

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For fiscal year ending August 31, 2021



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, 2021**

PREPARED BY:

**WESLEY C. EVERSOLE, RTSBA
DEPUTY SUPERINTENDENT/CFO**

**ANNE HAEHN
DIRECTOR OF ACCOUNTING**

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2021

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CERTIFICATE OF BOARD

Lake Dallas Independent School District
Name of School District

Denton
County

061-912
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, 2021, at a meeting of the Board of Trustees of such school district on the 10th day of January, 2022.

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 10, 2022

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, 2021, is now submitted. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of the various funds and account groups of the District. 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 that students may reach their full academic and social potential.

Located approximately 30 miles from downtown Dallas on the growing I-35 corridor, the District has recorded increased population over the past several decades. 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 the past 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 4,000 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 educational 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 both instructional programs and managerial 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, and a professional, dedicated, and inventive staff, as well as 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 begun on the projects list 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 will also be improved.
- Lake Dallas High School - Extensive updates to modernize the campus, including new education space, new campus administration space and a new multipurpose indoor extracurricular facility. The updates will also increase safety and security.

All projects are scheduled to be completed by January 2022.

Financial Information

The Comprehensive Annual Financial Report for the year ended August 31, 2021 is prepared in accordance with generally accepted accounting principles (GAAP) and in 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). All funds of the District are covered by this report. 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. These budgetary controls' objective is to ensure compliance with legal provisions and provide a roadmap to ensure state and local goals are met.

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

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 meeting its responsibility for sound financial management.

Internal Controls

The extent of internal controls that a school district should establish is a judgment that must be made by management. Management's judgment regarding the extent 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 reserves of the District. The Board recognizes that maintaining an appropriate fund balance is a critical factor in the district 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 the 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 current system in the State of Texas provides funding for public education via a financing formula which weight student's attendance levels, property value per student and the District's tax effort.

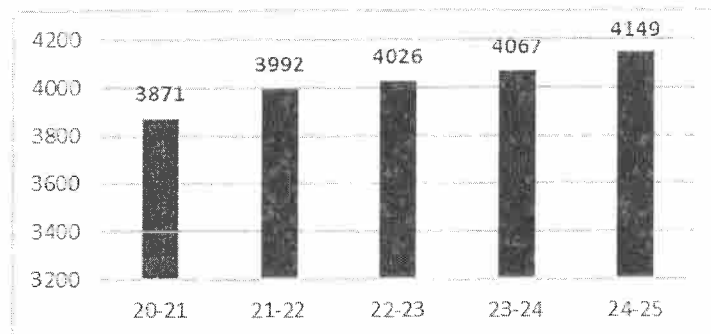
Debt Administration

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 prior to scheduled maturity. Such actions have provided the District's taxpayers with over \$26 million of direct savings since 2012. These practices has help 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. New residential construction is currently underway. As a result, enrollment is expected to grow to approximately 4,150 students over the next several years.

Projected Enrollment



District Facilities

District facilities are in good condition. The District maintains all of its facilities with an 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 classroom 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 absolute 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 requires an annual audit performed 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 a presentation to the School Board is made each January by the audit firm. 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 an 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 region 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 their 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 their enhancement of credibility of financial management of school systems by recognizing and publicizing excellence in school financial reporting.

The District has also submitted their 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 located 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 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 of Lake Dallas personnel pursue professional growth through university coursework and 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 for longer periods of time, if necessary, in case of unusual or emergency situations. Campus principals have designed and implemented a system to familiarize employees and students with evacuation procedures and shall ensure that evacuation diagrams are appropriately posted. Principals also conduct fire, tornado, or other emergency drills designed to assure the orderly movement of students and personnel to the safest areas available.

Acknowledgments

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

Mike Rockwood, Ed.D - Superintendent of Schools

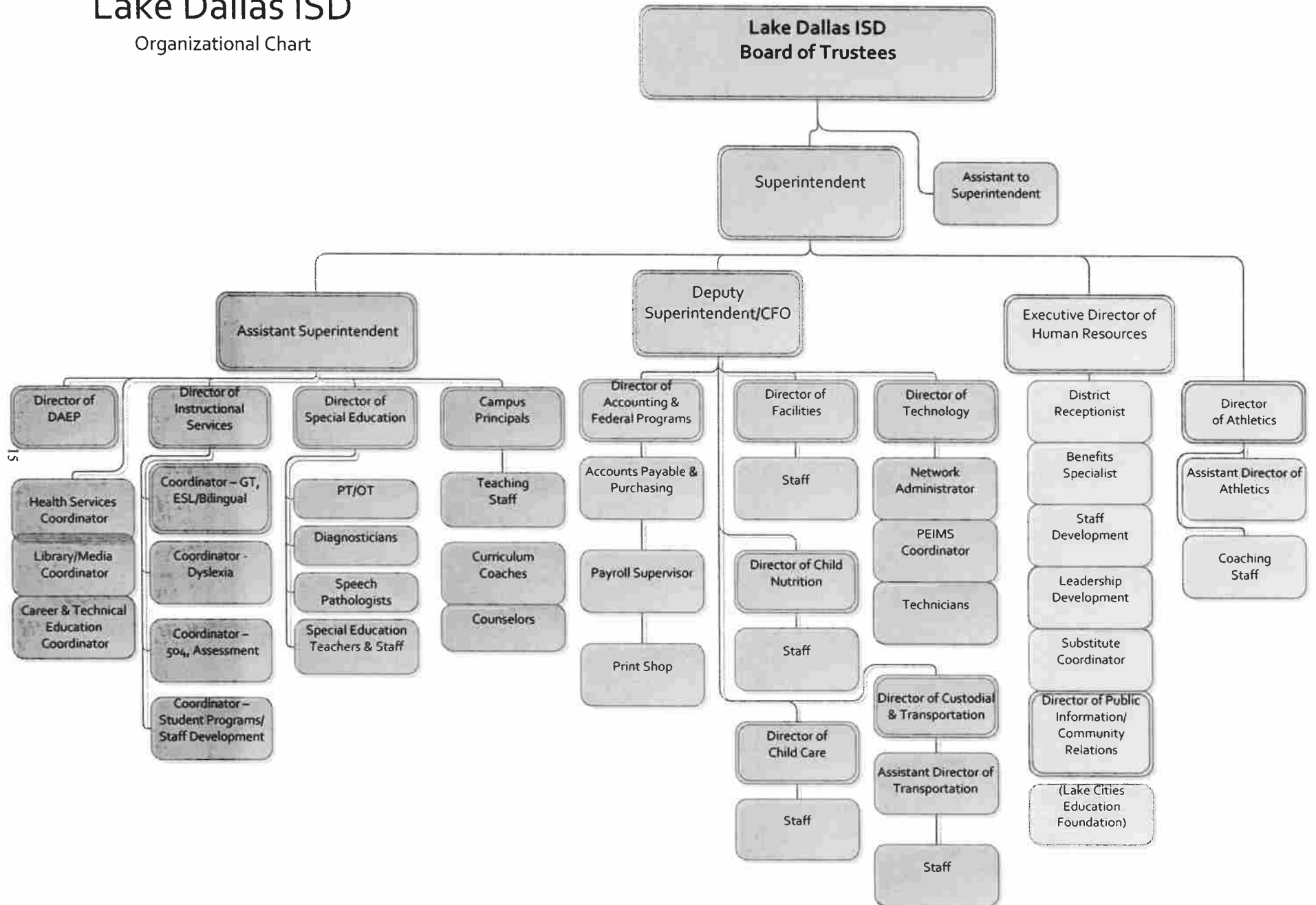
Wes Eversole, RTSBA - Deputy Superintendent/
Chief Financial Officer

Anne Haehn - Director of Accounting



Lake Dallas ISD

Organizational Chart



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
Chad Thiessen	Vice President
Courtney Tankersley	Secretary
Scott Baird	Member
Mark Tucker	Member
Stephen Richardson	Member
Alicia McKinley	Member

Appointed Officials:

Mike Rockwood, Ed.D	Superintendent
Wesley Eversole, RTSBA	Deputy Superintendent/CFO
Marci Malcom, PhD.	Assistant Superintendent of Curriculum and Instruction
Karla Landrum	Executive Director of Human Resources
Laura Holt	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 Secondary Curriculum
Shelly Wendt	Director of Elementary Curriculum



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Lake Dallas Independent School District

**for its Comprehensive Annual Financial Report
for the Fiscal Year Ended August 31, 2020.**

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



W. Edward Chabal

W. Edward Chabal
President

David J. Lewis

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, 2020

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION



Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lake Dallas Independent School District (the District), as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lake Dallas Independent School District as of August 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

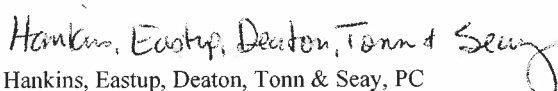
Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* on pages 25 through 31, budgetary comparison information on page 81 and the *pension and OPEB schedules* on pages 82 through 88 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lake Dallas Independent School District's basic financial statements. The introductory section, other supplementary information (as described in the accompanying table of contents), statistical section and the required TEA schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance, and is also not a required part of the basic financial statements. The other supplementary information (as described in the accompanying table of contents), required TEA schedules, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information (as described in the accompanying table of contents), and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2022 on our consideration of Lake Dallas Independent School District's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lake Dallas Independent School District's internal control over financial reporting and compliance.


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

January 7, 2022

**LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2021
(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, 2021. 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 \$17,805,573 (negative net position). Of this amount, \$(26,518,434) (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 decreased by \$191,088 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 \$36,831,751. 33.6% of this total amount, \$12,377,665, 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 \$12,377,665 or 43.3% of the total general fund expenditures, an increase of \$256,051 from the prior year. Final general fund revenues were 2.47% less 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 49 and 50. 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 decreased from (\$17,616,504) to (\$17,822,921). 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 (\$26,535,782) at August 31, 2021. The decrease in pension and OPEB assets were not fully offset by the decrease in pension and OPEB liabilities.

In 2021, net position of our business-type activities increased to \$17,348 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	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 50,594,900	\$ 86,769,320	\$ 18,061	\$ 2,785	\$ 50,612,961	\$ 86,772,105
Capital assets	150,358,739	112,810,503	-	-	150,358,739	112,810,503
Total assets	200,953,639	199,579,823	18,061	2,785	200,971,700	199,582,608
Deferred outflows of resources	10,868,206	13,358,176	-	-	10,868,206	13,358,176
Total assets and deferred outflows of resources	211,821,845	212,937,999	18,061	2,785	211,839,906	212,940,784
Long-term liabilities	205,278,997	213,780,353	-	-	205,278,997	213,780,353
Other liabilities	13,091,906	8,128,921	713	766	13,092,619	8,129,687
Total liabilities	218,370,903	221,909,274	713	766	218,371,616	221,910,040
Deferred inflows of resources	11,273,863	8,645,229	-	-	11,273,863	8,645,229
Total liabilities and deferred inflows of resources	229,644,766	230,554,503	713	766	229,645,479	230,555,269
Net Position:						
Net investments in capital assets	6,077,517	6,731,610	-	-	6,077,517	6,731,610
Restricted	2,635,344	2,078,109	-	-	2,635,344	2,078,109
Unrestricted	(26,535,782)	(26,426,223)	17,348	2,019	(26,518,434)	(26,424,204)
Total net position	\$ (17,822,921)	\$ (17,616,504)	\$ 17,348	\$ 2,019	\$ (17,805,573)	\$ (17,614,485)

Table II
CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for services	\$ 817,534	\$ 680,419	\$ 477,683	\$ 311,086	\$ 1,295,217	\$ 991,505
Operating grants and contributions	7,362,414	5,641,076	-	-	7,362,414	5,641,076
General Revenues:						
Maintenance and operations taxes	23,370,110	22,787,658	-	-	23,370,110	22,787,658
Debt service taxes	11,121,847	10,656,269	-	-	11,121,847	10,656,269
State aid	12,555,449	14,070,295	-	-	12,555,449	14,070,295
Investment earnings	291,576	1,216,971	-	-	291,576	1,216,971
Miscellaneous	133,688	238,138	-	-	133,688	238,138
Grants not restricted	439,879	423,744	-	-	439,879	423,744
Total Revenue	<u>56,092,497</u>	<u>55,714,570</u>	<u>477,683</u>	<u>311,086</u>	<u>56,570,180</u>	<u>56,025,656</u>
Expenses:						
Instruction, curriculum and media services	28,977,160	29,290,883	-	-	28,977,160	29,290,883
Instructional and school leadership	3,190,800	3,246,272	-	-	3,190,800	3,246,272
Student support services	3,572,697	3,582,917	-	-	3,572,697	3,582,917
Child nutrition	1,727,723	1,833,588	-	-	1,727,723	1,833,588
Extracurricular activities	1,377,404	1,050,970	-	-	1,377,404	1,050,970
General administration	1,784,756	1,691,746	-	-	1,784,756	1,691,746
Plant maintenance, security and data processing	8,674,247	6,389,338	-	-	8,674,247	6,389,338
Community services	11,685	21,310	462,354	387,722	474,039	409,032
Debt services	6,749,811	7,214,780	-	-	6,749,811	7,214,780
Payments related to shared services arrangements	12,237	22,400	-	-	12,237	22,400
Intergovernmental charges	220,394	215,144	-	-	220,394	215,144
Total Expenses	<u>56,298,914</u>	<u>54,559,348</u>	<u>462,354</u>	<u>387,722</u>	<u>56,761,268</u>	<u>54,947,070</u>
Increase (Decrease) in Net Position before transfers	(206,417)	1,155,222	15,329	(76,636)	(191,088)	1,078,586
Nonoperating Revenues (Expenses)						
Transfers in (out)	-	(76,636)	-	76,636	-	-
Increase (Decrease) in Net Position	(206,417)	1,078,586	15,329	-	(191,088)	1,078,586
Net position at beginning of year	(17,616,504)	(18,695,090)	2,019	2,019	(17,614,485)	(18,693,071)
Net position at end of year	<u><u>\$ (17,822,921)</u></u>	<u><u>\$ (17,616,504)</u></u>	<u><u>\$ 17,348</u></u>	<u><u>\$ 2,019</u></u>	<u><u>\$ (17,805,573)</u></u>	<u><u>\$ (17,614,485)</u></u>

The cost of all governmental activities for the current fiscal year was \$56,298,914. 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 \$34,491,957 because some of the costs were paid by those who directly benefited from the programs \$817,534 or by other governments and organizations that subsidized certain programs with grants and contributions \$7,362,414 or by State equalization funding \$12,555,449.

