

Comprehensive Annual Financial Report

For fiscal year ending August 31, 2019

Lake Dallas ISD
104 Swisher Road
Lake Dallas, Texas 75065

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

OF THE

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
LAKE DALLAS, TEXAS

FOR THE FISCAL YEAR ENDED
AUGUST 31, 2019

PREPARED BY:

WESLEY C. EVERSOLE, RTSBA
DEPUTY SUPERINTENDENT/CFO

ANNE HAEHN
DIRECTOR OF ACCOUNTING

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2019

TABLE OF CONTENTS

	Page	Exhibit
Certificate of Board	3	
INTRODUCTORY SECTION (Unaudited)		
Letter of Transmittal	7	
Organizational Chart	15	
List of Consultants and Advisors	16	
List of Principal Officials	17	
ASBO Certificate of Excellence	18	
GFOA Certificate of Achievement	19	
FINANCIAL SECTION		
Independent Auditors' Report	23	
Management's Discussion and Analysis (Unaudited)	25	
BASIC FINANCIAL STATEMENTS:		
Government-wide Financial Statements:		
Statement of Net Position	35	A-1
Statement of Activities	36	B-1
Governmental Fund Financial Statements:		
Balance Sheet	38	C-1
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	41	C-2
Statement of Revenues, Expenditures, and Changes in Fund Balances	42	C-3
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	44	C-4
Proprietary Funds Financial Statements:		
Statement of Net Position	45	D-1
Statement of Revenues, Expenses, and Changes in Fund Net Position	46	D-2
Statement of Cash Flows	47	D-3
Fiduciary Fund Financial Statement:		
Statement of Fiduciary Net Position	48	E-1
Notes to the Financial Statements	49	
REQUIRED SUPPLEMENTAL INFORMATION (Unaudited)		
Budgetary Comparison Schedule - General Fund	79	G-1
Schedule of the District's Proportionate Share of the Net Pension Liability - Teacher Retirement System of Texas	80	G-2
Schedule of District's Contributions for Pensions - Teacher Retirement System of Texas	82	G-3
Schedule of the District's Proportionate Share of the Net OPEB Liability - Teacher Retirement System of Texas	84	G-4
Schedule of District's Contributions for Other Post-Employment Benefits (OPEB) - Teacher Retirement System of Texas	85	G-5
Notes to the Required Supplementary Information	86	
OTHER SUPPLEMENTARY INFORMATION		
Nonmajor Governmental Funds		
Combining Balance Sheet	90	H-1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	94	H-2
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual - Child Nutrition Program	97	H-3
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual - Debt Service Fund	98	H-4
Internal Service Funds		
Combining Statement of Net Position	102	H-5
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	103	H-6

TABLE OF CONTENTS (CONTINUED)

	Page	Exhibit
OTHER SUPPLEMENTARY INFORMATION-continued		
Combining Statement of Cash Flows	104	H-7
Agency Fund		
Statement of Changes in Assets and Liabilities	106	H-8
Required TEA Schedules		
Schedule of Delinquent Taxes Receivable	108	J-1
STATISTICAL SECTION (Unaudited)		
Statistical Section Contents	113	
Net Position by Component	114	S-1
Changes in Net Position	116	S-2
Fund Balances of Governmental Funds	118	S-3
Changes in Fund Balances of Governmental Funds	120	S-4
Assessed Value of Taxable Property	123	S-5
Direct and Overlapping Property Tax Rates	124	S-6
Principal Property Taxpayers	126	S-7
Property Tax Levies and Collections	128	S-8
Outstanding Debt By Type	130	S-9
Direct and Overlapping Governmental Activities Debt	131	S-10
Ratio of Net Bonded Debt to Assessed Value and Net Bonded Debt per Capita	133	S-11
Legal Debt Margin Information	134	S-12
Demographic and Economic Statistics	136	S-13
Demographic Statistics	137	S-14
Enrollment and Attendance Data	139	S-15
Principal Employers	140	S-16
Operating Statistics	142	S-17
Staff Information	144	S-18
Teachers Salary Data	146	S-19
Capital Asset Information	148	S-20
COMPLIANCE AND FEDERAL AWARDS SECTION		
FEDERAL AWARDS:		
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	153	
Independent Auditors' Report on Compliance for Each Major Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance	155	
Schedule of Findings and Questioned Costs	157	
Schedule of Prior Audit Findings	158	
Schedule of Expenditure of Federal Awards	159	K-1
Notes to Supplementary Schedule of Expenditures of Federal Awards	160	

