associates Architects
 Issue for Construction 03.07.2014



FIRST FLOOR 11,747 SF

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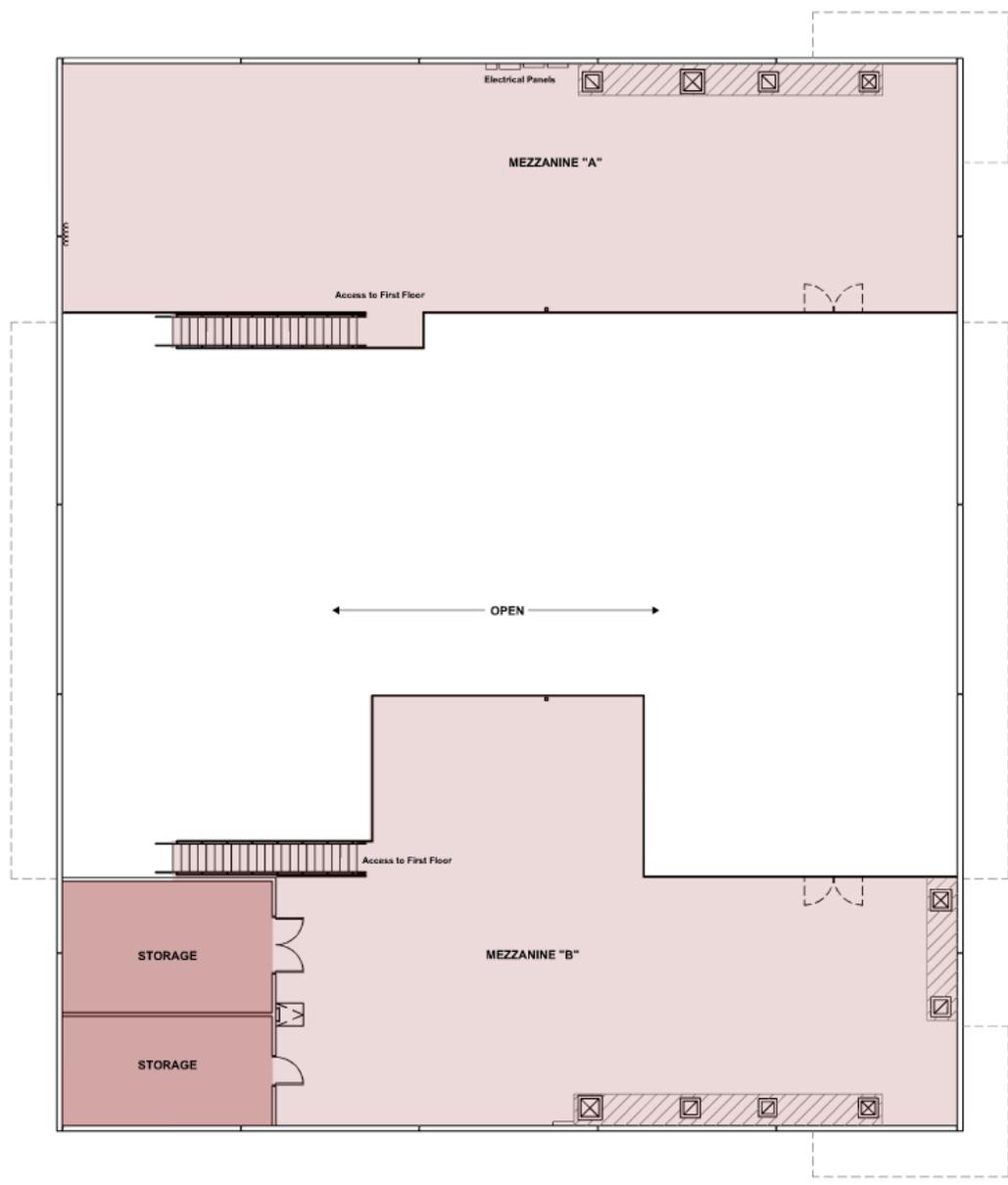
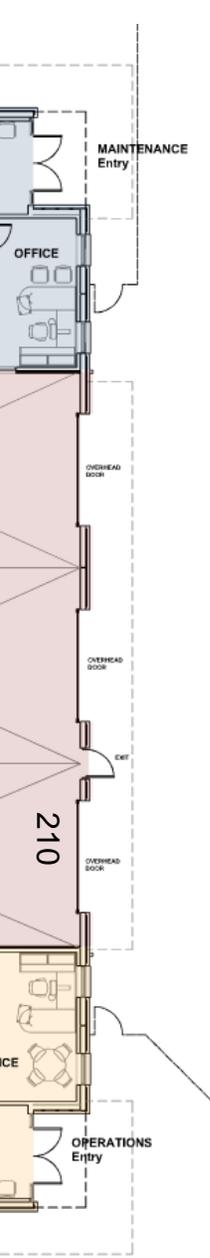
FIRST FLOOR

LITTLE ELM TRANSPORTATION & MAINTENANCE FACILITY
 STADIUM SITE, Little Elm, Texas

Hidell and Associates Architects
 Issue for Construction 03.07.2014



209



MEZZANINE AREA

STORAGE

LITTLE ELM TRANSPORTATION & MAINTENANCE FACILITY - Concrete Tilt Wall Design
 STADIUM SITE, Little Elm, Texas

Hidell and Associates Architects
 Issue for Construction 03.07.2014



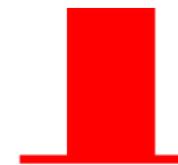
FIRST FLOOR 11,747 SF

MEZZANINE 5,896 SF
 COSTS - Received Bids (Range)
 \$2,720,500 - 3,240,500

MEZZANINE LEVEL

FIRST FLOOR

- Only room for 43 Buses
- 2 Operational Services Offices Short
- Construction Cost: \$2.7 - \$3.4 / Over Budget
- No Fixtures, Furniture or Equipment



Athletic Complex Site - Metal Building : \$3-4 Million

November 2014 : 15,000 Sq.Ft. (CSP)

- Operational Services & Transportation Offices
- Only Propane at Site
- Mezzanine Levels
- One Full Transportation Bay
- Shared Breakroom for 24
- Only room for 43 Buses
- Construction Cost: \$2.4 - \$2.8 / Over Budget
- No Fixtures, Furniture or Equipment



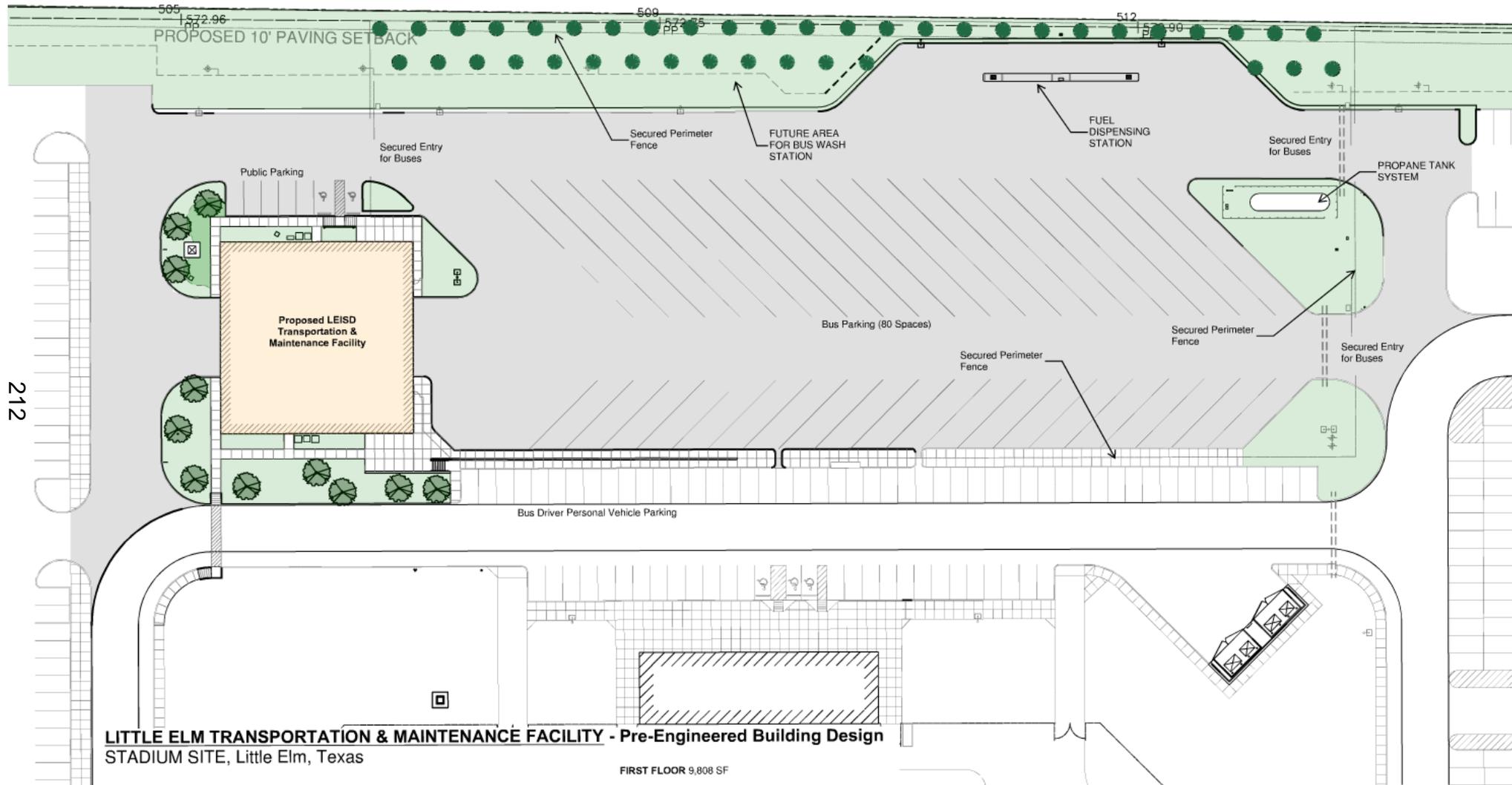
Eldorado (Garza Site) : \$6-7 Million

2015-2016 : 29,000 Sq.Ft. (CM@Risk)

- Operational Services, Transportation, Child Nutrition, Shipping & Receiving, Textbook and



Athletic Complex Site - Metal Building



212

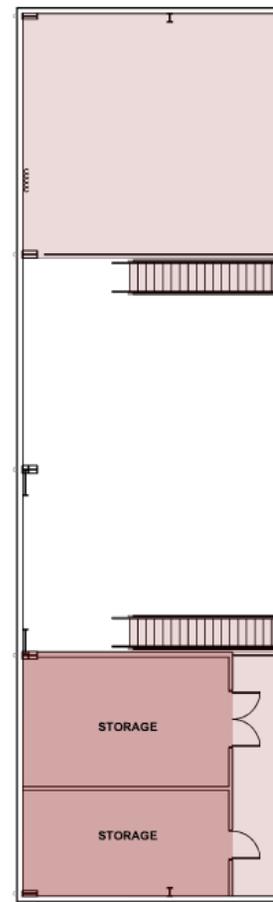
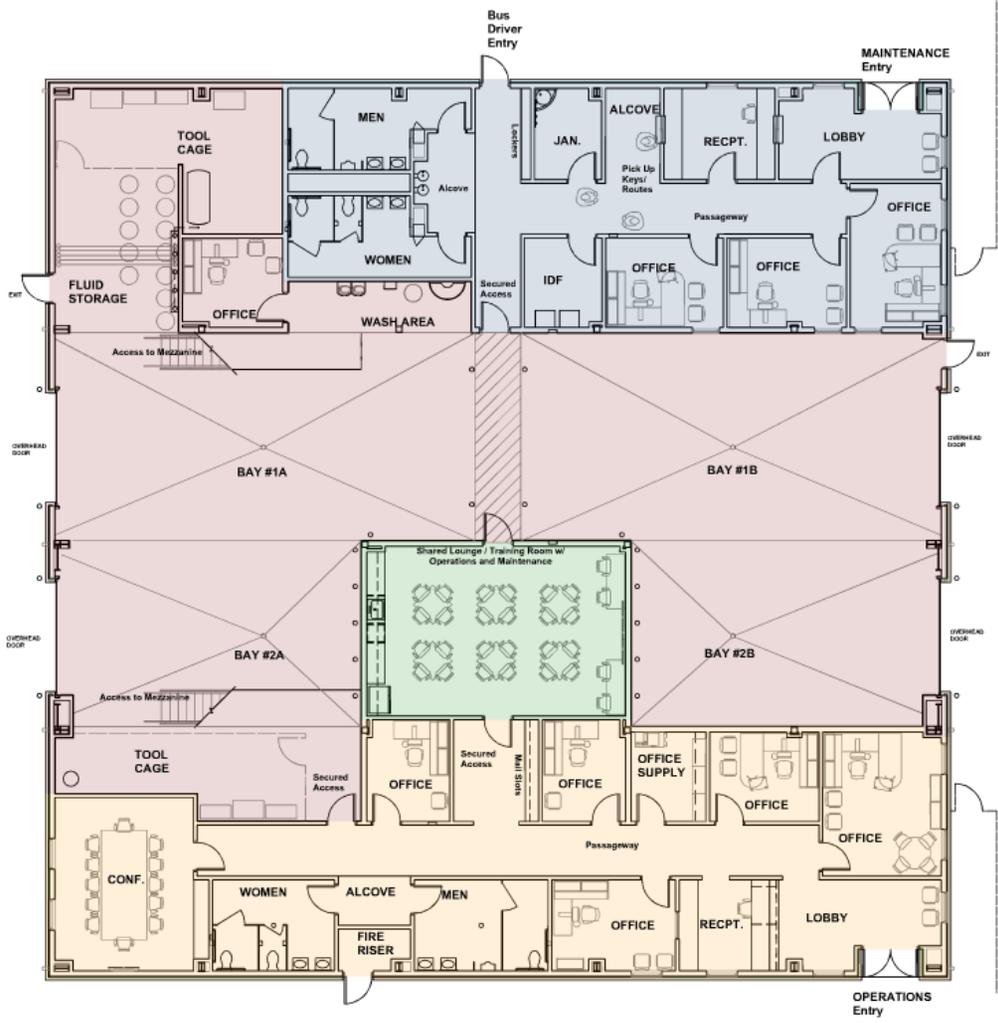
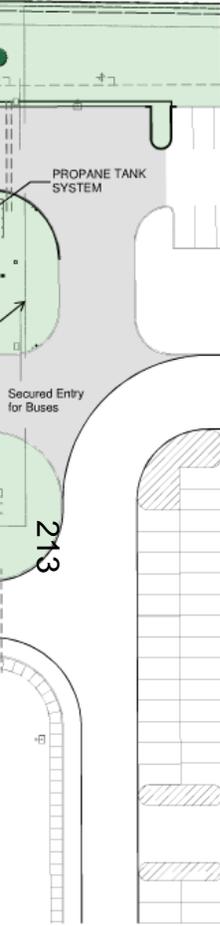
LITTLE ELM TRANSPORTATION & MAINTENANCE FACILITY - Pre-Engineered Building Design
 STADIUM SITE, Little Elm, Texas

Hidell and Associates Architects
 Issue for Construction 11.07.2014

FIRST FLOOR 9,808 SF
 MEZZANINE 5,896 SF
 COSTS - Received Bids (Range)
 \$2,424,335 - 2,779,284

SITE PLAN

ng



- LEISD OPERATIONS OFFICE AREA 2,509 SF
- LEISD MAINTENANCE OFFICE AREA 1,912 SF
- SHARED SPACES 553 SF
- LEISD MAINTENANCE FACILITY 4,833 SF

- MEZZANINE AREA
- STORAGE

LITTLE ELM TRANSPORTATION & MAINTENANCE FACILITY - Pre-Engineered Building Design
 STADIUM SITE, Little Elm, Texas