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 \$36,831,751, which is \$41,286,391 lower than last year's total of \$78,118,142. Included in this year's total change in fund balance is an increase of \$509,873 in the District's General Fund. The primary reason for the General Fund's increase was the increase in Federal funding due to additional grants resulting from the Federal government's COVID response. The Debt Service Fund increased by \$125,853 due to increased property tax revenue pertaining to an increase in local property values. The Capital Projects Fund decreased by \$42,095,444 due to payments during the year for construction projects.

The District's General Fund balance of \$12,676,600 reported on page 38 differs from the General Fund's budgetary fund balance of \$11,634,606 reported in the budgetary comparison schedule on page 81. This is principally due to cost savings in all functions.

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 2020). 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, 2021, the District had \$150,358,739 (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 \$37,548,236, or 33.29%, 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

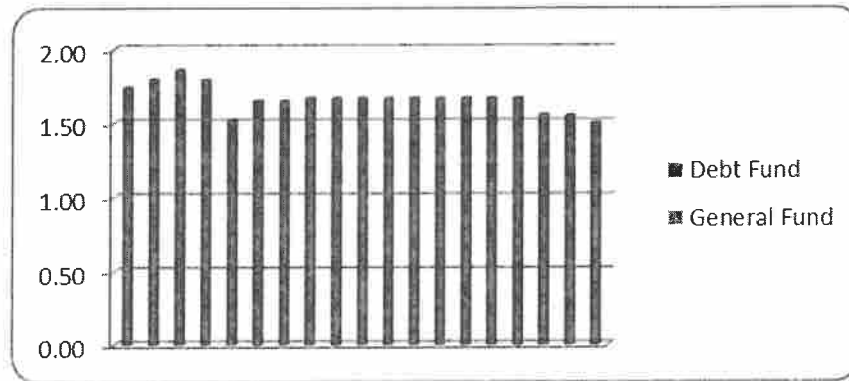
At year-end, the District had \$182,004,297 in long-term debt (including bonds, notes payable, accreted interest on bonds and discount/premium on debt issuance) versus \$186,663,832 last year—a decrease of 2.50%.

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 2021-22 budget revenue is based on a tax rate of \$1.5003/100 valuation, which is a decrease of \$0.05 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 upon student growth (which is 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 62.1% of its general fund revenue from taxes and other local sources. The District is expecting a decrease in state funding of approximately \$1.5 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 36.2% of the total budgeted general fund operating revenue. Federal funds account for the remaining 1.7% of operating revenue. The overall General Fund revenue decrease is projected to be .2% due to lower student enrollment.

The Debt Service Fund is used to account for the accumulation of resources and the payment of bonds approved by the voters. The debt service expenditure budget of \$12.3 Million will be used to service debt liabilities during the 2021-22 school year.

The Child Nutrition budget is projected to be \$1.8 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 2021-2022 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 for the recruiting and retaining of 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, 2021

EXHIBIT A-1

Data Control Codes			
	1	2	3
	Primary Government		
	Governmental Activities	Business Type Activities	Total
ASSETS			
1110 Cash and Cash Equivalents	\$ 48,297,249	\$ 18,061	\$ 48,315,310
1220 Property Taxes - Delinquent	779,099	-	779,099
1230 Allowance for Uncollectible Taxes	(77,910)	-	(77,910)
1240 Due from Other Governments	1,578,915	-	1,578,915
1267 Due from Fiduciary Funds	12,048	-	12,048
1300 Inventories	4,827	-	4,827
1410 Prepayments	672	-	672
Capital Assets:			
1510 Land	7,295,038	-	7,295,038
1520 Buildings, Net	82,867,221	-	82,867,221
1530 Furniture and Equipment, Net	3,898,306	-	3,898,306
1580 Construction in Progress	56,298,174	-	56,298,174
1000 Total Assets	200,953,639	18,061	200,971,700
DEFERRED OUTFLOWS OF RESOURCES			
1701 Deferred Charge for Refunding	2,858,987	-	2,858,987
1705 Deferred Outflow Related to TRS Pension	5,149,380	-	5,149,380
1706 Deferred Outflow Related to TRS OPEB	2,859,839	-	2,859,839
1700 Total Deferred Outflows of Resources	10,868,206	-	10,868,206
LIABILITIES			
2110 Accounts Payable	7,608,671	586	7,609,257
2140 Accrued Interest Payable	237,300	-	237,300
2150 Payroll Deductions and Withholdings	219,742	-	219,742
2160 Accrued Wages Payable	2,250,196	-	2,250,196
2180 Due to Other Governments	2,530,330	-	2,530,330
2200 Accrued Expenses	164,561	127	164,688
2300 Unearned Revenue	81,106	-	81,106
Noncurrent Liabilities:			
2501 Due Within One Year: Loans, Note, Leases, etc.	6,432,279	-	6,432,279
Due in More than One Year:			
2502 Bonds, Notes, Leases, etc.	175,572,018	-	175,572,018
2540 Net Pension Liability (District's Share)	11,404,058	-	11,404,058
2545 Net OPEB Liability (District's Share)	11,870,642	-	11,870,642
2000 Total Liabilities	218,370,903	713	218,371,616
DEFERRED INFLOWS OF RESOURCES			
2605 Deferred Inflow Related to TRS Pension	2,307,524	-	2,307,524
2606 Deferred Inflow Related to TRS OPEB	8,966,339	-	8,966,339
2600 Total Deferred Inflows of Resources	11,273,863	-	11,273,863
NET POSITION			
3200 Net Investment in Capital Assets	6,077,517	-	6,077,517
Restricted:			
3820 Restricted for Federal and State Programs	548,830	-	548,830
3850 Restricted for Debt Service	2,086,514	-	2,086,514
3900 Unrestricted	(26,535,782)	17,348	(26,518,434)
3000 Total Net Position	\$ (17,822,921)	\$ 17,348	\$ (17,805,573)

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, 2021

Data Control Codes	1	Program Revenues	
		3	4
	Expenses	Charges for Services	Operating Grants and Contributions
Primary Government:			
GOVERNMENTAL ACTIVITIES:			
11 Instruction	\$ 27,316,287	\$ 10,490	\$ 4,235,958
12 Instructional Resources and Media Services	592,635	-	31,975
13 Curriculum and Instructional Staff Development	1,068,238	-	133,604
21 Instructional Leadership	598,999	-	30,175
23 School Leadership	2,591,801	-	150,617
31 Guidance, Counseling, and Evaluation Services	1,682,408	-	448,341
32 Social Work Services	12,471	-	1,005
33 Health Services	384,265	-	19,898
34 Student (Pupil) Transportation	1,493,553	-	71,543
35 Food Services	1,727,723	161,380	1,709,546
36 Extracurricular Activities	1,377,404	98,518	57,162
41 General Administration	1,784,756	-	74,208
51 Facilities Maintenance and Operations	7,066,864	547,146	169,645
52 Security and Monitoring Services	285,525	-	783
53 Data Processing Services	1,321,858	-	33,793
61 Community Services	11,685	-	29,198
72 Debt Service - Interest and Fees on Long-Term Debt	6,749,811	-	158,963
93 Payments Related to Shared Services Arrangements	6,000	-	6,000
95 Payments to Juvenile Justice Alternative Ed. Prg.	6,237	-	-
99 Other Intergovernmental Charges	220,394	-	-
[TG] Total Governmental Activities:	56,298,914	817,534	7,362,414
BUSINESS-TYPE ACTIVITIES:			
01 Childcare	462,354	477,683	-
[TB] Total Business-Type Activities:	462,354	477,683	-
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 56,761,268	\$ 1,295,217	\$ 7,362,414
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		
GC	Grants and Contributions not Restricted		
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
\$ (23,069,839)	\$ -	\$ (23,069,839)
(560,660)	-	(560,660)
(934,634)	-	(934,634)
(568,824)	-	(568,824)
(2,441,184)	-	(2,441,184)
(1,234,067)	-	(1,234,067)
(11,466)	-	(11,466)
(364,367)	-	(364,367)
(1,422,010)	-	(1,422,010)
143,203	-	143,203
(1,221,724)	-	(1,221,724)
(1,710,548)	-	(1,710,548)
(6,350,073)	-	(6,350,073)
(284,742)	-	(284,742)
(1,288,065)	-	(1,288,065)
17,513	-	17,513
(6,590,848)	-	(6,590,848)
-	-	-
(6,237)	-	(6,237)
(220,394)	-	(220,394)
(48,118,966)	-	(48,118,966)
-	15,329	15,329
-	15,329	15,329
(48,118,966)	15,329	(48,103,637)
23,370,110	-	23,370,110
11,121,847	-	11,121,847
12,555,449	-	12,555,449
439,879	-	439,879
291,576	-	291,576
133,688	-	133,688
47,912,549	-	47,912,549
(206,417)	15,329	(191,088)
(17,616,504)	2,019	(17,614,485)
\$ (17,822,921)	\$ 17,348	\$ (17,805,573)

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2021

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
ASSETS			
1110 Cash and Cash Equivalents	\$ 18,405,089	\$ 1,700,825	\$ 27,226,738
1220 Property Taxes - Delinquent	537,751	241,348	-
1230 Allowance for Uncollectible Taxes	(53,775)	(24,135)	-
1240 Due from Other Governments	-	-	-
1260 Due from Other Funds	1,470,421	365,898	899,377
1410 Prepayments	672	-	-
1000 Total Assets	<u>\$ 20,360,158</u>	<u>\$ 2,283,936</u>	<u>\$ 28,126,115</u>
LIABILITIES			
2110 Accounts Payable	\$ 795,093	\$ -	\$ 6,668,257
2150 Payroll Deductions and Withholdings Payable	219,742	-	-
2160 Accrued Wages Payable	2,250,196	-	-
2170 Due to Other Funds	1,272,183	-	-
2180 Due to Other Governments	2,530,330	-	-
2200 Accrued Expenditures	136,220	-	-
2300 Unearned Revenue	37,567	-	-
2000 Total Liabilities	<u>7,241,331</u>	<u>-</u>	<u>6,668,257</u>
DEFERRED INFLOWS OF RESOURCES			
2601 Unavailable Revenue - Property Taxes	442,227	197,422	-
2600 Total Deferred Inflows of Resources	<u>442,227</u>	<u>197,422</u>	<u>-</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3430 Prepaid Items	672	-	-
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	-	-	-
3470 Capital Acquisition and Contractual Obligation	-	-	21,457,858
3480 Retirement of Long-Term Debt	-	2,086,514	-
Committed Fund Balance:			
3545 Campus Activities	-	-	-
Assigned Fund Balance:			
3590 2021-2022 Budget Deficit	298,263	-	-
3600 Unassigned Fund Balance	12,377,665	-	-
3000 Total Fund Balances	<u>12,676,600</u>	<u>2,086,514</u>	<u>21,457,858</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 20,360,158</u>	<u>\$ 2,283,936</u>	<u>\$ 28,126,115</u>

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

		Total	
Other		Governmental	
Funds		Funds	
\$	705,662	\$	48,038,314
	-		779,099
	-		(77,910)
	1,578,915		1,578,915
	-		2,735,696
	-		672
\$	2,284,577	\$	53,054,786
\$	143,633	\$	7,606,983
	-		219,742
	-		2,250,196
	1,458,373		2,730,556
	-		2,530,330
	28,253		164,473
	43,539		81,106
	1,673,798		15,583,386
	-		639,649
	-		639,649
	-		672
	548,830		548,830
	-		21,457,858
	-		2,086,514
	61,949		61,949
	-		298,263
	-		12,377,665
	610,779		36,831,751
\$	2,284,577	\$	53,054,786



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
AUGUST 31, 2021

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$ 36,831,751
1 The assets and liabilities of the Internal Service Funds are included in governmental activities, but are not reported in the fund financial statements.	268,894
2 Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund financial statements.	203,831,306
3 Accumulated depreciation has not been included in the fund financial statements.	(53,472,567)
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 \$11,404,058, a Deferred Resource Inflow related to TRS in the amount of \$2,307,524 and a Deferred Resource Outflow related to TRS in the amount of \$5,149,380. This amounted to a decrease in Net Position in the amount of \$8,562,202.	(8,562,202)
5 Bonds payable have not been included in the fund financial statements.	(146,066,867)
6 Accreted interest on capital appreciation bonds has not been included in the fund financial statements.	(13,406,230)
7 Bond discounts and premiums are not recognized in the fund financial statements.	(22,531,200)
8 Property tax revenue reported as unavailable revenue in the fund financial statements was recognized as revenue in the government-wide financial statements.	639,649
9 Deferred charge for refunding has not been included in the fund financial statements.	2,858,987
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.	(237,300)
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 \$11,870,642, a Deferred Resource Inflow related to TRS OPEB in the amount of \$8,966,581, and a Deferred Resource Outflow related to TRS OPEB in the amount of \$2,860,081. This amounted to a net decrease in Net Position in the amount of \$17,977,142.	(17,977,142)
19 Net Position of Governmental Activities	\$ (17,822,921)