CERTIFICATE OF BOARD

Lake Dallas Independent School District	Denton	061-912
Name of School District	County	Co. - Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) _____ approved _____ disapproved for the year ended August 31, 2019, at a meeting of the Board of Trustees of such school district on the _____ day of January, 2020.

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 16, 2020

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, 2019, is hereby submitted. Responsibility for both 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 gain an understanding of 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. 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 over all 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 significantly influence operations and primary accountability for fiscal matters.

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. In LDISD, 96% of all students are present in school each day. 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, constantly 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 strive constantly to raise them still 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 an array of 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.

In November 2018, the Lake Dallas Independent School District sold $17M of Unlimited Tax School Building Bonds, Series 2019 from the 2007 Bond Program. Taking advantage of the interest rate environment, the District successfully marketed its Series 2019 Bonds at an "All-In" True Interest Rate of 3.13% which was 0.93% below expectations.

In May 2019, voters of the District approved a $105 million bond referendum designed to finance the construction, building renovation and purchase equipment for school buildings in the District.

In September 2019, Lake Dallas ISD's Unlimited Tax School Building Bonds, Series 2019-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.

Financial Information

The Comprehensive Annual Financial Report for the year ended August 31, 2019 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. The objective of these budgetary controls is to ensure compliance with legal provisions and provide a roadmap to insure 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 includes long term goals that form the basis of long term planning.

Budgetary Controls

The objective of budgetary controls 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.

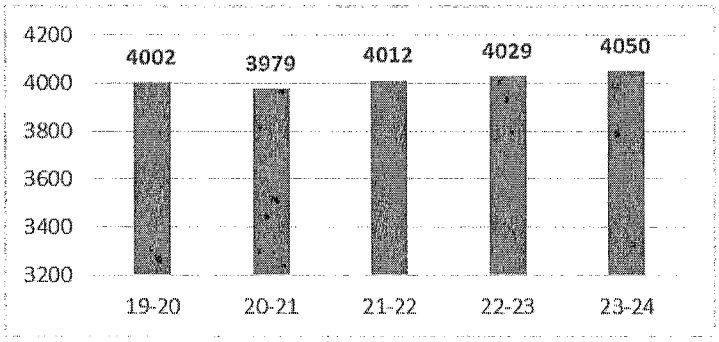
Debt Administration

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 approximately $26.1 million of direct savings since 2012. These practices has help the District maintain its credit rating of 'AA-'. 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 2019 bonds reflects the credit enhancement provided by the Texas Permanent School Fund.

Enrollment

Student population has not materially changed over the last several years. The school district plans its budget based on estimated student enrollment and state aid earned based on student attendance. With new housing is underway, enrollment is expected to approximately 4050 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 2019, 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 5 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 IH 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.

In addition, Lake Dallas ISD has received several five star ratings from the State Comptroller's Texas Honors Circle award program for academic progress and financial efficacy. FAST (Financial Allocation System of Texas) is a five-star rating system based on the Comptroller's report Connecting the Dots: School Spending and Student Progress, which identifies Texas school districts that achieve strong student performance while keeping spending growth to a minimum. Less than 5% of the districts in the state received a five star rating.

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.