Hidell and Associates Architects
 Issue for Construction 11.07.2014



FIRST FLOOR 9,808 SF

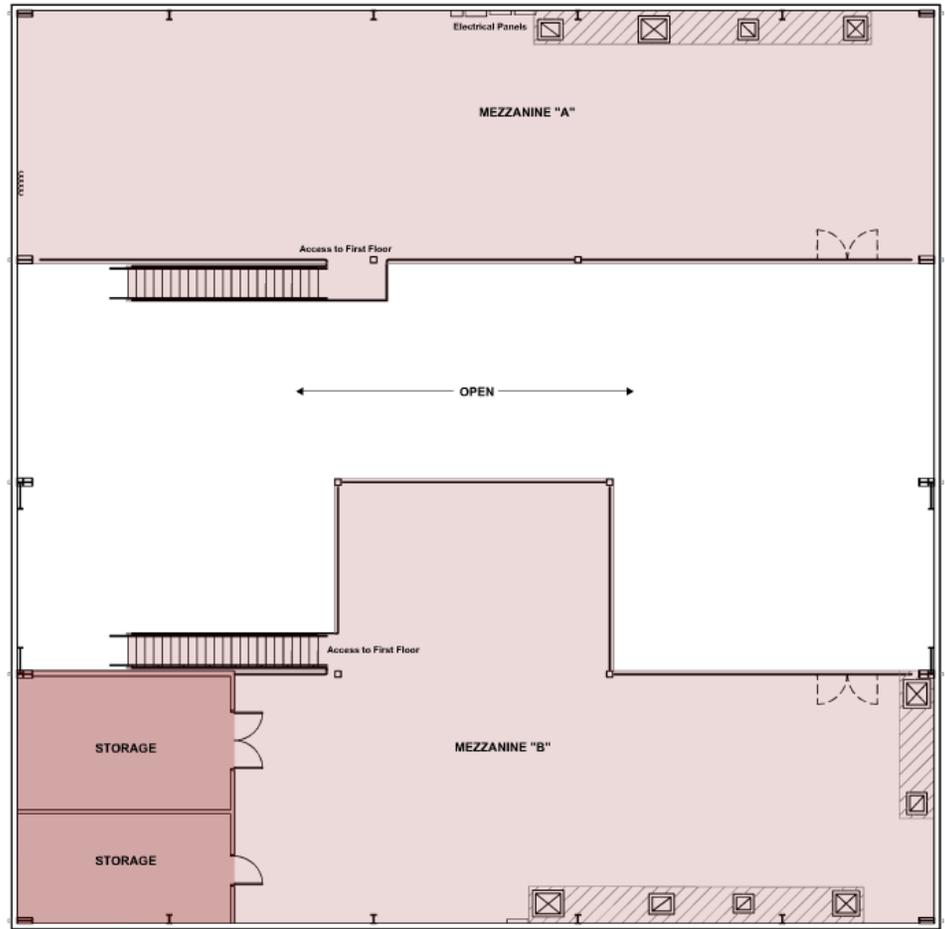
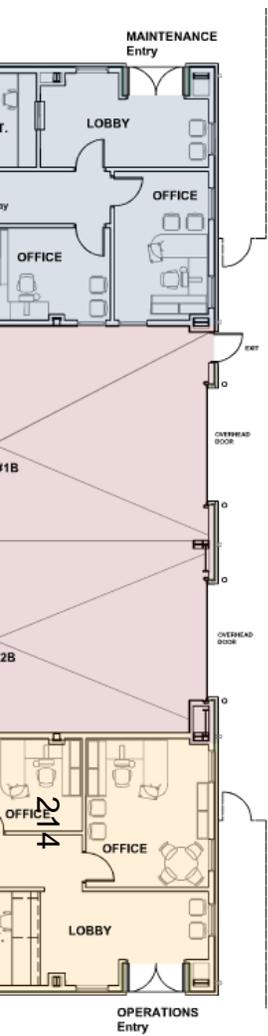
MEZZANINE 5,896 SF
 COSTS - Received Bids (Range)
 \$2,424,335 - 2,779,264

FIRST FLOOR

LITTLE ELM TRANSPORTATION & MAINTENANCE FACILITY
 STADIUM SITE, Little Elm, Texas

Hidell and Associates Architects
 Issue for Construction 03.07.2014





MEZZANINE AREA

STORAGE

Pre-Engineered Building Design

LITTLE ELM TRANSPORTATION & MAINTENANCE FACILITY - Pre-Engineered Building Design
 STADIUM SITE, Little Elm, Texas

FIRST FLOOR 9,808 SF

MEZZANINE 5,896 SF

COSTS - Received Bids (Range)
 \$2,424,335 - 2,779,264

MEZZANINE LEVEL

Hidell and Associates Architects
 Issue for Construction 03.07.2014



FIRST FLOOR

(Range)

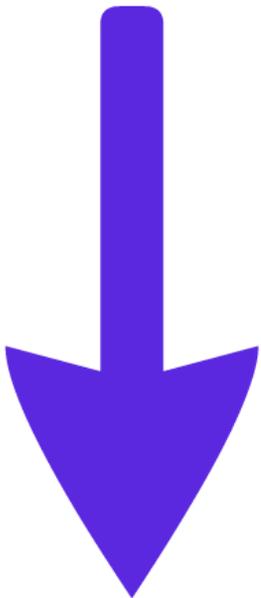
Why did we move & grow?

From One Site to Another

- New Administration - Fresh Look

From One Site to Another

Athletic Complex
Site



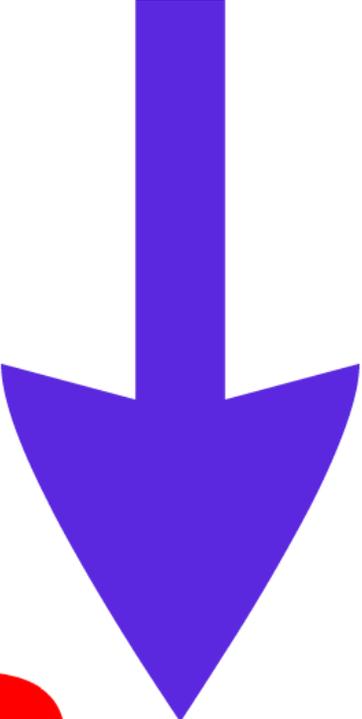
Eldorado
Site

- New Administration - Fresh Look
- Shipping & Receiving Removed from High School for CTE
- Needed Warehouse Space
- Zellars at Capacity
- Sale of Property for Increased TAV's
- Child Nutrition Under Operational Services
- Limited Space at Athletic Complex
- Within Residential Area

Eldorado (Garza Site) : \$6-7 Million

2015-2016 : 29,000 Sq.Ft. (CM@Risk)

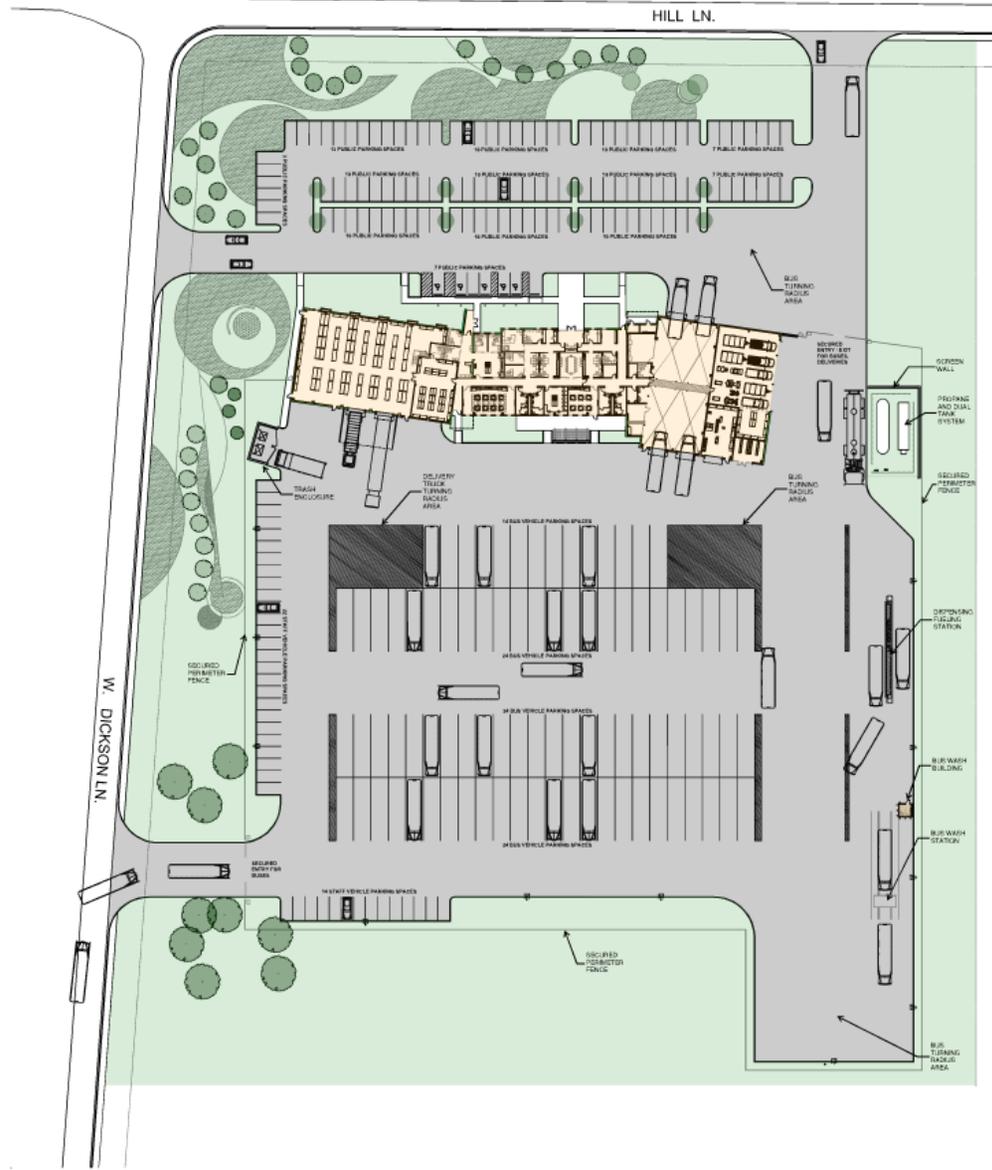
- Operational Services, Transportation, Child Nutrition, Shipping & Reciving, Textbook and Warehouse Offices
- Propane, Unleaded & Disiel at Site
- Two Full Transportation Bays
- Covered Area for Operational Vechicles
- Fenced Yard for Vehicles & Equipment
- Tire Storage on Ground Level
- Divided Break rooms for Transportation & Operational Services
- Plan Room & Storage
- Common Lobby for Operational & Transportation
- Child Nutrition has Separate Entrance
- Separate Area for Inventory of Textbooks & Technology
- Area for Record Storage
- Possible District Freezer
- Room for Bus Parking & Room for Growth
- Loading Dock



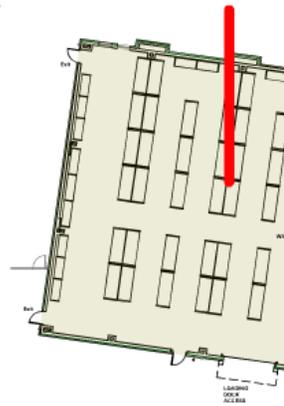
3

Eldorado (Garza Site)

Operational Services budget to remain flat



Warehouse



WAREHOUSE	6,723 SF
ISO BOOK STORAGE	1,548 SF
CHILD NUTRITION	1,696 SF
LEISD OPERATIONS OFFICE AREA	3,855 SF
LEISD MAINTENANCE OFFICE AREA	2,897 SF
SHARED SPACES	876 SF
LEISD MAINTENANCE FACILITY	6,877 SF
VEHICLE / STORAGE AREA	3,286 SF

LITTLE ELM TRANSPORTATION & MAINTENANCE FACILITY
GARZA SITE, Little Elm, Texas

Hidell and Associates Architects
11.9.2015



LITTLE ELM TRANSPORTATION & MAINTENANCE FACILITY - Ultimate Layout
GARZA SITE, Little Elm, Texas

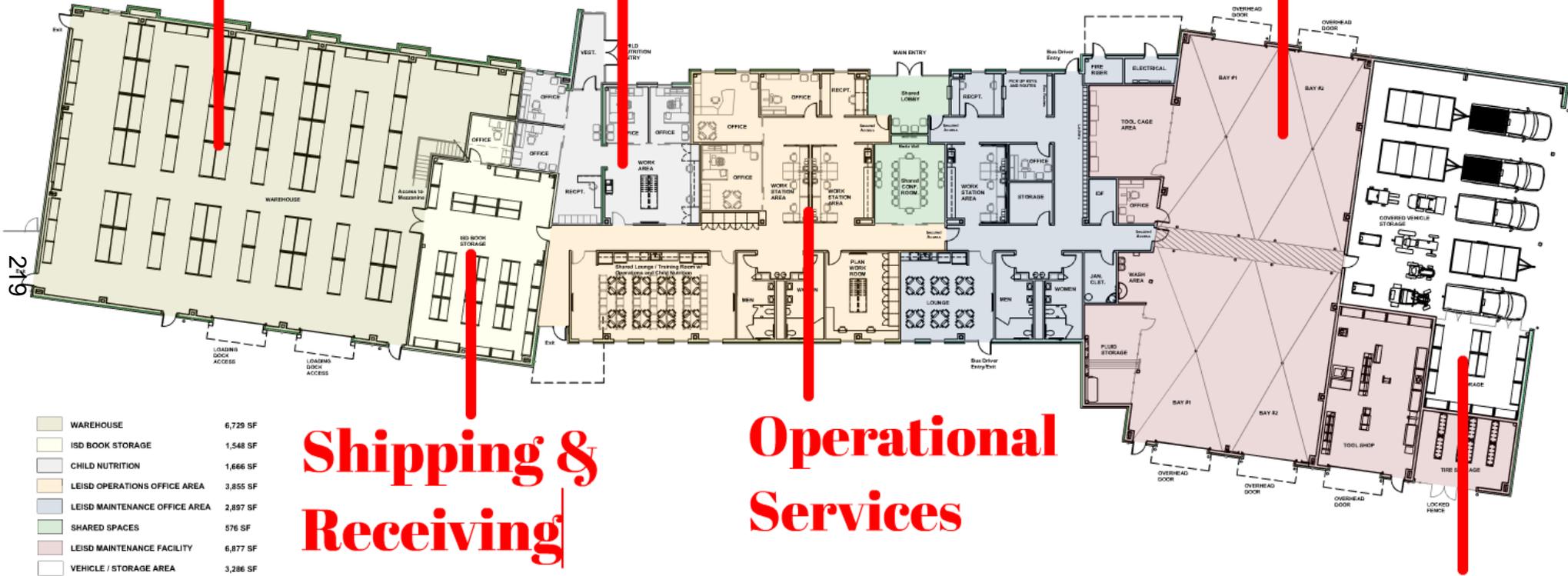
Hidell and Associates Architects
11.9.2015



Warehouse

Child Nutrition

Transportation



Shipping & Receiving

Operational Services

Covered Parking

LITTLE ELM TRANSPORTATION & MAINTENANCE FACILITY - Ultimate Layout
GARZA SITE, Little Elm, Texas

FIRST FLOOR 27,438 SF

MEZZANINE 2,021 SF

Hidell and Associates Architects
11.9.2015

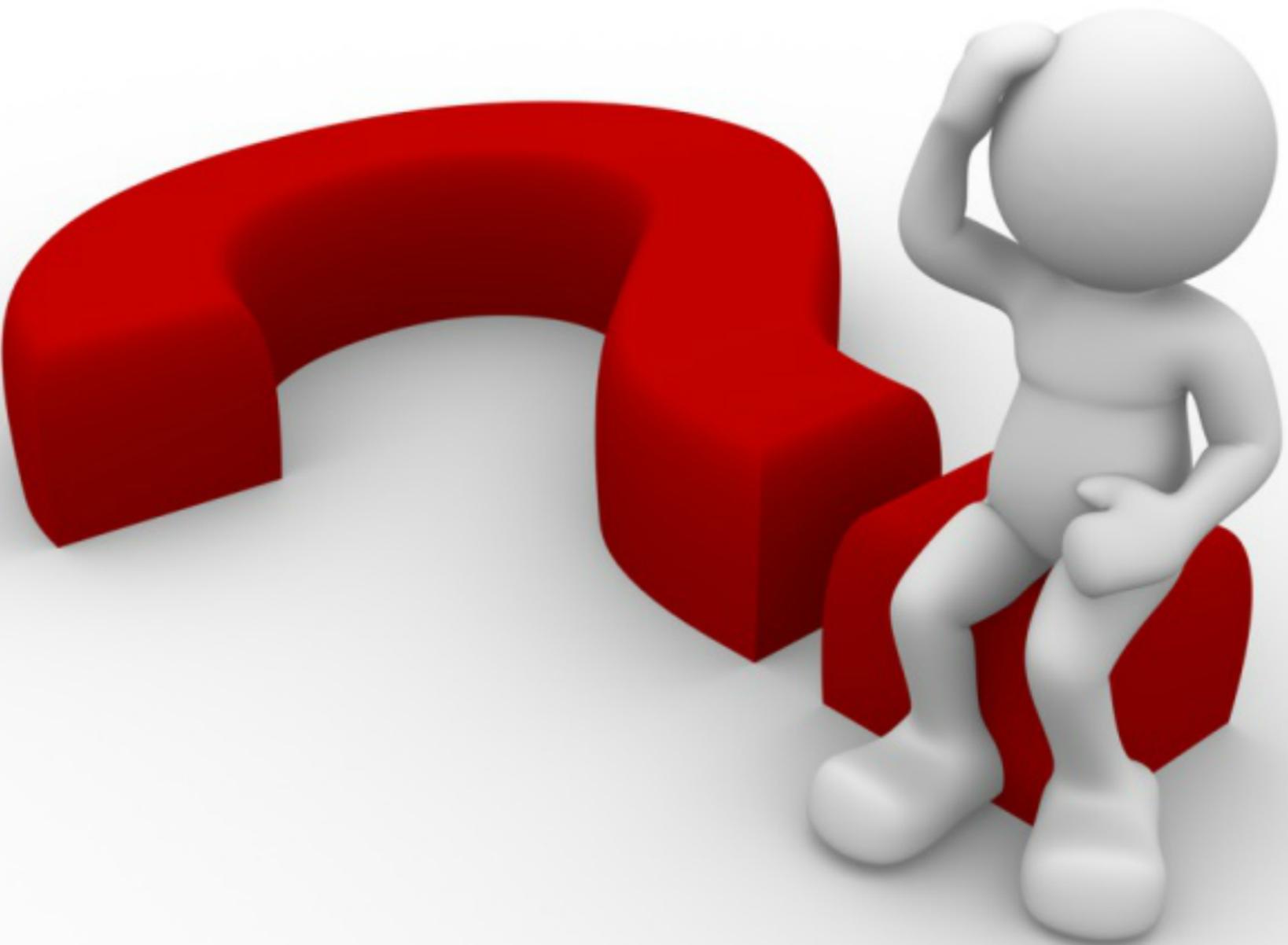


How will the project be funded?