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, 2021

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 23,572,358	\$ 11,076,612	\$ 746,444
5800 State Program Revenues	14,705,654	158,963	-
5900 Federal Program Revenues	804,968	-	-
5020 Total Revenues	39,082,980	11,235,575	746,444
EXPENDITURES:			
Current:			
0011 Instruction	22,218,691	-	157,403
0012 Instructional Resources and Media Services	533,246	-	-
0013 Curriculum and Instructional Staff Development	890,321	-	-
0021 Instructional Leadership	539,416	-	-
0023 School Leadership	2,328,104	-	-
0031 Guidance, Counseling, and Evaluation Services	1,176,194	-	-
0032 Social Work Services	11,099	-	-
0033 Health Services	346,065	-	-
0034 Student (Pupil) Transportation	1,452,572	-	-
0035 Food Services	2,035	-	-
0036 Extracurricular Activities	1,217,974	-	-
0041 General Administration	1,614,031	-	-
0051 Facilities Maintenance and Operations	4,821,849	-	-
0052 Security and Monitoring Services	277,631	-	-
0053 Data Processing Services	921,951	-	305,828
Debt Service:			
0071 Principal on Long-Term Debt	-	3,205,324	-
0072 Interest on Long-Term Debt	-	7,963,710	-
0073 Bond Issuance Cost and Fees	-	6,350	-
Capital Outlay:			
0081 Facilities Acquisition and Construction	13,007	-	42,378,657
Intergovernmental:			
0093 Payments to Fiscal Agent/Member Districts of SSA	-	-	-
0095 Payments to Juvenile Justice Alternative Ed. Prg.	6,237	-	-
0099 Other Intergovernmental Charges	202,684	-	-
6030 Total Expenditures	38,573,107	11,175,384	42,841,888
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	509,873	60,191	(42,095,444)
OTHER FINANCING SOURCES (USES):			
7911 Capital Related Debt Issued	-	6,540,000	-
7916 Premium or Discount on Issuance of Bonds	-	733,242	-
8940 Payment to Bond Refunding Escrow Agent (Use)	-	(7,147,389)	-
7080 Total Other Financing Sources (Uses)	-	125,853	-
1200 Net Change in Fund Balances	509,873	186,044	(42,095,444)
0100 Fund Balance - September 1 (Beginning)	12,166,727	1,900,470	63,553,302
3000 Fund Balance - August 31 (Ending)	\$ 12,676,600	\$ 2,086,514	\$ 21,457,858

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

		Total	
Other		Governmental	
Funds		Funds	
\$	196,977	\$	35,592,391
	260,528		15,125,145
	4,470,303		5,275,271
	4,927,808		55,992,807
	2,543,853		24,919,947
	-		533,246
	77,784		968,105
	624		540,040
	-		2,328,104
	373,486		1,549,680
	-		11,099
	-		346,065
	-		1,452,572
	1,751,142		1,753,177
	47,214		1,265,188
	-		1,614,031
	14,569		4,836,418
	-		277,631
	-		1,227,779
	-		3,205,324
	-		7,963,710
	-		6,350
	-		42,391,664
	6,000		6,000
	-		6,237
	-		202,684
	4,814,672		97,405,051
	113,136		(41,412,244)
	-		6,540,000
	-		733,242
	-		(7,147,389)
	-		125,853
	113,136		(41,286,391)
	497,643		78,118,142
\$	610,779	\$	36,831,751

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2021

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$ (41,286,391)
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 2021 capital outlays is to increase net position.	40,917,872
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.	(3,369,636)
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.	5,069,368
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.	(1,465,279)
Bond premiums and discounts are not amortized in the governmental funds but are capitalized in the statement of net position.	964,485
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 8/31/2020 caused the ending net position to increase in the amount of \$13,964. Contributions made before the measurement but during the 2020 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 \$1,152,958, which caused a net decrease in net position. The impact of all of these is to decrease net position by \$1,138,994.	(1,138,994)
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.	142,364
The net income (loss) of the Internal Service Funds is reported with governmental activities but not in the fund financial statements.	(1,218)
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.	(150,841)
Interest on outstanding debt is accrued in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.	7,840
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 8/31/2020 but during the current fiscal year caused the ending net position to decrease in the amount of \$681. These contributions were replaced with the District's OPEB expense for the year, which was a \$230,547 expense and also caused a increase in net position. The impact of both of these is to increase the change in net position by \$229,866.	229,866
Current year issuances of bonds are shown as other financing sources in the fund financial statements, but are shown as increases in long-term debt in the government-wide financial statements.	(6,540,000)

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT	EXHIBIT C-4
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, 2021	

The current year payment to the escrow agent for refunding debt is an other financing use in the fund financial statements, but is reported as a reduction in long-term debt in the government-wide financial statements. The payment of \$7,147,389 included the payment to refund bonds of \$7,364,203 and a deferred gain on bond refundings of \$216,814.	7,147,389
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The premiums on the current year issuances of bonds are recorded as other financing sources in the fund financial statements, but are shown as an increase in long-term debt in the government-wide financial statements.	(733,242)
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Change in Net Position of Governmental Activities	\$ (206,417)
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LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AUGUST 31, 2021

EXHIBIT D-1

	Business-Type Activities -	Governmental Activities -
	Total Enterprise Funds	Total Internal Service Funds
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 18,061	\$ 258,935
Due from Other Funds	-	6,908
Inventories	-	4,827
Total Assets	<u>18,061</u>	<u>270,670</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	586	1,688
Accrued Expenses	127	88
Total Liabilities	<u>713</u>	<u>1,776</u>
NET POSITION		
Unrestricted Net Position	<u>17,348</u>	<u>268,894</u>
Total Net Position	<u>\$ 17,348</u>	<u>\$ 268,894</u>

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

	Business-Type Activities -	Governmental Activities -
	Total Enterprise Funds	Total Internal Service Funds
OPERATING REVENUES:		
Local and Intermediate Sources	\$ 447,958	\$ 113,966
State Program Revenues	29,725	2,544
Total Operating Revenues	477,683	116,510
OPERATING EXPENSES:		
Payroll Costs	447,009	32,778
Professional and Contracted Services	8,648	63,956
Supplies and Materials	5,954	20,994
Other Operating Costs	743	-
Total Operating Expenses	462,354	117,728
Operating Income (Loss)	15,329	(1,218)
Total Net Position - September 1 (Beginning)	2,019	270,112
Total Net Position - August 31 (Ending)	\$ 17,348	\$ 268,894

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, 2021

EXHIBIT D-3

	Business-Type Activities	Governmental Activities -
	Total Enterprise Funds	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>		
Cash Received from District	\$ -	\$ 113,966
Cash Received from Employees	447,958	-
Cash Payments for Payroll Costs	(417,284)	(30,234)
Cash Payments for Supplies and Materials	(6,007)	(80)
Cash Payments for Other Operating Expenses	(743)	-
Cash Payments for Purchased Services	(8,648)	(63,956)
Net Cash Provided by Operating Activities	15,276	19,696
Net Increase in Cash and Cash Equivalents	15,276	19,696
Cash and Cash Equivalents at Beginning of Year	2,785	239,239
Cash and Cash Equivalents at End of Year	\$ 18,061	\$ 258,935
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>		
<u>Provided by Operating Activities:</u>		
Operating Income (Loss):	\$ 15,329	\$ (1,218)
Effect of Increases and Decreases in Current Assets and Liabilities:		
Decrease (increase) in Inventories	-	20,137
Increase (decrease) in Accounts Payable	(53)	777
Net Cash Provided by Operating Activities	\$ 15,276	\$ 19,696

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CUSTODIAL NET POSITION
CUSTODIAL FUNDS
AUGUST 31, 2021

	Custodial Fund
<hr/>	
ASSETS	
Cash and Cash Equivalents	\$ 613,839
Total Assets	<u>613,839</u>
LIABILITIES	
Accounts Payable	36,911
Due to Other Funds	12,048
Total Liabilities	<u>48,959</u>
NET POSITION	
Unrestricted Net Position	<u>564,880</u>
Total Net Position	<u><u>\$ 564,880</u></u>

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN CUSTODIAL NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

	Custodial Fund
ADDITIONS:	
Received from Student Groups	\$ 467,104
Total Additions	<u>467,104</u>
DEDUCTIONS:	
Expenses of Student Groups	455,809
Total Deductions	<u>455,809</u>
Change in Fiduciary Net Position	11,295
Total Net Position - September 1 (Beginning)	<u>553,585</u>
Total Net Position - August 31 (Ending)	<u><u>\$ 564,880</u></u>

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

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

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

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

Based on the aforementioned criteria, 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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2021

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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2021

4. **Custodial Funds** - These funds are used to account for activities of student groups and other organizational activities requiring clearing accounts, and are accounted for on the accrual basis of accounting. Financial resources for the Custodial funds are recorded as assets and liabilities; therefore, these funds do not include revenues and expenditures and have no fund equity. If any unused resources are declared surplus by the student groups, they are transferred to the General Fund with a recommendation to the Board for an appropriate utilization through a budgeted program.

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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2021

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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2021

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

August 31, 2021 <u>Fund Balance</u>	
Appropriated Budget Funds - Food Service Special Revenue Fund	\$519,757
Nonappropriated Budget Funds	<u>91,022</u>
All Special Revenue Funds	<u>\$610,779</u>

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, 2021 that were subsequently provided for in the 2021-22 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.

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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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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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, 2021 was \$2,858,987.

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 6.7 years.

The amount of deferred outflows reported in the governmental activities for deferred pension expenses at August 31, 2021 was \$5,149,380.

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 8.6 years. The amount of deferred outflows reported for deferred OPEB expense at August 31, 2021 was \$2,860,081.

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, 2021 was \$639,649.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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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 2021, the District reported deferred inflows of resources for pensions in the governmental activities in the amount of \$2,307,524.

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 (8.6 years for the 2020 measurement year). In fiscal year 2021, the District reported deferred inflows of resources for OPEB in the governmental activities in the amount of \$8,966,581.

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 2021, 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, 2021, 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, 2021.

Workers' Compensation Aggregate Deductible

During the year ended August 31, 2021, 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, 2020, the fund carries a discounted reserve of \$44,135,645 for future development on reported claims and claims that have been incurred but not yet reported. For the year-ended August 31, 2021, 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, 2020, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Unemployment Compensation Pool

During the year ended August 31, 2021, 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, 2021, 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, 2020, 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, 2021, 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, 2021, 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, 2020, 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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2021

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, 2021 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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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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 \$12,377,665 at August 31, 2021. Prepayments (prepaid items) of \$45,113 are considered nonspendable fund balance.

Other Major Funds

The Debt Service Fund has restricted funds of \$2,086,514 at August 31, 2021 consisting primarily of property tax collections that are restricted for debt service payments on bonded debt. The Capital Projects Fund has restricted funds of \$21,457,858 at August 31, 2021 consisting primarily of unspent bond funds.

Other Funds

The fund balance of \$61,949 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 \$519,757 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, 2021, the carrying amount of the District's deposits checking accounts and interest-bearing savings accounts was \$27,927,464 which includes \$1,687 petty cash and the combined bank balance was \$28,075,419. The District's cash deposits at August 31, 2021 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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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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, 2021, the District's cash balances totaled \$28,075,419. 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, 2021.
- 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, 2021, 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, 2021, the District was not exposed to foreign currency risk.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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- 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, 2021, are shown below:

<u>Name</u>	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Maturity Date</u>
TexPool	\$13,570,998	\$13,570,998	N/A
TexasDaily	7,159,067	7,159,067	N/A
Lone Star	142,548	142,548	N/A
LOGIC	<u>129,075</u>	<u>129,075</u>	N/A
Total	<u>\$21,001,688</u>	<u>\$21,001,688</u>	

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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2021

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended August 31, 2021, was as follows:

	Balance September 1	Additions/ Completions	Retirement/ Adjustments	Balance August 31
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 4,290,840	\$ 3,004,198	\$ -	\$ 7,295,038
Work in Progress	18,946,005	37,352,169	-	56,298,174
Total capital assets, not being depreciated	<u>23,236,845</u>	<u>40,356,367</u>	-	<u>63,593,212</u>
Capital assets, being depreciated:				
Buildings and Improvements	128,895,125	157,251	-	129,052,376
Furniture and Equipment	10,781,464	404,254	-	11,185,718
Total capital assets, being depreciated	<u>139,676,589</u>	<u>561,505</u>	-	<u>140,238,094</u>
Less accumulated depreciation for:				
Buildings and Improvements	(43,384,292)	(2,800,863)	-	(46,185,155)
Furniture and Equipment	(6,718,639)	(568,773)	-	(7,287,412)
Total accumulated depreciation	<u>(50,102,931)</u>	<u>(3,369,636)</u>	-	<u>(53,472,567)</u>
Total capital assets being depreciated, net	<u>89,573,658</u>	<u>(2,808,131)</u>	-	<u>86,765,527</u>
Governmental activities capital assets, net	<u>\$ 112,810,503</u>	<u>\$ 37,548,236</u>	<u>\$ -</u>	<u>\$ 150,358,739</u>

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

Governmental activities:	
Instruction	\$1,941,378
Instructional Resources & Media Services	46,593
Curriculum & Instructional Staff Development	77,793
Instructional Leadership	47,132
School Leadership	203,420
Guidance, Counseling & Evaluation Services	102,771
Social Work Services	970
Health Services	30,238
Student (Pupil) Transportation	126,920
Extracurricular Activities	106,422
General Administration	141,027
Plant Maintenance and Operations	421,313
Security & Data Processing Services	104,813
Capital Outlay and Other	18,846
Total depreciation expense-Governmental activities	<u>\$3,369,636</u>

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.

**LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The following is a summary of the changes in the District's Long-term Debt for the year ended August 31, 2021:

<u>Description</u>	<u>Interest Rate Payable</u>	<u>Amount Original Issue</u>	<u>Amounts Outstanding 9/1/2020</u>	<u>Additions</u>	<u>Refunded/ Retired</u>	<u>Amounts Outstanding 8/31/2021</u>	<u>Due Within One Year</u>
Bonded Indebtedness:							
1999 Bldg/Refunding	4.40-6.06%	\$ 8,861,571	\$ 1,727,558	\$ -	\$ 638,900	\$ 1,088,658	\$ 599,445
2001 Bldg/Refunding	4.00-5.70%	13,264,871	3,984,874	-	72,603	3,912,271	69,626
2010 Refunding	2.00-4.50%	6,340,000	2,025,000	-	2,025,000	-	-
2012 Refunding	1.90-4.05%	9,340,000	5,705,000	-	5,705,000	-	-
2013 Refunding	2.00-4.00%	8,955,000	8,855,000	-	-	8,855,000	-
2014 Refunding	2.00-4.00%	9,295,000	7,740,000	-	825,000	6,915,000	840,000
2015 Refunding	0.47-5.00%	19,063,027	17,377,059	-	53,821	17,323,238	39,173
2016 Refunding	2.00-4.00%	24,877,700	23,047,700	-	335,000	22,712,700	355,000
2019 Building Bonds	4.00-5.00%	16,130,000	15,495,000	-	675,000	14,820,000	700,000
2019-A Building Bonds	3.00-5.00%	63,900,000	63,900,000	-	-	63,900,000	375,000
2021 Refunding	3.00%	6,540,000	-	6,540,000	-	6,540,000	705,000
Total Bonded Indebtedness			149,857,191	6,540,000	10,330,324	146,066,867	3,683,244
Accreted Interest			13,804,995	1,465,279	1,864,044	13,406,230	1,772,902
Discount/Premium on Issuance of Debt			23,001,646	733,242	1,203,688	22,531,200	976,133
Total Other Obligations			36,806,641	2,198,521	3,067,732	35,937,430	2,749,035
Total Obligations of District			\$ 186,663,832	\$ 8,738,521	\$ 13,398,056	\$ 182,004,297	\$ 6,432,279

The 1999, 2001, 2015, and 2016 bond series include outstanding capital appreciation bonds in the principal amount of \$7,006,868. 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 \$13,406,230 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, 2021.

