Annual Comprehensive Financial Report

FOR FISCAL YEAR ENDING AUGUST 31. 2022

LAKE DALLAS ISD
104 SWISHER ROAD
LAKE DALLAS. TEXAS 75065

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
LAKE DALLAS, TEXAS

FOR THE FISCAL YEAR ENDED
AUGUST 31, 2022

PREPARED BY:

WESLEY C. EVERSOLE, RTSBA
DEPUTY SUPERINTENDENT/CFO

ANNE HAEHN
DIRECTOR OF ACCOUNTING

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
ANNUAL COMPRENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2022

TABLE OF CONTENTS

	Page	Exhibit
Certificate of Board	3	
INTRODUCTORY SECTION (Unaudited)		
Letter of Transmittal	7	
Organizational Chart	15	
List of Consultants and Advisors	16	
List of Principal Officials	17	
ASBO Certificate of Excellence	18	
GFOA Certificate of Achievement	19	
FINANCIAL SECTION		
Independent Auditors' Report	23	
Management's Discussion and Analysis (Unaudited)	25	
BASIC FINANCIAL STATEMENTS:		
Government-wide Financial Statements:		
Statement of Net Position	35	A-1
Statement of Activities	36	B-1
Governmental Fund Financial Statements:		
Balance Sheet	38	C-1
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	41	C-2
Statement of Revenues, Expenditures, and Changes in Fund Balances	42	C-3
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	44	C-4
Proprietary Funds Financial Statements:		
Statement of Net Position	45	D-1
Statement of Revenues, Expenses, and Changes in Fund Net Position	46	D-2
Statement of Cash Flows	47	D-3
Custodial Fund Financial Statements:		
Statement of Custodial Net Position	48	E-1
Statement of Changes in Custodial Net Position	49	E-2
Notes to the Financial Statements	51	
REQUIRED SUPPLEMENTAL INFORMATION (Unaudited)		
Budgetary Comparison Schedule - General Fund	81	G-1
Schedule of the District's Proportionate Share of the Net Pension Liability - Teacher Retirement System of Texas	82	G-2
Schedule of District's Contributions for Pensions - Teacher Retirement System of Texas	84	G-3
Schedule of the District's Proportionate Share of the Net OPEB Liability - Teacher Retirement System of Texas	86	G-4
Schedule of District's Contributions for Other Post-Employment Benefits (OPEB) - Teacher Retirement System of Texas	88	G-5
Notes to the Required Supplementary Information	90	
OTHER SUPPLEMENTARY INFORMATION		
Nonmajor Governmental Funds		
Combining Balance Sheet	92	H-1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	96	H-2
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual - Child Nutrition Program	100	H-3
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual - Debt Service Fund	101	H-4
Internal Service Funds		
Combining Statement of Net Position	106	H-5
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	107	H-6

TABLE OF CONTENTS (CONTINUED)

	Page	Exhibit
OTHER SUPPLEMENTARY INFORMATION-continued		
Combining Statement of Cash Flows	108	H-7
Required TEA Schedules		
Schedule of Delinquent Taxes Receivable	110	J-1
Use of Funds Report - Select State Allotment Programs	112	J-2
STATISTICAL SECTION (Unaudited)		
Statistical Section Contents	115	
Net Position by Component	116	S-1
Changes in Net Position	118	S-2
Fund Balances of Governmental Funds	120	S-3
Changes in Fund Balances of Governmental Funds	122	S-4
Assessed Value of Taxable Property	125	S-5
Direct and Overlapping Property Tax Rates	126	S-6
Principal Property Taxpayers	128	S-7
Property Tax Levies and Collections	130	S-8
Outstanding Debt By Type	132	S-9
Direct and Overlapping Governmental Activities Debt	133	S-10
Ratio of Net Bonded Debt to Assessed Value and Net Bonded Debt per Capita	135	S-11
Legal Debt Margin Information	136	S-12
Demographic and Economic Statistics	138	S-13
Demographic Statistics	139	S-14
Enrollment and Attendance Data	141	S-15
Principal Employers	142	S-16
Operating Statistics	144	S-17
Staff Information	146	S-18
Teachers Salary Data	148	S-19
Capital Asset Information	150	S-20
COMPLIANCE AND FEDERAL AWARDS SECTION		
FEDERAL AWARDS:		
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*	155	
Independent Auditors' Report on Compliance for Each Major Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance	157	
Schedule of Findings and Questioned Costs	159	
Schedule of Prior Audit Findings	160	
Schedule of Expenditure of Federal Awards	161	K-1
Notes to Supplementary Schedule of Expenditures of Federal Awards	162	

CERTIFICATE OF BOARD

Lake Dallas Independent School District	Denton	061-912
Name of School District	County	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, 2022, at a meeting of the Board of Trustees of such school district on the _____ day of January, 2023.

Signature of Board Secretary	Signature of Board President



INTRODUCTORY SECTION
(UNAUDITED)



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT

104 Swisher Road • Box 548
LAKE DALLAS, TEXAS 75065
940-497-4039
Fax 940-497-3737
www.ldisd.net

January 19, 2023

Board of Trustees
Lake Dallas Independent School District
P.O. Box 548
Lake Dallas, Texas 75065

To the Board of Trustees and the Citizens of the Lake Dallas Independent School District:

The Comprehensive Annual Financial Report of the Lake Dallas Independent School District (District) for the fiscal year ended August 31, 2022, is now submitted. Responsibility for the data's accuracy and the presentation's completeness and fairness, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of the District's various funds and account groups. All disclosures necessary to enable the reader to understand the District's financial activities have been included.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. In addition, the District's MD&A can be found immediately following the independent auditor's report.

The Lake Dallas Independent School District Board of Trustees (Board), a seven-member group, is the level of government, which has responsibilities for overall activities related to public elementary and secondary school education within the jurisdiction of the District. The District received funding from local, state, and federal funding sources. The District is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, since Board members are elected by the public and have decision-making authority, the power to designate management, the responsibility to influence operations and primary accountability for fiscal matters significantly.

Profile of the District

Lake Dallas ISD includes all the funds of the District, as well as any component units for which the District is financially accountable.

Lake Dallas ISD is adjacent to Lewisville Lake in North Texas. The school district covers 9.8 square miles in Denton County, with the beauty of the lake as a backdrop. Lake Dallas, Shady Shores, Corinth, and Hickory Creek are the four towns within the boundaries of Lake Dallas ISD. With a focus on family and community, Lake Dallas ISD is excited about the achievement of the three elementary schools, one middle school, and one high school. Our mission is to provide a quality education so students can reach their full academic and social potential.

Located approximately 30 miles from downtown Dallas on the growing I-35 corridor, the District has recorded an increased population over the past several decades. As a result, the character of the District has changed from a part-time recreational and retirement community to a year-round residential area. New home construction has been significant but has slowed dramatically in recent years.

The Lake Dallas ISD is approximately twenty miles from the Dallas/Ft. Worth metroplex and from DFW International Airport. The Dallas-Ft. Worth area is an important center of trade, finance, and other major services. The quality of life and diversified economic base make this area one of the choice home, industrial, and manufacturing places to locate. This economic footing should allow for sustained growth in the future.

Lake Dallas ISD educates 3,900 students on five campuses. The District offers programs and educational opportunities that are suited to the needs of a broad spectrum of students. Student attendance is commendable. Lake Dallas ISD schools, programs, staff, and students earn state and regional recognition regularly.

A challenging curriculum, dedicated staff, and supportive community ensure exceptional educational opportunities for all students. Lake Dallas schools continually strive for academic excellence in all areas. Lake Dallas ISD is dedicated to giving every student the best possible education through an intensive core curriculum based on guidelines of the Texas Education Agency and an array of specialized, challenging instructional and career programs.

Lake Dallas ISD is committed to being one of the nation's best school systems, continually improving and refining instructional programs and organizational operations in the interest of effectiveness, productivity, and economy. Our standards for students and staff members are high, and we continuously strive to raise them higher.

Major Initiatives

District Curriculum is vertically aligned throughout all grade levels and based on the Texas Essential Knowledge and Skill (TEKS). The District has a vibrant, growing student population, an excellent array of programs, a strong curriculum, access to various intellectual resources, and a progressive, innovative atmosphere. An educated School Board, a skilled administration, a professional, dedicated, and inventive staff, and an involved community make Lake Dallas ISD a leader in education.

Lake Dallas ISD voters approved a $105 million bond package to update several campuses across the District. The bond package was created under the direction of a long-range planning committee led by community members. In September 2020, Lake Dallas ISD's Unlimited Tax School Building Bonds, Series 2021-A, were offered to investors in the national capital markets. The District sold $70M at an "All-In" true interest rate of 2.94%, which was 0.82% below expectations.

Construction has been completed on the projects listed below:

- Corinth Elementary School - Safety and security updates, as well as physical and visual updates to its campus building
- Lake Dallas Middle School - Significant physical education and athletic improvements to replace decades-old space on its campus. Parking and traffic flow have been improved.
- Lake Dallas High School - Extensive updates to modernize the campus, including new educational space, new campus administration space, and a new multipurpose indoor extracurricular facility. The updates have also increased safety and security.

Financial Information

The Comprehensive Annual Financial Report for the year ended August 31, 2022, is prepared in accordance with generally accepted accounting principles (GAAP) and conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). This report covers all funds of the District. Presented funds are organized into three types dictated by the nature of the activities involved.

Governmental Fund Types:
- General Fund
- Debt Service Fund
- Capital Projects Fund
- Special Revenue Funds

Proprietary Fund Types:
- Internal Service Funds
- Enterprise Fund

Fiduciary Fund Type:
- Agency Funds

Financial Policies and Planning

The annual budget serves as the foundation for the District's financial planning and control. The objective of budgetary controls is to ensure compliance with legal provisions and provide a roadmap to meet state and local goals.

Most of the District's planning effort is focused on the District's Improvement Plan. Campus Improvement plans are analyzed to form a cohesive District Plan. This plan includes criteria for measuring and ultimately reaching success. The District Improvement Plan also has long-term goals that form the basis of long-term planning.

Budgetary Controls

The budgetary controls' objective is to ensure compliance with legal provisions in the annual appropriated budget approved by the Board of Trustees. Every school district in Texas is required by law to prepare and file a budget with the Texas Education Agency. Activities of the general fund, food service fund, and debt service fund are included in the District's budget.

Budgetary control (the level at which expenditures cannot legally exceed appropriations) is maintained at the functional category level within each fund. These functional categories are defined by the Texas Education Agency and identify the purpose of the transactions. A listing of these categories, as well as related financial information, is included herein. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

Internal Controls

The extent of internal controls a school district should establish is a judgment that management must make. Management's decision regarding the scope of internal control necessary is affected by circumstances such as the size of the organization and the number of personnel available. Consideration must be given to the relationship between costs and benefits. In addition, the nature of internal control is such that even appropriate internal control methods and systems will not guarantee that a school district's objectives will be achieved, nor will they ensure its success.

Internal controls procedures are established to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Reliability of financial reporting
- Effectiveness and efficiency of operations
- Compliance with applicable laws and regulations

Relevant Financial Policy

The School Board has been instrumental in maintaining and increasing the reserves of the District. The Board recognizes that maintaining an appropriate fund balance is critical in the District's financial planning and budgeting processes. Although fund balance levels could be affected by legislative actions and the amount of available state and federal resources, the Board has been proactive in building the District's reserves to fund unanticipated expenditures or offset future short-term revenue reductions. In addition, the Board has maintained an appropriate fund balance to avoid short-term borrowing and to demonstrate financial stability, therefore preserving or enhancing its bond rating.

State Funding

The state of Texas's current system provides public education funding via a financing formula that weighs student attendance levels, property value per student, and the District's tax effort.

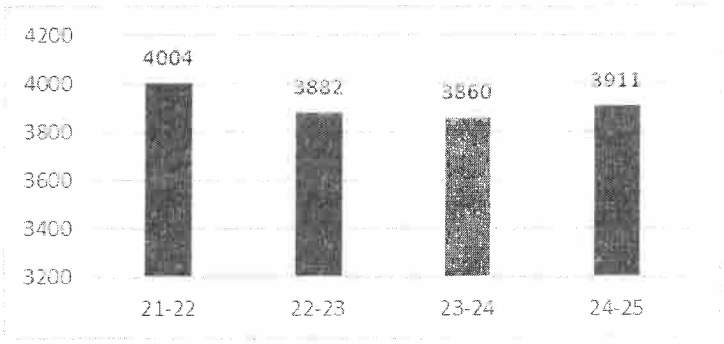
Debt Administration

The District has deployed various debt management practices to lower its borrowing costs. These include refunding existing bonds at a lower rate and prepaying bonds before the scheduled maturity. Such actions have provided the District's taxpayers with over $26 million of direct savings since 2012. These practices have helped the District maintain its credit rating of 'A.A.-.' The ratings reflect that LDISD has very strong household income levels, a diverse and growing tax base, and a very strong financial position, with management consistently maintaining very strong revenues supported by conservative budgeting. The 'AAA' enhanced rating assigned to the District's series 2021 bonds reflects the credit enhancement provided by the Texas Permanent School Fund.

Enrollment

Enrollment has fallen as the District and families grapple with pandemic closures and health concerns. The school district plans its budget based on estimated student enrollment and state aid earned based on student attendance. The District anticipated growth going into the new school year, but student enrollment declined as a result of the COVID-19 pandemic. The shift to remote learning caused by concerns about the virus led some families to withdraw their children from traditional public schools and enroll them in alternative education options such as homeschooling or private schools. Additionally, some families moved to different areas to escape the pandemic, leading to changes in student populations. Enrollment is projected to be stagnant over the next several years

Projected Enrollment



District Facilities

District facilities are in very good condition. The District maintains all of its facilities with internal staff. Lake Dallas Middle School and Corinth Elementary were built in the 1980s, with major additions and substantial renovations occurring in the 2000s. Lake Dallas High School was built in 1998, with additional classrooms and athletic spaces added in 2007. Shady Shores Elementary School was built in 2004. With the passing of a bond election in 2021, renovations and additions will occur at Lake Dallas High School, Lake Dallas Middle School, Lake Dallas Elementary School, and Corinth Elementary School.

Campus	Year Built	Addition
Lake Dallas High School	1998	2007
Lake Dallas Middle School	1980	2003
Corinth Elementary School	1985	2001
Lake Dallas Elementary School	2009	
Shady Shores Elementary School	2004	

The community is one of unconditional support for the District. Lake Dallas ISD has a history of 6 bond elections since 1995. All five bond elections have passed with overwhelming support. The District also held a Tax Rate election in 2008 and won with an 84% passage rate. Residents continue to support the school and demand a quality education for their students.

Independent Audit

District policy and State law require an annual audit by an independent certified public accountant. Lake Dallas ISD's School Board has selected the accounting firm of Hankins, Eastup, Deaton, Tonn, and Seay to perform this audit. An audit report is generated, and the audit firm makes a presentation to the School Board each January. The audit, which is included in the financial section of this report, meets all state and federal reporting requirements.

Education

Lake Dallas ISD is a public school system whose District mission is to create an educational environment to prepare every child to achieve their lifelong academic and social potential. Recognizing that the quality of life, both today and in the future, depends upon the quality of education provided by the public schools, the Lake Dallas Independent School District is dedicated to education and committed to meeting the needs of every individual. The District's vision is to champion a dynamic model of future-focused education.

LDHS is also proud to be one of the first high schools in North Texas to form a partnership with North Central Texas College enabling LDHS students to receive college hours up to earning an associate degree while in high school.

The results of the State of Texas Assessment of Academic Readiness (STAAR) show Lake Dallas ISD students performing above regional and state averages in all subjects of the state assessments. In addition, Lake Dallas High School students perform above state and regional averages in College Readiness Indicators.

Economic Condition and Outlook

Over the last several years, Lake Dallas ISD's local economy has experienced an upturn. The diversity of businesses located in the area and the range of housing available, combined with the transpiration grid of the metroplex and proximity to Dallas-Fort Worth and Alliance airports, provide a degree of protection from the economic cycle affecting many other school districts. The District's relationship with the local communities assures the development projects selected by the cities are also desirable for the community at large. With the expansion of I.H. 35, the community has seen economic growth and expansion of its commercial tax base.

Financial Awards Programs

This District has submitted its comprehensive annual financial report (CAFR) to the Association of School Business Officials (ASBO) for the purpose of participating in their awards program. The ASBO Certificate of Excellence in Financial Reporting recognizes school districts that have met the highest standards of excellence in school financial reporting.

The purpose of the program is to:

A. Encourage school systems to adopt and use generally accepted accounting principles.

B. Encourage school systems to adopt sound budgetary and financial reporting procedures.

C. Recognize excellence in school financial reporting.

D. Contribute to enhancing the credibility of financial management of school systems by recognizing and publicizing excellence in school financial reporting.

The District has also submitted its CAFR to the Government Finance Officers Association (GFOA) for their review. The GFOA Certificate of Achievement for Excellence in Financial Reporting is awarded to easily readable and efficiently organized Comprehensive Annual Financial Reports. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. We believe that our current Comprehensive Annual Financial Report meets the GFOA's and ASBO's program requirements.

The District has received both of these prestigious awards for twenty consecutive years. We believe that our current report conforms to the Certificate of Excellence Program requirements.

Board of Trustees

The Board of Trustees holds its regular monthly meeting on the third Monday of each month in the Board Room in Lake Dallas ISD Central Services Building, 104 Swisher Road. Proper public notice is given for all meetings.

The Lake Dallas Board of Trustees welcomes public participation in its meetings and encourages citizens to express their views on matters affecting the students of our community.

Outstanding Staff

Highly competent, dedicated staff members work together at every level to promote high academic standards and to provide every student with educational opportunities to meet individual needs and interests. Teachers emphasize a strong curriculum, effective instructional techniques, and consistent student discipline.

Lake Dallas staff members recognize the importance of personal attention. Both tutoring and enrichment programs are provided to enhance student development.

Many Lake Dallas personnel pursue professional growth through university coursework, educational workshops, and staff development sessions. Many have advanced degrees. Staff commitment to personal growth ensures continuing academic excellence for Lake Dallas ISD.

Supportive Community

Community support and involvement are evident in Lake Dallas ISD. Strong PTA groups provide support for the schools and a strong link between home and school. Parent volunteers serve hundreds of hours in various capacities - from helping with extracurricular activities to assisting students and teachers in the classrooms. The community has continually shown the value it places on quality education through the financial and personal support it has given the District.

Comprehensive Safety Program

The District takes every reasonable precaution regarding the safety of students, employees, visitors, and all others with whom it conducts business. The District has developed, implemented, and promoted a comprehensive safety program. The program includes guidelines and procedures for responding to emergencies. See policy CK (Local).