- Approximately \$4 million from Fund Balance
- \$1.8 million from previously sold bonds
- Sale of existing Operational Services property
- Any additional funds will be taken from the General Fund

Recommendations...





Board Agenda Item

Little Elm Independent School District
 300 Lobo Lane
 Little Elm, Texas 75068

Board Mtg. Date 12-14-2015	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Discussion
Subject:	SELECTION OF CONTRUSTION MANAGER AT RISK FOR A NEW OPERATIONAL SERVICES FACILITY				
Presenter or Contact Person:	Rod Reeves, Executive Director of Facilities and Construction				
Policy/Code:	CV (Legal) CVD (Legal)				
Summary:	Little Elm Independent School District advertised and received bids to select a Construction Manager-at-Risk for a new operational services facility. The method used to select the CMR was a two-step process as detailed in Chapter 2269 of the Government Code. The selected CMR is to assist the District and its Architects with construction of a new operational services facility.				
Financial Implications:	Funding of Construction Manager-at-Risk will be paid from funds allocated for the Operational Services Facility. These funds are as follows:				
	<p>Approximately \$4 million from Fund Balance \$1.8 million from previous sold bonds Sale of Existing Operational Services Property Any additional funds will be taken from the General Fund</p>				
Attachments:	<p>Step I Construction Manager-at-Risk Form Step II Construction Manager-at-Risk Form Balfour Beatty Construction , LLC Step II Form</p>				

Recommendation: | **The Administration recommends selecting Balfour Beatty Construction, LLC as the Construction Manger-at-Risk for the new Little Elm ISD Operational Services Facility.**

Motion: | **I move the Board award contract to Balfour Beatty Construction, LLC as the Construction Manager-at-Risk for the construction of the new Little Elm ISD Operational Services Facility.**

**SOLICITATION/RFP INFORMATION REQUIREMENTS
REQUEST FOR CONSTRUCTION MANAGEMENT AT RISK
PROPOSALS
TWO STEP PROCESS
(CSP # 15-12-081-0)**

FOR

OPERATIONAL SERVICE FACILITY

FOR THE

LITTLE ELM INDEPENDENT SCHOOL DISTRICT LITTLE ELM, TEXAS

STEP I

**Hidell & Associates Architects
3033 Kellway Drive
Carrollton, TX 75006**

October 23, 2015

**TABLE OF CONTENTS
STEP ONE**

- Table Of Contents 2
- Notice For Competitive Sealed Proposals 3
- Request for Construction Manager at Risk Proposals 4
- Scope of Services/Contract 6-9
- Proposal Response Guidelines 10
- Evaluation Criteria 11-12
- Competitive Sealed Proposals Questionnaire 13-14
- Construction Schedule And Reports 15

ATTACHMENTS

Attachment A – AIA Document A133 – 2009 – Exhibit A Guaranteed Maximum Price Amendment	2 pages
Attachment B – AIA Document A133 – 2009 - LEISD Standard Contractual Agreement	18 pages
Attachment C - AIA Document A201 – 2007 – General Conditions of the Contract for Construction	41 pages

**NOTICE OF COMPETITIVE SEALED PROPOSALS
CONSTRUCTION MANAGER-AT-RISK**

Sealed Proposals for Construction Manager-at-Risk (**Step I**) for the construction of the **OPERATIONAL SERVICE FACILITY** for the Little Elm Independent School District will be received at the Little Elm ISD, 300 Lobo Lane, Little Elm, Texas 75068, until 2:00pm (Local Time), **[NOVEMBER 10, 2015]**. Proposals received by hand delivery or mail after that time will be returned unopened.

A pre-proposal conference will be held at the Little Elm ISD [300 Lobo Lane, Little Elm, Texas 75068] on **[NOVEMBER 3, 2015]** at 2:00 pm (Local Time). Attendance is encouraged by all proposers.

No proposer shall withdraw a proposal within forty five (45) days after the actual date of opening thereof.

The Owner reserves the right to waive any informality or to reject any or all proposals.

The Competitive Sealed Proposals will be released on 2:00 pm (Local Time) **[OCTOBER 23, 2015]**, from Little Elm ISD Independent School District, 300 Lobo Lane, Little Elm, Texas 75068.

REQUEST FOR CONSTRUCTION MANAGEMENT AT RISK QUALIFICATION STATEMENTS

Introduction:

Pursuant to the provisions of the Texas Government Code Section 2269, it is the intention of the Little Elm Independent School District to select a Construction Management at Risk (CMR) for the construction of: **Operational Service Facility**. The method to be used to select the CMR is the **two-step process** as detailed in Chapter 2269 of the Government Code. This facility will be located in the city of Little Elm, Texas. The selected CMR is to assist the District and its Architects with construction of the above mentioned project as a CMR. The scope and schedule for the project as currently defined are described by the attached materials.

Qualifications are to include the information requested in the sequence and format prescribed. In addition to and separate from the requested information, organizations submitting may provide supplementary materials further describing their capabilities and experience.

There will be a pre-proposal conference on November 3, 2015 at 2:00pm (CST). It will be located at Little Elm ISD, 300 Lobo Lane, Little Elm, Texas 75068. The conference is not mandatory but attendance is highly recommended.

Two (2) copies (two hard copies and one digital copy in .pdf format) of Sealed Qualification Statements are to be submitted to the Little Elm ISD Independent School District to the attention of Rod Reeves, Executive Director of Operations, Little Elm ISD 300 Lobo Lane Little Elm, Texas 75068, no later than 2:00pm (CST), **November 10, 2015**.

Evaluation

All qualifications will be reviewed by a panel consisting of district personnel and representatives of the Architectural firm. The evaluation committee will evaluate and rank each proposal submitted in relation to the evaluation criteria set forth in this Request for Competitive Sealed Proposal document. Upon review and ranking of the proposals, the district will create a short list of no fewer than two or more than five firms to continue to Step Two. Firms invited to participate in Step Two will be notified by November 12, 2015. Step Two proposals will be due on November 19, 2015. Those proposors will be required to submit proposed fees and general conditions to the Little Elm ISD Independent School District to the attention of Mr. Rod Reeves, Director of Facilities & Construction, 300 Lobo Lane Little Elm, Texas 75068. The district evaluation committee will contact the proposors who qualify for an interview. ***Proposed fees will not be opened and reviewed until after all interviews are completed.***

The District's Board of Trustees will consider the selection of a Construction Manager at Risk at its regularly scheduled board meeting on **December 14, 2015**.

Inquiries about the project and Request for Competitive Sealed Proposal documents should be addressed to Mr. Rod Reeves, Director of Facilities & Construction, Little Elm ISD, in writing, either by facsimile or by e-mail. **Verbal requests for clarification or additional information will not be addressed and will not be binding. Questions addressed to individuals other than Mr. Reeves are not considered as having been received under this process and LE ISD is not responsible for information dispensed through anyone other channel than the Purchasing Office.** The contact information is as follows:

Address: Little Elm ISD
300 Lobo Lane
Little Elm, Texas 75068
Phone: (972) 292-1582 Ext. 40604
E-mail: rreeves@leisd.ws

Questions received by Mr. Reeves will be forwarded to the appropriate individual or firm for an official response and the information will be dispensed to all plan holders.

The architect of record for the operational service facility is Hidell & Associates. Hidell & Associates personnel assigned to this project: Anthony (Tony) Blaas.

When referring to this project, use the LE ISD assigned CSP # 15-12-081-0 – Operational Service Facility.

INTRODUCTION/PROJECT DESCRIPTION

Little Elm ISD is constructing a new Operational Services building. The facility will include a three-bay transportation area, loading dock for shipping & receiving, warehouse, operational offices, fenced bus yard and fueling stations.

Budget: Operational Service Facility \$ 6,000,000.00

SCOPE OF SERVICES/CONTRACT

Contract Form and Scope of Services

The Owner will contract directly with a Construction Manager at Risk (CMR) for performing general construction of the project. The CMR will then conduct the subcontractor selection/bidding and contract with all other subcontractors required for the work. The Owner reserves the right to contract separately with other suppliers, vendors and contracts as he deems in the best interest of their project.

The CMR will be reimbursed for the Cost of the Work plus a Fee. For purposes of this qualification, terms of the contract will be the AIA Document AIA-A133-2009 with the AIA-201-2007 General Conditions of the Contract for Construction. All contracts should be read carefully for district requirements. Candidates should identify in their qualification any exceptions taken or additions/modifications requested that are considered by the Contractor to be mandatory as conditions of their qualification. **Objections to the contract type or format not included within the qualification submission will result in immediate disqualification.**

The CMR will participate in pre-construction services by preparing construction cost estimates and construction phasing scheduling assistance as identified in the Pre-Construction Services section below.

The CMR competitively bids and enters into subcontracts for all portions of the work, with the exception of work specifically approved by the Owner when appropriate to schedule or logistics. ***Any potential self-performed work will still be competitively bid by the CMR when reasonable and possible.*** All subcontract bids are reviewed and approved by the Owner prior to award. Bidding shall be to at least three subcontractors for each trade, unless circumstances preclude or are not appropriate to the project.

The CMR will be required to coordinate with any other contracts the owner may issue directly such as, communication cabling, ACM abatement, etc.

Payment and performance bonds will be required of the CMR. All construction payments will be made by the Owner directly to the CMR, for their distribution of payments to subcontractors and suppliers as appropriate. Payment and Performance bonds required of sub-contractors must be submitted to the owner for approval prior to execution.

The Owner may elect to procure certain materials/equipment directly, with coordination and scheduling support from the CMR. The equipment would then be assigned to the CMR for their full acceptance of responsibilities for coordination and installation. A specific fee for this approach is requested, should the Owner elect to do so for any materials/equipment.

The Owner has business impact and related costs for late completion. Failure to complete the project within the Contract time will result in damages being sustained by the Owner. Such damages are, and will continue to be, impracticable and extremely difficult to determine. Should the construction manager fail to achieve Substantial Completion of the project within the allotted time, Construction Manager agrees to pay Owner, as the owners remedy for delay, the sum of \$1,000 per calendar day, as well as the withholding of progress payments. Execution of the contract under these specifications shall constitute agreement by Owner and Construction Manager that the amounts stated in this paragraph are the minimum value of the costs and actual damages caused by failure of the Construction Manager to substantially complete the work within the allotted time, that such sums are liquidated damages and shall not be construed as a penalty, and that such sums may be deducted from payments due the Construction Manager if such delay occurs.

Audits

The owner will retain the right to audit the accounting records of this project upon demand for up to 3 years after the final completion of the work. The accounting method must clearly show the breakdown of the following as a minimum:

- Unit and materials costs
- Specific wage rates for all trades
- Premium time mark ups for all trades, if any
- Contractor's Fee
- Materials mark-up

Subcontractors mark-up
Insurance and bond costs
Equipment and tool rental costs
Validation of General Condition and Cost of Work expenditures

Audits will occur at intervals determined by the Owner. CMR must be able to provide documentation required upon request within 24 hours during the duration of the project. Audits will use the pricing information provided in the successful proposals as the basis for verification of costs at each audit.

Subcontractor Bidding Phase

Sealed bids shall be received and opened jointly by the Owner's representative and the CMR at the Office of the CMR. CMR shall comply with Texas Education Code Section 44.038, including the following:

- (a) A construction manager at risk shall publicly advertise, in accordance with Section 4.031(g), and receive bids or proposals from trade contractors or subcontractors for the performance of all major elements of the work other than the minor work that may be included in the general conditions.
- (b) A construction manager at-risk may seek to perform portions of the work itself if:
 - (i) the construction manager at-risk submits a bid or proposal for those portions of work in the same manner as all other trade contractors or subcontractors and
 - (ii) if the district determines that the construction manager at-risk bid or proposal provides the best value for the district.

And Government Code 2267.256, including the following:

- (i) The construction manager at risk and the district or its representatives shall review all trade contractors or subcontractors' bids or proposals in a manner that does not disclose the contents of the bid or proposal during the selection process to a person not employed by the construction manager at risk, engineer, architect or district. All bids or proposals shall be made public after the award if the contract or within seven days after the date of final selection of bids or proposals, whichever is later.

Additional Forms required to be submitted with Proposal

- Felony Conviction Notice
- Debarment or suspension Certification Form
- Affidavit of Non-collusion
- Certificate of Residency
- Conflict of Interest Questionnaire
- W-9 Dated 2015
- Cover Sheet

NOTE: Price forms are not to be submitted with your Qualification Statement as Step-1 of this two-step process. Only those vendors selected as candidates for final consideration will be required to submit pricing.

AGREEMENT/BID PACKAGE BETWEEN SCHOOL DISTRICT AND CONSTRUCTION MANAGER – (Note: The requirements for Felony Conviction Notification and Drug Testing will only be required for personnel who enter the job site and construction site. AFTER the building has achieved Substantial Completion and during the close out and Warranty period of the project. No one will be allowed on the project site after Substantial Completion without complying with the regulations as stated below.)

Criminal History Background Checks and Drug Testing

Construction Manager, all Subcontractors and all Sub-subcontractors shall ensure that any person assigned to perform work at any District location under the Contract meets the following database.

- No records in the Texas DPS Sex Offender Registration database.

- No felony convictions, open deferred adjudications or pending criminal trials in jurisdictions checked for crimes involving sex, violence or any other offense against or injury to a child.
- No felony convictions, open deferred adjudications or pending criminal trails in jurisdictions checked for the past seven (7) years, except for crimes involving sex, violence or any other offence against a child which there is no time limit.
- No misdemeanor convictions, open deferred adjudications or pending criminal trails in jurisdictions checked for crimes involving sex or any other offence against a child.
- No misdemeanor convictions, open deferred adjudications or pending criminal trials in jurisdictions checked for the past seven (7) years for crimes involving violence.
- No positive drug test results. Drug test shall consist of a five-panel screen for drugs of abuse. Substances and cut-off levels shall be consistent with Department of Transportation requirements. All positive results shall be laboratory confirmed and independently verified by a Medical Review Officer (MRO).

Construction Manager shall perform and shall require, as a condition of contracting, all Subcontractors and Sub-subcontractors to perform criminal history background checks and drug testing on any person who is assigned to perform any work at any District location under the Contract and shall promptly produce to Owner the results of such background checks and drug testing upon request. Any person noticeably under the influence of drugs or other, that a drug test will be demanded.

A photo identification badge shall be issued to those persons meeting the screening criterion described above. Any person who is assigned to perform any work at any District location under the Contract shall be required to wear their identification badge while on-site.

Per-Construction Services are included and are to be separated from the Base Fee. Services will include:

The CMR will work with the Team, prior to construction, to ensure the feasibility and constructability of the Architect's design, and that the cost of construction of the Project is within the estimated Construction Budget through value engineering, the selection of building systems and materials, cost estimating, scheduling, and other means. Upon the completion or during the process of such services, the CMR will competitively bid and enter into subcontracts for all portions of the work, with exception of work specifically approved by the Owner when appropriate to schedule or logistics. CMR will submit a proposal of a Guaranteed Maximum Price for the construction of the Project, which is within the Owner's Construction Budget.

Schedule

- Provide a detailed schedule of the work to detail how the project will be executed and completed as per the owners' time lines.

Budgeting / Cost Estimating

- Cost estimating and the development of construction cost should occur similar to the process below:
- Owner and Architect will establish construction budget.
- CMR provides detailed estimates at the completion of Schematic Design, Design Development, 50% CD's and 95% construction documents.
- CMR will be required to attend five coordination related meetings with the owner and architect.
- Contract documents are issued. They are hard bid to suppliers / subcontractors as appropriate and a FGMP (Final Guaranteed Maximum Price) is established.
- The contract amount is amended to include the FGMP.
- Continue to monitor and maintain the construction portion of the project budget. Provide substantially detailed estimates as an evaluative tool in the selection of subcontractors.
- Provide cost saving analysis for systems and configurations. Evaluate quality, initial costs, maintenance and appropriateness.
- Develop and report with a comprehensive Constructability Report based upon the project type, schedule and construction documents presented prior to final completion of the construction documents.
- Develop, monitor and maintain project schedule.

- Assess the availability of all building components in regard to the project schedule.
- Coordinate the bidding and issue of all pre-purchase order for long lead items, if required.
- Make recommendations and provide references for manufacturers, suppliers and other subcontracts considered during design.

Construction Services are included and are part from the Base Fee, separate from the Pre-Construction Services. Services will include:

Construction Services: The CMR will serve as General Contractor to perform all work for the construction of the Project. The scope of Construction services will be determined based on the final Drawings and Specifications but may consist of **one or more** of the following areas of work or building components: site clearing, excavation, fill, select fill and backfill; site utilities; concrete sidewalks, curbs and gutters; asphalt paving, rough and finish grading, topsoil and seeding; chain-link fencing and gates, motorized fences/gates for vehicle access, concrete piers, concrete slab-on-grade or structural slabs on void boxes, concrete masonry (CMU) and masonry veneer walls, cast stone lintels, limestone and plaster exterior veneer, concrete floor topping, structural steel frame (columns and joists), pre-engineered metal building, metal roof deck, metal wall (interior/exterior) and roof panels, miscellaneous metals and metal fabrications; rough and finish carpentry, millwork and casework; damp-proofing and waterproofing, caulking and sealants, thermal insulation, flashing and sheet metal, metal soffit panels, metal, roofing, modified bitumen roofing, single ply TPO roofing membrane system, wood doors, metal doors and frames, aluminum doors and frames, glass and glazing (including security glazing), finish architectural hardware, acoustical ceilings, resilient flooring and base, carpeting, metal studs and support systems, gypsum drywall, painting and special floor coatings, interior and exterior signage; metal louvers and miscellaneous specialties; detention furnishings, equipment, locks and locking systems, and security electronics; sound enhancement systems; kitchen equipment; fire protection; and mechanical, plumbing and electrical systems, and any other requirements set out in the Contract Documents.