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

	<u>General Obligation</u>		<u>Total</u>
<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Requirements</u>
August 31,			
2022	\$ 3,683,244	\$ 7,732,806	\$ 11,416,050
2023	3,271,826	7,660,399	10,932,225
2024	3,946,148	7,475,002	11,421,150
2025	3,951,254	7,833,146	11,784,400
2026	4,033,711	7,754,089	11,787,800
2027-2031	21,819,225	37,110,125	58,929,350
2032-2036	36,606,459	22,397,991	59,004,450
2037-2041	26,095,000	10,241,600	36,336,600
2042-2046	25,330,000	5,347,212	30,677,212
2047-2049	17,330,000	1,071,263	18,401,263
	<u>\$146,066,867</u>	<u>\$114,623,633</u>	<u>\$260,690,500</u>

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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NOTE 6. DEBT ISSUANCE REFUNDING AND DEFEASED BONDS OUTSTANDING

In August 2021 the District issued \$6,540,000 (par value) in unlimited tax refunding bonds (current interest bonds) to advance refund \$7,125,000 of unlimited tax school refunding bonds. The bonds were issued at a premium of \$733,242, and, after paying issuance costs of \$125,853 the net proceeds were \$7,147,389. \$7,147,389 of the net proceeds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments on the refunded bonds until the bonds mature. The advanced refunding met the requirements of an in-substance debt defeasance and the unlimited tax school building bonds were removed from the District's General Long-Term Debt.

The refunding was undertaken to reduce the District's total debt service payments by approximately \$1,363,806 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$1,164,609.

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, 2021, \$7,125,000 of bonds outstanding are considered defeased.

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

Balance – August 31, 2020	\$3,226,642
Current year deferred loss on bond refunding	62,172
Removal of prior year deferred charges due to current year refunding	(278,986)
Current year amortization	<u>(150,841)</u>
Balance – August 31, 2021	<u>\$2,858,987</u>

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 2020-21 fiscal year was based was \$2,269,182,443. 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, 2021, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$1.0503 and \$0.50 per \$100 valuation, respectively, for a total of \$1.5503 per \$ 100 valuation.

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Current tax collections for the year ended August 31, 2021 were 98.96% 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, 2021, property taxes receivable, net of estimated uncollectible taxes, totaled \$483,976 and \$217,213 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.

**LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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In May, 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (Senate Bill 12) that provides for gradual contribution increases from the state, participating employers and active employees to make the pension fund actuarially sound. This action causing the pension fund to be actuarially sound, allowed the legislature to approve funding for a 13th check in September 2019. All eligible members retired as of December 31, 2018 received an extra annuity check in either the matching amount of their monthly annuity or \$2,000, whichever was less.

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.

<u>Contribution Rates</u>		
	<u>2020</u>	<u>2021</u>
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	7.5%	7.5%
Employers	7.5%	7.5%
Lake Dallas ISD FY2021 Employer Contributions		\$ 892,510
Lake Dallas ISD FY2021 Member Contributions		\$ 2,288,812
Lake Dallas ISD FY2021 NECE On-Behalf Contributions		\$ 1,721,100

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.

In addition to the employer contributions listed above, there is an 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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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Actuarial Assumptions. The total pension liability in the August 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-term expected Investment Rate of Return	7.25%
Municipal Bond Rate as of August 2020	2.33%
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, 2019. For a full description of these assumptions please see the actuarial valuation report dated November 14, 2019.

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, 2020 are summarized below:

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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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%	3.9%	0.99%
Non-U.S. Developed	13%	5.1%	0.92%
Emerging Markets	9%	5.6%	0.83%
Private Equity	14%	6.7%	1.41%
Stable Value			
Government Bonds	16%	-.7%	-0.05%
Stable Value Hedge Funds	5%	1.9%	0.11%
Real Return			
Real Estate	15%	4.6%	1.01%
Energy, Natural Resources	6%	6%	0.42%
Risk Parity			
Risk Parity	8%	3%	0.30%
Leverage			
Cash	2%	-1.5%	-0.03%
Asset Allocation Leverage	-6%	-1.3%	0.08%
Inflation Expectation	-		2.00%
Volatility Drag ³	-		-0.67%
Total	<u>100%</u>		<u>7.33%</u>

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:	\$17,588,221	\$11,404,058	\$6,382,509

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At August 31, 2021, Lake Dallas Independent School District reported a liability of \$11,404,058 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	\$11,404,058
State's proportionate share that is associated with the District	<u>22,293,719</u>
Total	<u>\$33,697,777</u>

The net pension liability was measured as of August 31, 2019 and rolled forward to August 31, 2020 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, 2019 thru August 31, 2020. Typically, the general fund is used to liquidate pension liabilities.

¹ Target allocations are based on the FY20 policy model.

² Capital Market Assumptions come from Aon Hewitt (as of 08/31/2020).

³ The volatility drag results from the conversion between arithmetic and geometric mean returns.

**LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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At August 31, 2020 the employer's proportion of the collective net pension liability was 0.0212929274%, a decrease of 9.4% from its proportionate share of 0.0235027050% at August 31, 2019.

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

For the year ended August 31, 2021, Lake Dallas Independent School District recognized pension expense of \$1,721,100 and revenue of \$1,721,100 for support provided by the State.

At August 31, 2021, 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	\$ 20,823	\$ 318,257
Changes in actuarial assumptions	2,646,147	1,125,123
Difference between projected and actual investment earnings	230,866	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	1,359,034	864,144
Contributions paid to TRS subsequent to the measurement date	892,510	-
Total	\$5,149,380	\$2,307,524

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 of \$892,510, which will reduce the pension liability in fiscal year 2022) related to pensions will be recognized in pension expense as follows:

Year ended August 31:	Pension Expense Amount
2022	\$ 676,481
2023	692,838
2024	673,350
2025	214,994
2026	(260,230)
Thereafter	(48,088)

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 plan is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575. 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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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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		
	<u>Medicare</u>	<u>Non-Medicare</u>
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.

<u>Contribution Rates</u>		
	<u>2020</u>	<u>2021</u>
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 FY21 Employer Contributions		\$236,442
Lake Dallas ISD FY21 Member Contributions		\$193,853
Lake Dallas ISD FY21 NECE On-behalf Contributions		\$357,976

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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 \$230.8 million in fiscal year 2020 to maintain premiums and benefit levels in the 2020-2021 biennium.

Actuarial Assumptions. The actuarial valuation was performed as of August 31, 2019. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2020.

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, 2019 TRS pension actuarial valuation that was rolled forward to August 31, 2020:

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

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 recent published scale (U-MP).

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	2.33%
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

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Discount Rate. A single discount rate of 2.33% was used to measure the total OPEB liability. There was a decrease of 0.30 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, 2020 using the fixed-income 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 (2.33%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (1.33%)	Current Single Discount Rate (2.33%)	1% Increase in Discount Rate (3.33%)
District’s proportionate share of the Net OPEB Liability:	\$14,244,743	\$11,870,642	\$9,995,443

Healthcare Cost Trend Rates Sensitivity Analysis - The following 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:	\$9,696,794	\$11,870,642	\$14,765,901

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At August 31, 2021, the District reported a liability of \$11,870,642 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	\$11,870,642
State’s proportionate share that is associated with the District	<u>15,951,297</u>
Total	<u>\$27,821,939</u>

The Net OPEB Liability was measured as of August 31, 2019 and rolled forward to August 31, 2020 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, 2019 thru August 31, 2020. Typically, the general fund is used to liquidate OPEB liabilities.

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At August 31, 2020 the employer's proportion of the collective Net OPEB Liability was 0.0312266029%, an increase of 0.9% compared to the August 31, 2019 proportionate share of 0.031504959%.

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 2.63 percent as of August 31, 2019 to 2.33 percent as of August 31, 2020. This change increased the Total OPEB Liability.
- The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the Total OPEB Liability.
- The ultimate health care trend rate assumption was lowered from 4.50 percent to 4.25 percent as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered 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.

For the year ended August 31, 2021, the amount of OPEB expense recognized by the District in the reporting period was \$268,913.

At August 31, 2021, 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	\$ 621,542	\$5,432,613
Changes in actuarial assumptions	732,172	3,259,740
Difference between projected and actual investment earnings	3,858	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	1,265,825	273,986
Contributions paid to TRS subsequent to the measurement date	236,442	-
Total	\$2,859,839	\$8,966,339

The net amounts of the employer's balance of deferred outflows and inflows of resources (not including the deferred contribution paid subsequent to the measurement date of \$236,442, which will reduce the OPEB liability in fiscal year 2022) related to OPEB will be recognized in OPEB expense as follows:

Year ended August 31:	OPEB Expense Amount
2022	\$ (1,048,761)
2023	(1,049,276)
2024	(1,049,571)
2025	(1,049,490)
2026	(732,422)
Thereafter	(1,413,422)

**LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2021**

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, 2021, 2020 and 2019, the subsidy payments received by TRS-Care on behalf of the District were \$145,362, \$128,287 and \$106,119, 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, 2021, 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, 2021, consisted of the following individual fund receivables and payables:

<u>Fund</u>	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>
<u>Major Funds:</u>		
General Fund:		
Special Revenue Funds	\$1,458,373	\$ -
Capital Projects Fund	-	899,377
Debt Service Fund	-	365,898
Internal Service Fund	-	6,908
Custodial Fund	12,048	-
Total General Fund	<u>1,470,421</u>	<u>1,272,183</u>
Capital Projects Fund:		
General Fund	<u>899,377</u>	-
Debt Service Fund:		
General Fund	<u>365,898</u>	-
Total Major Funds	<u>2,735,696</u>	<u>1,272,183</u>
<u>Non-Major Funds:</u>		
Special Revenue Funds:		
General Fund	-	<u>1,458,373</u>
Internal Service Fund:		
Special Revenue Fund	<u>6,908</u>	-
Custodial Fund:		
General Fund	-	<u>12,048</u>
Total Non-Major Funds	<u>6,908</u>	<u>1,470,421</u>
	<u>\$2,742,604</u>	<u>\$2,742,604</u>

**LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2021**

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, 2021, 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.

<u>Fund</u>	<u>State Entitlements</u>	<u>Federal Grants</u>	<u>Local Governments</u>	<u>Total</u>
Special Revenue	\$ -	\$1,578,915	\$ -	\$1,578,915
Total	\$ -	\$1,578,915	\$ -	\$1,578,915

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, 2021 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, 2021 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:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Property taxes	\$ 23,175,949	\$ -	\$ 11,032,558	\$ -	\$ 34,208,507
Food sales	-	163,896	-	-	163,896
Investment income	87,080	2,516	2,680	199,298	291,574
Penalties, interest and other tax related income	99,711	-	41,374	-	141,085
Co-curricular student activities	98,518	-	-	-	98,518
Other	111,100	30,565	-	547,146	688,811
Total	<u>\$ 23,572,358</u>	<u>\$ 196,977</u>	<u>\$ 11,076,612</u>	<u>\$ 746,444</u>	<u>\$ 35,592,391</u>

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2021

NOTE 17. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

	General Fund	Special Revenue Fund	Total
Unearned Grants	<u>\$37,567</u>	<u>\$43,539</u>	<u>\$81,106</u>

NOTE 18. GENERAL FUND FEDERAL SOURCE REVENUES

<u>Program or Source</u>	<u>FALN Number</u>	<u>Amount</u>	<u>Total Grant or Entitlement</u>
General Fund:			
Impact Aid	84.041	\$439,879	\$439,879
Medicaid Administrative Claiming			
Program-MAC	93.778	3,134	3,134
Medicaid Reimbursement (SHARS)		320,333	320,333
Federal Flood Control	10.904	<u>41,622</u>	<u>41,622</u>
Total for General Fund		<u>\$804,968</u>	<u>\$804,968</u>

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. 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, 2021, 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 and mitigation.

On June 3, 2021, TEA issued updated public planning health guidance in accordance with Executive Order GA-36 (which became effective June 5, 2021), 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, per Executive Order GA-36, 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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2021

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.

The TEA advised districts that for the 2020-2021 school year district funding would return to being based on "Average Daily Attendance" (being generally calculated as the sum of student attendance for each State-mandated day of instruction divided by the number of State-mandated days of instruction, defined herein as "ADA") calculations requiring attendance to be taken. However, the TEA has crafted an approach for determining ADA during the pandemic that provides districts with several options for determining daily attendance. These include remote synchronous instruction, remote asynchronous instruction, on-campus instruction and the Texas Virtual Schools Network. To stabilize funding expectations, districts were initially provided an ADA grace period for the first two six weeks of the 2020-2021 school year. If a district's first two six-week average ADA is less than the ADA hold harmless projections (described below), the first two six-week attendance reporting periods for 2020-2021 were excluded from the calculation of annual ADA and student full-time equivalents ("FTE") for Foundation School Program ("FSP") funding purposes and replaced with the ADA and FTE hold harmless projections that were derived using a three-year average trend of final numbers from the 2017-2018 through 2019-2020 school years, unless the projection is both (i) 15% higher and (ii) 100 ADA higher than the 2020-2021 legislative planning estimate ("LPE") projections provided by the TEA to the State legislature pursuant to Section 48.269 of the Texas Education Code, in which case the 2020-2021 LPE ADA and FTE were used as the hold harmless projections.

The ADA hold harmless projection was also available for the third six-week attendance reporting period, but only for those districts that allowed on-campus instruction throughout the entire third six-week period, as further described below. The ADA hold harmless methodology was identical to the methodology used for the first two six-week attendance reporting periods, except that the third six-week period was examined independent of the first two six-week attendance reporting periods.

The ADA hold harmless projection was extended for the remainder of the 2020-2021 school year (the fourth, fifth, and sixth six-week attendance reporting periods). In order to qualify, a district must meet certain criteria established by the TEA related to on-campus.