Policies are in place related to:

- Use, possession, or exhibition of a firearm, an illegal knife, a club, or a prohibited weapon, as those terms are defined in the Penal Code,
- Conduct that contains the elements of the offense of aggravated assault, sexual assault, aggravated sexual assault, arson, murder, capital murder, criminal attempt to commit murder or capital murder, indecency with a child, or aggravated kidnapping, as those offenses are defined in the Penal Code;
- Drug- or alcohol-related offenses described in Education Code 37.006
- Criminal mischief
- Persistent misbehavior

Each school has effective emergency procedures that can be implemented on short notice, and that will ensure optimum safety for students and school personnel. Lake Dallas ISD has two resource officers to assist with safety issues. The Superintendent has the authority to dismiss school for a part of a day or longer periods, if necessary, in case of unusual or emergencies. Campus principals have designed and implemented a system to familiarize employees and students with evacuation procedures and ensure that evacuation diagrams are appropriately posted. Principals also conduct fire, tornado, or other emergency drills designed to provide orderly movement to the safest areas available for students and personnel.

Acknowledgments

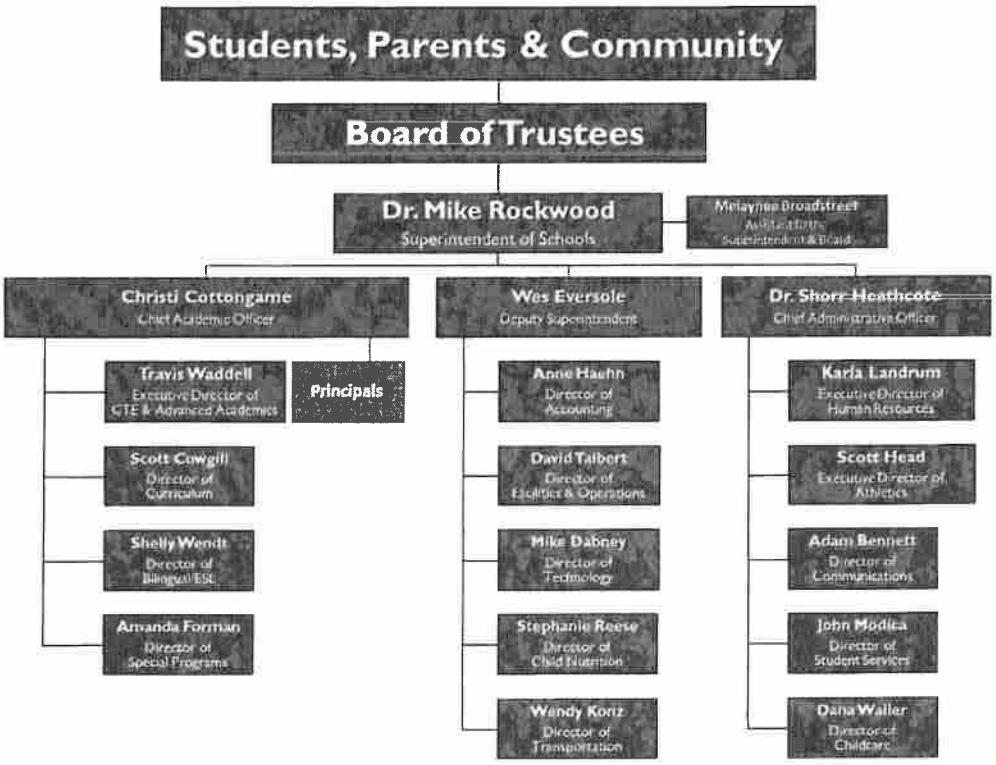
The preparation of this report could not have been accomplished without the services of the entire business office staff. In addition, the Board of Trustees should be commended for its continued support and leadership.

Mike Rockwood, Ed.D - Superintendent of Schools

Wes Eversole, RTSBA - Deputy Superintendent/
Chief Financial Officer

Anne Haehn - Director of Accounting





LAKE DALLAS INDEPENDENT SCHOOL DISTRICT

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT

Consultants and Advisors

Audit Firm
Hankins, Eastup, Deaton, Tonn & Seay
Certified Public Accountants
902 North Locust
Denton, Texas 76202-0977

Bond Attorneys
Fulbright & Jaworski L.L.P.
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201-2784

Fiscal Agents
The Bank of New York Trust Company
of Florida
10161 Centurion Parkway
2nd Floor
Jacksonville, FL 32256

General Counsel
Walsh, Gallegos, Trevino, Russo & Kyle, P.C.
P.O. Box 168046
Irving, Texas 75016

Tax Attorney
Sawko and Burroughs
1100 Dallas Drive, Ste. 100
Denton, Texas 76201

Financial Advisors
BOK Financial Securities, Inc.
333 West Campbell Road, Suite 350
Richardson, Texas 75080

Official Depository
Independent Financial
2004 Stemmons Freeway
Lake Dallas, Texas 75065

Tax Collector
Denton County Tax Collector Assessor
P.O. Box 1249
Denton, Texas 76201

Tax Appraisal
Denton Central Appraisal District
3911 Morse St.
Denton, TX 76208

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT

PRINCIPAL OFFICIALS

Elected Officials:

Board of Trustees:

Lance Stacy	President
Alicia McKinley	Vice President
Mark Tucker	Secretary
Scott Baird	Member
Ginger Collier	Member
Bruce Smith	Member
Courtney Tankersley	Member

Appointed Officials:

Mike Rockwood, Ed.D	Superintendent
Wesley Eversole, RTSBA	Deputy Superintendent/CFO
Christi Cottongame	Chief Academic Officer
Shorr Healthcote	Chief Administrative Officer
Karla Landrum	Executive Director of Human Resources
Travis Waddell	Executive Director of CTE & Advanced Academics
Amanda Forman	Director of Special Education
Wendy Konz	Director of Maintenance & Transportation
David Talbert	Director of Facilities
Anne Haehn	Director of Accounting
Stephanie Reese	Director of Food Service
Mike Dabney	Director of Technology
Scott Head	Athletic Director
Mollie Avelino	High School Principal
Randall Caldwell	Middle School Principal
Jennifer Bryant	Shady Shores Elementary School Principal
Kerri Blevins	Lake Dallas Elementary School Principal
Vangee Deussen	Corinth Elementary School Principal
John Modica	Director of Student Services
Shelly Wendt	Director of Bilingual/ESL

ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Lake Dallas Independent School District

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended August 31, 2021.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

William A. Sutter
President

David J. Lewis
Executive Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lake Dallas Independent School District
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2021

Christopher P. Morrill

Executive Director/CEO



FINANCIAL SECTION



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 Auditor's Report

Lake Dallas Independent School District
Lake Dallas, Texas

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Lake Dallas Independent School District as of and for the year ended August 31, 2022 and the related notes to the financial statements, which collectively comprise Lake Dallas Independent School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Lake Dallas Independent School District as of August 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financials section of our report. We are required to be independent of Lake Dallas Independent School District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Lake Dallas Independent School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with general accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Lake Dallas Independent School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lake Dallas Independent School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 25 through 31 and the Teacher Retirement System schedules on page 82 through 90 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lake Dallas Independent School District's basic financial statements. The combining and individual nonmajor fund financial statements, the required TEA schedules listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 January 19, 2023 on our consideration of Lake Dallas Independent School District's internal control over financial reporting and on our tests of the compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lake Dallas Independent School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lake Dallas Independent School District's internal control over financial reporting and compliance.

Hankins, Eastup, Deaton, Tonn & Seay

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

January 19, 2023

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2022
(UNAUDITED)

As management of Lake Dallas 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, 2022. The District has implemented Government Accounting Standards Board Statement 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments". Please read this narrative in conjunction with the independent auditors' report on page 23, and the District's Basic Financial Statements that begin on page 35.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of resources of Lake Dallas Independent School District exceeded its assets and deferred outflows of resources at the close of the most recent fiscal period by $13,845,490 (negative net position). Of this amount, $(24,273,649) (negative 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 $3,960,083 during the fiscal year from the results of current year operations.

- As of the close of the current fiscal period, the District's governmental funds reported combined ending fund balances of $28,549,624. 44.3% of this total amount, $12,653,576, 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 $12,653,576 or 31.7% of the total general fund expenditures, an increase of $275,911 from the prior year. Final general fund revenues were 1.0% more than final revenue estimates.

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 35 through 37). 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 38) 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 51) 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 35. 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 the child care program.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 38 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 U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities). The District's two kinds of funds–governmental and proprietary–use different accounting approaches.

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

· Proprietary funds–The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. In fact, the District's enterprise fund (one category of proprietary funds) are the business-type activities reported in the government-wide statements but containing more detail and additional information, such as cash flows. The internal service funds (the other category of proprietary funds) report activities that provide supplies and services for the District's other programs and activities--such as the District's print shop and computer operations.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or custodian, for money raised by student activities. The District's custodial activity is reported in a separate Statement of Custodial Net Position and Statement of Changes in Custodial Net Position on pages 48 and 49. 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

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 increased from ($17,822,921) to ($13,884,481). 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 ($24,312,940) at August 31, 2022. The increase was due to current year asset purchases exceeding depreciation expense and a decrease in debt as principal payments exceeded interest accretion.

In 2022, net position of our business-type activities increased to $38,991 during the year due to an increase in charges to customers. This activity is relatively insignificant to the overall operations of the District, but it represents significant services to the District through the Child Care program.

Table I
NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	$ 33,369,769	$ 50,594,900	$ 41,081	$ 18,061	$ 33,410,850	$ 50,612,961
Capital assets	155,501,103	150,358,739	-	-	155,501,103	150,358,739
Total assets	188,870,872	200,953,639	41,081	18,061	188,911,953	200,971,700
Deferred outflows of resources	9,482,734	10,868,206	-	-	9,482,734	10,868,206
Total assets and deferred outflows of resources	198,353,606	211,821,845	41,081	18,061	198,394,687	211,839,906
Long-term liabilities	192,748,268	205,278,997	2,090	-	192,750,358	205,278,997
Other liabilities	4,129,592	13,091,906	-	713	4,129,592	13,092,619
Total liabilities	196,877,860	218,370,903	2,090	713	196,879,950	218,371,616
Deferred inflows of resources	15,360,227	11,273,863	-	-	15,360,227	11,273,863
Total liabilities and deferred inflows of resources	212,238,087	229,644,766	2,090	713	212,240,177	229,645,479
Net Position:						
Net investments in capital assets	7,008,559	6,077,517	-	-	7,008,559	6,077,517
Restricted	3,419,900	2,635,344	-	-	3,419,900	2,635,344
Unrestricted	(24,312,940)	(26,535,782)	38,991	17,348	(24,273,949)	(26,518,434)
Total net position	$ (13,884,481)	$ (17,822,921)	$ 38,991	$ 17,348	$ (13,845,490)	$ (17,805,573)

Table II
CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	$ 663,873	$ 817,534	$ 528,569	$ 477,683	$ 1,192,442	$ 1,295,217
Operating grants and contributions	8,708,015	7,362,414	-	-	8,708,015	7,362,414
General Revenues:						
Maintenance and operations taxes	24,258,808	23,370,110	-	-	24,258,808	23,370,110
Debt service taxes	12,092,099	11,121,847	-	-	12,092,099	11,121,847
State aid	12,799,484	12,555,449	-	-	12,799,484	12,555,449
Investment earnings	264,559	291,576	-	-	264,559	291,576
Miscellaneous	199,385	133,688	-	-	199,385	133,688
Grants not restricted	-	439,879	-	-	-	439,879
Total Revenue	58,986,223	56,092,497	528,569	477,683	59,514,792	56,570,180
Expenses:						
Instruction, curriculum and media services	28,644,008	28,977,160	-	-	28,644,008	28,977,160
Instructional and school leadership	3,367,338	3,190,800	-	-	3,367,338	3,190,800
Student support services	3,872,331	3,572,697	-	-	3,872,331	3,572,697
Child nutrition	2,136,561	1,727,723	-	-	2,136,561	1,727,723
Extracurricular activities	1,229,861	1,377,404	-	-	1,229,861	1,377,404
General administration	1,586,015	1,784,756	-	-	1,586,015	1,784,756
Plant maintenance, security and data processing	7,856,575	8,674,247	-	-	7,856,575	8,674,247
Community services	-	11,685	506,926	462,354	506,926	474,039
Debt services	6,121,330	6,749,811	-	-	6,121,330	6,749,811
Payments related to shared services arrangements	23,489	12,237	-	-	23,489	12,237
Intergovernmental charges	210,275	220,394	-	-	210,275	220,394
Total Expenses	55,047,783	56,298,914	506,926	462,354	55,554,709	56,761,268
Increase (Decrease) in Net Position	3,938,440	(206,417)	21,643	15,329	3,960,083	(191,088)
Net position at beginning of year	(17,822,921)	(17,616,504)	17,348	2,019	(17,805,573)	(17,614,485)
Net position at end of year	$ (13,884,481)	$ (17,822,921)	$ 38,991	$ 17,348	$ (13,845,490)	$ (17,805,573)

The cost of all governmental activities for the current fiscal year was $55,047,783. However, as shown in the Statement of Activities on pages 36 and 37, the amount that our taxpayers ultimately financed for these activities through District taxes was only $36,350,907 because some of the costs were paid by those who directly benefited from the programs $663,873 or by other governments and organizations that subsidized certain programs with grants and contributions $8,708,015 or by State equalization funding $12,799,484.

THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds (as presented in the balance sheet on page 38) reported a combined fund balance of $28,549,624, which is $8,282,127 lower than last year's total of $36,831,751. Included in this year's total change in fund balance is an increase of $736,534 in the District's General Fund. The primary reason for the General Fund's increase was the increase in property tax receipts due to increasing property values in the area. Student enrollment plays a significant role in the formation of the General Fund budget. State funding is directly related to the average daily attendance for all students throughout the school year. At year-end, the District's enrollment was higher than anticipated resulting in additional General Fund revenue generated by the State of Texas school funding formula. In addition, the District received additional funding from the School Health and Related Services (SHARS) program due to increased services provided to Medicaid-eligible students. Although the general fund tax rate was lowered, local and intermediate sources of revenue increased by $1,087,050 from the preceding year. Certified property values increased by 7.7%. This increase was mostly driven by home value appreciation in the area. The Debt Service Fund increased by $17,259 due to increased property tax revenue pertaining to an increase in local property values. The Capital Projects Fund decreased by $9,836,851 due to payments during the year for construction projects.

The District's General Fund balance of $13,413,134 reported on page 38 differs from the General Fund's budgetary fund balance of $12,229,489 reported in the budgetary comparison schedule on page 81. This is principally due to cost savings in all functions as well as additional State and Federal revenue.

THE DISTRICT'S BUDGET

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 2021). 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.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At August 31, 2022, the District had $155,501,103 (net of accumulated depreciation) invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents a net increase of $5,142,364, or 3.4%, above last year, due to construction projects.

This fiscal period's major additions consisted of furniture, equipment and building improvements paid for out of the Capital Projects Fund.

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

Debt Administration

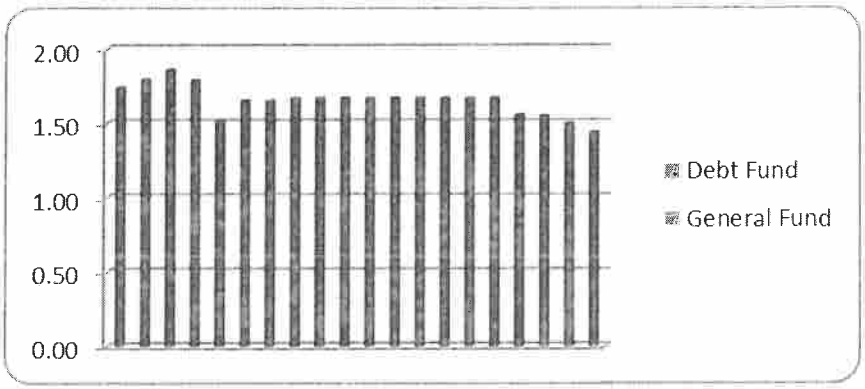
At year-end, the District had $175,693,328 in long-term debt (including bonds, notes payable, accreted interest on bonds and discount/premium on debt issuance) versus $182,004,297 last year–a decrease of 3.5%.

More detailed information about the District's long-term debt is presented in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Federal, state, and local guidelines direct the budget development process. The Texas Education Agency (TEA) requires the General, Food Service, and Debt Service funds to be budgeted and adopted annually by the District's Board of Trustees. The tax rate has two components: the tax for maintenance and operations and the tax to service long-term debt. Maintenance and operations 2022-23 budget revenue is based on a tax rate of $1.4429/100 valuation, a decrease of $0.06 from the preceding year. This new tax rate is down from a high point in 2005-2006 of $1.86. The chart below reflects the tax rate history of the District.

Tax Rate History



Budgetary issues addressed include a budget based on student growth (the basis of state funding), striving to reach Federal, State, and local goals, maintaining current programs, and budgeting funds to adhere to all state and federal mandates.

The General Fund accounts for most of the day-to-day operations of the District. Debt Service Fund expenditures account for voter-authorized debt payments. The Child Nutrition Fund supports the student food service program and is funded by user fees and reimbursements from the National School Breakfast and Lunch program.

The school district anticipates receiving 66.7% of its general fund revenue from taxes and other local sources. The District expects a decrease in state funding of approximately $1.7 Million. The Texas Legislature passed a school finance and property tax reform bill (HB3) that increased public education funding and financed property tax compression State funds account for 31.3% of the total budgeted general fund operating revenue. Federal funds account for the remaining 2.0% of operating revenue. The overall General Fund budgeted revenue decrease was projected to be 2% due to higher projected student enrollment.

The Debt Service Fund accounts for the accumulation of resources and the payment of bonds approved by the voters. The debt service expenditure budget of $14.5 Million will be used to service debt liabilities during the 2022-23 school year.

The Child Nutrition budget is projected to be $1.9 million and is financed from student/staff charges and federal funding. In addition, The National School Breakfast and Lunch Program will provide funding for students during the 2022-2023 school year.

For years, when possible, the District has reduced budgets to allow for increases in personnel and supply costs. Even with those cuts, the District has worked to maintain a competitive position in recruiting and retaining quality staff. Inflationary costs for goods and services, new program costs that result from requirements of the State and Federal accountability system, and other new requirements have all been incorporated into the proposed budget.

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 Lake Dallas Independent School District, 104 Swisher, Lake Dallas, Texas 75065, (940) 497-4039.