The work does not include inspection services, the testing of construction material engineering, and the verification testing services necessary for Owner's acceptance of the Project, which will be performed under a separate contract with an independent provider, as required by law.

CMR construction phase responsibilities shall consist of but not limited to the following:

- Site utilization study for construction activities
- Prepare subcontractors bid or proposal packages
- Conduct pre-bid meetings
- Receive, review, and conduct proper award of contracts
- Provide coordination and management of subcontractors
- Monthly reporting
- Project cost control
- Quality control program
- Project Accounting
- Audits
- Job safety and security functions
- Project post construction services

Architect's Design Work. Architect will provide at its office a set of any design work for the Project in existence as of the date of this RFP which the Architect, in its sole discretion, deems helpful to a prospective CMR in understanding the Project scope. Arrangements for viewing the information, or, if acceptable to the Architect, obtaining copies, and determining the cost of any such copies, must be made directly with Architect.

Schedule: The current overall estimate of the Construction Time for substantial completion of the Project is approximately 12 months after the date specified in the Notice to Proceed for commencement of the work. Phased completion of the projects is anticipated. This Schedule may be adjusted as a result of negotiations on Proposals or preconstruction services by the CMR.

PROPOSAL RESPONSE GUIDELINES

Respondents’ response to this Request for Proposal shall include:

Questionnaire

Project Related Experience List including relevant recent completed project work in K-12 education facilities including dates, sizes of contracts and references for the same.

Resumes and Reference for Key Personnel proposed for this project. Resumes of key personnel must show educational experience in projects of similar size, complexity and related challenges. Provide references, which can substantiate their completed experience and background. Note on response how much time each person will be dedicated to the project and how much of their time will be spent onsite. Submit separate team for each project listed in this RFP. Team members may be the same for more than one project where the schedules allow.

Project Scheduling Detailed example of level of scheduling quality to be expected on the project by submission of a schedule for another educational project with similar scheduling complexity.

Certificate of Insurance and Indemnification A Certificate of Insurance must accompany all proposals on an ACORD form itemizing the Contractors normal coverage at the time of the proposal. Additional insurance coverage available to the Owner without increase in cost (due to normal coverages carried by the company) will be considered of benefit to the Owner. Please show available excess or umbrella coverages on the insurance certificate, should such coverages be in place.

Property insurance (Builder’s Risk) will be provided and paid for by the CMR.

Disqualification of Proposals. The Owner reserves the right to disqualify any proposal without cause. By submission of a proposal, proposers waive any rights to make claim against the Owner, his employee, agents and consultants related in any way to the submission of the proposal for the Owner’s disqualification of it as a result.

Aesthetics of Proposal. Aesthetics of the proposal will play no part in the award of a contract for the work. Clarity and completeness are requested.

Modifications. No modification to this RFP or the resulting proposal will be considered bona fide unless in writing. Any oral modification must be followed in writing.

Life of Proposal. No proposals may be withdrawn for a period of forty five (45) calendar days after the submission date.

Fees. Do not submit any costs associated with fees with this proposal. Fees will be requested only from those firms invited to participate in step two.

EVALUATION CRITERIA

The selection process is not just fee based, but weighted heavily on other important issues critical to the success of the project. Following is the selection criteria used to rank the proposals:

FINANCIAL	
Financial Strength – Ability to bond the project.	10 points
EXPERIENCE OF COMPANY	
Is the respondent experienced in the North Texas construction market?	4 points
Has the respondent constructed educational projects of similar size and Complexity?	8 points
Does the respondent have prior experience with Little Elm ISD and if so was it positive?	8 points
EXPERIENCE AS CM@R	
Does it appear the respondent will work effectively in a team environment with the Owner and Architect during the preconstruction, bidding and construction phases of the project?	10 points
What is the quality of the cost estimates provided by the respondent?	5 points
If savings are realized on the project what percentage is returned to the Owner?	5 points
What is the quality of the schedule and action plan to complete the project in the allotted time?	10 points
PERSONNEL	
Does the team of personnel proposed by the respondent appear to be qualified as necessary to meet the needs of this project?	15 points
INTERVIEWS	
Interview (if applicable)	25 points

PROPOSAL/SELECTION SCHEDULE

Proposals are due to be received not later than 2:00pm on [November 10, 2015]. The evaluation committee will create a short list of firms to participate in step II. Those firms will be notified by [NOVEMBER 12, 2015] and sent a copy of the Step II request for fees. Fees are due to be received no later than 2:00 pm on [NOVEMBER 19, 2015]. Firms will be notified by [NOVEMBER 23, 2015] on interview times. Interviews will be conducted on [DECEMBER 2nd and or 3rd, 2015] to review proposals, strategies and proposed staff. A recommendation is anticipated by [DECEMBER 14, 2015]. At the [DECEMBER 14, 2015] regularly scheduled Little Elm ISD Board of Trustees meeting, the board will act on a recommendation of the district evaluation committee for a selection of a CMR.

Each Candidate Contractor should submit three (2) hard copies and one (1) digital copy of proposals to arrive on or before the date/time identified above.

INTERVIEWS

Proposals will be taken and reviewed immediately upon receipt. It is anticipated a short list of up to five (5) Construction Managers might be interviewed, but the Owner reserves the right not to conduct any interviews and base the selection strictly on the proposals submitted or to eliminate any Construction Manager(s) from the selection as late as the day prior to any potential interview if the Owner determines the proposal is insufficiently responsive to merit further consideration.

Interviews, if conducted, will be up to 30 minutes including 15-20 minutes for the Construction Managers presentation and the remaining time for questions and discussions. As to the project team, the project manager, superintendent, and lead estimator should be in attendance, at a minimum. The chemistry of the proposed team with LEISD staff and architect is vital to the selection. The contractor's focus on the interview should be specific to this project and the owner's concerns, including:

1. What is the recent experience of the proposing firm working for a school district?
2. What is the experience of the individuals proposed?
3. What are the Construction Managers thoughts on project phasing, schedule and initial budget?
4. What will the team do to assure that subcontractors are brought on board that have experience in this type of work and have completed similar educational projects?
5. What unique leverages/ advantages do you offer to the project?
6. How will local subcontractors be assured to get the opportunity to propose on this work?
7. What is the depth of service offered by the Construction Manager during the pre-construction phase?

FOLLOW UP QUESTIONS AND INFORMATION

All questions regarding this RFP may be made by telephone or email to:

Rod Reeves
Little Elm Independent School District
Director of Facilities & Construction
Phone: 972.292.1582 ext. 40604
Email: rreeves@leisd.ws

In the interest of efficiency and continuity, one contact from each candidate CMR should be responsible to coordinate and make any direct telephone communications with LEISD.

SUMMARY

On behalf of Little Elm ISD and Hidell and Associates Architects, we want to thank you for your interest in this project. It is an exciting and challenging project, and we are looking to continue to build a great team with the selection of the Construction Manager at Risk.

REQUEST FOR COMPETITIVE SEALED PROPOSALS-QUESTIONNAIRE

Please provide the following information in the sequence and format prescribed by this questionnaire. Supplemental materials providing additional information may be attached, but the information requested below is to be provided in this format:

1. Firm Information

Name of firm:

Address of principal office:

Phone, Fax:

Form of Business Organization (Corporation, Partnership, Individual, Joint Venture, other?): Year Founded:

Primary Individual to Contact:

2. Organization

2.1 How many years has your organization been in business as a CMR/Contractor?

2.2 How many years has your organization been in business under its present name?

2.3 If your organization is a corporation, answer the following: Date of incorporation, State of incorporation, President's name, Vice-President's name(s), Secretary's name, Treasurer's name.

2.4 If your organization is a partnership, answer the following: Date of organization, type of partnership (if applicable), and names of general partner(s).

3. Experience

3.1 List the categories of work that your organization normally performs with its own forces.

3.2 List any subcontractors in which your organization has some ownership and list the categories of work those subcontractors normally perform.

3.3 Claims and suits (If the answer to any of the questions below is yes, please attach details).

4.3.1 Has your organization ever failed to complete any work awarded to it?

4.3.2 Are there any judgments, claims, arbitration proceedings or suits pending or outstanding against your organization or its officers?

4.3.3 Has your organization filed any law suits or requested arbitration with regards to construction contracts within the last five years?

3.4 Within the last five years, has any officer or principal of your organization ever been an officer or principal of another organization when it failed to complete a construction contract? (If the answer is yes, please attach details.)

3.5 List the major construction projects your company currently has in progress. Give the name, location, owner, architect, contract amount, percent complete and scheduled completion date.

3.6 List major projects constructed by your company over the last 5 years. Give the name, location, owner, architect, and size of project in S.F., final construction cost, completion date and method of award.

3.7 List any prior experience your company has with Little Elm ISD.

4. Financial Information:

4.1 Attach a financial statement, preferably audited, including your organization's latest balance sheet and income statement showing the following items:

- Current Assets (e.g., cash, joint venture accounts, accounts receivable, notes receivable, accrued income, deposits, materials inventory, and pre-paid expenses).
- Net Fixed Assets
- Other Assets
- Current Liabilities (e.g., accounts payable, notes payable, accrued expenses, provision for income taxes, advances, accrued salaries and accrued payroll taxes).
- Other Liabilities (e.g., capital stock, authorized and outstanding shares par value, earned surplus and retained earnings).

4.2 Name and address of firm preparing attached financial statement and date thereof.

4.3 Is the attached financial statement for the identical organization named under Item 1 above? If not, explain the relationship and financial responsibility of the organization whose financial statement is provided (e.g.

parent-subsiary).

4.4 Will the organization whose financial statement is attached act as guarantor of the contract for construction?

4.5 Provide name, address and phone number for bank reference.

4.6 Surety: Name of bonding company, name and address of agent. Provide letter from surety stating current bonding capacity.

5. Experience with and concepts for work as a Construction Manager at Risk

5.1 Describe your organization's concepts for working in a team relationship with the Owner and Architect during the design and construction of major projects. Describe your organization's methods for estimating costs, and for scheduling during the design/documents phases. Which (one or more) of those projects listed above best exemplify these concepts and experience?

5.2 Cost Estimates

Attach a sample conceptual cost estimate prepared during the design phase of an educational project, and a sample of the final cost estimate/breakdown used to fix the contract amount for the construction of the same project. (The identity of the project may be concealed. The intent is to see the nature and format of the cost information provided).

5.3 Fees

Do not submit any fees with this proposal. These will be solicited with Step II.

5.4 Savings

Describe your organization's concept for the disposition of savings realized during construction. Is the full amount returned to the owner?

5.5 Contingencies

Describe your organization's concept for cost contingencies during design? During construction? What is your organization's concept for the disposition of contingency funds after the completion of the project?

5.6 Cost Information

Does your firm make all cost information during design and construction available to owner, architect?

5.7 Subcontractor bond requirements

Is it your intent or a requirement of your company or surety to bond or insure any subcontractors for these projects? If yes, please explain. If Subcontractor Default Insurance is proposed in lieu of subcontractor performance and payment bonds, clearly describe this program as utilized by your company including how costs are determined and billed to the Owner.

5.8 Schedule

This project has a compressed schedule. Describe your strategies to ensure it is completed within the allotted time.

6. Personnel

Given the scope and schedule of the project, identify the specific Project Manager, Estimator, and Superintendent who would work on the project. Provide a resume for each individual.

7. Owner/Construction Manager Agreement

The Owner/Construction Manager Agreement will be based on the following documents:

Appendix D: AIA Document A13-2009, Standard Form of Agreement Between Owner and Construction Manager as the Constructor

Appendix E: AIA Document A201-2007, General Conditions of the Contract for Construction

Appendix F: AIA Document A133 Exhibit A

8. References

For six (6) of your firms most recently completed educational projects of similar size, scope and construction time line, identify a representative of the owner and a representative of the architect (provide name, phone/fax numbers) whom we could contact as references re: your organization's services. Ideally all of the references should be for educational projects of comparable scopes and cost.

CONSTRUCTION SCHEDULE AND REPORTS

Little Elm ISD, herein after referred to as LEISD, has implemented a collaborative program management software system (PMSS) which includes LEISD protocols added to the system software.

The system software includes a Scheduling software module and a Contract Management software module. Both modules are web browser based and will be made available to the contractor and other project team members at no additional cost. The contractor is responsible for providing their own computer hardware and broadband access. All team members will use the system to perform their routine scheduling and contract administration functions on all LEISD projects.

Local training is available for both products by Innovative Management Solutions (IMS). Arrangements for any required training shall be coordinated thru LEISD. Training, approved by LEISD, will be made available to the Contractor and all costs shall be part of the contract.

1.1 RELATED DOCUMENTS

A. Drawings, Contract Provisions, Special Provisions, Supplementary Conditions, and other Division 1 Specification Sections apply to this Section.

1.2 SUMMARY

A. This Section specifies administrative and procedural requirements for various CPM schedules and reports required for proper performance of the Work.

B. All costs incurred by Contractor to correctly implement and update the schedule shall be borne by Contractor and are part of this Contract.

C. Schedules required include the following:

1. Contract Construction Progress Schedule in CPM format narrative report, manpower requirements forecast, and cash flow projection curves.
2. Submittals Schedule.
3. Schedule of Tests and Inspections
4. Record, As-Built CPM Schedule

D. Reports required include the following:

1. Daily Construction Reports
2. Material Location Reports
3. Field Correction Reports
4. Special Reports
5. Monthly Progress Reports
6. Contractor Quality Control Reports

E. Related Sections include the following:

1. Division 1 Section "Project Meetings" for Project meeting minutes
2. Division 1 Section "Contractor's Quality Control" for test and inspection reports

1.3 DEFINITIONS

A. Activity: The fundamental unit of work in a Project plan and schedule. Each activity has defined geographical boundaries and a detailed estimate of resources required to construct the task. Each activity is assigned a unique description, activity number, activity codes, and dollar value.

B. CPM Network: The structure of the schedule. The network is the representation that defines the construction logic in terms of all the activities with their logical dependencies.

C. Contract CPM Schedule: A cost-loaded CPM schedule covering the entire Contract Duration from the Notice to Proceed through Final Acceptance of the Work.

D. Contract Duration/Time: The total time, in calendar days representing the duration necessary for completion of all physical and administrative requirements under this Contract and any authorized extension thereof. Each calendar day, including Saturdays, Sundays, and holidays, shall be counted when computing the total contract time for completion.

E. Critical Path: The critical path is the longest connected chain of interdependent activities in a CPM network that impacts the completion of the Project.

F. Excusable Delay: An unforeseeable delay, beyond the control of Contractor, experienced due to no fault or negligence by Contractor, its subcontractors, or suppliers.

G. Predecessor Activity: An activity that follows another activity in the network.

H. Cost Loading: The allocation of the Schedule of Values for the completion of an activity as scheduled. The sum of costs for all activities must equal the total Contract Price, unless otherwise approved by the Owner.

I. Successor Activity: An activity that follows another activity in the network.

J. Total Float: The amount of time an activity can be delayed from its earliest start date without delaying the end of the Project.

1. Float time is not for the exclusive use or benefit of either the Owner or Contractor, but is jointly owned, expiring Project resources available to both parties as needed to meet schedule milestones and Contract completion dates.

2. Free float is the amount of time an activity can be delayed without adversely affecting the early start of the successor activity.

3. The Contractor shall not sequester shared float through such strategies as extending activity duration estimates to consume available float, using preferential logic, or using extensive crew or resource sequencing, etc.

4. If the Owner uses float which the Contractor later needs due to non-excusable Contractor delays that delay the project, liquidated damages will not be assessed against the Contractor for the days of float used by the Owner in the earlier period. Liquidated damages may be assessed for any additional non-excusable Contractor delay beyond those days that the Owner used.

5. If negative float is shown in the schedule, a description and justification for the negative float shall be provided by the Contractor.

1.4 PRE-CONSTRUCTION

- A. After the Contract has been executed, but prior to the Contractor beginning the work, a preconstruction conference will be held with the Contractor, the Architect and any other interested parties that the Owner consider necessary to invite. The Contractor's Scheduler, Project Manager, Project Superintendent, and key subcontractors shall meet with the Owner at the preconstruction conference to explain the Contractor's approach to scheduling the project.

The purpose of the preconstruction conference will be to:

1. Review the preliminary progress schedule.
2. Establish a working understanding among the various parties performing or affected by the work, through either an informal partnering effort or a separate partnering workshop and follow-up.
3. Establish and review procedures for progress payments, notifications, approvals, submittals, etc.
4. Verify normal working hours for the work.
5. Review safety standards, and traffic control if applicable.
6. Discuss any other related items that may be pertinent to the work.

The Contractor shall prepare and submit the following for approval at least seven (7) days prior to the preconstruction conference.