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)**

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 23,345,945	\$ 23,429,643	\$ 23,572,358	\$ 142,715
5800 State Program Revenues	15,932,967	15,932,967	14,705,654	(1,227,313)
5900 Federal Program Revenues	666,462	712,194	804,968	92,774
5020 Total Revenues	39,945,374	40,074,804	39,082,980	(991,824)
EXPENDITURES:				
Current:				
0011 Instruction	23,131,246	23,420,086	22,218,691	1,201,395
0012 Instructional Resources and Media Services	561,831	567,131	533,246	33,885
0013 Curriculum and Instructional Staff Development	917,565	919,649	890,321	29,328
0021 Instructional Leadership	585,898	585,898	539,416	46,482
0023 School Leadership	2,340,916	2,338,372	2,328,104	10,268
0031 Guidance, Counseling, and Evaluation Services	1,277,308	1,286,188	1,176,194	109,994
0032 Social Work Services	21,336	21,336	11,099	10,237
0033 Health Services	373,619	373,619	346,065	27,554
0034 Student (Pupil) Transportation	1,542,941	1,644,906	1,452,572	192,334
0035 Food Services	-	2,070	2,035	35
0036 Extracurricular Activities	1,227,111	1,227,111	1,217,974	9,137
0041 General Administration	1,489,649	1,663,039	1,614,031	49,008
0051 Facilities Maintenance and Operations	5,071,031	5,071,031	4,821,849	249,182
0052 Security and Monitoring Services	303,574	303,574	277,631	25,943
0053 Data Processing Services	861,698	945,515	921,951	23,564
Capital Outlay:				
0081 Facilities Acquisition and Construction	25,000	25,000	13,007	11,993
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	4,000	6,800	6,237	563
0099 Other Intergovernmental Charges	205,600	205,600	202,684	2,916
6030 Total Expenditures	39,940,323	40,606,925	38,573,107	2,033,818
1200 Net Change in Fund Balances	5,051	(532,121)	509,873	1,041,994
0100 Fund Balance - September 1 (Beginning)	12,166,727	12,166,727	12,166,727	-
3000 Fund Balance - August 31 (Ending)	\$ 12,171,778	\$ 11,634,606	\$ 12,676,600	\$ 1,041,994

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, 2021

	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018
District's Proportion of the Net Pension Liability (Asset)	0.021292927%	0.0235027%	0.02334693%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 11,404,058	\$ 12,217,441	\$ 12,850,717
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	22,293,719	20,460,211	22,529,858
Total	<u>\$ 33,697,777</u>	<u>\$ 32,677,652</u>	<u>\$ 35,380,575</u>
District's Covered Payroll	\$ 29,863,870	\$ 28,111,928	\$ 27,397,418
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	38.19%	43.46%	46.90%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.54%	75.24%	73.74%

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, 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.

<u>FY 2018</u>		<u>FY 2017</u>		<u>FY 2016</u>		<u>FY 2015</u>	
<u>Plan Year 2017</u>		<u>Plan Year 2016</u>		<u>Plan Year 2015</u>		<u>Plan Year 2014</u>	
0.018264875%		0.018637105%		0.0198897%		0.0100669%	
\$	5,840,123	\$	7,042,685	\$	7,030,744	\$	2,689,008
15,271,643		18,223,942		17,229,897		14,622,939	
\$	21,111,766	\$	25,266,627	\$	24,260,641	\$	17,311,947
\$	26,574,196	\$	25,849,885	\$	24,956,220	\$	23,960,423
21.98%		27.24%		28.17%		11.22%	
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 2021

	2021	2020	2019
Contractually Required Contribution	\$ 892,510	\$ 878,546	\$ 824,909
Contribution in Relation to the Contractually Required Contribution	(892,510)	(878,546)	(824,909)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 29,720,288	\$ 29,863,870	\$ 28,111,928
Contributions as a Percentage of Covered Payroll	3.00%	2.94%	2.93%

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.

2018		2017		2016		2015	
\$	786,464	\$	598,616	\$	592,480	\$	588,942
	(786,464)		(598,616)		(592,480)		(588,942)
\$	-	\$	-	\$	-	\$	-
\$	27,397,418	\$	26,574,196	\$	25,849,885	\$	24,956,220
	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, 2021

	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.031226603%	0.031505%	0.031748606%	0.028767545%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 11,870,642	\$ 14,899,080	\$ 15,852,369	\$ 12,469,879
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	15,951,297	19,797,546	23,874,982	21,870,140
Total	<u>\$ 27,821,939</u>	<u>\$ 34,696,626</u>	<u>\$ 39,727,351</u>	<u>\$ 34,340,019</u>
District's Covered Payroll	\$ 29,863,870	\$ 28,111,928	\$ 27,397,418	\$ 26,574,196
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	39.75%	53.00%	57.87%	46.92%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	4.99%	2.66%	1.57%	0.91%

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2021

	2021	2020	2019	2018
Contractually Required Contribution	\$ 236,442	\$ 237,123	\$ 223,600	\$ 218,925
Contribution in Relation to the Contractually Required Contribution	(236,442)	(237,123)	(223,600)	(218,925)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 29,720,288	\$ 29,863,870	\$ 28,111,928	\$ 27,397,418
Contributions as a Percentage of Covered Payroll	0.80%	0.79%	0.80%	0.80%

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.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2021

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 2.63 percent as of August 31, 2019 to 2.33 percent as of August 31, 2020. This change increased the Total OPEB Liability.
- The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the Total OPEB Liability.
- The ultimate health care trend rate assumption was lowered from 4.50 percent to 4.25 percent as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered 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 - School Emergency Relief
Coronavirus Relief Fund CARES
ESSER - School Emergency Relief II
Other Federal Special Revenue Funds

State Programs:

Advanced Placement Incentives
State Instructional Material
Math Achievement Academics
Campus Activity Funds

Capital Projects Fund

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2021

Data Control Codes		211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 489,586
1240	Due from Other Governments	51,911	217,506	515	191,303
1000	Total Assets	<u>\$ 51,911</u>	<u>\$ 217,506</u>	<u>\$ 515</u>	<u>\$ 680,889</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ 6,330	\$ -	\$ 132,879
2170	Due to Other Funds	51,911	211,176	515	-
2200	Accrued Expenditures	-	-	-	28,253
2300	Unearned Revenue	-	-	-	-
2000	Total Liabilities	<u>51,911</u>	<u>217,506</u>	<u>515</u>	<u>161,132</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	519,757
Committed Fund Balance:					
3545	Campus Activities	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>519,757</u>
4000	Total Liabilities and Fund Balances	<u>\$ 51,911</u>	<u>\$ 217,506</u>	<u>\$ 515</u>	<u>\$ 680,889</u>

244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 ESSER -School Emergency Relief	277 Coronavirus Relief Fund CARES	281 ESSER-School Emergency Relief II	289 Other Federal Special Revenue Funds	397 Advanced Placement Incentives
\$ - 7,332	\$ - 14,933	\$ - 7,348	\$ - 7,588	\$ - -	\$ - 1,066,278	\$ - 14,201	\$ 9,456 -
<u>\$ 7,332</u>	<u>\$ 14,933</u>	<u>\$ 7,348</u>	<u>\$ 7,588</u>	<u>\$ -</u>	<u>\$ 1,066,278</u>	<u>\$ 14,201</u>	<u>\$ 9,456</u>
\$ - 7,332 - -	\$ - 14,933 - -	\$ - 7,348 - -	\$ - 7,588 - -	\$ - - - -	\$ - 1,066,278 - -	\$ - 14,201 - -	\$ - - - 9,456
<u>7,332</u>	<u>14,933</u>	<u>7,348</u>	<u>7,588</u>	<u>-</u>	<u>1,066,278</u>	<u>14,201</u>	<u>9,456</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 7,332</u>	<u>\$ 14,933</u>	<u>\$ 7,348</u>	<u>\$ 7,588</u>	<u>\$ -</u>	<u>\$ 1,066,278</u>	<u>\$ 14,201</u>	<u>\$ 9,456</u>

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2021

Data Control Codes		410 State Instructional Materials	429 Other State Special Revenue Funds	461 Campus Activity Funds	Total Nonmajor Governmental Funds
ASSETS					
1110	Cash and Cash Equivalents	\$ 65,087	\$ 2,463	\$ 139,070	\$ 705,662
1240	Due from Other Governments	-	-	-	1,578,915
1000	Total Assets	<u>\$ 65,087</u>	<u>\$ 2,463</u>	<u>\$ 139,070</u>	<u>\$ 2,284,577</u>
LIABILITIES					
2110	Accounts Payable	\$ 3,494	\$ 900	\$ 30	\$ 143,633
2170	Due to Other Funds	-	-	77,091	1,458,373
2200	Accrued Expenditures	-	-	-	28,253
2300	Unearned Revenue	32,520	1,563	-	43,539
2000	Total Liabilities	<u>36,014</u>	<u>2,463</u>	<u>77,121</u>	<u>1,673,798</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	29,073	-	-	548,830
Committed Fund Balance:					
3545	Campus Activities	-	-	61,949	61,949
3000	Total Fund Balances	<u>29,073</u>	<u>-</u>	<u>61,949</u>	<u>610,779</u>
4000	Total Liabilities and Fund Balances	<u>\$ 65,087</u>	<u>\$ 2,463</u>	<u>\$ 139,070</u>	<u>\$ 2,284,577</u>



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 163,896
5800 State Program Revenues	-	-	-	34,715
5900 Federal Program Revenues	274,917	771,018	11,005	1,678,582
5020 Total Revenues	274,917	771,018	11,005	1,877,193
EXPENDITURES:				
Current:				
0011 Instruction	260,265	395,470	11,005	-
0013 Curriculum and Instructional Staff Development	10,653	900	-	-
0021 Instructional Leadership	-	624	-	-
0031 Guidance, Counseling, and Evaluation Services	3,999	368,024	-	-
0035 Food Services	-	-	-	1,751,142
0036 Extracurricular Activities	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of SSA	-	6,000	-	-
6030 Total Expenditures	274,917	771,018	11,005	1,751,142
1200 Net Change in Fund Balance	-	-	-	126,051
0100 Fund Balance - September 1 (Beginning)	-	-	-	393,706
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ 519,757

244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 ESSER -School Emergency Relief	277 Coronavirus Relief Fund CARES	281 ESSER-School Emergency Relief II	289 Other Federal Special Revenue Funds	397 Advanced Placement Incentives
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
34,147	61,376	30,796	493,588	4,162	1,066,278	44,434	-
34,147	61,376	30,796	493,588	4,162	1,066,278	44,434	-
29,292	-	30,796	493,588	-	1,066,278	34,027	-
4,855	61,376	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	4,162	-	10,407	-
-	-	-	-	-	-	-	-
34,147	61,376	30,796	493,588	4,162	1,066,278	44,434	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	410 State Instructional Materials	429 Other State Special Revenue Funds	461 Campus Activity Funds	Total Nonmajor Governmental Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ 33,081	\$ 196,977
5800 State Program Revenues	196,158	28,437	1,218	260,528
5900 Federal Program Revenues	-	-	-	4,470,303
5020 Total Revenues	196,158	28,437	34,299	4,927,808
EXPENDITURES:				
Current:				
0011 Instruction	196,158	26,974	-	2,543,853
0013 Curriculum and Instructional Staff Development	-	-	-	77,784
0021 Instructional Leadership	-	-	-	624
0031 Guidance, Counseling, and Evaluation Services	-	1,463	-	373,486
0035 Food Services	-	-	-	1,751,142
0036 Extracurricular Activities	-	-	47,214	47,214
0051 Facilities Maintenance and Operations	-	-	-	14,569
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of SSA	-	-	-	6,000
6030 Total Expenditures	196,158	28,437	47,214	4,814,672
1200 Net Change in Fund Balance	-	-	(12,915)	113,136
0100 Fund Balance - September 1 (Beginning)	29,073	-	74,864	497,643
3000 Fund Balance - August 31 (Ending)	\$ 29,073	\$ -	\$ 61,949	\$ 610,779

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, 2021

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	\$ 767,669	\$ 767,669	\$ 163,896	\$ (603,773)
5800	State Program Revenues	9,385	9,385	34,715	25,330
5900	Federal Program Revenues	1,187,985	1,187,985	1,678,582	490,597
5020	Total Revenues	1,965,039	1,965,039	1,877,193	(87,846)
EXPENDITURES:					
Current:					
0035	Food Services	1,964,054	1,964,054	1,751,142	212,912
6030	Total Expenditures	1,964,054	1,964,054	1,751,142	212,912
1200	Net Change in Fund Balances	985	985	126,051	125,066
0100	Fund Balance - September 1 (Beginning)	393,706	393,706	393,706	-
3000	Fund Balance - August 31 (Ending)	\$ 394,691	\$ 394,691	\$ 519,757	\$ 125,066

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, 2021

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	\$ 11,183,509	\$ 11,183,509	\$ 11,076,612	\$ (106,897)
5800	State Program Revenues	-	-	158,963	158,963
5020	Total Revenues	11,183,509	11,183,509	11,235,575	52,066
EXPENDITURES:					
Debt Service:					
0071	Principal on Long-Term Debt	3,205,324	3,205,324	3,205,324	-
0072	Interest on Long-Term Debt	7,837,858	7,963,711	7,963,710	1
0073	Bond Issuance Cost and Fees	10,000	10,000	6,350	3,650
6030	Total Expenditures	11,053,182	11,179,035	11,175,384	3,651
1100	Excess of Revenues Over Expenditures	130,327	4,474	60,191	55,717
OTHER FINANCING SOURCES (USES):					
7911	Capital Related Debt Issued	-	6,540,000	6,540,000	-
7916	Premium or Discount on Issuance of Bonds	-	733,242	733,242	-
8949	Other (Uses)	-	(7,147,389)	(7,147,389)	-
7080	Total Other Financing Sources (Uses)	-	125,853	125,853	-
1200	Net Change in Fund Balances	130,327	130,327	186,044	55,717
0100	Fund Balance - September 1 (Beginning)	-	1,900,470	1,900,470	-
3000	Fund Balance - August 31 (Ending)	\$ 130,327	\$ 2,030,797	\$ 2,086,514	\$ 55,717