BASIC FINANCIAL STATEMENTS



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
AUGUST 31, 2022

EXHIBIT A-1

Data Control Codes		1	2	3
		Primary Government		
		Governmental Activities	Business Type Activities	Total
ASSETS				
1110	Cash and Cash Equivalents	$ 18,135,193	$ 41,081	$ 18,176,274
1120	Current Investments	12,000,000	-	12,000,000
1220	Property Taxes - Delinquent	736,939	-	736,939
1230	Allowance for Uncollectible Taxes	(73,694)	-	(73,694)
1240	Due from Other Governments	2,405,799	-	2,405,799
1250	Accrued Interest	61,819	-	61,819
1267	Due from Fiduciary Funds	24,293	-	24,293
1300	Inventories	20,053	-	20,053
1410	Prepayments	59,367	-	59,367
	Capital Assets:			
1510	Land	7,295,038	-	7,295,038
1520	Buildings, Net	144,799,348	-	144,799,348
1530	Furniture and Equipment, Net	3,406,717	-	3,406,717
1000	Total Assets	188,870,872	41,081	188,911,953
DEFERRED OUTFLOWS OF RESOURCES				
1701	Deferred Charge for Refunding	2,722,405	-	2,722,405
1705	Deferred Outflow Related to TRS Pension	3,648,612	-	3,648,612
1706	Deferred Outflow Related to TRS OPEB	3,111,717	-	3,111,717
1700	Total Deferred Outflows of Resources	9,482,734	-	9,482,734
LIABILITIES				
2110	Accounts Payable	900,326	1,963	902,289
2140	Interest Payable	231,987	-	231,987
2150	Payroll Deductions and Withholdings	236,518	-	236,518
2160	Accrued Wages Payable	2,581,974	-	2,581,974
2200	Accrued Expenses	90,733	127	90,860
2300	Unearned Revenue	88,054	-	88,054
	Noncurrent Liabilities:			
2501	Due Within One Year: Loans, Note, Leases, etc.	6,048,302	-	6,048,302
	Due in More than One Year:			
2502	Bonds, Notes, Loans, Leases, etc.	169,645,026	-	169,645,026
2540	Net Pension Liability (District's Share)	5,380,199	-	5,380,199
2545	Net OPEB Liability (District's Share)	11,674,741	-	11,674,741
2000	Total Liabilities	196,877,860	2,090	196,879,950
DEFERRED INFLOWS OF RESOURCES				
2605	Deferred Inflow Related to TRS Pension	6,475,433	-	6,475,433
2606	Deferred Inflow Related to TRS OPEB	8,884,794	-	8,884,794
2600	Total Deferred Inflows of Resources	15,360,227	-	15,360,227
NET POSITION				
3200	Net Investment in Capital Assets and Right-to-Use Lease	7,008,559	-	7,008,559
	Restricted:			
3820	Restricted for Federal and State Programs	1,353,083	-	1,353,083
3850	Restricted for Debt Service	2,066,817	-	2,066,817
3900	Unrestricted	(24,312,940)	38,991	(24,273,949)
3000	Total Net Position	$ (13,884,481)	$ 38,991	$ (13,845,490)

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes		1	Program Revenues 3	4
		Expenses	Charges for Services	Operating Grants and Contributions
Primary Government:				
	GOVERNMENTAL ACTIVITIES:			
11	Instruction	$ 27,114,439	$ 7,080	$ 4,213,957
12	Instructional Resources and Media Services	519,935	-	28,488
13	Curriculum and Instructional Staff Development	1,009,634	-	226,267
21	Instructional Leadership	889,696	-	57,581
23	School Leadership	2,477,642	-	184,779
31	Guidance, Counseling, and Evaluation Services	1,841,017	-	498,106
32	Social Work Services	12,544	-	773
33	Health Services	374,742	-	32,059
34	Student (Pupil) Transportation	1,644,028	-	120,472
35	Food Services	2,136,561	291,461	2,765,697
36	Extracurricular Activities	1,229,861	116,346	52,976
41	General Administration	1,586,015	-	87,371
51	Facilities Maintenance and Operations	6,445,037	248,986	203,520
52	Security and Monitoring Services	320,666	-	508
53	Data Processing Services	1,090,872	-	41,414
72	Debt Service - Interest and fees on Long-Term Debt	6,121,330	-	171,647
93	Payments Related to Shared Services Arrangements	22,400	-	22,400
95	Payments to Juvenile Justice Alternative Ed. Prg.	1,089	-	-
99	Other Intergovernmental Charges	210,275	-	-
	[TG] Total Governmental Activities:	55,047,783	663,873	8,708,015
	BUSINESS-TYPE ACTIVITIES:			
01	Unidentified Fund from Trial Balance	506,926	528,569	-
	[TB] Total Business-Type Activities:	506,926	528,569	-
	[TP] TOTAL PRIMARY GOVERNMENT:	$ 55,554,709	$ 1,192,442	$ 8,708,015

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
TR	Total General Revenues
CN	Change in Net Position
NB	Net Position - Beginning
NE	Net Position - Ending

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

Net (Expense) Revenue and Changes in Net Position		
6	7	8
	Primary Government	
Governmental Activities	Business-type Activities	Total
$ (22,893,402)	$ -	$ (22,893,402)
(491,447)	-	(491,447)
(783,367)	-	(783,367)
(832,115)	-	(832,115)
(2,292,863)	-	(2,292,863)
(1,342,911)	-	(1,342,911)
(11,771)	-	(11,771)
(342,683)	-	(342,683)
(1,523,556)	-	(1,523,556)
920,597	-	920,597
(1,060,539)	-	(1,060,539)
(1,498,644)	-	(1,498,644)
(5,992,531)	-	(5,992,531)
(320,158)	-	(320,158)
(1,049,458)	-	(1,049,458)
(5,949,683)	-	(5,949,683)
-	-	-
(1,089)	-	(1,089)
(210,275)	-	(210,275)
(45,675,895)	-	(45,675,895)
-	21,643	21,643
-	21,643	21,643
(45,675,895)	21,643	(45,654,252)
24,258,808	-	24,258,808
12,092,099	-	12,092,099
12,799,484	-	12,799,484
264,559	-	264,559
199,385	-	199,385
49,614,335	-	49,614,335
3,938,440	21,643	3,960,083
(17,822,921)	17,348	(17,805,573)
$ (13,884,481)	$ 38,991	$ (13,845,490)

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2022

Data Control Codes		10 General Fund	50 Debt Service Fund	60 Capital Projects
	ASSETS			
1110	Cash and Cash Equivalents	$ 3,006,101	$ 1,553,611	$ 11,724,023
1120	Investments - Current	12,000,000	-	-
1220	Property Taxes - Delinquent	506,219	230,720	-
1230	Allowance for Uncollectible Taxes	(50,622)	(23,072)	-
1240	Due from Other Governments	875,899	-	-
1250	Accrued Interest	61,819	-	-
1260	Due from Other Funds	1,473,415	537,545	123,971
1410	Prepayments	46,679	-	-
1000	Total Assets	$ 17,919,510	$ 2,298,804	$ 11,847,994
	LIABILITIES			
2110	Accounts Payable	$ 489,675	$ -	$ 226,987
2150	Payroll Deductions and Withholdings Payable	236,226	-	-
2160	Accrued Wages Payable	2,581,974	-	-
2170	Due to Other Funds	668,424	-	-
2200	Accrued Expenditures	62,392	-	-
2300	Unearned Revenue	9,150	-	-
2000	Total Liabilities	4,047,841	-	226,987
	DEFERRED INFLOWS OF RESOURCES			
2601	Unavailable Revenue - Property Taxes	458,535	195,031	-
2600	Total Deferred Inflows of Resources	458,535	195,031	-
	FUND BALANCES			
	Nonspendable Fund Balance:			
3430	Prepaid Items	46,679	-	-
	Restricted Fund Balance:			
3450	Federal or State Funds Grant Restriction	-	-	-
3470	Capital Acquisition and Contractural Obligation	-	-	11,621,007
3480	Retirement of Long-Term Debt	-	2,103,773	-
	Committed Fund Balance:			
3545	Campus Activities	-	-	-
	Assigned Fund Balance:			
3590	2022-2023 Budget Deficit	712,879	-	-
3600	Unassigned Fund Balance	12,653,576	-	-
3000	Total Fund Balances	13,413,134	2,103,773	11,621,007
4000	Total Liabilities, Deferred Inflows & Fund Balances	$ 17,919,510	$ 2,298,804	$ 11,847,994

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

Other Funds	Total Governmental Funds
$ 1,609,357	$ 17,893,092
-	12,000,000
-	736,939
-	(73,694)
1,529,900	2,405,799
-	61,819
-	2,134,931
12,688	59,367
$ 3,151,945	$ 35,218,253
$ 183,664	$ 900,326
292	236,518
-	2,581,974
1,449,122	2,117,546
28,253	90,645
78,904	88,054
1,740,235	6,015,063
-	653,566
-	653,566
-	46,679
1,353,083	1,353,083
-	11,621,007
-	2,103,773
58,627	58,627
-	712,879
-	12,653,576
1,411,710	28,549,624
$ 3,151,945	$ 35,218,253



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
AUGUST 31, 2022

EXHIBIT C-2

Total Fund Balances - Governmental Funds	$	28,549,624
1 The assets and liabilities of the Internal Service Funds are included in governmental activities, but are not reported in the fund financial statements.		268,974
2 Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund financial statements.		212,392,411
3 Accumulated depreciation has not been included in the fund financial statements.		(56,891,308)
4 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68 in the amount of $5,380,199, a Deferred Resource Inflow related to TRS in the amount of $6,475,433 and a Deferred Resource Outflow related to TRS in the amount of $3,648,612. This amounted to a decrease in Net Position in the amount of $8,207,020.		(8,207,020)
5 Bonds payable have not been included in the fund financial statements.		(141,513,623)
6 Accreted interest on capital appreciation bonds has not been included in the fund financial statements.		(12,857,372)
7 Bond discounts and premiums are not recognized in the fund financial statements.		(21,322,333)
8 Property tax revenue reported as unavailable revenue in the fund financial statements was recognized as revenue in the government-wide financial statements.		653,566
9 Deferred charge for refunding has not been included in the fund financial statements.		2,722,405
10 Interest on outstanding debt is accrued in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.		(231,987)
11 Included in the items related to government-wide long-term debt is the recognition of the District's proportionate share of the net Other Post-Employment Benefit (OPEB) liability required by GASB 75 in the amount of $11,674,741, a Deferred Resource Inflow related to TRS OPEB in the amount of $8,884,794, and a Deferred Resource Outflow related to TRS OPEB in the amount of $3,111,717. This amounted to a net decrease in Net Position in the amount of $17,447,818.		(17,447,818)
19 **Net Position of Governmental Activities**	$	(13,884,481)

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes		10 General Fund	50 Debt Service Fund	60 Capital Projects
	REVENUES:			
5700	Total Local and Intermediate Sources	$ 24,659,408	$ 12,146,642	$ 335,177
5800	State Program Revenues	14,946,049	171,647	-
5900	Federal Program Revenues	986,487	-	-
5020	Total Revenues	40,591,944	12,318,289	335,177
	EXPENDITURES:			
	Current:			
0011	Instruction	23,229,601	-	585,645
0012	Instructional Resources and Media Services	486,668	-	-
0013	Curriculum and Instructional Staff Development	780,333	-	-
0021	Instructional Leadership	832,055	-	-
0023	School Leadership	2,300,270	-	-
0031	Guidance, Counseling, and Evaluation Services	1,353,816	-	-
0032	Social Work Services	11,854	-	-
0033	Health Services	342,529	-	-
0034	Student (Pupil) Transportation	1,501,967	-	-
0035	Food Services	-	-	-
0036	Extracurricular Activities	1,103,494	-	-
0041	General Administration	1,480,576	-	-
0051	Facilities Maintenance and Operations	4,957,039	-	-
0052	Security and Monitoring Services	295,523	-	-
0053	Data Processing Services	951,250	-	62,865
0061	Community Services	6,979	-	-
	Debt Service:			
0071	Principal on Long-Term Liabilities	-	4,553,244	-
0072	Interest on Long-Term Liabilities	-	7,732,806	-
0073	Bond Issuance Cost and Fees	-	14,980	-
	Capital Outlay:			
0081	Facilities Acquisition and Construction	10,092	-	9,523,518
	Intergovernmental:			
0093	Payments to Fiscal Agent/Member Districts of SSA	-	-	-
0095	Payments to Juvenile Justice Alternative Ed. Prg.	1,089	-	-
0099	Other Intergovernmental Charges	210,275	-	-
6030	Total Expenditures	39,855,410	12,301,030	10,172,028
1200	Net Change in Fund Balances	736,534	17,259	(9,836,851)
0100	Fund Balance - September 1 (Beginning)	12,676,600	2,086,514	21,457,858
3000	Fund Balance - August 31 (Ending)	$ 13,413,134	$ 2,103,773	$ 11,621,007

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

	Other Funds	Total Governmental Funds
$	323,579	$ 37,464,806
	202,872	15,320,568
	5,226,318	6,212,805
	5,752,769	58,998,179
	1,886,239	25,701,485
	2,059	488,727
	180,866	961,199
	5,520	837,575
	35,772	2,336,042
	417,684	1,771,500
	-	11,854
	11,257	353,786
	37,030	1,538,997
	2,238,010	2,238,010
	56,324	1,159,818
	11,324	1,491,900
	41,177	4,998,216
	-	295,523
	5,147	1,019,262
	1,029	8,008
	-	4,553,244
	-	7,732,806
	-	14,980
	-	9,533,610
	22,400	22,400
	-	1,089
	-	210,275
	4,951,838	67,280,306
	800,931	(8,282,127)
	610,779	36,831,751
$	1,411,710	$ 28,549,624

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, 2022

Total Net Change in Fund Balances - Governmental Funds	$	(8,282,127)
Current year capital outlays are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The effect of reclassifying the 2022 capital outlays is to increase net position.		8,561,105
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.		(3,418,741)
Current year long-term debt principal payments on bonds payable, loans and payments of accreted interest on capital appreciation bonds are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.		6,481,133
Current year interest accretion on capital appreciation bonds is not reflected in the fund financial statements, but is shown as an increase in long term liabilities in the government-wide financial statements.		(1,379,031)
Bond premiums and discounts are not amortized in the governmental funds but are capitalized in the statement of net position.		1,208,867
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 8/31/2021 caused the ending net position to increase in the amount of $106,244. Contributions made before the measurement but during the 2021 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 $461,426, which caused a net decrease in net position. The impact of all of these is to decrease net position by $355,182.		355,182
Revenues from property taxes are shown as unavailable 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.		13,917
The net income (loss) of the Internal Service Funds is reported with governmental activities but not in the fund financial statements.		80
Current year amortization of the deferred charge for refundings is not reflected in the fund financial statements, but is shown as a reduction of the deferred loss in the government-wide financial statements.		(136,582)
Interest on outstanding debt is accrued in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.		5,313
The implementation of GASB 75 required that certain expenditures be de-expended and recorded as deferred resource outflows. TRS OPEB contributions made after the measurement date of 8/31/2021 but during the current fiscal year caused the ending net position to increase in the amount of $10,871. These contributions were replaced with the District's OPEB expense for the year, which was a $518,453 expense and also caused a increase in net position. The impact of both of these is to increase the change in net position by $529,324.		529,324
Change in Net Position of Governmental Activities	$	3,938,440

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

EXHIBIT D-1

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AUGUST 31, 2022

	Business-Type Activities - Total Enterprise Funds	Governmental Activities - Total Internal Service Funds
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 41,081	$ 242,101
Due from Other Funds	-	6,908
Inventories	-	20,053
Total Assets	41,081	269,062
LIABILITIES		
Current Liabilities:		
Accounts Payable	1,963	-
Accrued Expenses	127	88
Total Liabilities	2,090	88
NET POSITION		
Unrestricted Net Position	21,643	268,974
Total Net Position	$ 21,643	$ 268,974

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

EXHIBIT D-2

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

	Business-Type Activities - Total Enterprise Funds	Governmental Activities - Total Internal Service Funds
OPERATING REVENUES:		
Local and Intermediate Sources	$ 496,506	$ 139,484
State Program Revenues	32,063	2,669
Total Operating Revenues	528,569	142,153
OPERATING EXPENSES:		
Payroll Costs	491,566	33,536
Professional and Contracted Services	912	63,761
Supplies and Materials	13,534	44,776
Other Operating Costs	914	-
Total Operating Expenses	506,926	142,073
Operating Income	21,643	80
Total Net Position - September 1 (Beginning)	-	268,894
Total Net Position - August 31 (Ending)	$ 21,643	$ 268,974

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

EXHIBIT D-3

	Business-Type Activities	Governmental Activities -
	Total Enterprise Funds	Total Internal Service Funds
Cash Flows from Operating Activities:		
Cash Received from District	$ -	$ 139,484
Cash Payments for Payroll Costs	-	(30,867)
Cash Payments for Supplies and Materials	-	(61,690)
Cash Payments for Purchased Services	-	(63,761)
Net Cash Provided by (Used for) Operating Activities	-	(16,834)
Net Increase (Decrease) in Cash and Cash Equivalents	21,643	(16,834)
Cash and Cash Equivalents at Beginning of Year	-	258,935
Cash and Cash Equivalents at End of Year	$ 21,643	$ 242,101
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:		
Operating Income:	$ 21,643	$ 80
Effect of Increases and Decreases in Current Assets and Liabilities:		
Decrease (increase) in Inventories	-	(15,226)
Increase (decrease) in Accounts Payable	-	(1,688)
Net Cash Provided by (Used for) Operating Activities	$ 21,643	$ (16,834)

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

EXHIBIT E-1

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2022

	Custodial Fund
ASSETS	
Cash and Cash Equivalents	$ 593,691
Total Assets	593,691
LIABILITIES	
Accounts Payable	4,072
Due to Other Funds	24,293
Total Liabilities	28,365
NET POSITION	
Unrestricted Net Position	565,326
Total Net Position	$ 565,326

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

EXHIBIT E-2

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

	Custodial Fund
ADDITIONS:	
Received from Student Groups	$ 495,320
Total Additions	495,320
DEDUCTIONS:	
Expenses of Student Groups	494,874
Total Deductions	494,874
Change in Fiduciary Net Position	446
Total Net Position - September 1 (Beginning)	564,880
Total Net Position - August 31 (Ending)	$ 565,326

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



NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lake Dallas Independent School District (the "District") is a public educational agency operating under the applicable rules and regulations of the State of Texas. The District's 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 elected by registered voters of the District, 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, the Lake Dallas 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, within the governmental and business-type activities columns, has been removed from these statements however interfund services provided and used are not eliminated in the process of consolidation. 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.

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. Separate statements are presented for governmental and proprietary activities. 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.

3. **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. Upon completion of a project, any unused bond proceeds are transferred to the Debt Service Fund and are used to retire related bond principal.

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. **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 generally self-supporting and does not normally require subsidies from the general fund.

3. **Internal Service Funds** – The District utilizes Internal Service Funds to account for revenues and expenses related to services provided to parties inside the District on a cost reimbursement basis. These funds facilitate distribution of support costs to the users of support services. The District has internal service funds for its print shop and computer operations.

4. **Fiduciary Funds** - The District reports Custodial Funds as Fiduciary Funds. Custodial Funds are custodial in nature and account for activities of student and employee groups. Custodial Funds use the accrual basis of accounting to recognize assets, liabilities, revenues and expenses. The Custodial Funds exist with the explicit approval of, and are subject to revocation by, the Board.

The internal service funds are proprietary fund types. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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, liabilities and deferred inflows of resources (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 90 day 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 fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS-Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TRS-Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

The revenue susceptible to accrual are property taxes, charges for services, interest income and intergovernmental revenues. No income from investments reported in one fund is assigned to another fund. 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.

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, Child Nutrition Fund and the Debt Service Fund. The special revenue funds and the Capital Projects Fund 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.

A reconciliation of fund balances for both appropriated budget and nonappropriated budget special revenue funds is as follows:

	August 31, 2022 Fund Balance
Appropriated Budget Funds - Food Service Special Revenue Fund	$1,324,010
Nonappropriated Budget Funds	87,700
All Special Revenue Funds	$1,411,710

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, 2022 that were subsequently provided for in the 2022-23 budget.