1. A price breakdown (schedule of values) of all lump sum items.
 2. A preliminary construction schedule and sequence of operations plus resource and cost loading.
 3. A list of material sources for approval, if applicable.
 4. Schedule of submittals.
 5. Environmental, traffic, safety, and other plans for approval, as applicable.
 6. Request to submit: approval by the Owner of all subcontractors performing work valued at over one percent of the contract amount.
- B. The Project Schedule is a document that belongs to the Contractor in which the Owner has a vital interest in and it is necessary that it conforms to certain minimum standards. The Contractor is responsible for planning, scheduling, managing, and reporting the progress of the work in accordance with all of the specific methods and submittals described in this Section.
- C. The Project Schedule shall be developed by the Project Scheduler and submitted in a digital format compatible with Primavera P6.
- D. The schedule will be used by the Owner and Architect to evaluate progress and status at the various stages of the Project, to allocate funds for progress payments, and to determine the impact of any changes to the contract.
- E. Unless otherwise noted, all durations are in calendar days. Each calendar day, including Saturdays, Sundays, and holidays, shall be counted when computing the total contract time for completion.
- F. Schedule submittals will be reviewed by the Owner; such review shall not constitute an approval, control, or direction over the Contractor's construction means, methods, sequencing, or their ability to complete the Work in a timely manner.
- G. Progress payments shall be contingent upon a current accepted schedule.
- H. The initial schedule is referred to as the Preliminary Schedule. Upon completion with all needed activities and acceptance by the Owner, it is referred to as the Baseline Schedule. Monthly revisions are termed Update Schedules. If major delays require a drastic revision to the schedule, it is referred to as a Recovery Schedule.

1.5 PLANNING

- A. Contractor shall prepare a practical work plan to complete the Work within the Contract Duration, and complete those portions of work relating to each intermediate milestone date and other Contract requirements. Contractor shall generate a computerized cost- loaded CPM schedule in Precedence Diagram Method (PDM) format for the Work.
- B. The schedule shall not exceed time limits established in the Contract Documents and must comply with any contract-specified milestone dates and sequences of construction.
- C. Failure to include any work item required for performance of this Contract shall not excuse Contractor from completing all work within applicable completion dates, regardless of Owner approval of the Schedule.
- D. Failure of Contractor to comply with requirements of this Section may be considered cause for withholding progress payments or termination for default.

1.6 SUBMITTALS

- A. General: Contractor shall provide all schedule submittals on computer disk media (CDR) as well as tabular printouts, resource curves and histograms, and 11-by-17 inch time scaled logic diagrams based on early start. All updates will be made on the Web based P6 software which is furnished to the Contractor at no cost by Little Elm ISD. All costs incurred by Contractor to correctly implement, computerize and update the CPM Schedule shall be borne by Contractor and are included in the Contract Price.
- B. Contract CPM Schedule: Within thirty (30) calendar days after the preconstruction conference and prior to the first progress payment, the Contractor shall complete and submit a revised Preliminary Schedule with the added level of detail required to plan and control the rest of the work. The Preliminary Project Schedule shall not reflect progress to date, but shall begin with the date of issuance of the Notice to Proceed and conclude with the date of final completion of the contract. A tabular report shall accompany the network diagram and shall, at a minimum, include an activity number for each activity; the description and duration of each activity; all predecessors to and successors from each activity; and the early start, early finish, late start, late finish, and total float for each activity. The report shall support the network diagram. The Preliminary Project Schedule shall also be accompanied by a Narrative Report, Manpower Requirements Forecast, and a Cash Flow Projection.
- C. Record As-Built CPM Schedule: A Record CPM Schedule accurately reflecting actual progress of Work shall be submitted, as part of this Contract's Record Documents. All activities shall have actual dates that are true and accurate.
- D. Full size, 30" x 42" minimum, color print of the schedule is to be posted on the inside wall of the jobsite trailer at all times during construction. Actual start dates and finish dates for each activity will be posted daily. A vertical line made from a hanging, weighted, red yarn will be moved weekly to coincide with the date of the OAC meetings. This schedule will be included as part of the close-out documents and retained by the owner as part of the as-built project.
- E. Qualification Data: For Project Scheduler.

1.7 QUALITY ASSURANCE

- A. Project Scheduler Qualifications: Minimum of two (2) years experience and not less than one project of similar size and scope, with capability to produce CPM reports and diagrams within 24 hours of Owner's request. Project Scheduler will be classified as one of Contractor's key personnel.

PART 2 PRODUCTS NOT USED

PART 3 EXECUTION

3.1 PLANNING

CONTRACT CPM SCHEDULE

- A. Scheduling Requirements: The Contract CPM Schedule shall be a computerized cost-loaded, time-scaled CPM Schedule in PDM format. All narrative reports shall be bound before submitting.
1. The schedule and narrative report shall be reviewed within seven (7) days of receipt by the Owner at a joint review session with the Contractor's Project Manager, Superintendent, Scheduler, and key subcontractors.
 2. At the joint review, the Contractor shall present an overview of the schedule strategy, a discussion of near-term and high-risk activities, and activity-by-activity review of critical and near-critical activities (less than ten (10) days total float), and a general discussion of the other activities. The review shall cover the approximate work quantities, general crew and equipment planned for each critical and near-critical activity, expected production rate (if known), duration, and relationship with preceding and succeeding activities. The Contractor shall then answer questions by the Owner who will accept or reject the proposed schedule within seven (7) days. If returned for revision, the Contractor shall revise and resubmit the schedule within seven (7) days. It is expected that no more than two (2) submittals of the Contractor's schedule will be needed in order to obtain an accepted schedule.
 - a) If more than two (2) submittals are required, the Owner shall have the right to withhold progress payments until the Contractor complies with the Owner's requirements and submits a schedule that is approved.
 3. Upon acceptance by the Owner, the accepted Preliminary Schedule shall become the Baseline Schedule.
 4. The Contractor's schedule, when accepted by the Owner, shall constitute the initial schedule, and shall stand until updated schedules are submitted to reflect actual completed work, approved changes, or recognized delays.
- B. In addition to an appropriate number of milestones, the activities included in the Contractor's schedule shall be in sufficient detail to assure that adequate planning has been done for proper execution of the work and such that the schedule provides an appropriate basis for monitoring and evaluating the progress of the work. Major long lead procurement materials shall be shown with separate activities for 'Prepare Shop Drawings', 'Review', and 'Fabricate and Deliver' for each item. Construction activities shall include: approved change order work, mobilization and demobilization, and all other work to complete the project. A work activity is defined as an activity which requires time and resources (including manpower, equipment, delivery of materials, etc.).
1. The Project Schedule shall include all long lead construction procurement and associated with the submittal, fabrication and delivery of work (as applicable).
 - Structural Steel
 - Roofing Material
 - Plumbing Fixtures
 - Lighting Fixtures
 - Fire Sprinkler Piping & Heads
 - Ductwork
 - ERV Units
 - Water Source Heat Pumps
 - Athletic Field Equipment
 - o Bleachers
 - o Field Lighting

- o Scoreboard
- Casework
- Millwork
- Kitchen Equipment
- Lockers
- Gym Floor
- Science Lab Equipment / Millwork
- Doors
- Hardware
- Carpet
- Flooring
- Glass
- Signage

2. Activity durations shall be no less than one (1) day nor more than fourteen (14) calendar days or a value greater than \$100,000 except for materials procurement, unless otherwise approved by the Owner. Activity durations shall be factored to include an allowance for inclement weather and compensation for seasonal weather as appropriate. The use of calendars reflecting inclement weather, holidays, and other-non-work periods is encouraged.
3. As a minimum the Contractor shall apply the activity code structure and activity ID structure provided by the Owner to each activity in the schedule.
4. All submittals in the PMSS system for all long lead items must be linked to the activity ID in the schedule where installation occurs.
5. Each activity in the schedule shall have at least one predecessor and one successor unless approved by the Owner. All activities, except Notice to Proceed, will be required to have a predecessor. All activities, except project completion, will be required to have a successor.
6. Activities related to separate structures and features shall be separately identifiable by work area or the use of sub-networks or both. When practical, activities for large work items shall be subdivided into multiple activities and identified by separate work areas.
7. The schedule will have at least one chain of activities, linked by logic, that constitute a critical path from the current data date to the completion of the project.
8. The use of start and finish constraints shall be limited to only those activities that cannot be readily scheduled by using activity relationships; prior approval from the Owner shall be required. A milestone will be assigned to the Notice to Proceed. Milestones shall also be assigned to the Contract Completion date and any contract-specified interim milestones, and they shall be constrained with 'Finish No Later Than' constraints. The last activity, 'Project Completion', shall be constrained with a 'Finish No Later Than' date which is to be the approved contract completion date. All Total Float will be computed from this required date.
9. During construction the minimum duration for any Owner Inspection activity (i.e. concealed space, above ceiling, substantial and final completion) shall be at least three (3) work days per inspection and re-inspection.
10. MEP work shall be broken down into individual work items for each trade; no MEP combined activities will be allowed.
11. Hammocks shall not be used without prior approval and permission of the Owner.
12. If requested by the Owner, the Contractor shall provide highly detailed (hourly), short term schedules for specific crucial items or periods, (i.e., traffic changes, tie- ins, main lane

closures, etc.)

13. If requested by the Owner, the Contractor shall resource load short-term schedules to demonstrate that sufficient resources are available and capable of meeting the specific requirements from the need to provide said schedule.
 14. Activity relationships will normally be finish-to-start, or finish-to-finish. Negative lags (overlap or leads) shall not be used with start-to-start relationships, but may be used for finish-to-start relationships.
- C. The Contractor shall execute the Work in accordance with the Contractor's schedule. Upon issuance of a change order or notice to proceed with a change, the approved change shall be reflected in the next schedule submittal by the Contractor, or other schedule update submittal accepted by the Owner.

3.2 WEEKLY UPDATE SCHEDULE

- A. The Contractor shall provide an Update Schedule and bound Narrative Report to reflect the current status of the Project, weekly, in printed and electronic copy no less than 24 hours prior to the scheduled OAC meeting. The disc must be made utilizing the Primavera Export Utility within the P6 program. The disc must be properly labeled and as a minimum contain the Contractors name, Contract number or name, and the data date of the schedule.
1. If a Baseline Schedule has not been accepted prior to the first monthly progress payment submittal, the first Update Schedule may be submitted with the expanded Preliminary Schedule for the first progress payment purpose and re-submitted, if necessary, after approval of the Baseline Schedule.
 - a. No subsequent progress payments will be processed if not accompanied by a current schedule update furnished electronically per paragraph 7 of this specification.
 2. The Project Scheduler shall update the project schedule data in P6. The Update Schedule shall show the status of all progressed activities with actual start and finish dates, completion percentages based on work-in-place, and remaining durations. It shall show pending activities including added activities, revised durations and network logic changes, and corrected logic for out-of-sequence progress.
 - a. Any activity that requires unusual shift work, such as two (2) shifts, six (6) day work weeks, etc., shall be clearly identified in the schedule.
 3. The Narrative Report shall include a summary of progress and problems during the reporting period, anticipated problems for the next period and their solutions, changes to planned activities and/or schedule logic, and durations and lags. Refer to section 11.1.3 for further details.
 4. The Owner shall jointly review the Updated Schedule with the Contractor's Project Manager, Superintendent, Scheduler, and key subcontractors within seven (7) days after its receipt. The Contractor will briefly present the progress for the previous month on all critical and near-critical activities, describe any revisions to the schedule and current or expected delays, and answer questions from the Owner.

3.3 REVISIONS TO SCHEDULE

- A. If the Contractor desires to make a change to the schedule, he shall notify the Owner in advance of making such change, in writing, stating the reason for the change. If the Owner considers the change to be major, the Owner may require the Contractor to revise and submit for acceptance, all of the affected portions of the network diagram clearly marked to indicate the proposed changes along with electronic

versions of the original schedule and the proposed changes and analysis to show the effect on the entire project. The original network and the proposed revision and analysis shall be submitted to the Owner within fifteen (15) days after the Owner notifies the Contractor that the revision is considered major.

1. A change will be considered major if the time estimated to be required for an activity or the sequence of activities is varied from the original plan to a degree that there is reasonable doubt that the contract completion or other contractual milestone date will be met or if the change impacts the work of other contractors involved in the project or follow on projects. Changes to activities having adequate float will generally be considered as minor changes, except that an accumulation of minor changes may be considered a major change when such changes affect the contract completion or other milestone dates.

3.4 LATE COMPLETION

- A. If any time during the project, the Contractor fails to complete any activity by its latest scheduled completion date, which late completion will impact the end date of the work past the contract completion date, or other contractual milestones, the Contractor shall, within five (5) working days, submit to the Owner a written statement as to when, and how, the Contractor will re-organize his work force to return to the current approved schedule.
- B. If the project falls behind schedule more than 14 days or 10% of the remaining duration, whichever is less, for non-excusable delays or when requested by the Owner, the Contractor shall prepare a Recovery Schedule and Narrative Report that demonstrates how the lost time will be recovered. The Recovery Schedule is subject to review and acceptance by the Owner.
 1. If any critical path activity is behind schedule, the Contractor shall provide in its narrative report an explanation of the cause and propose remedial measures necessary to get back on schedule. The Contractor shall take such additional steps as are necessary in order to effectively eliminate or minimize such delays and to comply with the schedule.
 2. If the Contractor is behind schedule for non-excusable delays and the Owner determines that the Contractor's progress is not sufficient to ensure that the work will be completed within the contract time, the Contractor shall, when directed and at its own expense, take corrective action to recover the lost time. This may include any or all of the following: (1) provide its project superintendent on the job site not less than 10 hrs per day, (2) increase its work force, equipment and/or working hours, (3) expedite material delivery at the Contractor's expense, and/or (4) take other steps to complete the project on time.

3.5 DELAYS AND REQUESTS FOR EXTENSION OF TIME

- A. Extensions of Contract Time or Delay Damages may be granted only for excusable or compensable delays to activities that actually delay the project completion beyond the contract Substantial Completion date.

1. Timeliness

Requests for time extensions shall be submitted within fourteen (14) days after the extent of an excusable or compensable delay is, or should be, known.

If the delay extends beyond one schedule update period, the Contractor shall submit interim contemporaneous time extension requests and Time Impact Statement for each schedule update period. Failure to submit a request, the Time Impact Statement, narrative, or any requested supplemental information within the time specified shall be a waiver of the Contractor's request for a time extension.

2. Time Impact Statement

For any period in which a change in the Contract Time is anticipated, whether for a Change Order, a

Change Order Proposal, an Owner directive or order, or a delay for which the Owner is responsible, the Contractor shall submit a Time Impact Statement justifying any requested time extension. Each analysis shall include a Fragmentary Network of the activities affected (a fragnet) demonstrating where the Contractor proposes to incorporate the change or delay in the current schedule. The network diagram(s) shall show: (1) the current activities affected by the change or delay and (2) the proposed activity logic relationships due to the change or delay.

Each Time Impact Statement must clearly contain the following:

- A clear description of the event or reason for the request
- The reason the event or cause is not the Contractors responsibility
- Background information or data sheets to support the request
- A copy of the portion of the schedule being impacted clearly indicating the activities being impacted before the event and after the event
- The amount of time being requested in calendar days

No request for additional time will be considered without a time Impact Statement containing all of the information described in this section.

3. Recovery Plan

When requested, the Time Impact Statement shall also include an analysis of possible re-sequencing and acceleration to regain some or all of the lost time and an estimate of the probable cost of such effort.

4. Narrative

The Time Impact Statement shall include a narrative containing the rationale used in developing the analysis. It shall address the contract basis for the time extension, the facts giving rise to the delay, and an analysis of how the event or actions for which the Owner is responsible, delayed the overall project completion and why the Contractor is due additional time. The recitation of the facts shall reference the documents or statements of individuals supporting the asserted facts, and pertinent documents shall be attached to the narrative when practical.

5. Weather Delays

An allowance of Anticipated Work Days has been established as probable 'regular work days' lost due to weather delays. The number of anticipated weather days for each month is as follows:

<u>Month</u>	<u>Working Days</u>
January.....	6
February.....	6
March.....	7
April.....	6
May.....	6
June.....	4
July.....	5
August.....	5
September.....	4
October.....	8
November.....	5
December.....	5

Delays for normal weather are not excusable. Time Extension Requests for abnormal weather delays exceeding the anticipated weather day allowance must show that the actual weather for the period in question was significantly worse than the typical weather for that period. In addition, the request must explain how the abnormal weather affected the critical path and delayed the project, the amount of

delay that would have occurred from normal weather, and the amount of additional delay due to the abnormal weather.

6. Avoidable Delays

Delays that could have been avoided by the exercise of reasonable care, prudence, foresight and diligence are not excusable.

7. Unavoidable Delays

Delays beyond the control of the Contractor and which could not have been avoided by the exercise of care, prudence, foresight and diligence on the part of the Contractor and its Subcontractors are excusable but non-compensable. These include delays caused by force majeure, war, public enemy, freight embargos, and strikes occurring despite the Contractor's reasonable efforts to avoid them.

B. Extensions of time shall be granted only after review and acceptance of the Contractor's Time Extension Request. Until then, the Contractor shall make every reasonable effort to maintain the schedule without accelerating.

1. Following notice that a time extension has been accepted, the activity data and network logic relationships in the Time Impact Analysis shall be incorporated into the current Update Schedule during the next scheduled progress update. Added activities shall be identified in the same format and level of detail as the original activities in the Baseline Schedule and coded in a manner that they can be identified to the specific Change Order.

C. Whenever it becomes apparent from the monthly progress evaluation and updated schedule data that any milestone date(s) or the contract completion date will not be met, the Contractor shall take some or all of the following actions:

1. Increase manpower in such quantities and crafts on critical activities to substantially eliminate the backlog of work and meet the current completion date.

2. Increase the number of working hours per shift, the number of shifts per day, the number of work days per week, or the amount of equipment, or any combination of the foregoing sufficient to substantially eliminate the backlog of work.