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, 2021

	752	754	
	Print Shop	Computer Operations	Total Internal Service Funds
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 148,411	\$ 110,524	\$ 258,935
Due from Other Funds	2,656	4,252	6,908
Inventories	3,935	892	4,827
Total Assets	<u>155,002</u>	<u>115,668</u>	<u>270,670</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	1,688	-	1,688
Accrued Expenses	88	-	88
Total Liabilities	<u>1,776</u>	<u>-</u>	<u>1,776</u>
NET POSITION			
Unrestricted Net Position	<u>153,226</u>	<u>115,668</u>	<u>268,894</u>
Total Net Position	<u>\$ 153,226</u>	<u>\$ 115,668</u>	<u>\$ 268,894</u>

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, 2021

	752	754	
	Print Shop	Computer Operations	Total Internal Service Funds
OPERATING REVENUES:			
Local and Intermediate Sources	\$ 113,966	\$ -	\$ 113,966
State Program Revenues	2,544	-	2,544
Total Operating Revenues	<u>116,510</u>	<u>-</u>	<u>116,510</u>
OPERATING EXPENSES:			
Payroll Costs	32,778	-	32,778
Professional and Contracted Services	63,956	-	63,956
Supplies and Materials	19,776	1,218	20,994
Total Operating Expenses	<u>116,510</u>	<u>1,218</u>	<u>117,728</u>
Operating Income (Loss)	-	(1,218)	(1,218)
Total Net Position - September 1 (Beginning)	<u>153,226</u>	<u>116,886</u>	<u>270,112</u>
Total Net Position - August 31 (Ending)	<u><u>\$ 153,226</u></u>	<u><u>\$ 115,668</u></u>	<u><u>\$ 268,894</u></u>

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2021

	752	754	Total
	Print Shop	Computer Operations	Internal Service Funds
<u>Cash Flows from Operating Activities:</u>			
Cash Received from District	\$ 113,966	\$ -	\$ 113,966
Cash Payments for Payroll Costs	(30,234)	-	(30,234)
Cash Payments for Supplies and Materials	(80)	-	(80)
Cash Payments for Purchased Services	(63,956)	-	(63,956)
Net Cash Provided by Operating Activities	19,696	-	19,696
Net Increase in Cash and Cash Equivalents	19,696	-	19,696
Cash and Cash Equivalents at Beginning of Year	128,715	110,524	239,239
Cash and Cash Equivalents at End of Year	<u>\$ 148,411</u>	<u>\$ 110,524</u>	<u>\$ 258,935</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided by Operating Activities:</u>			
Operating Income (Loss):	\$ -	\$ (1,218)	\$ (1,218)
Effect of Increases and Decreases in Current Assets and Liabilities:			
Decrease (increase) in Inventories	18,919	1,218	20,137
Increase (decrease) in Accounts Payable	777	-	777
Net Cash Provided by Operating Activities	<u>\$ 19,696</u>	<u>\$ -</u>	<u>\$ 19,696</u>

OTHER SUPPLEMENTARY INFORMATION:
REQUIRED TEA SCHEDULES

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FISCAL YEAR ENDED AUGUST 31, 2021

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2012 and prior years	Various	Various	\$ Various
2013	1.170000	0.500000	1,203,818,215
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 (School year under audit)	1.050300	0.500000	2,269,182,443
1000 TOTALS			

(10) Beginning Balance 9/1/2020	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2021
\$ 79,377	\$ -	\$ 862	\$ 359	\$ (16,543)	\$ 61,613
36,036	-	85	36	(15)	35,900
27,823	-	(1,309)	(559)	(1,897)	27,794
35,235	-	(1,287)	(550)	(1,868)	35,204
38,722	-	(822)	(351)	(1,902)	37,993
39,790	-	(1,945)	(831)	(4,028)	38,538
47,115	-	(2,085)	(891)	(9,566)	40,525
69,577	-	(3,155)	(1,349)	(21,893)	52,188
355,456	-	(20,356)	(9,527)	(294,653)	90,686
-	33,832,392	23,144,623	11,018,101	688,989	358,657
<u>\$ 729,131</u>	<u>\$ 33,832,392</u>	<u>\$ 23,114,611</u>	<u>\$ 11,004,438</u>	<u>\$ 336,624</u>	<u>\$ 779,098</u>



**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	112
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	121
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
Debt Capacity	128
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	134
These schedules offer demographic and economic indicators to help the reader understand the environment within the government's financial activities take place.	
Operating Information	140
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	2012	2013	2014 (3)	2015
Governmental Activities:				
Net Investment in Capital Assets	\$ 6,917,917	\$ 6,110,394	\$ 6,964,541	\$ 10,701,163
Restricted for Federal and State Programs	452,319	353,245	363,149	372,313
Restricted for Debt Service	397,695	717,021	165,123	204,440
Restricted for Campus Activities	43,228	47,627	-	-
Unrestricted Net Position	(15,000,928)	(15,129,099)	(16,854,334)	(21,228,700)
Total Governmental Activities Net Position (1,2)	<u>\$ (7,189,769)</u>	<u>\$ (7,900,812)</u>	<u>\$ (9,361,521)</u>	<u>\$ (9,950,784)</u>
Business-Type Activities:				
Unrestricted Net Position	\$ 17,965	\$ -	\$ -	\$ 2,019
Total Business-Type Activities	<u>\$ 17,965</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,019</u>
Primary Government:				
Net Investment in Capital Assets	\$ 6,917,917	\$ 6,110,394	\$ 6,964,541	\$ 10,701,163
Restricted for Federal and State Programs	452,319	353,245	363,149	372,313
Restricted for Debt Service	397,695	717,021	165,123	204,440
Restricted for Campus Activities	43,228	47,627	-	-
Unrestricted Net Position	(14,982,963)	(15,129,099)	(16,854,334)	(21,228,700)
Total Primary Government Net Position (1,2)	<u>\$ (7,171,804)</u>	<u>\$ (7,900,812)</u>	<u>\$ (9,361,521)</u>	<u>\$ (9,948,765)</u>

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.

2016	2017	2018	2019	2020	2021
\$ 10,532,295	\$ 999,254	\$ (1,011,015)	\$ 4,729,315	\$ 6,731,610	\$ 6,077,517
289,104	276,416	387,245	380,420	422,779	548,830
552,093	548,129	1,016,462	1,458,801	1,655,330	2,086,514
-	-	-	-	-	-
(18,901,486)	(7,925,164)	(20,469,736)	(25,263,626)	(26,426,223)	(26,535,782)
<u>\$ (7,527,994)</u>	<u>\$ (6,101,365)</u>	<u>\$ (20,077,044)</u>	<u>\$ (18,695,090)</u>	<u>\$ (17,616,504)</u>	<u>\$ (17,822,921)</u>
\$ 2,019	\$ 2,019	\$ 2,019	\$ 2,019	\$ 2,019	\$ 17,348
<u>\$ 2,019</u>	<u>\$ 2,019</u>	<u>\$ 2,019</u>	<u>\$ 2,019</u>	<u>\$ 2,019</u>	<u>\$ 17,348</u>
\$ 10,532,295	\$ 999,254	\$ (1,011,015)	\$ 4,729,315	\$ 6,731,610	\$ 6,077,517
289,104	276,416	387,245	380,420	422,779	548,830
552,093	548,129	1,016,462	1,458,801	1,655,330	2,086,514
-	-	-	-	-	-
(18,899,467)	(7,923,145)	(20,467,717)	(25,261,607)	(26,424,204)	(26,518,434)
<u>\$ (7,525,975)</u>	<u>\$ (6,099,346)</u>	<u>\$ (20,075,025)</u>	<u>\$ (18,693,071)</u>	<u>\$ (17,614,485)</u>	<u>\$ (17,805,573)</u>

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

Fiscal Year	2012	2013	2014	2015
Expenses				
Governmental Activities:				
Instruction	\$ 19,417,571	\$ 19,604,501	\$ 20,594,920	\$ 21,602,235
Instructional Resources & Media Services	525,739	545,040	561,763	577,352
Curriculum & Staff Development	743,596	775,300	855,170	864,442
Instructional Leadership	328,888	461,658	419,164	433,087
School Leadership	1,931,761	2,018,860	2,028,199	2,037,524
Guidance, Counseling & Evaluation Services	1,052,165	1,210,347	1,325,337	1,302,368
Social Work Services	391	16,336	17,276	17,781
Health Services	328,698	354,303	326,353	303,402
Student (Pupil) Transportation	1,273,673	1,022,918	1,052,382	996,880
Food Services	1,717,847	1,893,064	1,761,483	1,828,423
Cocurricular/Extracurricular Activities	1,350,211	1,319,230	1,344,164	1,450,777
General Administration	1,184,065	1,233,522	1,419,162	1,371,000
Plant Maintenance & Operations	4,344,652	4,342,753	4,620,415	4,581,366
Security Monitoring Services	123,984	131,168	153,783	148,585
Data Processing Services	702,435	634,526	832,017	662,639
Community Services	-	-	-	-
Debt Service - Interest and Fees	5,413,137	5,570,370	5,493,125	5,354,996
Facilities Furnishings - Noncapital	-	-	-	-
Shared Services Special Education	-	-	-	-
Juvenile Justice Alternative Education Program	-	-	801	-
Tax Appraisal Fees	171,105	165,545	158,721	153,902
Total Expenses	<u>40,609,918</u>	<u>41,299,441</u>	<u>42,964,235</u>	<u>43,686,759</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Instruction	11,495	2,415	6,556	1,950
Food Services	854,998	810,140	834,368	759,799
Cocurricular/Extracurricular Activities	117,257	92,023	99,245	73,706
Plant Maintenance & Operations	38,720	40,930	20,470	2,435
Operating Grants and Contributions	<u>4,600,798</u>	<u>4,233,864</u>	<u>3,952,861</u>	<u>4,357,148</u>
Total Governmental Program Revenues	<u>5,623,268</u>	<u>5,179,372</u>	<u>4,913,500</u>	<u>5,195,038</u>
Total Governmental Net (Expense) Revenue	<u>\$ (34,986,650)</u>	<u>\$ (36,120,069)</u>	<u>\$ (38,050,735)</u>	<u>\$ (38,491,721)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes - General Purposes	\$ 14,518,282	\$ 14,545,942	\$ 14,850,909	\$ 16,203,206
Property Taxes - Debt Service	6,186,799	6,205,067	6,359,350	6,898,513
State Aid-Formula Grants	12,919,301	13,562,403	14,672,165	15,568,660
Grants and Contributions not Restricted	677,771	863,331	402,391	432,334
Investment Earnings	51,453	61,232	49,716	39,472
Miscellaneous	240,158	174,947	263,108	251,061
Transfers Out	-	(3,896)	(7,613)	-
Gain on Sale of Assets	<u>8,750</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Revenues and Other Changes				
in Net Position Governmental Activities	<u>34,602,514</u>	<u>35,409,026</u>	<u>36,590,026</u>	<u>39,393,246</u>
Change in Net Position Governmental Activities	<u>(384,136)</u>	<u>(711,043)</u>	<u>(1,460,709)</u>	<u>901,525</u>
Business-Type Activities:				
Revenue-Charge for Service	371,397	322,582	313,933	353,939
Expense-Day Care Service	353,482	344,443	321,546	351,920
Operating Grants and Contributions	-	-	-	-
Transfer In	<u>-</u>	<u>3,896</u>	<u>7,613</u>	<u>-</u>
Change in Net Position-Business-Type Activities	<u>17,965</u>	<u>(17,965)</u>	<u>-</u>	<u>2,019</u>
Total Primary Government Change in Net Position	<u>\$ (366,171)</u>	<u>\$ (729,008)</u>	<u>\$ (1,460,709)</u>	<u>\$ 903,544</u>

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.

2016	2017	2018	2019	2020	2021
\$ 23,420,949	\$ 23,396,271	\$ 16,521,116	\$ 25,381,434	\$ 27,443,101	\$ 27,316,287
615,380	608,202	435,713	648,672	663,803	592,635
1,062,067	1,146,177	824,663	1,195,322	1,183,979	1,068,238
537,969	544,277	382,487	607,779	613,427	598,999
2,221,927	2,239,641	1,523,744	2,448,663	2,632,845	2,591,801
1,479,360	1,534,056	1,094,629	1,654,565	1,741,491	1,682,408
19,264	21,085	11,942	21,759	23,649	12,471
349,952	348,539	233,779	368,200	385,271	384,265
1,027,448	1,131,794	716,565	1,185,733	1,432,506	1,493,553
2,040,332	1,869,615	1,767,424	1,957,297	1,833,588	1,727,723
1,650,080	1,484,754	1,215,238	1,705,455	1,050,970	1,377,404
1,431,261	1,422,654	1,072,859	1,629,207	1,691,746	1,784,756
4,641,156	4,860,641	3,956,372	5,948,185	5,239,630	7,066,864
142,798	157,201	226,556	215,223	263,154	285,525
1,169,096	804,769	602,488	863,888	886,554	1,321,858
-	10,691	4,023	6,793	21,310	11,685
2,903,668	4,206,670	3,730,281	4,576,171	7,214,780	6,749,811
-	63,123	1,780,675	211,776	-	-
-	50,205	56,200	39,800	22,400	6,000
-	-	2,403	-	-	6,237
154,181	172,488	179,701	198,865	215,144	220,394
<u>44,866,888</u>	<u>46,072,853</u>	<u>36,338,858</u>	<u>50,864,787</u>	<u>54,559,348</u>	<u>56,298,914</u>
9,285	151,386	10,680	11,315	40	10,490
698,891	777,262	705,650	707,946	590,316	161,380
137,602	88,174	92,362	109,408	88,483	98,518
3,443	3,315	4,425	6,021	1,580	547,146
<u>6,008,342</u>	<u>4,997,486</u>	<u>(1,901,848)</u>	<u>5,316,853</u>	<u>5,641,076</u>	<u>7,362,414</u>
<u>6,857,563</u>	<u>6,017,623</u>	<u>(1,088,731)</u>	<u>6,151,543</u>	<u>6,321,495</u>	<u>8,179,948</u>
<u>\$ (38,009,325)</u>	<u>\$ (40,055,230)</u>	<u>\$ (37,427,589)</u>	<u>\$ (44,713,244)</u>	<u>\$ (48,237,853)</u>	<u>\$ (48,118,966)</u>
\$ 16,810,170	\$ 18,523,586	\$ 20,182,739	\$ 22,439,330	\$ 22,787,658	\$ 23,370,110
7,182,779	7,903,046	8,622,478	9,577,335	10,656,269	11,121,847
15,552,620	14,292,335	13,456,486	12,850,386	14,070,295	12,555,449
606,466	388,692	388,721	433,858	423,744	439,879
77,326	163,067	339,170	678,764	1,216,971	291,576
221,434	227,052	2,348,060	118,352	238,138	133,688
(18,680)	(15,919)	(19,861)	(2,827)	(76,636)	-
-	-	-	-	-	-
<u>40,432,115</u>	<u>41,481,859</u>	<u>45,317,793</u>	<u>46,095,198</u>	<u>49,316,439</u>	<u>47,912,549</u>
<u>2,422,790</u>	<u>1,426,629</u>	<u>7,890,204</u>	<u>1,381,954</u>	<u>1,078,586</u>	<u>(206,417)</u>
340,628	303,073	336,824	387,544	311,086	477,683
359,308	338,986	356,685	390,371	387,722	462,354
-	19,994	-	-	-	-
<u>18,680</u>	<u>15,919</u>	<u>19,861</u>	<u>2,827</u>	<u>76,636</u>	<u>-</u>
-	-	-	-	-	15,329
<u>\$ 2,422,790</u>	<u>\$ 1,426,629</u>	<u>\$ 7,890,204</u>	<u>\$ 1,381,954</u>	<u>\$ 1,078,586</u>	<u>\$ (191,088)</u>