F. PREPAYMENTS

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

G. INVENTORIES

The consumption method is used to account for inventories of printing supplies and computer equipment. Under this method, these items are carried in an inventory account of the respective fund at cost, using the first-in, first-out method of accounting and are subsequently charged to expenditures when consumed.

H. INTERFUND RECEIVABLES AND PAYABLES

Short-term amounts owed between funds are classified as "Due to/from other funds". Interfund loans are classified as "Advances to/from other funds" and are offset by a fund balance reserve account. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances" and "internal advances".

I. CAPITAL ASSETS

Capital assets, which includes property, plant, equipment, and infrastructure assets, are reported in the applicable 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 acquisition value. 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 and Improvements	50 Years
Furniture and Equipment	7-10 Years

J. 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.

K. CASH EQUIVALENTS

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

L. NET POSITION

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. 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 and the deferred charge for refunding. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position are available for general governmental uses. When both restricted and unrestricted net position are available, restricted net position are expended before unrestricted net position is such use is consistent with the restricted purpose.

M. LONG-TERM OBLIGATIONS

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. 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.

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.

The net pension and net OPEB liability are reduced through the General Fund.

N. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred outflows and inflows of resources are reported in the statement of financial position as described below:

A *deferred outflow of resources* is a consumption of a government's net assets (a decrease in assets in excess of any related decrease in liabilities or an increase in liabilities in excess of any related increase in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

Deferred outflows of resources for refunding - Reported in the government-wide statement of net position, the deferred charge on bond refundings results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amount of deferred outflows reported in the governmental activities for the deferred charge on bond refundings at August 31, 2022 was $2,722,405.

Deferred outflows of resources for pensions - Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of differences between expected and actual actuarial experiences. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The other pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan which is currently approximately 6.3 years.

The amount of deferred outflows reported in the governmental activities for deferred pension expenses at August 31, 2022 was $3,648,612.

Deferred outflows of resources for OPEB- Reported in the government-wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of differences between expected and actual investment earnings and changes in proportionate share. The deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. The other OPEB related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB through the OPEB plan which is currently approximately 9.2 years. The amount of deferred outflows reported for deferred OPEB expense at August 31, 2022 was $3,111,717.

A *deferred inflow of resources* is an acquisition of a government's net assets (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

Deferred inflows of resources for unavailable revenues - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District reported property taxes that are unavailable as deferred inflows of resources in the fund financial statements. The amount of deferred inflows of resources reported in the governmental funds at August 31, 2022 was $653,566.

Deferred inflows of resources for pensions - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between projected and actual earnings on pension plan investments and other actuarial and other assumption differences. These amounts will be amortized over a closed 5-year period. In fiscal year 2022, the District reported deferred inflows of resources for pensions in the governmental activities in the amount of $6,475,433.

Deferred inflows of resources for OPEB - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between expected and actual experience and from changes in assumptions. These amounts will be amortized over the average expected remaining service life (AERSL) of all members (9.2 years for the 2021 measurement year). In fiscal year 2022, the District reported deferred inflows of resources for OPEB in the governmental activities in the amount of $8,884,794.

O. 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 2022, 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, 2022, 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, 2022.

Workers' Compensation Aggregate Deductible

During the year ended August 31, 2022, the District met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the 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 $2.0 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of August 31, 2021, the fund carries a discounted reserve of $44,985,187 for future development on reported claims and claims that have been incurred but not yet reported. For the year-ended August 31, 2022, the Fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions and reimbursable aggregate deductibles.

The Fund engages the services of independent auditors to conduct a financial audit after the close of each 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, 2021, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

Unemployment Compensation Pool

During the year ended August 31, 2022, Lake Dallas ISD provided unemployment compensation coverage to its employees through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. 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. For the year ended August 31, 2022, the Fund anticipates that Lake Dallas ISD has no additional liability beyond the contractual obligation for payment of contribution.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each 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, 2021, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

Auto, Liability and Property Programs

During the year ended August 31, 2022, Lake Dallas ISD participated in the following TASB Risk Management Fund (the Fund) programs:

Auto Liability
Auto Physical Damage
Legal Liability
Privacy & Information Security
Property

The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

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 of coverage. The Fund uses the services of an independent actuary to determine the adequacy of reserves and fully funds those reserves. For the year ended August 31, 2022, the Fund anticipates Lake Dallas ISD has no additional liability beyond the contractual obligations for payment of contributions.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each 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, 2021, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

P. 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.

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.

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. Capital projects resources are restricted for future capital outlay.

- 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. 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, 2022 for campus activities.

- 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 by Board resolution. Under the Board's adopted policy, the Superintendent has been given the authority to 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 (pages 38) and are described below:

General Fund

The General Fund has unassigned fund balance of $12,653,576 at August 31, 2022. Prepayments (prepaid items) of $46,679 are considered nonspendable fund balance.

Other Major Funds

The Debt Service Fund has restricted funds of $2,103,773 at August 31, 2022 consisting primarily of property tax collections that are restricted for debt service payments on bonded debt. The Capital Projects Fund has restricted funds of $11,621,007 at August 31, 2022 consisting primarily of unspent bond funds.

Other Funds

The fund balance of $58,627 of the Campus Activity Fund (a special revenue fund) is shown as committed due to Board policy committing those funds to campus activities. The fund balance of $1,324,010 in the Food Service Fund is shown as restricted for food service operations. The other fund balances of $29,073 in the other special revenue funds are restricted due to grant agreements.

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, 2022, the carrying amount of the District's deposits checking accounts and interest-bearing savings accounts was $7,331,482 which includes $2,391 petty cash and the combined bank balance was $7,554,719. The District's cash deposits at August 31, 2022 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:

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, 2022, the District's cash balances totaled $7,554,719. 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 are not exposed to custodial credit risk at August 31, 2022.

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, 2022, the District held all of its investments in four public funds investment pools (TexPool, Lone Star, LOGIC and TexasDaily). 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. Credit risk is monitored and controlled by purchasing quality related instruments that have been evaluated by agencies such as Standard and Poor's or Moody's Investment Services.

   The District utilizes government investment pools as part of its investment strategy.

   Board policy states that investment pools must:

   1. Have an average weighted maturity of less than two years;
   2. Are invested exclusively in obligations approved by Government Code Chapter 2256, Subchapter A, regarding authorized investments (Public Funds Investment Act);
   3. Are continuously rated by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and
   4. Conform to the requirements in Government Code Section 2256.016(b) and (c) relating to the eligibility of investment pools to receive and invest funds of investing entities.

   The credit quality rating for the four investment pools range from AAA (Standard and Poor's) to AAAm (Standard and 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 each of the four investment pools is less than 120 days. The District follows its investment policy to limit investments only in government investments pools with average maturities of less than 120 days.

e. Foreign Currency Risk - This is the risk that exchange rates will adversely affect the fair value of an investment. At August 31, 2022, 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 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 fair 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.

The District's investments at August 31, 2022, are shown below:

Name	Carrying Amount	Fair Value	Maturity Date
TexPool	$ 3,022,533	$ 3,022,533	N/A
TexasDaily	8,270,140	8,270,140	N/A
Lone Star	13,601	13,601	N/A
LOGIC	129,821	129,821	N/A
Total	$11,436,095	$11,436,095	

Fair Value Measurements

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

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

The District's investment in Texpool, TexasDaily, Lone Star, and Logic (statewide 2a7-like external investment pools) are not required to be measured at fair value but are measured at amortized cost.

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended August 31, 2022, was as follows:

	Balance September 1	Additions/ Completions	Retirement/ Adjustments	Balance August 31
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 7,295,038	$ -	$ -	$ 7,295,038
Work in Progress	56,298,174	8,454,969	(64,753,143)	-
Total capital assets, not being depreciated	63,593,212	8,454,969	(64,753,143)	7,295,038
Capital assets, being depreciated:				
Buildings and Improvements	129,052,376	64,753,143	-	193,805,519
Furniture and Equipment	11,185,718	106,136	-	11,291,854
Total capital assets, being depreciated	140,238,094	64,859,279	-	205,097,373
Less accumulated depreciation for:				
Buildings and Improvements	(46,185,155)	(2,821,016)	-	(49,006,171)
Furniture and Equipment	(7,287,412)	(597,725)	-	(7,885,137)
Total accumulated depreciation	(53,472,567)	(3,418,741)	-	(56,891,308)
Total capital assets being depreciated, net	86,765,527	61,440,538	-	148,206,065
Governmental activities capital assets, net	$ 150,358,739	$ 69,895,507	$ (64,753,143)	$ 155,501,103

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

Governmental activities:	
Instruction	$1,993,293
Instructional Resources & Media Services	41,743
Curriculum & Instructional Staff Development	66,932
Instructional Leadership	71,368
School Leadership	197,301
Guidance, Counseling & Evaluation Services	116,121
Social Work Services	1,017
Health Services	29,380
Student (Pupil) Transportation	128,828
Extracurricular Activities	94,650
General Administration	126,993
Plant Maintenance and Operations	425,180
Security & Data Processing Services	106,940
Capital Outlay and Other	18,995
Total depreciation expense-Governmental activities	$3,418,741

NOTE 5. LONG-TERM DEBT

Long-term debt includes par bonds, capital appreciation (deep discount) serial bonds and a loan. All long-term debt represents transactions in the District's governmental activities. No long-term debt exists in the District's business-type 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.

The following is a summary of the changes in the District's Long-term Debt for the year ended August 31, 2022:

Description	Interest Rate Payable	Amount Original Issue	Amounts Outstanding 9/1/2021	Additions	Refunded/ Retired	Amounts Outstanding 8/31/2022	Due Within One Year
Bonded Indebtness:							
1999 Bldg/Refunding	4.40-6.06%	$ 8,861,571	$ 1,088,658	$ -	$ 599,445	$ 489,213	$ 489,213
2001 Bldg/Refunding	4.00-5.70%	13,264,871	3,912,271	-	69,626	3,842,645	149,105
2013 Refunding	2.00-4.00%	8,955,000	8,855,000	-	-	8,855,000	-
2014 Refunding	2.00-4.00%	9,295,000	6,915,000	-	840,000	6,075,000	865,000
2015 Refunding	0.47-5.00%	19,063,027	17,323,238	-	909,173	16,414,065	28,508
2016 Refunding	2.00-4.00%	24,877,700	22,712,700	-	355,000	22,357,700	370,000
2019 Building Bonds	4.00-5.00%	16,130,000	14,820,000	-	700,000	14,120,000	745,000
2019-A Building Bonds	3.00-5.00%	63,900,000	63,900,000	-	375,000	63,525,000	-
2021 Refunding	3.00%	6,540,000	6,540,000	-	705,000	5,835,000	625,000
Total Bonded Indebtedness			146,066,867	-	4,553,244	141,513,623	3,271,826
Accreted Interest			13,406,230	1,379,031	1,927,889	12,857,372	1,798,704
Discount/Premium on Issuance of Debt			22,531,200	-	1,208,867	21,322,333	977,772
Total Other Obligations			35,937,430	1,379,031	3,136,756	34,179,705	2,776,476
Total Obligations of District			$ 182,004,297	$ 1,379,031	$ 7,690,000	$ 175,693,328	$ 6,048,302

The 1999, 2001, 2015, and 2016 bond series include outstanding capital appreciation bonds in the principal amount of $6,298,624. The bonds mature variously through 2033. Interest accrues on these bonds each February 15 and August 15, even though the interest is not paid until maturity. The accrued interest of $12,857,372 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, 2022.

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

	General Obligation		
Year Ended August 31,	Principal	Interest	Total Requirements
2023	$ 3,271,826	$ 7,628,861	$ 10,900,687
2024	3,946,148	7,443,464	11,389,612
2025	3,951,254	7,801,609	11,752,863
2026	4,033,711	7,722,551	11,756,262
2027	4,129,570	7,626,693	11,756,263
2028-2032	22,289,065	36,480,072	58,769,137
2033-2037	41,232,049	17,617,739	58,849,788
2038-2042	21,555,000	8,972,375	30,527,375
2043-2047	26,245,000	4,271,444	30,516,444
2048-2049	10,860,000	506,044	11,366,044
	$141,513,623	$106,070,852	$247,584,475

NOTE 6. DEBT REFUNDING AND DEFEASED BONDS OUTSTANDING

In 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, 2022, $870,000 of bonds outstanding are considered defeased.

The District's deferred charges on bond refundings are as follows:

Balance – August 31, 2021	$2,858,987
Current year amortization	(136,582)
Balance – August 31, 2022	$2,722,405

NOTE 7. 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 2021-22 fiscal year was based was $2,507,469,749. Taxes are delinquent if not paid by August 31. 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, 2022, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were $1.0003 and $0.50 per $100 valuation, respectively, for a total of $1.5003 per $ 100 valuation.

Current tax collections for the year ended August 31, 2022 were 99.37% 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, 2022, property taxes receivable, net of estimated uncollectible taxes, totaled $455,597 and $207,648 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 8. DEFINED BENEFIT PENSION PLAN

Plan Description. Lake Dallas 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 Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at https://trs.texas.gov/pages/aboutpublications.aspx, by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512)542-6592.

Benefits Provided. TRS 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.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in this manner are determined by the System's actuary.

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.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 thru 2025.

Contribution Rates

	2021	2022
Member	7.7%	8.0%
Non-Employer Contributing Entity (State)	7.5%	7.75%
Employers	7.5%	7.75%

Lake Dallas ISD FY2022 Employer Contributions	$ 998,754
Lake Dallas ISD FY2022 Member Contributions	$2,426,339
Lake Dallas ISD FY2022 NECE On-Behalf Contributions	$1,690,125

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including the TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers 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.
- When the employing district is a public school, the employer shall contribute 1.5% of covered payroll to the pension fund beginning in fiscal year 2020. The contribution rate called the Public Education Employer Contribution replaced the Non (OASDI) surcharge that was in effect in fiscal year 2019.
- All public schools must contribute 1.6 percent of the member's salary beginning in fiscal year 2021, gradually increasing to 2 percent in fiscal year 2025.

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

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions. The total pension liability in the August 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2020 rolled forward to August 31, 2021
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.25%
Long-term expected Investment Rate of Return	7.25%
Municipal Bond Rate as of August 2020	1.95%
Inflation	2.30%
Salary Increases Including Inflation	3.05% to 9.05%
Benefit Changes During the Year	None
Ad hoc Post Employment Benefit Changes	None

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2020. For a full description of these assumptions please see the actuarial valuation report dated November 9, 2020.

Discount Rate. A single discount rate of 7.25 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.25 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.25%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2021 are summarized below:

Asset Class	Target Allocation[1]	Long-Term Expected Arithmetic Real Rate of Return[2]	Expected Contribution To Long-Term Portfolio Returns
Global Equity			
U.S.	18%	3.6%	0.94%
Non-U.S. Developed	13%	4.4%	0.83%
Emerging Markets	9%	4.6%	0.74%
Private Equity	14%	6.3%	1.36%
Stable Value			
Government Bonds	16%	-.2%	0.01%
Stable Value Hedge Funds	5%	2.2%	0.12%
Real Return			
Real Estate	15%	4.5%	1.00%
Energy, Natural Resources	6%	4.7%	0.35%
Risk Parity			
Risk Parity	8%	2.8%	0.28%
Leverage			
Cash	2%	-.7%	-0.01%
Asset Allocation Leverage	-6%	-.5%	0.03%
Inflation Expectation	-		2.20%
Volatility Drag[3]	-		-0.95%
Total	100%		6.90%

[1] Target allocations are based on the FY21 policy model.
[2] Capital Market Assumptions come from Aon Hewitt (as of 08/31/2021).
[3] The volatility drag results from the conversion between arithmetic and geometric mean returns.

Discount Rate Sensitivity Analysis. The following table presents the Net Pension Liability of the plan using the discount rate of 7.25 percent, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Lake Dallas ISD's proportionate share of the net pension liability:	$15,232,635	$5,380,199	$206,874

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At August 31, 2022, Lake Dallas Independent School District reported a liability of $5,380,199 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to Lake Dallas Independent School District. The amount recognized by Lake Dallas 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 Lake Dallas Independent School District were as follows:

District's Proportionate share of the collective net pension liability	$ 5,380,199
State's proportionate share that is associated with the District	10,199,685
Total	$15,579,884

The net pension liability was measured as of August 31, 2020 and rolled forward to August 31, 2021 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, 2020 thru August 31, 2021.

At August 31, 2021 the employer's proportion of the collective net pension liability was 0.0211266077%, an decrease of 7.8% from its proportionate share of 0.0212929274% at August 31, 2020.

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

For the year ended August 31, 2022, Lake Dallas Independent School District recognized pension expense of $1,690,125 and revenue of $1,690,125 for support provided by the State.

At August 31, 2022, Lake Dallas 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 (The amounts shown below will be the cumulative layers from the current and prior years combined.):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 9,004	$ 378,770
Changes in actuarial assumptions	1,901,795	829,020
Difference between projected and actual investment earnings	-	4,511,227
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	739,059	756,416
Contributions paid to TRS subsequent to the measurement date	998,754	-
Total	$3,648,612	$6,475,433

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

Year ended August 31:	Pension Expense Amount
2023	$ (568,979)
2024	(588,285)
2025	(1,043,661)
2026	(1,516,582)
2027	(93,933)
Thereafter	(14,136)

NOTE 9. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

Plan Description. The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS- Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan with a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

OPEB Plan Fiduciary Net Position. Detail information about the TRS-Care's fiduciary net position is available in the separately-issued TRS Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at http://www.trs.texas.gov/pages/aboutpublications.aspx; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Benefits Provided. TRS-Care provides health insurance coverage to retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. There are no automatic post-employment benefit changes; including automatic COLAs.

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

TRS-Care Monthly for Retirees		
	Medicare	**Non-Medicare**
Retiree*	$ 135	$ 200
Retiree and Spouse	529	689
Retiree* and Children	468	408
Retiree and Family	1,020	999

* *or surviving spouse*

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

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

Contribution Rates	2021	2022
Active Employee	**0.65%**	**0.65%**
Non-Employer Contributing Entity (State)	**1.25%**	**1.25%**
Employers	**0.75%**	**0.75%**
Federal/private Funding remitted by Employers	**1.25%**	**1.25%**

Lake Dallas ISD FY22 Employer Contributions	**$247,313**
Lake Dallas ISD FY22 Member Contributions	**$197,147**
Lake Dallas ISD FY22 NECE On-behalf Contributions	**$361,712**

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

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of $5,520,343 in fiscal year 2021 for consumer protection against medical and health care billing by certain out-of-network providers.

Actuarial Assumptions. The actuarial valuation was performed as of August 31, 2020. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2021.

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

The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2020 TRS pension actuarial valuation that was rolled forward to August 31, 2021:

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

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

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2020 rolled forward to August 31, 2021
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	1.95%
Aging Factors	Based on specific plan experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs
Projected Salary Increases	3.05% to 9.05%, including inflation
Election Rates	Normal Retirement: 65% participation prior to age 65 and 40% participation after age 65
Ad hoc post-employment benefit changes	None

Discount Rate. A single discount rate of 1.95% was used to measure the total OPEB liability. There was a decrease of 0.38 percent in the discount rate since the previous year. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond rate is the Fidelity "20-year Municipal GO AA Index" as of August 31, 2021 using the fixed-income market data/yield curve/data municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (1.95%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (0.95%)	Current Single Discount Rate (1.95%)	1% Increase in Discount Rate (2.95%)
District's proportionate share of the Net OPEB Liability:	$14,082,426	$11,674,741	$9,779,808

Healthcare Cost Trend Rates Sensitivity Analysis - The following schedule shows the impact of the net OPEB liability if a healthcare trend rate that is one-percentage less than or one-percentage point greater than the health trend rates is assumed.