3. Reschedule work to achieve concurrent accomplishment of work activities.

D. If the Contractor elects to work on a Saturday, Sunday or other holiday, or longer than an 8-hour shift on a regular working day, an inspector and/or a survey may need to be present, at the discretion of the Owner. The Contractor shall notify the Owner at least 48 hours in advance of extended mid-week hours and 72 hours in advance for weekend work so that the inspector's and/or surveyor's time may be scheduled.

E. Under no circumstances will the addition of equipment or construction forces, increasing work hours, or any other method, manner, or procedure to return the work to the contractually required completion date, or milestone, be considered justification for a change order or treated as an acceleration, or entitle the Contractor to additional compensation.

F. If the Contractor fails to mobilize within ten (10) days of the date of the Notice to Proceed, the Owner will be entitled to off-set any requested time extensions by the number of days from the date of the Notice to Proceed to the date of mobilization.

3.6 REPORTS

A. Each of the schedule reports shall be submitted as three reproducible and one electronic copy. Variations of the following reports shall be provided at no additional cost, if requested by the Owner.

1. The Preliminary Schedule, Baseline Schedule, Update Schedule, and Recovery Schedule submittals shall include all of the following elements:

- a. Tabular Reports

Up to four different printed reports shall be provided as part of each Schedule Submittal. The Owner will provide the specific report layouts and content at the preconstruction conference.

- b. Calendar

The Contractor shall provide a printed copy of the calendar(s) used by the scheduling software. If more than one calendar is used, the tabular reports shall identify the calendar for each activity.

- c. Narrative Report

The Contractor shall provide a bound Narrative Report with the Preliminary and Baseline Schedule submittals that give an overview of planned progress, a description of anticipated problems and tentative solutions to the problems, and a description of the most important activities with an explanation of their relationship with other activities and the basis for determining their duration.

Narrative Reports for Update and Recovery Schedules shall include a description of actual progress during the period just completed, problems encountered and their resolution, delays, impacts, schedule revisions such as changes in network logic or activity durations, and changes in the critical path. The report will also include a description of intermittent or reduced-effort work activities, changes in crews or network logic, work anticipated for the next period, and how the Contractor plans to recover any lost time. It shall list any added or deleted activities and the reason for the addition or deletion from the schedule.

The bound report shall follow the outline set forth below: CONTRACTOR'S Schedule Narrative Report Outline:

- Contractor's Transmittal Letter
- Description of problem areas
- Current and anticipated delays
 - Cause of the delay
 - Corrective action and schedule adjustments to correct the delay
 - Impact of the delay on other activities, milestones, and completion dates
- Changes in construction sequences
- Pending items and status thereof
 - Permits
 - Change Orders
 - Time extensions
 - Non-Compliance Notices
- Contract completion date(s) status
 - Ahead of schedule and number of working days
 - Behind schedule and number of working days
- Other project or scheduling concerns including any plant shutdowns, duration of each shutdown, and analysis of any work to be performed during the shutdown period
- Include reviewed and updated Detail Network Diagram and Reports
- Include revised Cost Loading and Cash Flow Information

- Include revised Manpower Information
 - Include revised Construction Equipment Information
- d. Network Diagram

A time-scaled Network Diagram shall be provided with the Preliminary Schedule, the Baseline Schedule, any Recovery Schedule, and Update Schedules if requested by the Owner. It shall show each activity's identifier, description and duration, plus the network logic relationships to other activities as connecting lines. The critical path shall be clearly indicated.

Networks shall be drawn on sheets no larger than 30-by-42 inches with title, sheet number, and data date on each sheet. A legend shall be provided to define abbreviations used. Where total float exists, activities shall be shown at the time they are scheduled to be accomplished. A 30 x 42 color copy of the Baseline Schedule shall be displayed in the jobsite trailer in plain view.

- B. At each weekly progress meeting, the Contractor shall provide a detailed, three-week short-interval (look-ahead) schedule for use by the Contractor's supervisors and subcontractors. Copies shall be provided to the Owner.
1. The short-interval schedule shall be a bar chart or in a format satisfactory to the Owner. It shall be based upon the most current Update Schedule and shall indicate the planned progress for the next three weeks; the actual progress achieved the previous week; and the planned progress from the previous short-interval schedule. Each task on the short-interval schedule shall be referenced to an activity in the Update Schedule. The report shall be a tabular report, commonly referred to as a 'turn-around document,' sorted by activity ID number.

3.7 RECORDS, AS-BUILT CPM SCHEDULE

- A. After all Contract work items are complete, and as a condition of final payment, Contractor shall submit three copies of a Record, As-Built CPM Schedule showing actual start and finish dates for all work activities and milestones, based on the accepted monthly updates. These schedule submittals shall be in tabular and in time-scaled PDM plot formats.

3.8 PROJECT MANAGEMENT SOFTWARE SYSTEM (PMSS)

- A. Contractor shall use the LEISD supplied, web browser based Project Management Software for collaboration and processing of all applicable communications on the project.
- B. The PMSS is required to be used by all project members. Refer to the LEISD Standard Operating Procedures for the PMSS for requirements and guidelines.
- C. There are six (6) primary folders and multiple modules within each folder for each Project:

Correspondence, Reports & Minutes
 Noncompliance Notices Letters
 Daily Field Reports Correspondence Sent
 Correspondence Received Meeting
 Minutes
 Notepads Phone
 Records Safety
 Transmittals

Contracts & Pay Requisitions Contracts –
 Budgeted Contracts – Committed
 Purchase Orders
 Cost Worksheet Insurance
 Payment Requisitions Submittals

- Submittal Packages
- Submittals Procurement
- Project Information Companies and
- Contacts Schedule Data
- Drawing Sets
- Drawings Materials
- RFI's, Changes & Notices Trends
- Issues Change
- Orders
- RFI's & Clarifications Notices
- (ASI, FM, Tests) Contract
- Management Proposals
- Close Out
- Punch Lists

- D. All components within the PMSS are to be updated in a timely manner. No more than three (3) days should lapse between updates, with the exception of Daily Reports, which shall be updated daily.
- E. Prior to approval of the first pay request, the contractor will setup the minimum initial project data in the PMSS:
 - 1. Companies and vendors for the project, including specification section and detail contact information, and all required attachments (i.e. insurances, contracts).
 - 2. Cost Codes input into the Cost Worksheet.
 - 3. Contract-Budgeted for Prime Contract between Owner and Contractor, correlated with cost worksheet (fully costed).
 - 4. Contract-Committed for Subcontractor Contracts between General Contractor and Subcontractors, Vendors, and Suppliers. All contracts are to be fully costed, have insurances attached and performance bonds as required.
 - 5. Complete Schedule of Values
 - 6. Complete Submittal listing

END OF SECTION

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SOLICITATION/CSP INFORMATION REQUIREMENTS

**REQUEST FOR
CONSTRUCTION MANAGEMENT AT RISK
PROPOSALS TWO STEP PROCESS
[CSP # 15-12-081-0]**

FOR

OPERATIONAL SERVICES FACILITY

FOR THE

**LITTLE ELM INDEPENDENT SCHOOL DISTRICT
LITTLE ELM, TEXAS**

STEP II

**Hidell & Associates Architects
3033 Kellway Drive
Carrollton, TX 75006**

November 12, 2015

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PROPOSAL RESPONSE GUIDELINES

Respondents' response to this Request for Proposal shall include:

- **Fee Proposal Form for Work** as Prime CMR, completed and executed on the attached Form. The Fee will be a percentage of the final construction contract amount. The fee as a percentage proposed will be fixed, regardless of the final construction cost. Provide a separate fee proposal form for each project in this CSP.
- **Modifications.** No modification to this CSP or the resulting proposal will be considered bona fide unless in writing. Any oral modification must be followed in writing.
- **Life of Proposal.** No proposals may be withdrawn for a period of forty five (45) calendar days after the submission date.

PROPOSAL RESPONSE SCHEDULE

Two copies of this proposal are due to the Little Elm Independent School District at the Little Elm ISD, 300 Lobo Lane, Little Elm, Texas 75068, Attention: ROD REEVES, Executive Director of Operations no later than 2:00pm (Local Time), [November 19, 2015]. Proposals received by hand delivery or mail after that time will be returned unopened.

Fee Proposal Form for Work under a "Construction Manager at Risk Contract" – Operational Service Facility

NOTE: This information will be required to be submitted by the Potential Construction Managers' selected to be interviewed. Those who are selected to be interviewed will be notified within five (5) days to schedule the interview.

Project: CSP # 15-12-081-0 - CM At-Risk – Operational Service Facility

Proposal from _____ organized and existing under laws of the
(Company name)
State of _____.

The undersigned hereby proposes to furnish all labor, materials, tools and necessary equipment to perform the work required to construct as described in the Request for Competitive Sealed Proposal.

The undersigned further agrees to provide pre-construction services necessary to prepare an Initial Guaranteed Maximum Price (IGMP) based upon design documents and a Final Guaranteed Maximum Price (FGMP) based upon completion of construction documents. Upon approval of the IGMP, the Agreement shall be executed with the FGMP establishing the Final Contract Amount.

This Bidder agrees that this Proposal will remain good and in effect for a period of 60 days after receipt.

Warranty

All work will be warranted for one year from Substantial Completion or longer if specifically required of certain components in the final technical specifications **at no additional cost to the owner** for either subcontractor or Construction Manager in order to maintain and supervise the warranty item repairs, replacements or investigations.

Basis of Fees and General Conditions

The fee proposed may be submitted either as a percentage of the Guaranteed Maximum Price or a fixed fee, which will be converted to a percentage and assessed in accordance with Section 5.1 – Compensation of AIG Contract enclosed as Exhibit No. 1.

FEE PROPOSAL FORM – Operational Service Facility

While not the final contract form at this time, ALA A133/CM is the basis for definitions of Fee, General Conditions as modified by the Supplementary Conditions Document 0800 (referenced attached Schedule "C", Cost of Work and Total Cost of Construction for purposes of this proposal.

FEES PROPOSED FOR PRECONSTRUCTION SERVICES

Total contractor fee for developing cost estimates based on Pre Construction Services, Budgeting/Cost Estimating, as described above. \$ _____

FEES PROPOSED FOR OFFICE OVERHEAD AND PROFIT

Total Contractor Fee expressed as percentage of Cost of Construction for labor, equipment materials and related costs of the work provided by the Contractor. *The primary fee on the project.* _____%

FEES PROPOSED FOR CHANGE ORDERS

Subcontractor markup fee: _____%

General Contractor Markup fee: _____%

Note LEISD conditions included in Supplementary Conditions

General Conditions costs per month should the construction schedule exceed the estimated construction duration. (Assume the General Conditions costs can be translated to a per diem after a one month extension): \$ _____

GENERAL CONDITIONS COSTS PROPOSED

Percentages proposed below will be fixed in the contract. Actual correlating dollar amounts should additionally be shown in the attached schedule of General Conditions Costs based on a Total Construction Cost of \$6,000,000. Final General Conditions Costs for items with fixed percentages will be based on percentage times actual cost of construction.

Contractor Bond - includes separate 100% Performance and Payment bonds expressed as percentage of the Total Construction Cost _____%

Contractor Insurance – includes Contractor's general liability and other insurance - expressed as percentage of the Total Cost of Construction. _____%

What is your Insurance Rate Modifier? _____

Amount of Commercial General Liability (Limit) which can be furnished by CMR without increase in insurance rate proposed. \$ _____ M

Can you add the Owner, Architect and Engineers on your policies as additional injured without additional cost to the Owner? Yes No (Circle one)

Amount of Labor to be Performed by the Contractor's Own Forces _____%

Identify types of work
(trades) to be self-performed: _____

List of General Conditions to Operational Service Facility

X	Onsite Field Office Staff					
	Project Manager	\$	x	%	x	=
	Superintendent	\$	x	%	x	=
	Others	\$	x	%	x	=
	Others	\$	x	%	x	=
	Others	\$	x	%	x	=

Weekly Rate % Each Week on X # of Weeks = Total Cost
Project in Total Project

Total Staff Cost Anticipated =

Weekly rates are to be fully burdened as complete rate that will be charged to the project, without additional multipliers, factors or supplemental costs. Note: Any bonuses paid as a part of this rate schedule are not allowed and not to be included as a part of the General Conditions costs.

X Indicate the percentage of time your personnel will dedicated solely to this project.

Project Manager: _____% Superintendent: _____%

- Field Engineering Labor =
- Field Engineering Equipment and Supplies =
- Field Project Office =
- Temporary Fire Extinguishers and Safety Equipment and Labor =
- Office Furniture =
- Office Supplies =
- Postage/Federal Express/Courier Services =
- Miscellaneous Document Printing =
- Copy Machine and Paper =
- Office Equipment =
- Telephone and Fax Services =
- Janitorial Services =
- Miscellaneous Small Tools and Consumables =
- Vehicle Rental =
- Vehicle Fuel, Maintenance and Repair =
- Vehicle Insurance =
- All Risk Builder's Insurance =

General Commercial Liability Insurances	=
All other Insurances in addition to CGL required	=
Contractor's Bond	=
Building Permit Fees	=
Construction, Equipment Freight and Insurance Charges	=
Construction Clean-Up	=
Final Clean-Up	=
Special Testing Equipment Rentals	=
Travel	=
Other	=
Total Estimated General Conditions including Field Office Staff	=

Signed: _____

Title

Name of Firm

Organized as a: (Mark One):

Proprietorship _____ Partnership _____ Corporation _____

Under the law of the State Of: _____

Affix
Corporate
Seal
Here

Legal Address:

(Date)

Email: _____

Telephone No. _____

Fax No. _____

If Bid is by a corporation, affix seal in space above legal address.

Fee Proposal Form for Work under a "Construction Manager at Risk Contract" – Operational Service Facility

NOTE: This information will be required to be submitted by the Potential Construction Managers' selected to be interviewed. Those who are selected to be interviewed will be notified within five (5) days to schedule the interview.

Project: CSP # 15-12-081-0 - CM At-Risk – Operational Service Facility

Proposal from Balfour Beatty Construction, LLC organized and existing under laws of the
(Company name)

State of Texas

The undersigned hereby proposes to furnish all labor, materials, tools and necessary equipment to perform the work required to construct as described in the Request for Competitive Sealed Proposal.

The undersigned further agrees to provide pre-construction services necessary to prepare an Initial Guaranteed Maximum Price (IGMP) based upon design documents and a Final Guaranteed Maximum Price (FGMP) based upon completion of construction documents. Upon approval of the IGMP, the Agreement shall be executed with the FGMP establishing the Final Contract Amount.

This Bidder agrees that this Proposal will remain good and in effect for a period of 60 days after receipt.

Warranty

All work will be warranted for one year from Substantial Completion or longer if specifically required of certain components in the final technical specifications **at no additional cost to the owner** for either subcontractor or Construction Manager in order to maintain and supervise the warranty item repairs, replacements or investigations.

Basis of Fees and General Conditions

The fee proposed may be submitted either as a percentage of the Guaranteed Maximum Price or a fixed fee, which will be converted to a percentage and assessed in accordance with Section 5.1 – Compensation of AIG Contract enclosed as Exhibit No. 1.

FEE PROPOSAL FORM – Operational Service Facility

While not the final contract form at this time, AIA A133/CM is the basis for definitions of Fee, General Conditions as modified by the Supplementary Conditions Document 0800 (referenced attached Schedule "C", Cost of Work and Total Cost of Construction for purposes of this proposal.

FEES PROPOSED FOR PRECONSTRUCTION SERVICES

Total contractor fee for developing cost estimates based on Pre Construction Services, Budgeting/Cost Estimating, as described above. \$ 15,000

FEES PROPOSED FOR OFFICE OVERHEAD AND PROFIT

Total Contractor Fee expressed as percentage of Cost of Construction for labor, equipment materials and related costs of the work provided by the Contractor. *The primary fee on the project.* 3.0 %

FEES PROPOSED FOR CHANGE ORDERS

Subcontractor markup fee: 10 %

General Contractor Markup fee: 5 %

Note LEISD conditions included in Supplementary Conditions

General Conditions costs per month should the construction schedule exceed the estimated construction duration. (Assume the General Conditions costs can be translated to a per diem after a one month extension): \$ 45,143

GENERAL CONDITIONS COSTS PROPOSED

Percentages proposed below will be fixed in the contract. Actual correlating dollar amounts should additionally be shown in the attached schedule of General Conditions Costs based on a Total Construction Cost of \$6,000,000. Final General Conditions Costs for items with fixed percentages will be based on percentage times actual cost of construction.

Contractor Bond - includes separate 100% Performance and Payment bonds expressed as percentage of the Total Construction Cost 0.75 %

Contractor Insurance – includes Contractor's general liability and other insurance - expressed as percentage of the Total Cost of Construction. 0.85 %

What is your Insurance Rate Modifier? 0.49

Amount of Commercial General Liability (Limit) which can be furnished by CMR without increase in insurance rate proposed. \$ 6 M

Can you add the Owner, Architect and Engineers on your policies as additional injured without additional cost to the Owner? Yes No (Circle one)

Amount of Labor to be Performed by the Contractor's Own Forces 5 %
Identify types of work

General Commercial Liability Insurances	= 51,000
All other Insurances in addition to CGL required	= n/a
Contractor's Bond	= 45,000
Building Permit Fees	= cost of work
Construction, Equipment Freight and Insurance Charges	= 0
Construction Clean-Up	= 5,850
Final Clean-Up	= 4,675
Special Testing Equipment Rentals	= 0
Travel	= 0
Other	= n/a
Total Estimated General Conditions including Field Office Staff	= 406,286

Signed: 

Charles E. DeVoe, III, Senior Vice President

Title
Balfour Beatty Construction, LLC

Name of Firm

Organized as a: (Mark One): Limited Liability Company

Proprietorship _____ Partnership _____ Corporation _____

Under the law of the State Of: Texas



Legal Address:

3100 McKinnon, 7th Floor

Dallas, TX 75201

Telephone No. 214.4686.4700

November 19, 2015
(Date)

Email: cdevoe@balfourbeattyus.com

Fax No. 214.451.1185

If Bid is by a corporation, affix seal in space above legal address.