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

Fiscal Year	2012	2013	2014	2015	2016
General Fund					
Nonspendable Fund Balance:					
Prepayments	\$ 185,983	\$ 186,633	\$ 189,985	\$ 10,731	\$ 3,042
Assigned Fund Balance:					
Fiscal year 2018 Budget Deficit	-	-	-	-	-
Unassigned	<u>8,598,497</u>	<u>8,610,944</u>	<u>8,661,210</u>	<u>9,531,344</u>	<u>10,055,011</u>
Total General Fund	<u>\$ 8,784,480</u>	<u>\$ 8,797,577</u>	<u>\$ 8,851,195</u>	<u>\$ 9,542,075</u>	<u>\$ 10,058,053</u>
All Other Governmental Funds					
Restricted Fund Balance:					
Retirement of Long-Term Debt	\$ 397,129	\$ 628,469	\$ 139,593	\$ 214,899	\$ 588,223
Federal or State Grants	452,319	353,245	363,149	372,313	289,104
Capital Acquisition and Contractual Obligation	475,714	588,381	433,642	770,835	842,019
Committed Fund Balance:					
Campus Activities	<u>43,228</u>	<u>47,627</u>	<u>75,125</u>	<u>76,659</u>	<u>91,739</u>
Total All Other Governmental Funds	<u>\$ 1,368,390</u>	<u>\$ 1,617,722</u>	<u>\$ 1,011,509</u>	<u>\$ 1,434,706</u>	<u>\$ 1,811,085</u>

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 3,782	\$ 11,272	\$ 24,286	\$ 45,113	\$ 672
169,826	-	-	-	298,263
<u>10,148,627</u>	<u>10,455,894</u>	<u>11,339,328</u>	<u>12,121,614</u>	<u>12,377,665</u>
<u>\$ 10,322,235</u>	<u>\$ 10,467,166</u>	<u>\$ 11,363,614</u>	<u>\$ 12,166,727</u>	<u>\$ 12,676,600</u>
\$ 860,722	\$ 980,605	\$ 1,604,558	\$ 1,900,470	\$ 2,086,514
276,416	387,245	380,420	422,779	548,830
848,353	663,394	8,184,344	63,553,302	21,457,858
<u>88,063</u>	<u>73,977</u>	<u>89,646</u>	<u>74,864</u>	<u>61,949</u>
<u>\$ 2,073,554</u>	<u>\$ 2,105,221</u>	<u>\$ 10,258,968</u>	<u>\$ 65,951,415</u>	<u>\$ 24,155,151</u>

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

Fiscal Year	2012	2013	2014	2015
REVENUES:				
Total Local and Intermediate Sources	\$ 22,029,278	\$ 21,916,928	\$ 22,403,813	\$ 24,267,450
State Program Revenues	15,367,206	15,770,892	16,834,060	17,976,575
Federal Program Revenues	2,831,114	2,888,706	2,187,218	2,380,465
Total Revenues	<u>40,227,598</u>	<u>40,576,526</u>	<u>41,425,091</u>	<u>44,624,490</u>
EXPENDITURES:				
Current:				
Instruction	17,999,346	18,090,353	19,022,062	20,292,379
Instructional Resources & Media Services	478,975	498,623	514,093	536,718
Curriculum & Instructional Staff Development	684,337	716,481	802,070	815,428
Instructional Leadership	300,250	433,233	393,625	411,108
School Leadership	1,763,372	1,851,721	1,867,111	1,902,508
Guidance, Counseling & Evaluation Services	960,315	1,119,179	1,231,707	1,226,646
Social Work Services	391	16,336	17,276	17,930
Health Services	299,426	325,248	296,514	278,717
Student (Pupil) Transportation	1,160,381	1,133,915	1,121,481	979,160
Food Services	1,611,689	1,787,694	1,653,268	1,742,163
Cocurricular/Extracurricular Activities	1,235,315	1,205,187	1,241,695	1,349,429
General Administration	1,078,744	1,128,983	1,240,316	1,290,885
Plant Maintenance and Operations	3,970,249	3,971,130	4,238,758	4,232,882
Security and Monitoring Services	112,956	120,222	142,541	137,878
Data Processing Services	639,954	572,509	768,326	605,141
Community Services	-	-	-	-
Debt Service:				
Debt Service - Principal on long-term debt	3,479,937	2,699,486	2,556,288	2,639,168
Debt Service - Interest on long-term debt	3,678,527	4,367,004	4,608,806	4,645,179
Debt Service - Bond Issuance Cost and Fees	166,773	153,890	144,750	296,535
Capital Outlay:				
Facilities Acquisition and Construction	903,700	107,576	20,148	252,759
Intergovernmental:				
Payments to Fiscal Agent/Member Districts of SSA	-	-	-	-
Payments to Juvenile Justice Alternative Ed. Prg.	-	-	801	-
Other Intergovernmental Charges	171,105	165,545	158,721	153,902
Total Expenditures	<u>40,695,742</u>	<u>40,464,315</u>	<u>42,040,357</u>	<u>43,806,515</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(468,144)</u>	<u>112,211</u>	<u>(615,266)</u>	<u>817,975</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	92,390	665,859	100,000	525,000
Transfers Out	(92,390)	(669,755)	(107,613)	(525,000)
Bonds Issued	9,340,000	8,955,000	9,295,000	19,063,027
Premium or discount on Issuance of Bonds	617,120	1,040,260	701,308	9,175,973
Sale of Real or Personal Property	8,750	-	-	5,300
Other (uses)	-	-	-	-
Non-current Loan	35,604	-	-	-
Payments to Bond Refunding Escrow Agent	(9,793,632)	(9,841,146)	(9,850,887)	(27,948,198)
Refund of Prior Year Taxes	-	-	(75,137)	-
Total Other Financing Sources (Uses)	<u>207,842</u>	<u>150,218</u>	<u>62,671</u>	<u>296,102</u>
Net Change in Fund Balances	<u>\$ (260,302)</u>	<u>\$ 262,429</u>	<u>\$ (552,595)</u>	<u>\$ 1,114,077</u>
Debt service as a percentage of noncapital expenditures	17.99%	17.51%	17.05%	16.72%

2016	2017	2018	2019	2020	2021
\$ 25,277,027	\$ 27,807,379	\$ 31,912,030	\$ 33,683,573	\$ 35,566,555	\$ 35,592,391
18,247,506	16,783,305	16,041,408	15,315,210	17,235,191	15,125,145
2,967,718	2,672,292	3,045,203	3,334,167	3,309,816	5,275,271
<u>46,492,251</u>	<u>47,262,976</u>	<u>50,998,641</u>	<u>52,332,950</u>	<u>56,111,562</u>	<u>55,992,807</u>
21,148,185	21,377,389	22,130,354	24,204,385	24,371,058	24,919,947
546,198	551,588	575,768	579,452	589,331	533,246
959,912	1,042,807	1,097,393	1,112,733	1,050,896	968,105
482,176	493,726	520,584	562,148	540,208	540,040
1,940,524	2,025,767	2,117,988	2,153,750	2,330,747	2,328,104
1,316,630	1,386,036	1,476,687	1,495,284	1,583,845	1,549,680
18,518	18,948	19,625	20,124	20,605	11,099
303,370	315,015	319,824	320,673	342,147	346,065
1,084,652	1,110,579	1,243,785	1,148,052	1,377,204	1,452,572
1,845,766	1,869,405	1,767,424	1,906,464	1,823,640	1,753,177
1,491,906	1,359,900	1,498,981	1,509,780	1,260,749	1,265,188
1,240,379	1,292,688	1,342,275	1,402,526	1,518,179	1,614,031
4,201,445	4,490,946	4,498,155	4,895,183	5,099,588	4,836,418
132,113	146,372	211,013	618,408	247,019	277,631
1,093,345	805,850	768,398	1,716,417	794,668	1,227,779
-	-	250	6,793	-	-
2,541,705	2,555,323	2,027,213	4,521,360	3,167,988	3,205,324
4,680,862	4,979,100	5,068,512	5,218,593	7,601,141	7,963,710
316,954	10,345	3,511	211,776	591,455	6,350
395,440	215,652	2,239,637	7,532,315	15,748,286	42,391,664
-	-	56,200	-	-	6,000
-	50,205	2,403	39,800	22,400	6,237
154,181	160,658	166,646	183,921	200,200	202,684
<u>45,894,261</u>	<u>46,258,299</u>	<u>49,152,626</u>	<u>61,359,937</u>	<u>70,281,354</u>	<u>97,405,051</u>
597,990	1,004,677	1,846,015	(9,026,987)	(14,169,792)	(41,412,244)
100,000	-	299,698	-	65,226	-
(118,680)	(15,919)	(319,559)	(2,827)	(141,862)	-
24,877,700	-	-	16,130,000	63,900,000	6,540,000
6,013,881	-	-	1,950,010	6,841,988	733,242
-	-	-	-	-	-
-	-	-	-	-	(7,147,289)
-	-	-	-	-	-
(30,578,534)	(462,105)	(1,649,558)	-	-	-
-	-	-	-	-	-
294,367	(478,024)	(1,669,419)	18,077,183	70,665,352	125,953
<u>\$ 892,357</u>	<u>\$ 526,653</u>	<u>\$ 176,596</u>	<u>\$ 9,050,196</u>	<u>\$ 56,495,560</u>	<u>\$ (41,286,291)</u>
15.87%	16.36%	15.13%	18.09%	20.07%	19.77%



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

Fiscal Year	ASSESSED VALUE			Total Estimated Taxable Value	Total Direct Rate
	Residential or Real Property	Personal Property	Less Exemptions		
2012	\$1,314,548,001	\$ 58,534,985	\$ 157,090,864	\$ 1,215,992,122	1.670
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

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	
2012	\$ 1.170	\$ 0.500	\$	1.670
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

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
\$ 0.27736	\$ 0.71000	\$ 0.59135	\$ 0.424287	\$ 0.150
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	-

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

Taxpayer	Description	2021		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Oxford 2181 Inc.	Real Estate	\$ 37,000,000	1	1.63%
Mansions at Hickory Creek LP	Real Estate	32,108,495	2	1.41%
Boulevard 2010 LLC	Real Estate	27,800,001	3	1.23%
Millennium Place LP	Real Estate	26,961,860	4	1.19%
Denton County Electric Coop	Utility	24,366,447	5	1.07%
Oncor Electric Delivery Co.	Utility	17,590,936	6	0.78%
AV Ashleye Village LP	Real Estate	13,500,000	7	0.59%
Tower Ridge Corinth I, LTD	Real Estate	13,000,000	8	0.57%
Wal-Mart Stores Real Estate	Retail	10,980,393	9	0.48%
TREA SP Corinth Tx LLC	Real Estate	8,454,867	10	0.37%
Goldfield, Alan H. & Shirley M.	Real Estate			
HD Supply Utilities, Ltd.	Warehouse			
United Aircraft Services	Services			
Kensington Square LP PS	Apartment			
RRC (TX) LP	Real Estate			
TOTAL		<u>\$ 211,762,999</u>		<u>9.33%</u>

The 2021 taxable valuation is based on the 2019-2020 tax roll with a total assessed value of
\$ 2,269,182,443

Source of information: Denton Central Appraisal District

2012		
Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
\$ 15,086,139	1	1.25%
8,625,660	4	0.72%
4,671,871	10	0.39%
6,299,659	6	0.52%
14,102,641	2	1.17%
12,649,353	3	1.05%
5,743,418	7	0.48%
7,022,656	5	0.58%
4,850,000	9	0.40%
5,000,000	8	0.41%
<u>\$ 84,051,397</u>		<u>6.97%</u>

The 2012 taxable valuation is based on the 2011-2012 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
2012	\$ 20,511,720	\$ 20,372,587	99.32%	\$ 121,595	\$ 20,494,182
2013	20,542,830	20,397,497	99.29%	109,317	20,506,814
2014	20,948,111	20,820,019	99.39%	116,337	20,936,356
2015	22,684,911	22,504,021	99.20%	186,670	22,690,691
2016	23,682,610	23,532,301	99.37%	151,971	23,684,272
2017	26,042,409	25,842,333	99.23%	185,409	26,027,742
2018	28,577,451	28,415,273	99.23%	113,455	28,528,728
2019	31,698,749	31,523,220	99.45%	92,781	31,616,001
2020	33,137,389	33,152,643	98.93%	(29,883)	33,122,760
2021	34,521,381	34,162,724	98.96%	-	34,162,724

Source of information: Annual Financial Report.