	1% Decrease in Healthcare Trend Rate	Current Single Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
District's proportionate share of the Net OPEB Liability:	$9,456,155	$11,674,741	$14,651,535

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At August 31, 2022, the District reported a liability of $11,674,741 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District.

The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's Proportionate share of the collective Net OPEB Liability	$11,674,741
State's proportionate share that is associated with the District	$15,641,552
Total	$27,316,293

The Net OPEB Liability was measured as of August 31, 2020 and rolled forward to August 31, 2021 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2020 thru August 31, 2021.

At August 31, 2021 the employer's proportion of the collective Net OPEB Liability was 0.0302654626%, a decrease of 3.1% compared to the August 31, 2020 proportionate share of 0.0312266029%.

Changes Since the Prior Actuarial Valuation – The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability since the prior measurement period:

- The discount rate changed from 2.33 percent as of August 31, 2020 to 1.95 percent as of August 31, 2021. This change increased the Total OPEB Liability.

Changes of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

The amount of OPEB expense recognized by the District in the reporting period was $(13,812).

At August 31, 2022, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 502,653	$5,651,392
Changes in actuarial assumptions	1,292,873	2,468,750
Difference between projected and actual investment earnings	12,675	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	1,056,203	764,652
Contributions paid to TRS subsequent to the measurement date	247,313	-
Total	$3,111,717	$8,884,794

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

Year ended August 31:	OPEB Expense Amount
2023	$ (1,122,268)
2024	(1,122,554)
2025	(1,122,476)
2026	(815,167)
2027	(399,121)
Thereafter	(1,438,803)

NOTE 10. MEDICARE PART D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. Under Medicare Part D, TRS-Care receives drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the years ended August 31, 2022, 2021 and 2020, the subsidy payments received by TRS-Care on behalf of the District were $129,945, $145,362 and $128,287, respectively. These payments are recorded as equal revenues and expenditures in the governmental funds financial statement of the District.

NOTE 11. HEALTH CARE

During the year ended August 31, 2022, employees of Lake Dallas Independent School District were covered by the TRS-Active Care health insurance plan (the Plan). The District contributed $245 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 12. INTERFUND TRANSFERS AND BALANCES

Virtually all of the interfund balances below are short-term loans due to the fact that checking account balances for most governmental funds are pooled into one demand account. There are no interfund balances that are not expected to be repaid within one year.

Interfund balances at August 31, 2022, consisted of the following individual fund receivables and payables:

Fund	Advances to Other Funds	Advances from Other Funds
Major Funds:		
General Fund:		
Special Revenue Funds	$1,449,122	$ -
Capital Projects Fund	-	123,971
Debt Service Fund	-	537,545
Internal Service Fund	-	6,908
Custodial Fund	24,293	-
Total General Fund	1,473,415	668,424
Capital Projects Fund:		
General Fund	123,971	-
Debt Service Fund:		
General Fund	537,545	-
Total Major Funds	2,134,931	668,424
Non-Major Funds:		
Special Revenue Funds:		
General Fund	-	1,449,122
Internal Service Fund:		
Special Revenue Fund	6,908	-
Custodial Fund:		
General Fund	-	24,293
Total Non-Major Funds	6,908	1,473,415
	$2,141,839	$2,141,839

NOTE 13. RECEIVABLES FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of August 31, 2022, are summarized below. All federal grants shown below are passed through the TEA and are reported on the combined financial statements as Due from Other Governments.

Fund	State Entitlements	Federal Grants	Local Governments	Total
Special Revenue	$ -	$1,529,900	$ -	$1,529,900
Total	$ -	$1,529,900	$ -	$1,529,900

NOTE 14. CONTINGENT LIABILITIES

The Tax Reform Act of 1986 imposed regulations on tax-exempt bond issues. Governmental bonds issued after August 31, 1986 are subject to the rebate provisions of the Tax Reform Act of 1986. The rebate applies to earnings from bond issue proceeds investments which exceed bond issue stated interest rates. The exact amount of liability, if any, will not be known until as long as five years from the bond issuance date. At August 31, 2022 there was no estimated rebate liability.

NOTE 15. LITIGATION AND CONTINGENCIES

The District is not a party to any legal actions, accordingly, no provision for losses has been recorded in the accompanying combined financial statements for such 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, 2022 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 16. REVENUES FROM LOCAL AND INTERMEDIATE SOURCES

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

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total
Property taxes	$ 24,083,557	$ -	$ 12,037,089	$ -	$ 36,120,646
Food sales	-	291,461	-	-	291,461
Investment income	123,741	2,475	52,152	86,191	264,559
Penalties, interest and other tax related income	158,943	-	57,401	-	216,344
Co-curricular student activities	116,346	-	-	-	116,346
Other	176,821	29,643	-	248,986	455,450
Total	$ 24,659,408	$ 323,579	$ 12,146,642	$ 335,177	$ 37,464,806

NOTE 17. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

	General Fund	Special Revenue Fund	Total
Unearned Grants	$9,150	$78,904	$88,054

NOTE 18. GENERAL FUND FEDERAL SOURCE REVENUES

Program or Source	FALN Number	Amount	Total Grant or Entitlement
General Fund:			
Impact Aid	84.041	$353,757	$353,757
Medicaid Administrative Claiming Program-MAC	93.778	6,236	6,236
Medicaid Reimbursement (SHARS)		423,804	423,804
Federal Flood Control	10.904	202,690	202,690
Total for General Fund		$986,487	$986,487

NOTE 19. SUBSEQUENT EVENTS

Management evaluates subsequent events through the date of the report, which is the date the financial statements were available to be issued.

NOTE 20. LEASES

In June 2017, GASB issued Statement No. 87 - Leases. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The initial adoption date was postponed to fiscal years beginning after June 15, 2021 (FY2022) by GASB Statement No. 95 - Postponement of the Effective Dates of Certain Authoritative Guidance, which was issued in May of 2020.

Per review of the agreements identified by the District as potential leases, the leases were determined to either not meet the definition of a lease or were immaterial to the financial statements.

NOTE 21. RISKS AND UNCERTAINTIES

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the "Pandemic") by the World Health Organization and is currently affecting many parts of the world, including the United States and the State of Texas. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President's Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.

On March 13, 2020, the Governor of Texas (the "Governor") declared a state of disaster for all counties in the State in response to the Pandemic, which disaster declaration he has subsequently extended. Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting State business or any order or rule of a State agency that would in any way prevent, hinder, or delay necessary action in coping with the disaster, and issuing executive orders that have the force and effect of law. The Governor has issued a series of executive orders relating to COVID-19 preparedness, mitigation and reopening.

On June 3, 2021, TEA issued updated public planning health guidance to address on-campus instruction, administrative activities by teachers, staff or students that occur on school campuses, non-UIL extracurricular sports and activities, and any other activities that teachers, staff, or students must complete. Within the guidance, TEA instructs schools that school systems cannot require students or staff to wear a mask; however, school systems must allow individuals to wear a mask if they choose to do so.

Within the guidance, TEA instructs schools to notify their local health department, in accordance with applicable federal, state, and local laws and regulations, including any applicable confidentiality requirements, of individuals who have been in a school and test-confirmed to have COVID-19. Additionally, upon receipt of information that any teacher, staff member, student, or visitor at a school is test-confirmed to have COVID-19, the school must submit a report to the Texas Department of Health Services via its online portal.

During the 87th Legislative Session, the Texas Legislature failed to pass legislation that would include virtual learning in ADA calculations. As a result, the 2021-2022 school year began with funding based on in-person attendance. During the second called special session, the Texas Legislature adopted Senate Bill 15, which allows virtual instruction attendance to be used for ADA funding purposes under certain circumstances. The District does not currently expect that all virtual instruction attendance will qualify for ADA funding. A return to funding based on actual attendance during the Pandemic may have a negative impact on revenues available to the District for operations and maintenance if the District does not qualify for the additional hold harmless periods or if students do not take part in the instruction options made available by the District. TEA announced on August 5, 2021 that a school district has the authority to provide remote instruction to a student if the school district meets certain state and federal requirements. Students receiving remote instruction are considered enrolled, but do not meet the requirements for ADA funding. Further, on March 29, 2022, TEA issued guidance on the calculation of the ADA hold harmless for the 2021-2022 school year, providing that each district will receive an adjustment to ADA such that the total percentage attendance rate for the first four six weeks of the 2021-2022 school year that is equal to the attendance rate for the first four six weeks of the 2019-2020 school year.

The full extent of the ongoing impact of COVID-19 on the District's longer-term operational and financial performance will depend on future developments, many of which are outside of its control, including the effectiveness of the mitigation strategies discussed above, the duration and spread of COVID-19, and future governmental actions, all of which are highly uncertain and cannot be predicted. The District continues to monitor the spread of COVID-19 and is working with local, State and national agencies to address the potential impact of the Pandemic upon the District. While the potential impact of the Pandemic on the District cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the District's operations and financial condition.

The Pandemic has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide. These negative impacts may reduce or negatively affect property values within the District. The District's bonded debt is secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the bonds as well as the District's share of operations and maintenance expenses payable from ad valorem taxes.

Additionally, State funding of District operations and maintenance in future fiscal years could be adversely impacted by the negative effects on economic growth and financial markets resulting from the Pandemic as well as ongoing disruptions in the global oil markets.

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

EXHIBIT G-1

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes		Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	REVENUES:				
5700	Total Local and Intermediate Sources	$ 24,770,385	$ 24,842,554	$ 24,659,408	$ (183,146)
5800	State Program Revenues	14,431,911	14,528,260	14,946,049	417,789
5900	Federal Program Revenues	666,462	809,556	986,487	176,931
5020	Total Revenues	39,868,758	40,180,370	40,591,944	411,574
	EXPENDITURES:				
	Current:				
0011	Instruction	23,309,746	23,417,448	23,229,601	187,847
0012	Instructional Resources and Media Services	490,632	511,797	486,668	25,129
0013	Curriculum and Instructional Staff Development	761,467	780,560	780,333	227
0021	Instructional Leadership	676,068	848,059	832,055	16,004
0023	School Leadership	2,294,135	2,326,488	2,300,270	26,218
0031	Guidance, Counseling, and Evaluation Services	1,342,436	1,363,043	1,353,816	9,227
0032	Social Work Services	12,838	12,898	11,854	1,044
0033	Health Services	375,058	350,995	342,529	8,466
0034	Student (Pupil) Transportation	1,557,491	1,599,625	1,501,967	97,658
0036	Extracurricular Activities	1,206,846	1,222,968	1,103,494	119,474
0041	General Administration	1,468,436	1,482,507	1,480,576	1,931
0051	Facilities Maintenance and Operations	5,153,722	5,159,812	4,957,039	202,773
0052	Security and Monitoring Services	306,628	306,692	295,523	11,169
0053	Data Processing Services	972,622	998,713	951,250	47,463
0061	Community Services	-	6,980	6,979	1
	Capital Outlay:				
0081	Facilities Acquisition and Construction	14,000	14,000	10,092	3,908
	Intergovernmental:				
0095	Payments to Juvenile Justice Alternative Ed. Prg.	4,000	4,000	1,089	2,911
0099	Other Intergovernmental Charges	220,896	220,896	210,275	10,621
6030	Total Expenditures	40,167,021	40,627,481	39,855,410	772,071
1200	Net Change in Fund Balances	(298,263)	(447,111)	736,534	1,183,645
0100	Fund Balance - September 1 (Beginning)	12,676,600	12,676,600	12,676,600	-
3000	Fund Balance - August 31 (Ending)	$ 12,378,337	$ 12,229,489	$ 13,413,134	$ 1,183,645

LAKE DALLAS 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, 2022

	FY 2022 Plan Year 2021	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019
District's Proportion of the Net Pension Liability (Asset)	0.021126608%	0.021292927%	0.0235027%
District's Proportionate Share of Net Pension Liability (Asset)	$ 5,380,199	$ 11,404,058	$ 12,217,441
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	10,199,685	22,293,719	20,460,211
Total	$ 15,579,884	$ 33,697,777	$ 32,677,652
District's Covered Payroll	$ 29,720,288	$ 29,863,870	$ 28,111,928
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	18.10%	38.19%	43.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.79%	75.54%	75.24%

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2021 for year 2022, August 31, 2020 for year 2021, August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, August 31, 2015 for year 2016 and August 31, 2014 for year 2015.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

FY 2019 Plan Year 2018	FY 2018 Plan Year 2017	FY 2017 Plan Year 2016	FY 2016 Plan Year 2015	FY 2015 Plan Year 2014
0.02334693%	0.018264875%	0.018637105%	0.0198897%	0.0100669%
$ 12,850,717	$ 5,840,123	$ 7,042,685	$ 7,030,744	2,689,008
22,529,858	15,271,643	18,223,942	17,229,897	14,622,939
$ 35,380,575	$ 21,111,766	$ 25,266,627	$ 24,260,641	$ 17,311,947
$ 27,397,418	$ 26,574,196	$ 25,849,885	$ 24,956,220	23,960,423
46.90%	21.98%	27.24%	28.17%	11.22%
73.74%	82.17%	78.00%	78.43%	83.25%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2022

	2022	2021	2020
Contractually Required Contribution	$ 998,754	$ 892,510	$ 878,546
Contribution in Relation to the Contractually Required Contribution	(998,754)	(892,510)	(878,546)
Contribution Deficiency (Excess)	$ -	$ -	$ -
District's Covered Payroll	$ 30,329,867	$ 29,720,288	$ 29,863,870
Contributions as a Percentage of Covered Payroll	3.29%	3.00%	2.94%

Note: GASB Codification, Vol. 2, P20.183 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

2019	2018	2017	2016	2015
$ 824,909	$ 786,464	$ 598,616	$ 592,480	$ 588,942
(824,909)	(786,464)	(598,616)	(592,480)	(588,942)
$ -	$ -	$ -	$ -	$ -
$ 28,111,928	$ 27,397,418	$ 26,574,196	$ 25,849,885	$ 24,956,220
2.93%	2.87%	2.25%	2.29%	2.36%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2022

	FY 2022 Plan Year 2021	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.030265463%	0.031226603%	0.031504959%
District's Proportionate Share of Net OPEB Liability (Asset)	$ 11,674,741	$ 11,870,642	$ 14,899,080
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	15,641,552	15,951,297	19,797,546
Total	$ 27,316,293	$ 27,821,939	$ 34,696,626
District's Covered Payroll	$ 29,720,288	$ 29,863,870	$ 28,111,928
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	52.63%	39.75%	53.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	6.18%	4.99%	2.66%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. The amounts reported for FY 2022 are for measurement date August 31, 2021. The amounts reported for FY 2021 are for the measurement date of August 31, 2020. The amounts for FY 2020 are for the measurement date August 31, 2019. The amounts for FY 2019 are for the measurement date August 31, 2018. The amounts for FY 2018 are based on the August 31, 2017 measurement date.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
	0.031748606%	0.028767545%
$	15,852,369	$ 12,469,879
	23,874,982	21,870,140
$	39,727,351	$ 34,340,019
$	27,397,418	$ 26,574,196
	57.87%	46.92%
	1.57%	0.91%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2022

	2022	2021	2020
Contractually Required Contribution	$ 247,313	$ 236,442	$ 237,123
Contribution in Relation to the Contractually Required Contribution	(247,313)	(236,442)	(237,123)
Contribution Deficiency (Excess)	$ -	$ -	$ -
District's Covered Payroll	$ 30,329,867	$ 29,720,288	$ 29,863,870
Contributions as a Percentage of Covered Payroll	0.82%	0.80%	0.79%

Note: GASB Codification, Vol. 2, P50.238 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

Information in this schedule should be provided only for the years where data is available. Eventually 10 years of data should be presented.

2019	2018
$ 223,600	$ 218,925
(223,600)	(218,925)
$ -	$ -
$ 28,111,928	$ 27,397,418
0.80%	0.80%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2022

PENSION LIABILITY:

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

OPEB LIABILITY:

Changes of benefit terms:

There were no changes in benefit terms since the prior measurement date.

Changes of assumptions:

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

- The discount rate changed from 2.33 percent as of August 31, 2020 to 1.95 percent as of August 31, 2021. This change increased the Total OPEB Liability.