Board Agenda Item

Little Elm Independent School District
 300 Lobo Lane
 Little Elm, Texas 75068

Board Mtg. Date 12-14-2015	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Discussion
Subject:	EXPANSION OF GROUNDS MAINTENANCE CONTRACT				
Presenter or Contact Person:	Rod Reeves, Executive Director of Facilities and Construction				
Policy/Code:	CH (LEGAL)				
Summary:	<p>Little Elm Independent School District entered into an agreement with Haven Landscaping & Irrigation through an RFP process in September 2014. The Administration is requesting the expansion of their contract to include mowing, tree & shrub trimming for all LEISD campuses. There are a total of seven (7) grounds maintenance personnel. Three grounds maintenance workers will work directly with Haven Landscaping & Irrigation and the remaining four (4) will be repurposed. Administration is proposing to classify three of the positions to maintenance and one to Transportation. The additional maintenance staff will allow District electrician, plumber and HVAC technicians to focus on their respective fields. This will enable others to complete work orders and develop more stringent preventative maintenance programs. The reclassification for Transportation will be a person to support campus administration and the public on the status of any late routes, revised bus drop-off & pick-up locations, bell schedule changes, fielding complaints, updates on any ongoing investigations and supply campus administration reports.</p>				
Financial Implications:	<p>Operational Services currently outsources \$60,000 dollars annually to Haven Landscaping & Irrigation for mowing and edging of Oak Point ES, Hackberry ES, Prestwick STEM Academy, and properties on Eldorado (Garza Road). The Administration recommends additional funding for grounds services as follows :</p>				

Mowing, Tree & Shrub Trimming (all LEISD campuses and properties)	\$190,000.00
Rye Grass at all Athletic Fields	\$8,000.00
Fertilization Program	\$28,404.00
Pre-Emergent & Post- Emergent Applications	\$42,967.24
Mulching of Trees & Flower Beds (all LEISD campuses)	\$9,850.00
Irrigation System Technician (40 hrs. per wk.)	<u>\$60,000.00</u>
Total	\$339,221.24

This total amount could be reduced by \$60,000 because of the existing monies allocated to Haven Landscaping & Irrigation for mowing but the District may want to allow these resources to cover any irrigation material required to get existing systems up and running.

Attachments:

Grounds Maintenance Contract
Grounds Maintenance Proposal – Haven Landscaping

Recommendation:

The Administration recommends expanding the maintenance grounds contract with Haven Landscaping & Irrigation to include all Little Elm ISD campuses and properties.

Motion:

I move the Board expand the maintenance grounds contract with Haven Landscaping & Irrigation to include all Little Elm ISD campuses and properties.



PO Box 2808
Frisco, TX 75034
214-762-8800

Rocky_Freeman@sbcglobal.net

October 14, 2015

Attn: **Rod Reeves, Danny Cogdell**

RE: Grounds Maintenance Proposal

Haven Landscaping proposes to increase the current scope of work to include:

Mowing, Tree and Shrub trimming	\$190,000.00
Rye grass at athletic fields	\$8,000.00
Fertilization	\$28404.00
Pre-emergent and Post emergent applications	\$42967.24
Mulching of trees and flower beds at all facilities	\$9850.00
<ul style="list-style-type: none"> • Irrigation system checks, maintenance and repairs (minus materials) • Irrigation System Technician 40 hours per week \$60,000.00 • Helper billed at \$25 per hour (in addition to \$60k) • Licensed Irrigator billed at \$45 per hour (in addition to \$60k) 	

1. Brent Elementary School
2. Chavez Elementary School
3. Hackberry Elementary School
4. Lakeview Elementary School
5. Oak Point Elementary School
6. Powell Elementary School
7. Lakeside Elementary School
8. Prestwick Stem Academy
9. Little Elm High School
10. Little Elm Stadium
11. Zellars Center for Learning & Leadership
12. Little Elm Transportation Center
13. Little Elm Facilities Office
14. Garza Lane #18363
15. Garza Lane #44116

The work would not include:

1. Mowing on athletic fields at Little Elm High School and Lakeside Middle School

Proposed Estimate for work:

\$339,221.24

Respectfully Submitted,

Rocky Freeman

Haven Landscaping & Irrigation

Haven Landscape & Irrigation

www.havenlandscaping.com

214-762-8800

Grounds Maintenance Contract

Little Elm Independent School District
January 31, 2016 – August 31, 2017 Contract Term

Section 1.0 Scope of Work

The School District seeks proposals for grounds maintenance services. This includes the visual appearance of the grounds and the health and condition of the shrubs, trees, ground cover, flowers and turf. The grounds to be maintained are listed in this proposal. Each Proposer must field verify the acreage of all areas to be maintained. The selected firm should provide a schedule that outlines the number of trips to each facility they plan to make to ensure all of the following services are completed.

1.1 General Conditions

- 1.1.1 The scope of work will include: turf maintenance, shrub maintenance, ground cover maintenance, flower bed maintenance, leaf removal, storm debris pickup, litter control and labor, equipment, supplies and materials. All equipment and material that is to be used throughout the following scope of work is to be provided by the contracting firm unless specified otherwise. All landscape debris and material will be promptly removed from the School District grounds upon completion of work. Snow and tree removal is not included in this RFP.
- 1.1.2 The Firms will be allowed to schedule the work so as to create the least amount of interference with the school's student activities. The work hours will be coordinated with the School District.

1.2 Standards

- 1.2.1 Personnel will be appropriately trained and supervised.
- 1.2.2 Landscaping practices, equipment and materials will comply with accepted industry and OSHA safety standards, including "right-to-know" (hazard communication regulations). Copies of chemical and material safety data sheets will be provided to the School District upon request.
- 1.2.3 The Firms personnel will wear appropriate uniforms and identification *badges* at all times.
- 1.2.4 The Firms personnel will be courteous and professional. The Firm and supervisors will be responsible for employee conduct.
- 1.2.5 Vehicles will be properly identified and maintained in a neat and professional manner.
- 1.2.6 The Firm will provide its own equipment storage area(s). Equipment is not to be stored on School District grounds.

1.3 Staffing Requirements

- 1.3.1 Provide sufficient work force and supervisory personnel to perform the specified services and to meet the requirements of the School District.
- 1.3.2 Provide sufficient on site supervisory personnel to ensure proper inspection of work performed, close supervision, and technical assistance to the work force. The term "on-site supervisor" will be a person designated to be at the work site, and act as the Selected Firm's point of contact for the School District. The "on site supervisor" also known as the Crew Foreman, must be able to clearly communicate in English with any School District personnel.

1.4 Inspection Program

- 1.4.1 A program will be established to assure the requirements of the Agreement are met. The Selected Firm and the School District will develop inspection forms jointly. Damages or hazardous conditions observed which affect the appearance, condition or safety of the grounds will be noted during inspections. The program will include, but not be limited to: a weekly inspection schedule and check list for each area covered by this Agreement. Any identified deficiencies will be incorporated in the weekly inspection reports provided to the School District by the Selected Firm. These inspections must be completed by a senior manager of the selected firm along with a School District representative.

1.5 Warranty and Damages

- 1.5.1 The Selected Firm will be responsible for all damages or personnel injury resulting from its operations. This includes, but is not limited to, damage to plants, and turf as well as buildings and structures. Damages and any personal injury will be reported immediately to the School District. Warranty and damage repair will be scheduled by the Selected Firm within five working days of occurrence.
- 1.5.2 Plants and turf will be maintained in a healthy condition. Newly installed perennial plants, trees and or shrubs will be warranted for one year. Warrantee voided by acts of God.
- 1.5.3 Damages discovered during the course of work will be reported to the School District.
- 1.5.4 Failure of the Selected Firm to perform damage repair or warranty work as scheduled and to a high standard may result in procurement of these services from another source. Any additional costs will be borne by the Firm.

1.6 Work outside Agreement Scope

- 1.6.1 Additional work identified outside the scope of the resulting Agreement must be authorized in advance by the School District. The Selected Firm will provide a price for the additional work when the work is identified. Any work of this nature may be performed by the Selected Firm without bidding the work.

1.7 Dispute Resolution

- 1.7.1 Dispute resolution will begin with the School District's Contract Administrator and appropriate supervisor(s). If unresolved, the issues may be addressed by the Selected Firm and the Purchasing Department.

1.8 Performance Requirements

1.8.1 Turf and Lawn Areas

1.8.1.1 Mowing

1.8.1.1.1 Prior to mowing, trash, paper and other debris will be removed. Any trash cut up during mowing will be removed by contractor before leaving the facility.

1.8.1.1.2 Turf areas will be maintained at a height of 2 1/2" to 3 1/2". During periods of high heat and little rainfall, turf areas will be mowed to a height of not less than 3" with prior approval by the School District. Mowing heights should be measured with mowers on a flat paved surface. Only 1/3 of the blade growth will be removed at any one cutting.

1.8.1.1.3 Grass clippings will be removed from sidewalks, pavements, window walls, etc. After mowing is complete, grass clippings will be collected and removed from the turf whenever clumped or where they detract from the appearance or health of the lawn.

1.8.1.2 Edging

1.8.1.2.1 All sidewalks and curbs will be edged every time the turf is mowed with a stick edger, these turf areas that meet hard surfaces are not to be line trimmed at anytime. Debris from edging operations will be removed and the areas swept clean.

1.8.1.3 Aeration

1.8.1.3.1 All turf areas, with less than a 3:1 slope, will be aerated once a year. Under adverse conditions additional aeration may be necessary, which requires the prior approval of the School District.

1.8.1.4 Fertilization

1.8.1.4.1 All areas will be fertilized at a rate of 1 lb. of actual nitrogen per 1000 sf. (minimum of twice a year).

1.8.1.4.2 Soil from turf areas will be tested at least once a year by a laboratory acceptable to the Selected Firm and the School District. Testing will be for macro and micro nutrient levels.

1.8.1.4.3 The Firm will modify the fertilizer program to correct nutrient deficiencies reported in the soil test.

1.8.1.4.4 Fertilization at any facility not awarded to the successful proposer will be performed on an hourly basis and will include all labor and fertilizer applied at rate of 1 lb. of actual nitrogen per 1000 sf. (twice a year) as needed to keep the turf healthy. This additional work will be billed separately once approved by the School District. Please provide the hourly rate on the pricing sheet in the designated spot for this item.

1.8.1.5 Weed Control

1.8.1.5.1 Weed growth will be managed with a minimal herbicide program and must conform to the Integrated Pest Management (IPM) policies set forth by the State of Texas. Control will consist of premergent (soil applied) or postmergent (foliar applied) herbicides as appropriate. All weed control must be approved by the IPM coordinator for the District and the proper documentation filed prior to treatment.

1.8.1.5.2 All weeds in running tracks, sidewalk cracks, play equipment areas and fence lines etc. should be taken care of with a herbicide program and should be considered a part of this proposal.

1.8.1.5.3 Weed control at any facility not awarded to the successful proposer will be performed on an hourly basis and will include all labor and chemicals needed to keep these areas free from weeds. Most commonly used chemicals are Roundup, Manage and MSMA; please specify which chemical when providing the pricing pertaining to this section. This additional work will be billed separately once approved by the School District. Please provide the hourly rate on the pricing sheet in the designated spot for this item.

1.8.1.6 Insect and Disease

1.8.1.6.1 The inspection process will include monitoring to determine insect, rodent or disease problems. Treatment of fire ants at school sites on the exterior of the buildings will be considered part of this contract.

1.8.1.6.2 The Firm will propose a treatment based on the identification of the insect or disease, as well as the host plant, by consulting Texas A&M Extension Service or by using their "Commercial Insecticide Recommendations for Turf."

1.8.1.6.3 Actual insect and disease treatments may be completed by the Selected Firm after a price is provided and approval to perform the work is granted by the School District. This process must also be approved by the IPM coordinator for the District and the proper documentation filed prior to treatment.

1.8.2 Trees, Shrubs, Ground Cover, and Flower Bed Maintenance

1.8.2.1 Pruning

1.8.2.1.1 Shrubs, ground cover and flowerbeds will be pruned to remove dead or damaged branches, develop natural form, maintain plant shape, and promote growth. Material will be trimmed to keep it within its intended bounds.

1.8.2.1.2 Trees will be kept clean of suckers and properly pruned at all times.

1.8.2.2 Fertilization

1.8.2.2.1 All plant material will be fertilized annually. All IPM regulations must be complied with before and after any chemicals or fertilizers are applied at any of the facilities.

1.8.2.3 Mulching

1.8.2.3.1 Plant material will be maintained in neat edged beds of well-aged, uniform, shredded hardwood bark mulch, free of foreign matter and at a 2" depth. Mulching should be accomplished annually in April and May.

1.8.2.3.2 Mulch shall be held back from base of all existing and newly planted trees to expose the root flare taper.

1.8.2.3.3 Mulch shall be held back from the base of shrubs and groundcover to expose the root flare or taper of the plant to prevent root rot.

1.8.2.4 Weeding

1.8.2.4.1 All beds will be weeded during the growing season to maintain a neat appearance.

1.8.2.4.2 Preemergent (soil applied) and postemergent (foliar applied) herbicides may be used.

1.8.2.4.3 Remove dead plants from beds.

1.8.2.5 Storm Debris

1.8.2.5.1 Storm debris will be picked up and properly disposed of, within 48 hours of the storm. Major tree damage will be reported to the School District.

1.8.2.6 Leaf Removal

1.8.2.6.1 Fallen leaves will be removed in the fall so that accumulated leaves do not damage turf areas.

1.8.3 Landscaping

1.8.3.1 General Requirements

1.8.3.1.1 Minor landscaping projects will be planned, coordinated and approved by the School District prior to the start of work. All minor landscape plans and designs will be submitted annually with budget figures. Major landscape projects will be handled as separate projects using competitive procurement methods. The installer that wins the major landscape project award will be required to care for all plants for one year after installation as part of the project.

1.8.3.2 Standards

1.8.3.2.1 All landscape and grounds maintenance must meet the School District's expectations and standards. The Selected Firm will quote a price to care for any newly landscaped areas with the annual budgetary figures.

1.8.4 Irrigation

1.8.4.1 Newly established and existing turf areas will be watered as needed to maintain a uniform healthy growth pattern.

1.8.4.2 Landscaping material that becomes stressed due to lack of moisture will be watered to reverse this condition.

1.8.4.3 Trees, shrubs, ground covers and flowers will be protected from over watering and runoff.

1.8.4.4 Reasonable efforts will be made to ensure water does not spray or flow over pavements.

1.8.4.5 All plant material will be watered as needed to maintain plants in a healthy condition.

1.8.4.6 The selected firm will be responsible for controlling the watering system to achieve the above goals.

1.8.4.7 Monthly monitoring of the sprinkler systems by the selected firm will be required to ensure proper operation and water requirements. These monthly irrigation inspections will be completed by a Certified Irrigator or Certified Technician. The proposal will include a certified irrigation technician to be dedicated to the School District for 40 hours per week to maintain proper irrigation, adjustments and minor and major repairs to all facilities within the district. The selected firm will provide hourly pricing for the cost of a helper for the irrigation technician as well as the hourly cost of a licensed irrigator. The School District will either reimburse the selected Contractor for material expenses or provide the materials for repairs through a selected vendor account.

1.8.4.8 Regular communication between the selected firm and the District will be required to report any problems related to the irrigation system or the development of turf and landscaped areas.

1.8.4.9 Any damage to the irrigation system by the selected firm will be repaired by the selected firm at no cost to the District.

1.8.4.10 Labor for all other repairs will be included in this piece of the proposal. All material for the repairs will be provided by the School District.

1.8.4.11 Please provide a separate price on the pricing sheet for the entire irrigation section of this proposal

1.8.5 Athletic Fields

1.8.5.1 Athletic fields will be mowed by the District. Proposer will aerate athletic fields twice a year.

1.8.5.2 Rye grass must be applied (on or before October 15th each year) to all baseball (3), softball (3) & soccer fields (1 @ Ryan High School). All of these fields need to be over seeded with a premium blend / Super Sport Perennial rye grass at a rate of 8 to 10 lbs per 1000 square feet per baseball field and 8 to 10 lbs per 1000 square feet per softball field is required. Fertilization throughout the life of the rye grass is to be included for all baseball, softball & soccer fields listed above.

1.8.5.3 If a facility where the rye grass is needed is NOT awarded to the successful proposer the fields at that location will be maintained by School District personnel.

1.8.5.4 Please provide a separate price on the pricing sheet for the rye grass section of this proposal.

Section 2.0 Criminal History

2.1 Before entering into an agreement with Little Elm ISD, a person or business must give notice to the district if the person or owner or operator of the business has been convicted of a felony per Education Code Sect 44.034. (Refer to Felony Conviction Notification form included.)

Section 3.0 Length of Proposal

3.1 The District intends to enter into a multi-year agreement. The district expects to award the proposer by January 31, 2016. The new fiscal year does not begin until September 1, 2016. The contract term will start January 31, 2016 and extend until August 31, 2017. Thereafter, an additional 12 month contract may be awarded subject to assessment of proposer's prior work and be from September 1, 2017 through August 31, 2017.