<u>to Date</u>		
<u>Percentage</u>	<u>Outstanding</u>	<u>Outstanding</u>
<u>of Levy</u>	<u>Delinquent</u>	<u>Delinquent</u>
	<u>Taxes</u>	<u>Taxes as</u>
		<u>% of</u>
		<u>Tax Levy</u>
99.91%	\$ 17,486	0.09%
99.82%	35,900	0.17%
99.94%	27,794	0.13%
100.03%	35,204	0.16%
100.01%	37,993	0.16%
99.94%	38,538	0.15%
99.83%	40,525	0.14%
99.74%	52,188	0.16%
99.96%	90,686	0.27%
98.96%	358,657	1.04%

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 *
2012	\$ 93,571,648	\$24,329,620	\$ -	\$4,292,642	\$662,099	\$122,856,009	16.35%	\$ 5,365
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%	7,163
2021	146,066,867	13,406,230	-	22,531,200	-	182,004,297	19.77%	5,345

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, 2021
(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Corinth, City of	\$ 58,215,000	45.45%	\$ 26,458,718
Denton, City of	856,580,000	0.02%	171,316
Denton County	571,605,000	2.05%	11,717,903
Hickory Creek, Town of	9,595,000	99.41%	9,538,390
Lake Dallas, City of	3,400,000	100.00%	<u>3,400,000</u>
Subtotal, overlapping bonded debt			51,286,326
Lake Dallas ISD	146,066,868	100.000%	<u>146,066,868</u>
Total direct and overlapping debt			<u>\$ 197,353,195</u>

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
2012	22,901	\$ 1,215,922,122	\$ 122,856,009	\$ 397,129	\$122,458,880	10.07%	\$ 5,347
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	26,060	2,194,318,562	186,663,832	1,655,330	185,008,502	8.43%	7,090
2021	27,040	2,269,182,443	182,004,297	2,086,514	179,917,783	7.93%	6,654

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	2012	2013	2014	2015
Total Assessed Value	<u>\$1,215,992,122</u>	<u>\$1,203,818,215</u>	<u>\$1,244,533,513</u>	<u>\$1,343,350,119</u>
Debt Limit (10% of Total Assessed Value)	<u>\$ 121,599,212</u>	<u>\$ 120,381,822</u>	<u>\$ 124,453,351</u>	<u>\$ 134,335,012</u>
Debt Applicable to Limit:				
General Obligation Bonds	\$ 93,571,648	\$ 90,742,582	\$ 87,922,086	\$ 85,340,015
Less Net Position in Debt Service Fund	<u>397,129</u>	<u>628,469</u>	<u>139,593</u>	<u>214,899</u>
Total Amount of Debt Applicable to Debt Limit	<u>93,174,519</u>	<u>90,114,113</u>	<u>87,782,493</u>	<u>85,125,116</u>
Legal Debt Margin	<u>\$ 28,424,693</u>	<u>\$ 30,267,709</u>	<u>\$ 36,670,858</u>	<u>\$ 49,209,896</u>
Total Net Debt Applicable to the Limit as a percentage of Debt Limit	76.62%	74.86%	70.53%	63.37%

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 may be offset by amounts set aside for repaying general obligation bonds.

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>\$1,422,319,042</u>	<u>\$1,601,010,736</u>	<u>\$1,748,779,669</u>	<u>\$1,953,569,778</u>	<u>\$2,194,318,562</u>	<u>\$2,269,182,443</u>
<u>\$ 142,231,904</u>	<u>\$ 160,101,073</u>	<u>\$ 174,877,967</u>	<u>\$ 195,359,978</u>	<u>\$ 219,431,856</u>	<u>\$ 226,918,244</u>
<u>\$ 82,931,615</u>	<u>\$ 80,182,514</u>	<u>\$ 77,342,787</u>	<u>\$ 89,125,180</u>	<u>\$ 149,857,191</u>	<u>\$ 146,066,867</u>
<u>588,223</u>	<u>860,722</u>	<u>1,016,462</u>	<u>1,458,801</u>	<u>1,655,330</u>	<u>1,849,214</u>
<u>82,343,392</u>	<u>79,321,792</u>	<u>76,326,325</u>	<u>87,666,379</u>	<u>148,201,861</u>	<u>144,217,653</u>
<u>\$ 59,888,512</u>	<u>\$ 80,779,281</u>	<u>\$ 98,551,642</u>	<u>\$ 107,693,599</u>	<u>\$ 71,229,995</u>	<u>\$ 82,700,591</u>
57.89%	50.46%	56.35%	55.13%	32.46%	36.45%

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

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate *</u>
2012	22,901	\$ 751,364,972	\$ 32,809	6.4%
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	26,060	885,962,431	33,997	5.7%
2021	27,040	920,712,000	34,050	4.1%

Source: North Central Texas Council of Governments

* Texas Workforce Commission

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHIC STATISTICS
 (UNAUDITED)
 AUGUST 31, 2021

Student Data

Student Ethnicity:	
White	48.8%
Hispanic	33.4%
Black	8.8%
Other	8.9%
Attendance Rate:	95.9%
Dropout Rate:	0.3%
Number of Students per Campus:	
Lake Dallas	
Elementary	603
Middle School	915
High School	1,250
Corinth	
Elementary	568
Shady Shores	
Elementary	<u>535</u>
Total Students	3,871

Faculty Data

Teachers	291.6
Counselors	10.0
Administrators	20.5
Educational Aides	72.7
Advance Degrees/Certifications:	
Master Degrees	73.7
Doctoral Degrees	5
Average Experience of Teachers	11.8 Years
Student/Teacher Ratio	13.3 to 1
Cost per Student based on expenses reported in the governmental financial statements	9,399
Percentage of Student population who received free or reduced meals	46.06%

Source of Information: District enrollment and financial records



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

	<u>Average Daily Enrollment</u>	<u>Average Daily Attendance</u>		
		<u>Average Daily Attendance</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Percent of Enrollment</u>
2011/12	4,002	3,846	-0.80%	96.10%
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%

Source of information: Superintendent's Annual Report.

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

Employer	Description	2021		Percentage of Total City Employment
		Employees	Rank	
Lake Dallas ISD	School District	582.3	1	27.71%
Coserve	Electric Utility	481	2	22.89%
North Central Texas College	College	225	3	10.71%
Wal-Mart	Retail	320	4	15.23%
City of Corinth	Government	156	5	7.42%
Huffines Corinth	Car Dealership	94	6	4.47%
Albertsons	Grocery	110	7	5.23%
ComCo Systems	Manufacturer	32	8	1.52%
Lake Cities Fire Dept.	Fire Protection	51	9	2.43%
Stone Systems of N. Texas	Services	50	10	2.38%
Llano Utility	Utility/Construction			
Video Plus	Media/Marketing Comm.			
HD Supply	Wholesale Distribution			
TOTAL		2,101		100.00%

Source of Information: Lake Cities Chamber of Commerce

2012		
Employees	Rank	Percentage of Total City Employment
580	1	29.81%
331	3	17.01%
400	2	20.55%
154	5	7.91%
120	6	6.17%
95	7	4.88%
206	4	10.59%
60	8	3.08%
1,946		100.00%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/ Teacher Ratio</u>
2011-2012	4,087	\$29,370,300	\$ 7,186	-0.86%	269	15.2
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

Source of Information: AEIS Report

<u>Economically Disadvantaged</u>	<u>Limited English Proficient</u>
1446	232
1461	248
1626	278
1521	301
1514	338
1572	362
1786	362
1798	380
1620	381
1783	396

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STAFF INFORMATION
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Teachers</u>	<u>Professional Support</u>	<u>Campus Administration</u>	<u>Central Administration</u>	<u>Total Professional Staff</u>	<u>Educational Aides</u>
2011-2012	268.6	53.7	15.0	4.0	341.3	56.4
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

Source of Information: AEIS Report

Auxiliary Staff	Total Staff	% Change
147.4	545.1	-7.00%
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%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
TEACHERS SALARY DATA
2020-21 SCHOOL YEAR

<u>Years of Experience</u>	<u>Bachelor's Degree</u>	<u>Master's Degree</u>	<u>Doctorate Degree</u>
0	\$ 54,000	\$ 55,500	\$ 56,500
1	54,140	55,640	56,640
2	54,265	55,765	56,765
3	54,465	55,965	56,965
4	54,665	56,165	57,165
5	54,865	56,365	57,365
6	55,065	56,565	57,565
7	55,765	57,265	58,265
8	55,915	57,415	58,415
9	56,065	57,565	58,565
10	56,215	57,715	58,715
11	56,365	57,865	58,865
12	56,515	58,015	59,015
13	56,665	58,165	59,165
14	56,815	58,315	59,315
15	56,965	58,465	59,465
16	57,115	58,615	59,615
17	57,965	59,465	60,465
18	58,665	60,165	61,165
19	59,165	60,665	61,665
20	59,465	60,965	61,965
21	59,765	61,265	62,265
22	60,165	61,665	62,665
23	61,165	62,665	63,665
24	62,165	63,665	64,665
25	63,165	64,665	65,665
26	64,165	65,665	66,665
27	65,165	66,665	67,665
28	66,165	67,665	68,665
29	67,165	68,665	69,665
30	68,165	69,665	70,665
31	69,165	70,665	71,665
32	70,165	71,665	72,665
33	71,165	72,665	73,665
34	71,865	73,365	74,365
35	72,365	73,865	74,865
36	72,715	74,215	75,215
37	72,815	74,315	75,315
38	73,015	74,515	75,515
39	73,415	74,915	75,915
40	74,015	75,515	76,515

Average Salary by Years of Experience

Beginning Teachers	\$ 54,898
1-5 Years of Experience	\$ 56,089
6-10 Years of Experience	\$ 58,554
11-20 Years of Experience	\$ 59,377
Over -20 Years of Experience	\$ 67,327

Average Actual Salaries

Teachers	\$ 59,578
Professional Staff	\$ 69,711
Campus Administration	\$ 83,933
Central Administration	\$ 158,522
Educational Aides	\$ 21,714



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

Schools	2012	2013	2014	2015	2016
Elementary *					
Buildings	3	3	3	3	3
Square Feet	347,486	347,486	347,486	347,486	351,486
Capacity	2,100	2,100	2,100	2,100	2,100
Enrollment	1,910	1,785	1,739	1,739	1,739
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	1,007	974	930	930	930
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	1,187	1,256	1,292	1,292	1,292
Non - instructional					
Buildings	5	5	5	5	5
Square Feet	116,246	116,246	116,246	116,246	116,246
Portable Buildings					
Buildings	5	2	2	2	2
Square Feet	6,000	2,400	2,400	2,400	2,400
Total Square Feet	947,140	943,540	943,540	943,540	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

2017	2018	2019	2020	2021
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	1,761	1,706
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	902	915
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	1,300	1,250
5	5	5	5	10
116,246	116,246	116,246	116,246	144,919
2	2	2	2	1
2,400	2,400	2,400	2,400	1,200
947,540	947,540	947,540	947,540	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**



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, the business-type 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, 2021, 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 7, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Hankins, Eastup, Deaton, Tonn & Seay

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

January 7, 2022

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

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

Report on Compliance for Each Major Federal Program

We have audited Lake Dallas Independent School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Lake Dallas Independent School District's major federal programs for the year ended August 31, 2021. Lake Dallas Independent School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of finding and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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, 2021.

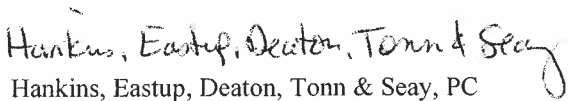
Report on Internal Control Over Compliance

Management of Lake Dallas Independent School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Lake Dallas Independent School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Lake Dallas Independent School District's internal control over compliance.

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

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

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


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

January 7, 2022

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2021

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:

FALN 84.425D	CARES Act Stimulus Grant
FALN 84.425D	Elementary & Secondary Emergency Relief Fund
FALN 84.425D	Elementary & Secondary Emergency Relief Fund II
FALN 84.041	Impact Aid
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, 2021

FINDING/NONCOMPLIANCE

None

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2021

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal Assistance Listing No.	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Direct Programs</u>			
Impact Aid - P.L. 81.874 (Note A)	84.041	S041A-201-5019	\$ 439,879
Total Direct Programs			439,879
<u>Passed Through State Department of Education</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	20610101061912	274,917
*IDEA - Part B, Formula	84.027	206600010619126600	771,018
*IDEA - Part B, Preschool	84.173	206610010619126610	11,005
Total Special Education Cluster (IDEA)			782,023
Career and Technical - Basic Grant	84.048	20420006061912	34,147
Title III, Part A - English Language Acquisition	84.365A	20671001061912	30,796
ESEA, Title II, Part A, Teacher Principal Training	84.367A	20694501061912	61,376
ESEA, Title IV, Part A	84.424A	20680101061912	44,433
ESSER Relief I	84.425D	20521001061912	493,588
ESSER Relief II	84.425D	20521001061912	1,066,278
Total Assistance Listing Number 84.425			1,559,866
CARES Act Stimulus Grant	21.019		4,162
Total Passed Through State Department of Education			2,791,720
TOTAL U.S. DEPARTMENT OF EDUCATION			3,231,599
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<u>Passed Through Texas Health & Human Services Comm.</u>			
Medicaid Administrative Claiming Program - MAC	93.778	529-12-0041-00034	3,134
Total Passed Through Texas Health & Human Services Comm.			3,134
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			3,134
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the State Department of Agriculture</u>			
*School Breakfast Program	10.553	71402001	417,505
*National School Lunch Program - Cash Assistance	10.555	71302001	1,120,735
*National School Lunch Prog. - Non-Cash Assistance	10.555	71302001	140,343
Total Assistance Listing Number 10.555			1,261,078
Total Child Nutrition Cluster			1,678,583
Watershed Protection and Flood Prevention	10.904	9K200811	41,622
Total Passed Through the State Department of Agriculture			1,720,205
TOTAL U.S. DEPARTMENT OF AGRICULTURE			1,720,205
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 4,954,938

*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, 2021

- For all Federal programs, the District uses the fund types specified in Texas Education Agency's *Financial Accountability System Resource Guide*.
- **General Fund** - is used to account for among other things, resources related to United States Department of Education's Impact Aid.
- **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.
- 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 or, in some instances, in the General Fund which are Governmental Fund type funds.

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 in the Governmental Fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned.

- The period of performance for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 90 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Performance of Federal Funds, 3 CFR Section 200.343 (b).
- Assistance listing numbers for commodity assistance are the assistance listing numbers of the programs under which USDA donated the commodities.
- Indirect cost reimbursement for federal programs for this fiscal year was received in the amount of \$-0-.
- Reconciliation Information:

Amount reported on the Schedule of Expenditures of Federal awards	\$4,954,938
SHARS Revenue reported in the General Fund	<u>320,333</u>
Total Federal Program Revenue	<u>\$5,275,271</u>