OTHER SUPPLEMENTARY INFORMATION
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Activities accounted for in the Special Revenue Funds are:

ESEA Title I, A Improving Basic Program
IDEA-Part B, Formula
IDEA-Part B, Preschool
National Breakfast and Lunch Program
Career and Technical - Basic Grant
ESEA, Title II, A Training and Recruiting
Title III, A English Lang. Acquisition
ESSER III ARP Act
ESSER Supplemental
IDEA, Part B, Formula ARP Act
Summer School LEP
Other Federal Special Revenue Funds

State Programs:
- Advanced Placement Incentives
- State Instructional Material
- Math Achievement Academics

Campus Activity Funds

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2022

Data Control Codes		211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
	ASSETS			
1110	Cash and Cash Equivalents	$ -	$ -	$ -
1240	Due from Other Governments	21,954	107,472	494
1410	Prepayments	-	-	-
1000	Total Assets	$ 21,954	$ 107,472	$ 494
	LIABILITIES			
2110	Accounts Payable	$ 4,281	$ -	$ -
2150	Payroll Deductions and Withholdings Payable	-	-	-
2170	Due to Other Funds	17,673	107,472	494
2200	Accrued Expenditures	-	-	-
2300	Unearned Revenue	-	-	-
2000	Total Liabilities	21,954	107,472	494
	FUND BALANCES			
	Restricted Fund Balance:			
3450	Federal or State Funds Grant Restriction	-	-	-
	Committed Fund Balance:			
3545	Campus Activities	-	-	-
3000	Total Fund Balances	-	-	-
4000	Total Liabilities and Fund Balances	$ 21,954	$ 107,472	$ 494

240 National Breakfast and Lunch Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	282 ESSER III ARP Act	283 ESSER-SUPP	284 IDEA B Formula ARP Act	288 Summer School LEP
$ 1,441,514	$ -	$ -	$ -	$ -	$ -	$ -	$ -
94,814	33	41,551	1,324	1,003,270	91,611	25,158	-
-	-	-	-	-	-	-	-
$ 1,536,328	$ 33	$ 41,551	$ 1,324	$ 1,003,270	$ 91,611	$ 25,158	$ -
$ 114,617	$ -	$ 31,209	$ -	$ 3,200	$ -	$ 4,468	$ -
-	-	-	-	-	-	-	-
-	33	10,342	1,324	1,000,070	91,611	20,690	-
28,253	-	-	-	-	-	-	-
69,448	-	-	-	-	-	-	-
212,318	33	41,551	1,324	1,003,270	91,611	25,158	-
1,324,010	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,324,010	-	-	-	-	-	-	-
$ 1,536,328	$ 33	$ 41,551	$ 1,324	$ 1,003,270	$ 91,611	$ 25,158	$ -

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2022

Data Control Codes		289 Other Federal Special Revenue Funds	397 Advanced Placement Incentives	410 State Instructional Materials	429 Other State Special Revenue Funds
	ASSETS				
1110	Cash and Cash Equivalents	$ -	$ 9,456	$ -	$ -
1240	Due from Other Governments	-	-	117,601	24,618
1410	Prepayments	-	-	12,688	-
1000	Total Assets	$ -	$ 9,456	$ 130,289	$ 24,618
	LIABILITIES				
2110	Accounts Payable	$ -	$ -	$ 18,816	$ 1,970
2150	Payroll Deductions and Withholdings Payable	-	-	-	-
2170	Due to Other Funds	-	-	82,400	22,648
2200	Accrued Expenditures	-	-	-	-
2300	Unearned Revenue	-	9,456	-	-
2000	Total Liabilities	-	9,456	101,216	24,618
	FUND BALANCES				
	Restricted Fund Balance:				
3450	Federal or State Funds Grant Restriction	-	-	29,073	-
	Committed Fund Balance:				
3545	Campus Activities	-	-	-	-
3000	Total Fund Balances	-	-	29,073	-
4000	Total Liabilities and Fund Balances	$ -	$ 9,456	$ 130,289	$ 24,618

461 Campus Activity Funds	Total Nonmajor Governmental Funds
$ 158,387	$ 1,609,357
-	1,529,900
-	12,688
$ 158,387	$ 3,151,945
$ 5,103	$ 183,664
292	292
94,365	1,449,122
-	28,253
-	78,904
99,760	1,740,235
-	1,353,083
58,627	58,627
58,627	1,411,710
$ 158,387	$ 3,151,945

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes		211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
	REVENUES:			
5700	Total Local and Intermediate Sources	$ -	$ -	$ -
5800	State Program Revenues	-	-	-
5900	Federal Program Revenues	258,671	741,835	11,095
5020	Total Revenues	258,671	741,835	11,095
	EXPENDITURES:			
	Current:			
0011	Instruction	215,426	410,259	11,095
0012	Instructional Resources and Media Services	-	-	-
0013	Curriculum and Instructional Staff Development	42,746	-	-
0021	Instructional Leadership	-	23	-
0023	School Leadership	-	-	-
0031	Guidance, Counseling, and Evaluation Services	499	309,153	-
0033	Health Services	-	-	-
0034	Student (Pupil) Transportation	-	-	-
0035	Food Services	-	-	-
0036	Extracurricular Activities	-	-	-
0041	General Administration	-	-	-
0051	Facilities Maintenance and Operations	-	-	-
0053	Data Processing Services	-	-	-
0061	Community Services	-	-	-
	Intergovernmental:			
0093	Payments to Fiscal Agent/Member Districts of SSA	-	22,400	-
6030	Total Expenditures	258,671	741,835	11,095
1200	Net Change in Fund Balance	-	-	-
0100	Fund Balance - September 1 (Beginning)	-	-	-
3000	Fund Balance - August 31 (Ending)	$ -	$ -	$ -

240 National Breakfast and Lunch Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	282 ESSER III ARP Act	283 ESSER-SUPP	284 IDEA B Formula ARP Act	288 Summer School LEP
$ 273,776	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10,952	-	-	-	-	-	-	-
2,725,623	23,593	111,705	44,281	1,046,851	108,548	126,581	2,949
3,010,351	23,593	111,705	44,281	1,046,851	108,548	126,581	2,949
-	19,851	-	44,281	820,643	108,548	44,701	2,949
-	-	-	-	2,059	-	-	-
-	3,742	111,705	-	17,706	-	-	-
-	-	-	-	5,147	-	-	-
-	-	-	-	35,772	-	-	-
-	-	-	-	25,088	-	81,381	-
-	-	-	-	10,758	-	499	-
-	-	-	-	37,030	-	-	-
2,206,098	-	-	-	31,912	-	-	-
-	-	-	-	2,059	-	-	-
-	-	-	-	11,324	-	-	-
-	-	-	-	41,177	-	-	-
-	-	-	-	5,147	-	-	-
-	-	-	-	1,029	-	-	-
-	-	-	-	-	-	-	-
2,206,098	23,593	111,705	44,281	1,046,851	108,548	126,581	2,949
804,253	-	-	-	-	-	-	-
519,757	-	-	-	-	-	-	-
$ 1,324,010	$ -	$ -	$ -	$ -	$ -	$ -	$ -

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

Data Control Codes		289 Other Federal Special Revenue Funds	397 Advanced Placement Incentives	410 State Instructional Materials	429 Other State Special Revenue Funds
	REVENUES:				
5700	Total Local and Intermediate Sources	$ -	$ -	$ -	$ -
5800	State Program Revenues	-	237	153,619	36,924
5900	Federal Program Revenues	24,586	-	-	-
5020	Total Revenues	24,586	237	153,619	36,924
	EXPENDITURES:				
	Current:				
0011	Instruction	19,506	-	153,619	35,361
0012	Instructional Resources and Media Services	-	-	-	-
0013	Curriculum and Instructional Staff Development	4,730	237	-	-
0021	Instructional Leadership	350	-	-	-
0023	School Leadership	-	-	-	-
0031	Guidance, Counseling, and Evaluation Services	-	-	-	1,563
0033	Health Services	-	-	-	-
0034	Student (Pupil) Transportation	-	-	-	-
0035	Food Services	-	-	-	-
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0053	Data Processing Services	-	-	-	-
0061	Community Services	-	-	-	-
	Intergovernmental:				
0093	Payments to Fiscal Agent/Member Districts of SSA	-	-	-	-
6030	Total Expenditures	24,586	237	153,619	36,924
1200	Net Change in Fund Balance	-	-	-	-
0100	Fund Balance - September 1 (Beginning)	-	-	29,073	-
3000	Fund Balance - August 31 (Ending)	$ -	$ -	$ 29,073	$ -

461 Campus Activity Funds	Total Nonmajor Governmental Funds
$ 49,803	$ 323,579
1,140	202,872
-	5,226,318
50,943	5,752,769
-	1,886,239
-	2,059
-	180,866
-	5,520
-	35,772
-	417,684
-	11,257
-	37,030
-	2,238,010
54,265	56,324
-	11,324
-	41,177
-	5,147
-	1,029
-	22,400
54,265	4,951,838
(3,322)	800,931
61,949	610,779
$ 58,627	$ 1,411,710

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED AUGUST 31, 2022

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	$ 169,730	$ 169,730	$ 273,776	$ 104,046
5800	State Program Revenues	10,000	10,000	10,952	952
5900	Federal Program Revenues	1,613,669	2,190,639	2,725,623	534,984
5020	Total Revenues	1,793,399	2,370,369	3,010,351	639,982
	EXPENDITURES:				
	Current:				
0035	Food Services	1,785,873	2,256,513	2,206,098	50,415
6030	Total Expenditures	1,785,873	2,256,513	2,206,098	50,415
1200	Net Change in Fund Balances	7,526	113,856	804,253	690,397
0100	Fund Balance - September 1 (Beginning)	519,757	519,757	519,757	-
3000	Fund Balance - August 31 (Ending)	$ 527,283	$ 633,613	$ 1,324,010	$ 690,397

EXHIBIT H-4

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2022

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	$ 12,187,043	$ 12,187,043	$ 12,146,642	$ (40,401)
5800	State Program Revenues	171,263	171,263	171,647	384
5020	Total Revenues	12,358,306	12,358,306	12,318,289	(40,017)
	EXPENDITURES:				
	Debt Service:				
0071	Principal on Long-Term Liabilities	4,553,244	4,553,244	4,553,244	-
0072	Interest on Long-Term Liabilities	7,789,012	7,789,012	7,732,806	56,206
0073	Bond Issuance Cost and Fees	15,000	15,000	14,980	20
6030	Total Expenditures	12,357,256	12,357,256	12,301,030	56,226
1200	Net Change in Fund Balances	1,050	1,050	17,259	16,209
0100	Fund Balance - September 1 (Beginning)	2,086,514	2,086,514	2,086,514	-
3000	Fund Balance - August 31 (Ending)	$ 2,087,564	$ 2,087,564	$ 2,103,773	$ 16,209



OTHER SUPPLEMENTARY INFORMATION:

INTERNAL SERVICE FUNDS



INTERNAL SERVICE

FUNDS

The Internal Service Funds are used to account for the financing of services provided by one department to other departments of the District on a cost reimbursement basis.

Print Shop - This fund accounts for the printing services provided by the District Print Shop.

Computer Operations - This fund accounts for technology services provided to other departments.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
AUGUST 31, 2022

	752 Print Shop	754 Computer Operations	Total Internal Service Funds
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 131,577	$ 110,524	$ 242,101
Due from Other Funds	2,656	4,252	6,908
Inventories	19,081	972	20,053
Total Assets	153,314	115,748	269,062
LIABILITIES			
Current Liabilities:			
Accrued Expenses	88	-	88
Total Liabilities	88	-	88
NET POSITION			
Unrestricted Net Position	153,226	115,748	268,974
Total Net Position	$ 153,226	$ 115,748	$ 268,974

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

	752 Print Shop	754 Computer Operations	Total Internal Service Funds
OPERATING REVENUES:			
Local and Intermediate Sources	$ 139,404	$ 80	$ 139,484
State Program Revenues	2,669	-	2,669
Total Operating Revenues	142,073	80	142,153
OPERATING EXPENSES:			
Payroll Costs	33,536	-	33,536
Professional and Contracted Services	63,761	-	63,761
Supplies and Materials	44,776	-	44,776
Total Operating Expenses	142,073	-	142,073
Operating Income	-	80	80
Total Net Position - September 1 (Beginning)	153,226	115,668	268,894
Total Net Position - August 31 (Ending)	$ 153,226	$ 115,748	$ 268,974

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2022

	752 Print Shop	754 Computer Operations	Total Internal Service Funds
Cash Flows from Operating Activities:			
Cash Received from District	$ 139,404	$ 80	$ 139,484
Cash Payments for Payroll Costs	(30,867)	-	(30,867)
Cash Payments for Supplies and Materials	(61,610)	(80)	(61,690)
Cash Payments for Purchased Services	(63,761)	-	(63,761)
Net Cash Used For Operating Activities	(16,834)	-	(16,834)
Net Decrease in Cash and Cash Equivalents	(16,834)	-	(16,834)
Cash and Cash Equivalents at Beginning of Year	148,411	110,524	258,935
Cash and Cash Equivalents at End of Year	$ 131,577	$ 110,524	$ 242,101
Reconciliation of Operating Income to Net Cash Used for Operating Activities:			
Operating Income:	$ -	$ 80	$ 80
Effect of Increases and Decreases in Current Assets and Liabilities:			
Decrease (increase) in Inventories	(15,146)	(80)	(15,226)
Increase (decrease) in Accounts Payable	(1,688)	-	(1,688)
Net Cash Used for Operating Activities	$ (16,834)	$ -	$ (16,834)

OTHER SUPPLEMENTARY INFORMATION:

REQUIRED TEA SCHEDULES

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FISCAL YEAR ENDED AUGUST 31, 2022

Last 10 Years Ended August 31		(1) Tax Rates Maintenance	(2) Tax Rates Debt Service	(3) Assessed/Appraised Value for School Tax Purposes
2013	and prior years	Various	Various	$ Various
2014		1.170000	0.500000	1,244,533,513
2015		1.170000	0.500000	1,343,350,119
2016		1.170000	0.500000	1,422,319,042
2017		1.170000	0.500000	1,601,010,736
2018		1.170000	0.500000	1,748,779,669
2019		1.170000	0.500000	1,953,569,778
2020		1.068300	0.500000	2,194,318,562
2021		1.050300	0.500000	2,269,182,443
2022	(School year under audit)	1.000300	0.500000	2,507,469,749
1000	TOTALS			

(10) Beginning Balance 9/1/2021	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2022
$ 97,513	$ -	$ 87	$ 37	$ (8,546)	$ 88,843
27,794	-	13	6	-	27,775
35,204	-	-	-	-	35,204
37,993	-	21	9	-	37,963
38,538	-	312	133	19	38,112
40,525	-	(2,102)	(898)	(3,720)	39,805
52,188	-	(578)	(247)	(3,457)	49,556
90,686	-	10,017	4,688	4,982	80,963
358,657	-	61,141	29,106	(158,423)	109,987
-	35,696,813	24,200,577	12,096,660	829,154	228,730
$ 779,098	$ 35,696,813	$ 24,269,488	$ 12,129,494	$ 660,009	$ 736,938

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
USE OF FUNDS REPORT - SELECT STATE ALLOTMENT PROGRAMS
FOR THE YEAR ENDED AUGUST 31, 2022

Section A: Compensatory Education Programs

AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	$2,557,940
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year.	$1,295,860

Section B: Bilingual Education Programs

AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	$235,948
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25,35)	$340,502

STATISTICAL SECTION (UNAUDITED)



Statistical Section

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

Contents	Page
Financial Trends	116
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	125
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
Debt Capacity	132
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Demographic and Economic Information	138
These schedules offer demographic and economic indicators to help the reader understand the environment within the government's financial activities take place.	
Operating Information	144
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT (1,2)
LAST TEN FISCAL YEARS

Fiscal Year	2013	2014 (3)	2015	2016
Governmental Activities:				
Net Investment in Capital Assets	$ 6,110,394	$ 6,964,541	$ 10,701,163	$ 10,532,295
Restricted for Federal and State Programs	353,245	363,149	372,313	289,104
Restricted for Debt Service	717,021	165,123	204,440	552,093
Restricted for Campus Activities	47,627	-	-	-
Unrestricted Net Position	(15,129,099)	(16,854,334)	(21,228,700)	(18,901,486)
Total Governmental Activities Net Position (1,2)	$ (7,900,812)	$ (9,361,521)	$ (9,950,784)	$ (7,527,994)
Business-Type Activities:				
Unrestricted Net Position	$ -	$ -	$ 2,019	$ 2,019
Total Business-Type Activities	$ -	$ -	$ 2,019	$ 2,019
Primary Government:				
Net Investment in Capital Assets	$ 6,110,394	$ 6,964,541	$ 10,701,163	$ 10,532,295
Restricted for Federal and State Programs	353,245	363,149	372,313	289,104
Restricted for Debt Service	717,021	165,123	204,440	552,093
Restricted for Campus Activities	47,627	-	-	-
Unrestricted Net Position	(15,129,099)	(16,854,334)	(21,228,700)	(18,899,467)
Total Primary Government Net Position (1,2)	$ (7,900,812)	$ (9,361,521)	$ (9,948,765)	$ (7,525,975)

Source: The Statement of Net Position for the Lake Dallas Independent School District.

Notes: (1) Effective for the fiscal year ended August 31, 2013, the District implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. With the implementation of this standard, balances previously reported as "Net Assets" are now reported as "Net Position".

(2) Fiscal years prior to 2013 included in this schedule are shown as adjusted for changes required by GASB Statement No. 65, Items Previously Reported as Assets and Liabilities.

(3) Net position for fiscal year 2014 was adjusted in 2015 for the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date.* Adjustment to periods prior to 2014 was not practical.

2017	2018	2019	2020	2021	2022
$ 999,254	$ (1,011,015)	$ 4,729,315	$ 6,731,610	$ 6,077,517	$ 7,008,559
276,416	387,245	380,420	422,779	548,830	1,353,083
548,129	1,016,462	1,458,801	1,655,330	2,086,514	2,066,817
-	-	-	-	-	-
(7,925,164)	(20,469,736)	(25,263,626)	(26,426,223)	(26,535,782)	(24,312,940)
$ (6,101,365)	$ (20,077,044)	$ (18,695,090)	$ (17,616,504)	$ (17,822,921)	$ (13,884,481)
$ 2,019	$ 2,019	$ 2,019	$ 2,019	$ 17,348	$ 38,991
$ 2,019	$ 2,019	$ 2,019	$ 2,019	$ 17,348	$ 38,991
$ 999,254	$ (1,011,015)	$ 4,729,315	$ 6,731,610	$ 6,077,517	$ 7,008,559
276,416	387,245	380,420	422,779	548,830	1,353,083
548,129	1,016,462	1,458,801	1,655,330	2,086,514	2,066,817
-	-	-	-	-	-
(7,923,145)	(20,467,717)	(25,261,607)	(26,424,204)	(26,518,434)	(24,273,949)
$ (6,099,346)	$ (20,075,025)	$ (18,693,071)	$ (17,614,485)	$ (17,805,573)	$ (13,845,490)

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

Fiscal Year	2013	2014	2015	2016
Expenses				
Governmental Activities:				
Instruction	$ 19,604,501	$ 20,594,920	$ 21,602,235	$ 23,420,949
Instructional Resources & Media Services	545,040	561,763	577,352	615,380
Curriculum & Staff Development	775,300	855,170	864,442	1,062,067
Instructional Leadership	461,658	419,164	433,087	537,969
School Leadership	2,018,860	2,028,199	2,037,524	2,221,927
Guidance, Counseling & Evaluation Services	1,210,347	1,325,337	1,302,368	1,479,360
Social Work Services	16,336	17,276	17,781	19,264
Health Services	354,303	326,353	303,402	349,952
Student (Pupil) Transportation	1,022,918	1,052,382	996,880	1,027,448
Food Services	1,893,064	1,761,483	1,828,423	2,040,332
Cocurricular/Extracurricular Activities	1,319,230	1,344,164	1,450,777	1,650,080
General Administration	1,233,522	1,419,162	1,371,000	1,431,261
Plant Maintenance & Operations	4,342,753	4,620,415	4,581,366	4,641,156
Security Monitoring Services	131,168	153,783	148,585	142,798
Data Processing Services	634,526	832,017	662,639	1,169,096
Community Services	-	-	-	-
Debt Service - Interest and Fees	5,570,370	5,493,125	5,354,996	2,903,668
Facilities Furnishings - Noncapital	-	-	-	-
Shared Services Special Education	-	-	-	-
Juvenile Justice Alternative Education Program	-	801	-	-
Tax Appraisal Fees	165,545	158,721	153,902	154,181
Total Expenses	41,299,441	42,964,235	43,686,759	44,866,888
Program Revenues				
Governmental Activities:				
Charges for Services				
Instruction	2,415	6,556	1,950	9,285
Food Services	810,140	834,368	759,799	698,891
Cocurricular/Extracurricular Activiites	92,023	99,245	73,706	137,602
Plant Maintenance & Operations	40,930	20,470	2,435	3,443
Operating Grants and Contributions	4,233,864	3,952,861	4,357,148	6,008,342
Total Governmental Program Revenues	5,179,372	4,913,500	5,195,038	6,857,563
Total Governmental Net (Expense) Revenue	$ (36,120,069)	$ (38,050,735)	$ (38,491,721)	$ (38,009,325)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes - General Purposes	$ 14,545,942	$ 14,850,909	$ 16,203,206	$ 16,810,170
Property Taxes - Debt Service	6,205,067	6,359,350	6,898,513	7,182,779
State Aid-Formula Grants	13,562,403	14,672,165	15,568,660	15,552,620
Grants and Contributions not Restricted	863,331	402,391	432,334	606,466
Investment Earnings	61,232	49,716	39,472	77,326
Miscellaneous	174,947	263,108	251,061	221,434
Transfers Out	(3,896)	(7,613)	-	(18,680)
Gain on Sale of Assets	-	-	-	-
Total General Revenues and Other Changes in Net Position Governmental Activities	35,409,026	36,590,026	39,393,246	40,432,115
Change in Net Position Governmental Activities	(711,043)	(1,460,709)	901,525	2,422,790
Business-Type Activities:				
Revenue-Charge for Service	322,582	313,933	353,939	340,628
Expense-Day Care Service	344,443	321,546	351,920	359,308
Operating Grants and Contributions	-	-	-	-
Transfer In	3,896	7,613	-	18,680
Change in Net Position-Business-Type Activities	(17,965)	-	2,019	-
Total Primary Government Change in Net Position	$ (729,008)	$ (1,460,709)	$ 903,544	$ 2,422,790

Source: The Statement of Activities for the Lake Dallas Independent School District.