3.2 The District further reserves the right to terminate the contract, at any time for good cause, or after the first year or any subsequent year, with a 60 day written notice, and re-bid all work, or qualify the second best proposer to complete the contract. The district shall be the sole judge as to the definition of the term "good cause."

3.3 Six months prior to each annual anniversary date of the agreement, the contractor shall provide the District an offer to renew the agreement. This offer must be in writing and include any proposals for rate increases. Rate increases may be based only on verifiable industry changes in the cost of the employees assigned to this agreement. The District will provide the selected firm a list of additional facilities that will be added to the contract for years 2, 3, 4 etc. The price for the additional facilities will be negotiated at this time. The District reserves the right to negotiate or reject any or all requests for rate increases.

3.4 If for any fiscal year of the agreement, the Board of Trustees fails to appropriate funds for these services, the District will immediately notify the contractor and will not longer be obligated under the agreement.

Section 5.0 General Terms and Conditions

- 5.1 Payments will be made on a monthly basis.
- 5.2 All invoices are to be made to the Little Elm Independent School District, Accounts Payable, P.O. Box 2387 Denton, Texas 76202.
- 5.3 Failure of the successful Proposer(s) to notify the District sufficiently in advance of the inability to complete the job within the time frame allowed and with acceptable reasons shall give the District the option of canceling the contract.
- 5.4 Vendor accepts full responsibility for adhering to Senate Bill 9 requirements for obtaining national criminal history record information and fingerprinting of all employees that are assigned duties where students are present.
- 5.5 The District reserves the right to accept or reject any and/or all bids, to waive any formalities and to award this bid in the best over all interest of the District. The district reserves the right to be the sole judge as to the definition of the term "best over all interest".

Section 6.0 Insurance

- 6.1 The contractor shall provide at all times during the contract period the following insurance coverage:
 - 6.1.1 Worker's Compensation Insurance, Statutory Benefits and Employer's Liability Insurance with limits of not less than \$500,000.
 - 6.1.2 Commercial General Liability Insurance with limits of not less than \$1,000,000 for bodily injury and \$1,000,000 for property damage per occurrence, including Contractual Liability coverage.
 - 6.1.3 Motor Vehicle Liability Insurance with an employer's non-ownership endorsement. Limits of liability shall not be less than \$1,000,000 combined single limit.
 - 6.1.4 The Contractor shall provide umbrella coverage in the amount of not less than \$2,000,000.00.
 - 6.1.5 The bidder shall furnish Little Elm ISD certificates of insurance within 21 working days after acceptance of a contract.
 - 6.1.6 Little Elm ISD must have ten (10) days notice of cancellation or change in insurance coverage and give it's' approval.

Section 7.0 Selection Criteria

- 7.1 The following selection criteria will be used to evaluate each proposal. Cost may not be the deciding factor. A lack of past experience with the district will not eliminate any responsible Proposer. Proposals will be ranked as follows:
 1. Cost 70%
 2. Qualifications (including HUB) 20%
 3. Overall package 6%
 4. Past experience with the District 4%
- 7.2 The proposals submitted, along with any other requested information, will be used by the committee to make determinations. All references will be called. The committee will be the sole judge as to the meaning derived from the information provided. The committee retains the right to accept or reject any and/or all proposals and to waive all technicalities.

- 7.3 If the District is unable to reach a contract agreement with the selected Proposer, the District shall terminate further discussions and proceed to the next Proposer in the order of the selection ranking until a contract agreement is reached or all proposals are rejected.
- 7.4 The District will review submissions and notify submitting Proposers of decisions made. The district may elect to interview some of those vendors submitting proposals. Vendors to be interviewed will be notified as to the time and place for the interview.

Signature Sheet

We, the undersigned, have read and fully understand the specifications and conditions relating to this document.

Submitted By:

Company Name: _____

Representative Name Printed: _____

Representative Name Signature: _____

Date: _____

E-mail Address: _____

Telephone Number: _____

Telephone Number: _____
(Questions Concerning Proposal)

Fax Number: _____

GROUNDS MAINTENANCE PROPOSAL FORM

1. Brent Elementary School, 500 Witt Road, Little Elm, Texas 75068

Annual Turnkey Price for work performed @ Brent Elementary School. \$ _____

2. Chavez Elementary School, 2600 Hart Road, Little Elm, Texas 75068

Annual Turnkey Price for work performed @ Chavez Elementary School. \$ _____

3. Hackberry Elementary School, 7200 Snug Harbor Circle, Frisco, Texas 75034

Annual Turnkey Price for work performed @ Hackberry Elementary School. \$ _____

4. Lakeview Elementary School, 1800 Waterside Drive, Little Elm, Texas 75068

Annual Turnkey Price for work performed @ Lakeview Elementary School. \$ _____

5. Oak Point Elementary School, 401 Shahan Prairie Road, Oak Point, Texas 75068

Annual Turnkey Price for work performed @ Oak Point Elementary School. \$ _____

6. Powell Intermediate School, 520 Lobo Lane, Little Elm, Texas 75068

Annual Turnkey Price for work performed @ Powell Intermediate School. \$ _____

7. Lakeside Middle School, 400 Lobo Lane, Little Elm, Texas 75068

Annual Turnkey Price for work performed @ Lakeside Middle School. \$ _____

8. Prestwick STEM Academy, 3101 Stonefield, The Colony, Texas 75056

Annual Turnkey Price for work performed @ Prestwick STEM Academy. \$ _____

9. Little Elm High School, 1900 Walker Lane, Little Elm, Texas 75068

Annual Turnkey Price for work performed @ Little Elm High School. \$ _____

10. Little Elm Stadium, 1151 E. Eldorado Parkway, Little Elm, Texas 75068

Annual Turnkey Price for work performed @ Little Elm Stadium \$ _____

11. Zellars Center for Learning & Leadership (Administration Building), 300 Lobo Lane, Little Elm, Texas 75068

Annual Turnkey Price for work performed @ Zellars CL&L . \$ _____

12. Little Elm Maintenance & Transportation Center, 500 Lakeshore Drive, Little Elm, Texas 75068

Annual Turnkey Price for work performed @ Little Elm Maintenance & Transportation Center. \$ _____

13. Little Elm Facilities Office, 500 Lakeshore Drive, Little Elm, Texas 75068

Annual Turnkey Price for work performed @ Little Elm Facilities Office. \$ _____

14. Garza Lane #18363

Annual Turnkey Price for work performed @ Garza Lane #18363 \$ _____

15. Garza Lane #44116

Annual Turkey Price for work performed @ Garza Lane #44116 \$ _____

FELONY CONVICTION NOTIFICATION

State of Texas Legislative Senate Bill No. 9, Section 44.034 of Texas Education Code, Notification of Criminal History, Subsection (a), states, "a person or business entity that enters into a contract with a school district must give advance notice to the District if the person or owner or operator of the business entity has been convicted of a felony." The notice must include a general description of the conduct resulting in the conviction of a felony.

Subsection (b) states, "a school district may terminate a contract with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction." The district must compensate the person or business entity for services performed before the termination of the contract.

CRIMINAL HISTORY REVIEW OF CONTRACTOR EMPLOYEES

Texas Education Agency Amendment to 19 TAC 153.1101 and new rule 19 TAC 153.117 regarding criminal history checks of contractor employees provide the school district with rules interpreting Texas Education Code §22.0834. The rules define continuing contract duties, direct contact with students and other relevant terms within the statute.

Except as otherwise provided herein, Contractor will obtain and certify in writing, before work begins, and at least annually, a national criminal history record, which includes fingerprinting, information that relates to an employee, applicant, agent or Subcontractor of the Contractor or a Subcontractor, if the person has or will have continuing duties related to the Project, and the duties are or will be performed on Owner's property where students are regularly present or at another location where students are regularly present. Contractor shall assume all expenses associated with the national background checks and fingerprinting and shall immediately remove any employee or agent who was convicted of, received probation for, or received deferred adjudication for any felony as outlined below or any misdemeanor involving moral turpitude, from Owner's property or other location where students are regularly present. Owner shall determine what constitutes "moral turpitude" or "a location where students are regularly present."

Contractor or sub-contractors may not work on District property where students are present when they have been convicted, received probation or deferred adjudication for the following felony offenses:

1. Any offense against a person who was, at the time the offense occurred, under 18 years of age or enrolled at a public school;
2. Any sex offense;
3. Any crimes against persons involving:
 - a. Controlled substances; or
 - b. Property; or
4. Any other offense the District believes might compromise the safety of students, Staff or property.

Please complete the information below:

I, the undersigned agent for the firm named below, **certify that the information** concerning notification of felony convictions and criminal history checks for the company employees, agents, or subcontractors that will be on LISD campuses have been reviewed by me and the following information furnished is true to the best of my knowledge.

Vendor's Name: _____

Authorized Company Official's Name (please print or type):

A. My firm is not owned nor operated by anyone who has been convicted of a felony.

Signature of Company Official: _____ Date: _____

B. My firm is owned or operated by the following individual(s) who has/have been convicted of a felony:

Name of Felon(s): _____

Details of Conviction(s): _____

Signature of Company Official: _____ **Date:** _____

Board Agenda Item

Little Elm Independent School District
 300 Lobo Lane
 Little Elm, Texas 75068

	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Discussion
Board Mtg. Date 12-14-2015	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	RESOLUTION TO SELL PROPERTY NOT NECESSARY FOR SCHOOL DISTRICT OPERATIONS OR PURPOSES AND NOTIFICATION TO OPEN-ENROLLMENT CHARTER SCHOOLS				
Presenter or Contact Person:	Rod Reeves, Executive Director of Facilities and Construction				
Policy/Code:	Texas Education Code Section 11.1542 CDB (Legal)				
Summary:	<p>Pursuant to Texas Education Code Section 11.1542 and Board Policy CDB (Legal), the Board of Trustees of the Little Elm Independent School District (“LEISD” or “District”) intends to sell certain unused or underused District facilities. The LEISD Board of Trustees hereby gives notice of the opportunity to make an offer to purchase these certain unused or underused District facilities. Pursuant to Texas Education Code Section 11.1542, the LEISD Board of Trustees is not required to accept an offer.</p> <p>The land and facilities offered for sale include approximately 10.305 acres, more or less, located within the Lakeshore Drive Addition, an addition located within the Town of Little Elm, Denton County, Texas, including the following tracts and facilities:</p> <ol style="list-style-type: none"> 1) the Delilah C. King Early Learning Academy facility and land (former elementary school/day care) located at 101 Main Street, Little Elm, TX, 75068, further described as Lot 2, Block A of the Lakeshore Drive Addition, as described in Volume 233, Page 73, Page 74 and Page 76, Deed Records, Denton County, Texas (approximately 4.915 acres); 2) the office and land located at 500 Lakeshore Drive, Little Elm, TX, 75068, further described as Lot 3, Block A of the Lakeshore Drive Addition, as described in Volume 525, Page 393, Deed Record, Denton County, Texas (approximately 0.330 acres); and 				

- 3) the bus barn and land located at 411 Lakeshore Drive, Little Elm, TX, 75068, further described as Lot 1, Block B of the Lakeshore Drive Addition, as described in Volume 578, Page 421, Deed Records, Denton County, Texas (approximately 5.060 acres).

Please note that the sale of the bus barn and land listed in Item No. 3 above shall be contingent on an arrangement whereby LEISD would lease the facilities back until a new bus barn is built, estimated to be eighteen (18) months from now.

Financial Implications:

Little Elm Independent School District is currently performing two (2) appraisals of the above properties and will receive no less than the fair market value of the property at time of sale.

Attachments:

Board Resolution Re: Surplus Property
Notice to Charter Schools

Recommendation:

The Administration recommends the sale of the discussed property and approval of the notification to open-enrollment charter schools.

Motion:

**I move the Board approve the resolution as follows:
(read attached resolution aloud)**

[LEISD Letterhead]

December 14, 2015

[Open-enrollment Charter School]

NOTICE OF LAND/FACILITIES FOR SALE

Pursuant to Texas Education Code Section 11.1542 and Board Policy CDB (Legal), the Board of Trustees of the Little Elm Independent School District (“LEISD” or “District”) intends to sell certain unused or underused District facilities. The LEISD Board of Trustees hereby gives notice of the opportunity to make an offer to purchase these certain unused or underused District facilities. Pursuant to Texas Education Code Section 11.1542, the LEISD Board of Trustees is not required to accept an offer.

The land and facilities offered for sale include approximately 10.305 acres, more or less, located within the Lakeshore Drive Addition, an addition located within the Town of Little Elm, Denton County, Texas, including the following tracts and facilities:

- 1) the Delilah C. King Early Learning Academy facility and land (former elementary school/day care) located at 101 Main Street, Little Elm, TX, 75068, further described as Lot 2, Block A of the Lakeshore Drive Addition, as described in Volume 233, Page 73, Page 74 and Page 76, Deed Records, Denton County, Texas (approximately 4.915 acres);
- 2) the office and land located at 500 Lakeshore Drive, Little Elm, TX, 75068, further described as Lot 3, Block A of the Lakeshore Drive Addition, as described in Volume 525, Page 393, Deed Record, Denton County, Texas (approximately 0.330 acres); and
- 3) the bus barn and land located at 411 Lakeshore Drive, Little Elm, TX, 75068, further described as Lot 1, Block B of the Lakeshore Drive Addition, as described in Volume 578, Page 421, Deed Records, Denton County, Texas (approximately 5.060 acres).

Please note that the sale of the bus barn and land listed in Item No. 3 above shall be contingent on an arrangement whereby LEISD would lease the facilities back until a new bus barn is built, estimated to be eighteen (18) months from now.

All land and facilities offered for sale shall be subject to any existing easements and encumbrances and shall be sold **AS-IS, WHERE-IS and WITH ALL FAULTS**. A contract(s) for sale of real property must be entered into on such terms as are acceptable to LEISD. The contract(s) shall require that the open-enrollment charter school perform an estimate for abatement and/or remediation of any and all asbestos in the facilities and the purchase price will be reduced by the amount needed to perform the asbestos abatement/remediation by a licensed and insured contractor.

Sale of the land and all terms of the contract are conditioned on approval by the LEISD Board of Trustees. Additional information, including information related to asbestos reports, may be obtained from Mr. Rod Reeves, Executive Director of Operations, at reeves@littleelmsd.net, telephone number (972) 947-9456, ext. 13005.

Please indicate below whether your charter school is interested in making an offer to purchase the facilities and land on the terms described herein and please sign where indicated:

- YES, OUR CHARTER SCHOOL IS INTERESTED IN MAKING AN OFFER**
- NO, OUR CHARTER SCHOOL IS NOT INTERESTED IN MAKING AN OFFER**

Authorized Signature

Printed Name

Title

Date

Please return this signed form as soon as possible to the following address. If the District does not receive a signed firm within fourteen (14) days from the date of this letter, the District will presume that your school is not interested in making an offer on these facilities.

Dr. Lowell Strike
Superintendent
Little Elm Independent School District
lstrike@littleelmsd.net
300 Lobo Lane
Little Elm, Texas 75068

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Little Elm Independent School District that, with the exception of the temporary use of the Bus Barn property as discussed below, the Property is declared to be surplus property and not necessary for school district operations or purposes.

BE IT FURTHER RESOLVED that the District shall provide notice to each open-enrollment charter school located wholly or partly within the boundaries of the School District of the opportunity to make an offer to purchase the facilities upon terms acceptable to the District and provided that the charter school lease the Bus Barn property back to the District until the District moves to a new bus barn location (estimated to take approximately eighteen months).

BE IT FURTHER RESOLVED that the President, Vice President, and Secretary of the Board of Trustees, as well as the Superintendent of Schools and Executive Director of Operations for the School District are each authorized individually to sign on behalf of the School District a notice to open-enrollment charter school(s).

BE IT FURTHER RESOLVED that the School District Administration is authorized to take any and all appropriate action to accomplish and effectuate the purposes of this resolution.

PASSED, APPROVED AND ADOPTED BY THE BOARD OF TRUSTEES OF THE LITTLE ELM INDEPENDENT SCHOOL DISTRICT, DENTON COUNTY, TEXAS, on the 14th day of December, 2015.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT

By: _____
LeAnna Harding, President, Board of Trustees

ATTEST:

By: _____
DeLeon English, Secretary, Board of Trustees

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Discussion Item
Board Mtg. Date 12-14-2015	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	GIFTS AND DONATIONS				
Presenter or Contact Person:	Grant Anderson, CFO				
Policy/Code:	Other Revenues - Grants from Private Sources - CDC (Local)				
Summary:	List of new gifts and donations received by the District				
Financial Implications:	Increase of General Fund revenues and increase in appropriate budgets.				
Attachments:	Donation List				
Recommendation:	The Administration recommends approval of the Consent Agenda as submitted.				
Motion:	I move that the Board approve the Consent Agenda as submitted				

**LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NEW DONATIONS FY 2015-16**

Campus/Dept	Fund	Donation From	Description	Date	Monetary	Non-Monetary	Total
Prestwick STEM	199	Donors Choose	6 Chromebooks	11/10/15	-	1,532.86	1,532.86
Lakeside MS	199	Smith Thompson Security	Washington DC Trip Tshirts	11/16/15	100.00		100.00
Lakeside MS	199	PTA	Counselor supplies for college and career day	11/16/15	250.00		250.00
Prestwick STEM	199	PTA	5th Grade Field Trip Scholarship	11/20/15	175.00		175.00
Prestwick STEM	199	Leidra McNamee	Postage for 4th Grade Science Project	11/20/15	145.00		145.00
					670.00	1,532.86	2,202.86