Note: Fiscal years prior to 2013 are restated for GASB No. 63 and No. 65.

2017	2018	2019	2020	2021	2022
$ 23,396,271	$ 16,521,116	$ 25,381,434	$ 27,443,101	$ 27,316,287	$ 27,114,439
608,202	435,713	648,672	663,803	592,635	519,935
1,146,177	824,663	1,195,322	1,183,979	1,068,238	1,009,634
544,277	382,487	607,779	613,427	598,999	889,696
2,239,641	1,523,744	2,448,663	2,632,845	2,591,801	2,477,642
1,534,056	1,094,629	1,654,565	1,741,491	1,682,408	1,841,017
21,085	11,942	21,759	23,649	12,471	12,544
348,539	233,779	368,200	385,271	384,265	374,742
1,131,794	716,565	1,185,733	1,432,506	1,493,553	1,644,028
1,869,615	1,767,424	1,957,297	1,833,588	1,727,723	2,136,561
1,484,754	1,215,238	1,705,455	1,050,970	1,377,404	1,229,861
1,422,654	1,072,859	1,629,207	1,691,746	1,784,756	1,586,015
4,860,641	3,956,372	5,948,185	5,239,630	7,066,864	6,445,037
157,201	226,556	215,223	263,154	285,525	320,666
804,769	602,488	863,888	886,554	1,321,858	1,090,872
10,691	4,023	6,793	21,310	11,685	-
4,206,670	3,730,281	4,576,171	7,214,780	6,749,811	6,121,330
63,123	1,780,675	211,776	-	-	-
50,205	56,200	39,800	22,400	6,000	22,400
-	2,403	-	-	6,237	1,089
172,488	179,701	198,865	215,144	220,394	210,275
46,072,853	36,338,858	50,864,787	54,559,348	56,298,914	55,047,783
151,386	10,680	11,315	40	10,490	7,080
777,262	705,650	707,946	590,316	161,380	291,461
88,174	92,362	109,408	88,483	98,518	116,346
3,315	4,425	6,021	1,580	547,146	248,986
4,997,486	(1,901,848)	5,316,853	5,641,076	7,362,414	8,708,015
6,017,623	(1,088,731)	6,151,543	6,321,495	8,179,948	9,371,888
$ (40,055,230)	$ (37,427,589)	$ (44,713,244)	$ (48,237,853)	$ (48,118,966)	$ (45,675,895)
$ 18,523,586	$ 20,182,739	$ 22,439,330	$ 22,787,658	$ 23,370,110	$ 24,258,808
7,903,046	8,622,478	9,577,335	10,656,269	11,121,847	12,092,099
14,292,335	13,456,486	12,850,386	14,070,295	12,555,449	12,799,484
388,692	388,721	433,858	423,744	439,879	-
163,067	339,170	678,764	1,216,971	291,576	264,559
227,052	2,348,060	118,352	238,138	133,688	199,385
(15,919)	(19,861)	(2,827)	(76,636)	-	-
-	-	-	-	-	-
41,481,859	45,317,793	46,095,198	49,316,439	47,912,549	49,614,335
1,426,629	7,890,204	1,381,954	1,078,586	(206,417)	3,938,440
303,073	336,824	387,544	311,086	477,683	528,569
338,986	356,685	390,371	387,722	462,354	506,926
19,994	-	-	-	-	-
15,919	19,861	2,827	76,636	-	-
-	-	-	-	15,329	21,643
$ 1,426,629	$ 7,890,204	$ 1,381,954	$ 1,078,586	$ (191,088)	$ 3,960,083

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year	2013	2014	2015	2016	2017
General Fund					
Nonspendable Fund Balance:					
Prepayments	$ 186,633	$ 189,985	$ 10,731	$ 3,042	$ 3,782
Assigned Fund Balance:					
Future Fiscal Year Budget Deficit	-	-	-	-	169,826
Unassigned	8,610,944	8,661,210	9,531,344	10,055,011	10,148,627
Total General Fund	$ 8,797,577	$ 8,851,195	$ 9,542,075	$ 10,058,053	$ 10,322,235
All Other Governmental Funds					
Restricted Fund Balance:					
Retirement of Long-Term Debt	$ 628,469	$ 139,593	$ 214,899	$ 588,223	$ 860,722
Federal or State Grants	353,245	363,149	372,313	289,104	276,416
Capital Acquisition and Contractual Obligation	588,381	433,642	770,835	842,019	848,353
Committed Fund Balance:					
Campus Activities	47,627	75,125	76,659	91,739	88,063
Total All Other Governmental Funds	$ 1,617,722	$ 1,011,509	$ 1,434,706	$ 1,811,085	$ 2,073,554

2018	2019	2020	2021	2022
$ 11,272	$ 24,286	$ 45,113	$ 672	$ 46,679
-	-	-	298,263	712,879
10,455,894	11,339,328	12,121,614	12,377,665	12,653,576
$ 10,467,166	$ 11,363,614	$ 12,166,727	$ 12,676,600	$ 13,413,134
$ 980,605	$ 1,604,558	$ 1,900,470	$ 2,086,514	$ 2,103,773
387,245	380,420	422,779	548,830	1,353,083
663,394	8,184,344	63,553,302	21,457,858	11,621,007
73,977	89,646	74,864	61,949	58,627
$ 2,105,221	$ 10,258,968	$ 65,951,415	$ 24,155,151	$ 15,136,490

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year	2013	2014	2015	2016
REVENUES:				
Total Local and Intermediate Sources	$ 21,916,928	$ 22,403,813	$ 24,267,450	$ 25,277,027
State Program Revenues	15,770,892	16,834,060	17,976,575	18,247,506
Federal Program Revenues	2,888,706	2,187,218	2,380,465	2,967,718
Total Revenues	40,576,526	41,425,091	44,624,490	46,492,251
EXPENDITURES:				
Current:				
Instruction	18,090,353	19,022,062	20,292,379	21,148,185
Instructional Resources & Media Services	498,623	514,093	536,718	546,198
Curriculum & Instructional Staff Development	716,481	802,070	815,428	959,912
Instructional Leadership	433,233	393,625	411,108	482,176
School Leadership	1,851,721	1,867,111	1,902,508	1,940,524
Guidance, Counseling & Evaluation Services	1,119,179	1,231,707	1,226,646	1,316,630
Social Work Services	16,336	17,276	17,930	18,518
Health Services	325,248	296,514	278,717	303,370
Student (Pupil) Transportation	1,133,915	1,121,481	979,160	1,084,652
Food Services	1,787,694	1,653,268	1,742,163	1,845,766
Cocurricular/Extracurricular Activities	1,205,187	1,241,695	1,349,429	1,491,906
General Administration	1,128,983	1,240,316	1,290,885	1,240,379
Plant Maintenance and Operations	3,971,130	4,238,758	4,232,882	4,201,445
Security and Monitoring Services	120,222	142,541	137,878	132,113
Data Processing Services	572,509	768,326	605,141	1,093,345
Community Services	-	-	-	-
Debt Service:				
Debt Service - Principal on long-term debt	2,699,486	2,556,288	2,639,168	2,541,705
Debt Service - Interest on long-term debt	4,367,004	4,608,806	4,645,179	4,680,862
Debt Service - Bond Issuance Cost and Fees	153,890	144,750	296,535	316,954
Capital Outlay:				
Facilities Acquisition and Construction	107,576	20,148	252,759	395,440
Intergovernmental:				
Payments to Fiscal Agent/Member Districts of SSA	-	-	-	-
Payments to Juvenile Justice Alternative Ed. Prg.	-	801	-	-
Other Intergovernmental Charges	165,545	158,721	153,902	154,181
Total Expenditures	40,464,315	42,040,357	43,806,515	45,894,261
Excess (Deficiency) of Revenues Over (Under) Expenditures	112,211	(615,266)	817,975	597,990
OTHER FINANCING SOURCES (USES):				
Transfers In	665,859	100,000	525,000	100,000
Transfers Out	(669,755)	(107,613)	(525,000)	(118,680)
Bonds Issued	8,955,000	9,295,000	19,063,027	24,877,700
Premium or discount on Issuance of Bonds	1,040,260	701,308	9,175,973	6,013,881
Sale of Real or Personal Property	-	-	5,300	-
Other (uses)	-	-	-	-
Non-current Loan	-	-	-	-
Payments to Bond Refunding Escrow Agent	(9,841,146)	(9,850,887)	(27,948,198)	(30,578,534)
Refund of Prior Year Taxes	-	(75,137)	-	-
Total Other Financing Sources (Uses)	150,218	62,671	296,102	294,367
Net Change in Fund Balances	$ 262,429	$ (552,595)	$ 1,114,077	$ 892,357
Debt service as a percentage of noncapital expenditures	17.51%	17.05%	16.72%	15.87%

2017	2018	2019	2020	2021	2022
$ 27,807,379	$ 31,912,030	$ 33,683,573	$ 35,566,555	$ 35,592,391	$ 37,464,806
16,783,305	16,041,408	15,315,210	17,235,191	15,125,145	15,320,568
2,672,292	3,045,203	3,334,167	3,309,816	5,275,271	6,212,805
47,262,976	50,998,641	52,332,950	56,111,562	55,992,807	58,998,179
21,377,389	22,130,354	24,204,385	24,371,058	24,919,947	25,701,485
551,588	575,768	579,452	589,331	533,246	488,727
1,042,807	1,097,393	1,112,733	1,050,896	968,105	961,199
493,726	520,584	562,148	540,208	540,040	837,575
2,025,767	2,117,988	2,153,750	2,330,747	2,328,104	2,336,042
1,386,036	1,476,687	1,495,284	1,583,845	1,549,680	1,771,500
18,948	19,625	20,124	20,605	11,099	11,854
315,015	319,824	320,673	342,147	346,065	353,786
1,110,579	1,243,785	1,148,052	1,377,204	1,452,572	1,538,997
1,869,405	1,767,424	1,906,464	1,823,640	1,753,177	2,238,010
1,359,900	1,498,981	1,509,780	1,260,749	1,265,188	1,159,818
1,292,688	1,342,275	1,402,526	1,518,179	1,614,031	1,491,900
4,490,946	4,498,155	4,895,183	5,099,588	4,836,418	4,998,216
146,372	211,013	618,408	247,019	277,631	295,523
805,850	768,398	1,716,417	794,668	1,227,779	1,019,262
-	250	6,793	-	-	8,008
2,555,323	2,027,213	4,521,360	3,167,988	3,205,324	4,553,244
4,979,100	5,068,512	5,218,593	7,601,141	7,963,710	7,732,806
10,345	3,511	211,776	591,455	6,350	14,980
215,652	2,239,637	7,532,315	15,748,286	42,391,664	9,533,610
-	56,200	-	-	6,000	22,400
50,205	2,403	39,800	22,400	6,237	1,089
160,658	166,646	183,921	200,200	202,684	210,275
46,258,299	49,152,626	61,359,937	70,281,354	97,405,051	67,280,306
1,004,677	1,846,015	(9,026,987)	(14,169,792)	(41,412,244)	(8,282,127)
-	299,698	-	65,226	-	-
(15,919)	(319,559)	(2,827)	(141,862)	-	-
-	-	16,130,000	63,900,000	6,540,000	-
-	-	1,950,010	6,841,988	733,242	-
-	-	-	-	-	-
-	-	-	-	(7,147,389)	-
-	-	-	-	-	-
(462,105)	(1,649,558)	-	-	-	-
-	-	-	-	-	-
(478,024)	(1,669,419)	18,077,183	70,665,352	125,853	-
$ 526,653	$ 176,596	$ 9,050,196	$ 56,495,560	$ (41,286,391)	$ (8,282,127)
16.36%	15.13%	18.09%	20.07%	19.77%	20.92%



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(UNAUDITED)

Fiscal Year	ASSESSED VALUE: Residential or Real Property	ASSESSED VALUE: Personal Property	Less Exemptions	Total Estimated Taxable Value	Total Direct Rate
2013	$1,327,242,099	$ 78,989,731	$ 202,413,615	$ 1,203,818,215	1.670
2014	1,431,827,466	69,971,289	257,265,242	1,244,533,513	1.670
2015	1,559,600,334	74,999,543	291,249,758	1,343,350,119	1.670
2016	1,873,062,576	80,632,887	531,376,421	1,422,319,042	1.670
2017	1,901,567,473	67,846,198	368,402,935	1,601,010,736	1.670
2018	2,116,051,150	69,116,832	436,388,313	1,748,779,669	1.670
2019	2,351,916,735	89,156,031	487,502,988	1,953,569,778	1.670
2020	2,426,406,345	89,722,983	321,810,766	2,194,318,562	1.5683
2021	2,804,734,991	92,189,425	627,741,973	2,269,182,443	1.5503
2022	3,360,486,931	94,240,568	947,257,750	2,507,469,749	1.5003

Source: Denton County Tax Collector

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS (UNAUDITED)

	Lake Dallas Independent School District Direct Rates		
Fiscal Year	Maintenance and Operations	Debt Service	Total
2013	$ 1.170	$ 0.500	$ 1.670
2014	1.170	0.500	1.670
2015	1.170	0.500	1.670
2016	1.170	0.500	1.670
2017	1.170	0.500	1.670
2018	1.170	0.500	1.670
2019	1.170	0.500	1.670
2020	1.0683	0.500	1.5683
2021	1.0503	0.500	1.5503
2022	1.0003	0.500	1.5003

Source: Appropriate government entities' tax departments.

Notes:
(1) Includes levies for operating and debt service costs.

Overlapping Rates (1)				
County of Denton	City of Lake Dallas	City of Corinth	Town of Hickory Creek	Corinth MUD #1
$ 0.28287	$ 0.71000	$ 0.60489	$ 0.424287	$ -
0.28491	0.70193	0.60489	0.416882	-
0.26200	0.66807	0.58489	0.401367	-
0.24841	0.66807	0.58193	0.387319	-
0.23781	0.66175	0.53686	0.366933	-
0.22557	0.66175	0.53000	0.347535	-
0.22528	0.64497	0.54500	0.330402	-
0.224985	0.64206	0.57817	0.319943	-
0.233086	0.61412	0.56700	0.307280	-
0.217543	0.56725	0.54000	0.270317	-

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

		2022		
Taxpayer	Description	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Oxford 2181 Inc.	Real Estate	$ 39,461,662	1	1.57%
Mansions at Hickory Creek LP	Real Estate	34,837,429	2	1.39%
Millennium Place LP	Real Estate	31,003,859	3	1.24%
Boulevard 2010 LLC	Real Estate	30,310,024	4	1.21%
Denton County Electric Coop	Utility	27,794,542	5	1.11%
Meritage Homes of Texas LLC	Real Estate	16,944,404	6	0.68%
Tower Ridge Corinth I, LTD	Real Estate	16,900,000	7	0.67%
Oncor Electric Delivery Co.	Utility	16,683,096	8	0.67%
AV Ashleye Village LP	Real Estate	16,295,000	9	0.65%
Lelege Long Lake LP	Real Estate	15,073,653	10	0.60%
Wal-mart Stores Real Estate	Retail			
S. Corinth Apartments	Real Estate			
Labinal-Corinth, Inc.	Avionic Manufacturing			
United Aircraft Services	Services			
T. Chateau Event Center LLC	Real Estate			
Kensington Square LP PS	Shopping Center			
TOTAL		$ 245,303,669		9.78%

The 2022 taxable valuation is based on the 2020-2021 tax roll with a total assessed value of $ 2,507,469,749

Source of information: Denton Central Appraisal District

2013		
Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
$ 15,090,644	3	1.25%
6,299,659	7	0.52%
8,881,360	5	0.74%
4,566,656	10	0.38%
22,763,217	1	1.89%
18,932,253	2	1.57%
11,531,670	4	0.96%
6,860,184	6	0.57%
6,003,252	8	0.50%
4,875,840	9	0.41%
$ 105,804,735		8.79%

The 2013 taxable valuation is based on the 2012-2013 tax roll with a total assessed value of 1,203,818,215

Source of information: Denton Central Appraisal District

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Tax Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections
		Amount	Percentage of Levy		Amount
2013	$ 20,542,830	$ 20,397,497	99.29%	$ 109,441	$ 20,506,938
2014	20,948,111	20,820,019	99.39%	116,356	20,936,375
2015	22,684,911	22,504,021	99.20%	186,670	22,690,691
2016	23,682,610	23,532,301	99.37%	152,001	23,684,302
2017	26,042,409	25,842,333	99.23%	185,854	26,028,187
2018	28,577,451	28,415,273	99.23%	110,455	28,525,728
2019	31,698,749	31,523,220	99.45%	91,956	31,615,176
2020	33,137,389	33,152,643	98.93%	(15,178)	33,137,465
2021	34,521,381	34,162,724	98.96%	90,247	34,252,971
2022	36,525,967	36,297,237	99.37%	-	36,297,237

Source of information: Annual Financial Report.

to Date		
Percentage of Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as % of Tax Levy
99.83%	$ 35,900	0.17%
99.94%	27,794	0.13%
100.03%	35,204	0.16%
100.01%	37,993	0.16%
99.95%	38,538	0.15%
99.82%	40,525	0.14%
99.74%	52,188	0.16%
100.00%	90,686	0.27%
99.22%	358,657	1.04%
99.37%	228,730	0.63%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Accreted Interest on Bonds	Capital Leases	Unamortized Bond Premium	Loan	Total Primary Government	Percentage of Personal Income *	Total Outstanding Debt Per Capita *
2013	$ 90,742,582	$25,526,225	$ -	$5,149,278	$597,607	$122,015,692	15.22%	$ 5,230
2014	87,922,086	26,431,403	-	5,629,727	531,815	120,515,031	14.89%	5,137
2015	85,340,015	28,787,501	-	6,097,526	464,697	120,689,739	14.75%	4,996
2016	82,931,615	26,180,674	-	7,379,975	326,377	116,818,641	14.09%	4,810
2017	80,182,514	25,875,328	-	6,371,993	251,121	112,680,956	13.37%	4,627
2018	77,342,787	14,273,805	-	15,791,678	173,753	107,582,023	12.55%	4,348
2019	89,125,180	14,099,203	-	17,093,490	-	120,317,873	13.81%	4,812
2020	149,857,191	13,804,995	-	23,001,646	-	186,663,832	21.07%	7,437
2021	146,066,867	13,406,230	-	22,531,200	-	182,004,297	19.77%	7,040
2022	141,513,623	12,857,372	-	21,322,333	-	175,693,328	18.76%	6,543

Source: District Records

* See Exhibit S-13 for personal income and population data

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF AUGUST 31, 2022
(UNAUDITED)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Corinth, City of	$ 59,085,000	47.28%	$ 27,935,388
Denton, City of	960,990,000	0.00%	-
Denton County	559,930,000	2.04%	11,422,572
Hickory Creek, Town of	8,865,000	99.42%	8,813,583
Lake Dallas, City of	2,870,000	100.00%	2,870,000
Shady Shores, Town of	1,900,000	15.15%	287,850
Subtotal, overlapping bonded debt			51,329,393
Lake Dallas ISD	141,513,624	100.000%	141,513,624
Total direct and overlapping debt			$ 192,843,017

Source: Taxable value data used to estimate applicable percentages provided by the Municipal Advisory Council. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Lake Dallas Independent School District. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of each entity's taxable assessed value that is within the District's boundaries and dividing it by each entity's total taxable assessed value.



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
RATIO OF NET BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Population	Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2013	23,328	$ 1,203,818,215	$ 122,015,692	$ 628,469	$121,387,223	10.08%	$ 5,203
2014	23,462	1,244,533,513	120,515,031	139,593	120,375,438	9.67%	5,131
2015	24,159	1,343,350,119	120,689,739	214,899	120,474,840	8.97%	4,987
2016	24,289	1,422,319,042	116,818,641	588,223	116,230,418	8.17%	4,785
2017	24,352	1,601,010,736	112,680,956	860,722	111,573,113	6.97%	4,582
2018	24,743	1,748,779,669	107,582,023	980,605	106,427,665	6.09%	4,301
2019	25,002	1,953,569,778	120,317,873	1,604,558	118,713,315	6.08%	4,748
2020	25,100	2,194,318,562	186,663,832	1,655,330	185,008,502	8.43%	7,371
2021	25,853	2,269,182,443	182,004,297	2,086,514	179,917,783	7.93%	6,959
2022	26,489	2,507,469,749	175,693,328	2,103,773	173,589,555	6.92%	6,553

Source: North Central Council of Governments, District Financial Statements, and Denton Central Appraisal District.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	2013	2014	2015	2016
Total Assessed Value	$1,203,818,215	$1,244,533,513	$1,343,350,119	$1,422,319,042
Debt Limit (10% of Total Assessed Value)	$ 120,381,822	$ 124,453,351	$ 134,335,012	$ 142,231,904
Debt Applicable to Limit:				
General Obligation Bonds	$ 90,742,582	$ 87,922,086	$ 85,340,015	$ 82,931,615
Less Net Position in Debt Service Fund	628,469	139,593	214,899	588,223
Total Amount of Debt Applicable to Debt Limit	90,114,113	87,782,493	85,125,116	82,343,392
Legal Debt Margin	$ 30,267,709	$ 36,670,858	$ 49,209,896	$ 59,888,512
Total Net Debt Applicable to the Limit as a percentage of Debt Limit	74.86%	70.53%	63.37%	57.89%

Source of Information: Denton Central Appraisal District and District Financial Information

Note: Under state finance law, Lake Dallas Independent School District's outstanding general obligation debt should not exceed 10 percent of the total assessed property value. By law, the general obligation debt subject to the limitation my be offset by amounts set aside for repaying general obligation bonds.

2017	2018	2019	2020	2021	2022
$1,601,010,736	$1,748,779,669	$1,953,569,778	$2,194,318,562	$2,269,182,443	$2,507,469,749
$ 160,101,073	$ 174,877,967	$ 195,359,978	$ 219,431,856	$ 226,918,244	$ 250,746,975
$ 80,182,514	$ 77,342,787	$ 89,125,180	$ 149,857,191	$ 146,066,867	$ 141,513,623
860,722	1,016,462	1,458,801	1,655,330	1,849,214	1,834,830
79,321,792	76,326,325	87,666,379	148,201,861	144,217,653	139,678,793
$ 80,779,281	$ 98,551,642	$ 107,693,599	$ 71,229,995	$ 82,700,591	$ 111,068,182
50.46%	56.35%	55.13%	32.46%	36.45%	44.29%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate *
2013	23,328	$ 801,671,640	$ 34,377	5.4%
2014	23,462	809,562,341	34,505	5.1%
2015	24,159	818,131,083	33,864	3.6%
2016	24,289	829,267,538	34,142	3.4%
2017	24,352	842,978,647	34,616	3.5%
2018	24,743	857,000,458	34,636	3.3%
2019	25,002	871,078,962	34,840	2.8%
2020	25,100	885,962,431	35,297	5.7%
2021	25,853	920,712,000	35,613	4.1%
2022	26,489	936,219,653	35,344	3.0%

Source: North Central Texas Council of Governments

* Texas Workforce Commission

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
(UNAUDITED)
AUGUST 31, 2022

Student Data	
Student Ethnicity:	
White	47.23%
Hispanic	34.64%
Black	8.67%
Other	9.46%
Attendance Rate:	93.4%
Dropout Rate:	0.0%
Number of Students per Campus:	
Lake Dallas	
Elementary	577
Middle School	950
High School	1,317
Corinth	
Elementary	560
Shady Shores	
Elementary	600
Total Students	4,004
Faculty Data	
Teachers	289.9
Counselors	13.0
Administrators	18.5
Educational Aides	67.2
Advance Degrees/Certifications:	
Master Degrees	72.4
Doctoral Degrees	4
Average Experience of Teachers	12.1 Years
Student/Teacher Ratio	13.8 to 1
Cost per Student based on expenses reported in the governmental financial statements	9,944
Percentage of Student population who received free or reduced meals	44.03%

Source of Information: District enrollment and financial records



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
ENROLLMENT AND ATTENDANCE DATA
LAST TEN FISCAL YEARS
(UNAUDITED)

		Average Daily Attendance		
	Average Daily Enrollment	Average Daily Attendance	Percent of Increase/ (Decrease)	Percent of Enrollment
2012/13	4,015	3,788	-1.50%	94.30%
2013/14	3,961	3,746	-1.10%	94.57%
2014/15	4,011	3,804	1.50%	94.84%
2015/16	3,978	3,768	-1.00%	94.72%
2016/17	3,963	3,751	-0.50%	94.65%
2017/18	3,964	3,752	0.03%	94.65%
2018/19	4,031	3,802	1.33%	94.32%
2019/20	3,986	3,770	-0.85%	94.58%
2020/21	3,871	3,648	-3.24%	94.24%
2021/22	4,004	3,679	0.84%	91.88%

Source of information: Superintendent's Annual Report.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

		2022		
Employer	Description	Employees	Rank	Percentage of Total City Employment
Lake Dallas ISD	School District	581.5	1	13.85%
Coserve	Electric Utility	512	2	12.19%
Wal-Mart	Retail	322	3	7.67%
North Central Texas College	College	225	4	5.36%
City of Corinth	Government	123	5	2.93%
Albertsons	Grocery	114	6	2.71%
Huffines Corinth	Car Dealership	94	7	2.24%
ComCo Systems	Manufacturer	61	8	1.45%
Lake Cities Fire Dept.	Fire Protection	50	9	1.19%
Stone Systems of N. Texas	Services	50	10	1.19%
Upper Trinity Water Dist	Utility			
Video Plus	Media/Marketing Comm.			
HD Supply	Wholesale Distribution			
TOTAL		2,133		50.77%

Source of Information: Lake Cities Chamber of Commerce

Note: Information for 2013 was limited. Top eight employers listed.
Note: Total employment of 4,220 gathered from third party accumulation of Federal government information.

2013		
Employees	Rank	Percentage of Total City Employment
555	1	36.97%
220	3	14.66%
249	2	16.58%
152	4	10.13%
100	6	6.67%
45	8	3.00%
115	5	7.66%
65	7	4.33%
1,501		100.00%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2012-2013	4,015	$30,097,517	$ 7,496	4.31%	266	15.1
2013-2014	3,961	31,766,333	8,020	6.99%	263	15.1
2014-2015	4,011	33,066,180	8,244	2.79%	270	14.9
2015-2016	3,978	34,634,615	8,707	5.62%	275	14.5
2016-2017	3,963	35,487,172	8,955	2.77%	277	14.2
2017-2018	3,964	36,482,451	9,203	2.77%	282	14.0
2018-2019	4,031	37,885,546	9,399	1.03%	284	14.2
2019-2020	3,986	39,356,588	9,873	5.04%	296	13.4
2020-2021	3,871	38,573,107	9,965	0.93%	291	13.3
2021-2022	4,004	39,855,410	9,954	-0.11%	290	13.8

Source of Information: AEIS Report

Economically Disadvantaged	Limited English Proficient
1461	248
1626	278
1521	301
1514	338
1572	362
1786	362
1798	380
1620	381
1783	396
1763	470

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STAFF INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Teachers	Professional Support	Campus Administration	Central Administration	Total Professional Staff	Educational Aides
2012-2013	265.9	59.9	17.0	4.0	346.8	60.4
2013-2014	262.8	60.0	17.0	4.0	343.3	65.1
2014-2015	270.2	61.7	17.0	4.0	352.9	68.8
2015-2016	274.9	63.7	16.0	4.0	358.6	64.5
2016-2017	278.2	64.4	16.0	4.0	362.6	67.3
2017-2018	282.4	58.4	17.0	5.0	362.8	71.9
2018-2019	284.2	58.4	18.0	5.0	365.6	68.9
2019-2020	296.4	56.1	19.8	5.0	377.3	74.4
2020-2021	291.6	55.1	20.5	5.0	372.2	72.7
2021-2022	289.9	63.1	18.5	5.0	376.5	67.2

Source of Information: AEIS Report

Auxiliary Staff	Total Staff	% Change
148.1	555.4	1.89%
151.0	559.9	0.81%
150.2	571.9	2.14%
142.9	566.0	-1.03%
146.9	576.8	1.91%
155.0	589.7	2.24%
140.8	575.3	-2.44%
143.3	595.1	3.44%
137.3	582.3	-2.15%
137.8	581.5	-0.14%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
TEACHERS SALARY DATA
2021-22 SCHOOL YEAR

Years of Experience	Bachelor's Degree	Master's Degree	Doctorate Degree
0	$ 55,000	$ 56,500	$ 57,500
1	55,200	56,700	57,700
2	55,340	56,840	57,840
3	55,465	56,965	57,965
4	55,665	57,165	58,165
5	55,865	57,365	58,365
6	56,065	57,565	58,565
7	56,265	57,765	58,765
8	56,965	58,465	59,465
9	57,115	58,615	59,615
10	57,265	58,765	59,765
11	57,415	58,915	59,915
12	57,565	59,065	60,065
13	57,715	59,215	60,215
14	57,865	59,365	60,365
15	58,015	59,515	60,515
16	58,165	59,665	60,665
17	58,315	59,815	60,815
18	59,165	60,665	61,665
19	59,865	61,365	62,365
20	60,365	61,865	62,865
21	60,665	62,165	63,165
22	60,965	62,465	63,465
23	61,365	62,865	63,865
24	62,365	63,865	64,865
25	63,365	64,865	65,865
26	64,365	65,865	66,865
27	65,365	66,865	67,865
28	66,365	67,865	68,865
29	67,365	68,865	69,865
30	68,365	69,865	70,865
31	69,365	70,865	71,865
32	70,365	71,865	72,865
33	71,365	72,865	73,865
34	72,365	73,865	74,865
35	73,065	74,565	75,565
36	73,565	75,065	76,065
37	73,915	75,415	76,415
38	74,015	75,515	76,515
39	74,215	75,715	76,715
40	74,615	76,115	77,115

Average Salary by Years of Experience	
Beginning Teachers	$ 56,310
1-5 Years of Experience	$ 57,218
6-10 Years of Experience	$ 58,803
11-20 Years of Experience	$ 60,414
Over -20 Years of Experience	$ 67,135

Average Actual Salaries	
Teachers	$ 60,383
Professional Staff	$ 69,272
Campus Administration	$ 85,526
Central Administration	$ 150,453
Educational Aides	$ 22,123
Auxiliary Staff	$ 28,905



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
CAPITAL ASSET INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Schools	2013	2014	2015	2016	2017
Elementary *					
Buildings	3	3	3	3	3
Square Feet	347,486	347,486	347,486	351,486	351,486
Capacity	2,100	2,100	2,100	2,100	2,100
Enrollment	1,785	1,739	1,739	1,739	1,761
Middle **					
Buildings	1	1	1	1	1
Square Feet	205,360	205,360	205,360	205,360	205,360
Capacity	1,150	1,150	1,150	1,150	1,150
Enrollment	974	930	930	930	902
High ***					
Buildings	1	1	1	1	1
Square Feet	272,048	272,048	272,048	272,048	272,048
Capacity	1,300	1,300	1,300	1,300	1,300
Enrollment	1,256	1,292	1,292	1,292	1,300
Non - instructional					
Buildings	5	5	5	5	5
Square Feet	116,246	116,246	116,246	116,246	116,246
Portable Buildings					
Buildings	2	2	2	2	2
Square Feet	2,400	2,400	2,400	2,400	2,400
Total Square Feet	943,540	943,540	943,540	947,540	947,540
Athletics					
Stadiums	1	1	1	1	1
Football/Soccer Practice Fields	4	4	4	4	4
Running Tracks	2	2	2	2	2
Baseball/Softball Fields	2	2	2	2	2
Playgrounds	4	4	4	4	4
Concession Stands	3	3	3	3	3

Source: District Records

* Elementary Grades K-6 for year 2005 K-5 years 2006-2017
** Middle School Grades 7-8 for year 2005 6-8 years 2006-2017
*** High School Grades 9-12

2018	2019	2020	2021	2022
3	3	3	3	3
351,486	351,486	351,486	351,486	351,486
2,100	2,100	2,100	2,100	2,100
1,761	1,761	1,761	1,706	1,737
1	1	1	1	1
205,360	205,360	205,360	205,360	205,360
1,150	1,150	1,150	1,150	1,150
902	902	902	915	950
1	1	1	1	1
272,048	272,048	272,048	272,048	272,048
1,300	1,300	1,300	1,300	1,300
1,300	1,300	1,300	1,250	1,317
5	5	5	10	10
116,246	116,246	116,246	144,919	144,919
2	2	2	1	1
2,400	2,400	2,400	1,200	1,200
947,540	947,540	947,540	975,013	975,013
1	1	1	1	1
4	4	4	4	4
2	2	2	2	2
2	2	2	2	2
4	4	4	4	4
3	3	3	3	3



COMPLIANCE AND FEDERAL AWARDS SECTION



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 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
Lake Dallas Independent School District
Lake Dallas, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lake Dallas Independent School District, as of and for the year ended August 31, 2022, and the related notes to the financial statements, which collectively comprise Lake Dallas Independent School District's basic financial statements, and have issued our report dated January 19, 2023.

Report on 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.

Report on 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 an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hankins, Eastup, Deaton, Tonn & Seay

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

January 19, 2023

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 ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Trustees
Lake Dallas Independent School District
Lake Dallas, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lake Dallas Independent School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Lake Dallas Independent School District's major federal programs for the year ended August 31, 2022. Lake Dallas Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Lake Dallas 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Lake Dallas Independent School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Lake Dallas Independent School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Lake Dallas Independent School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Lake Dallas Independent School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Lake Dallas Independent School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Lake Dallas Independent School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Lake Dallas Independent School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Lake Dallas Independent School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Hankins, Eastup, Deaton, Tonn & Seay

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

January 19, 2023

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2022

I. Summary of Auditor's Results

1. Type of auditor's report issued on the financial statements: Unmodified.

2. Internal control over financial reporting:
   Material weakness(es) identified: None
   Significant deficiency(ies) identified that are not considered to be material weaknesses: None reported

3. Noncompliance which is material to the financial statements: None

4. Internal controls over major federal programs:
   Material weakness(es) identified: None
   Significant deficiency(ies) identified that are not considered to be material weaknesses: None reported

5. Type of auditor's report on compliance for major federal programs: Unmodified.

6. Did the audit disclose findings which are required to be reported in accordance with 2 CFR 200.516(a)?: No

7. Major programs include:

   Child Nutrition Cluster:
   FALN 10.553 School Breakfast Program
   FALN 10.555 National School Lunch Program

   FALN 84.425U ESSER III – ARP School Emergency Relief
   FALN 84.425U Supplemental ESSER Fund

8. Dollar threshold used to distinguish between Type A and Type B programs: $750,000.

9. Low risk auditee: Yes

II. Findings Related to the Financial Statements

None

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

None

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2022

FINDING/NONCOMPLIANCE

None

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2022

(1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal Assistance Listing No.	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
Direct Programs			
Impact Aid - P.L. 81.874 (Note A)	84.041	S041A-201-5019	$ 353,757
Total Direct Programs			353,757
Passed Through Texas Education Agency			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	20610101061912	258,671
*IDEA - Part B, Formula	84.027	226600010619126600	741,835
*IDEA, Part B, Formula - American Rescue Act (ARP)	84.027X	225350010619125350	126,581
Total Assistance Listing Number 84.027			868,416
*IDEA - Part B, Preschool	84.173	226610010619126610	11,095
Total Special Education Cluster (IDEA)			879,511
Career and Technical - Basic Grant	84.048	22420006061912	23,593
Title III, Part A - English Language Acquisition	84.365A	22671001061912	44,281
ESEA, Title II, Part A, Teacher Principal Training	84.367A	22694501061912	111,705
Summer School LEP	24.369A	69552002	2,949
ESEA, Title IV, Part A	84.424A	22680101061912	24,586
ESSER III - ARP School Emergency Relief	84.425U	21528001061910	1,046,851
Supplemental ESSER Fund	84.425U	21528043061910	108,548
Total Assistance Listing Number 84.425			1,155,399
Total Passed Through Texas Education Agency			2,500,695
TOTAL U.S. DEPARTMENT OF EDUCATION			2,854,452
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Texas Health and Human Services Commission			
Medicaid Administrative Claiming Program - MAC	93.778	529-12-0041-00034	6,236
Total Passed Through Texas Health and Human Services Commission			6,236
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			6,236
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through the Texas Department of Agriculture			
*School Breakfast Program	10.553	71402001	588,882
*National School Lunch Program - Cash Assistance	10.555	71302001	1,950,733
*National School Lunch Prog. - Non-Cash Assistance	10.555	71302001	186,008
Total Assistance Listing Number 10.555			2,136,741
Total Child Nutrition Cluster			2,725,623
Watershed Protection and Flood Prevention	10.904	9K200811	202,690
Total Passed Through the Texas Department of Agriculture			2,928,313
TOTAL U.S. DEPARTMENT OF AGRICULTURE			2,928,313
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 5,789,001

*Clustered Programs

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2022

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 unearned 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, 2022, 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.

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

5. During the current year, the District received the following funds which are not included in the Schedule of Expenditures of Federal Awards.

Total Expenditures of Federal Awards	$5,789,001
Medicaid Reimbursement (SHARS)	423,804
Federal Revenues per Financial Statements	$6,212,805