Gayle Stinson Ed.D - Superintendent of Schools

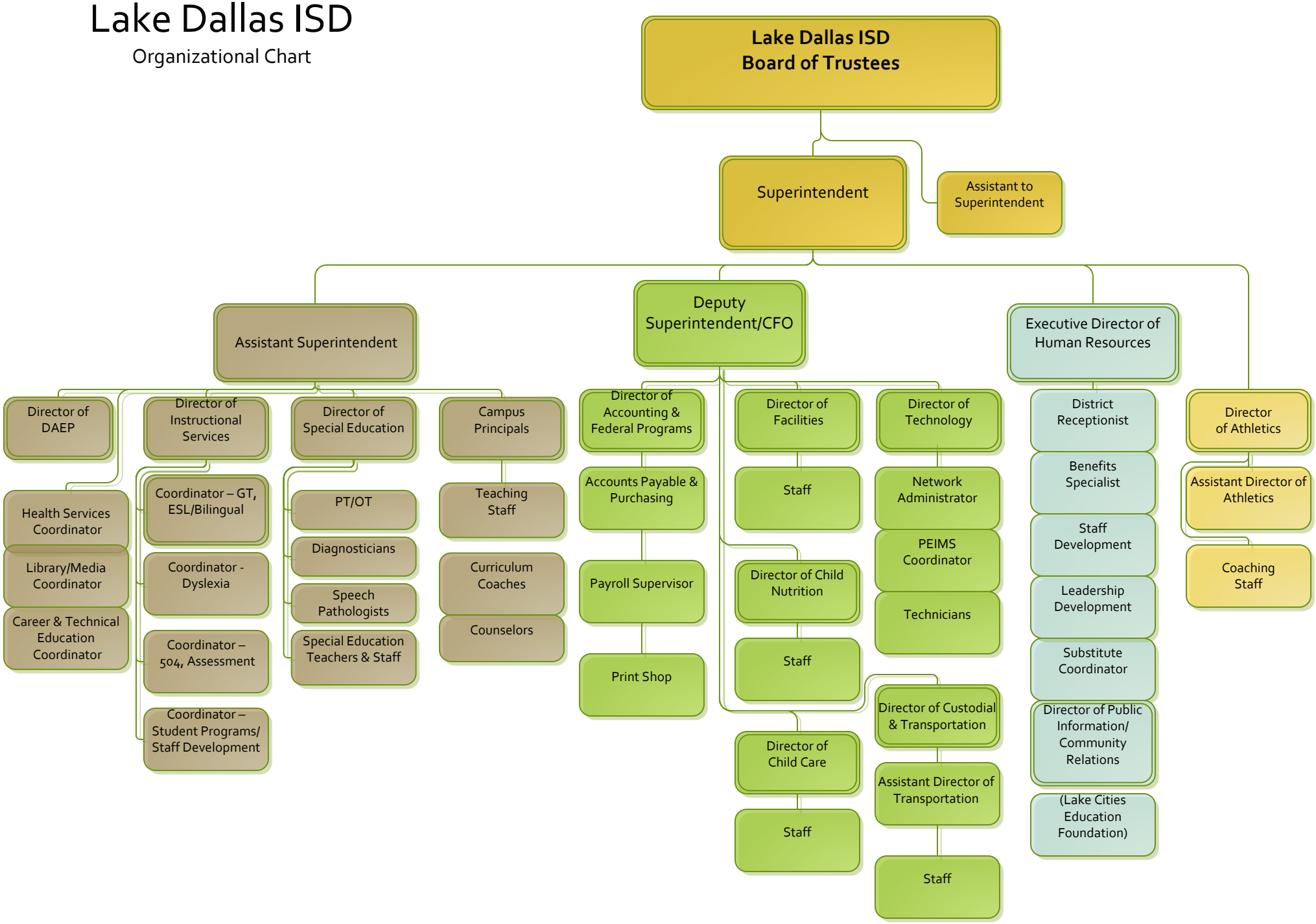
Wes Eversole, RTSBA - Deputy Superintendent/
Chief Financial Officer

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 Bank
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
Glen Gowans	Secretary
Scott Baird	Member
Mark Tucker	Member
Courtney Tankersley	Member
Steve Payne	Member

Appointed Officials:

Gayle Stinson, 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
Mark Ruggles, PhD.	Director of Special Education
Wendy Konz	Director of Maintenance & Transportation
David Talbert	Director of Facilities
Anne Haehn	Director of Accounting
Charlotte Hicks	Director of Food Service
Matt Clark	Director of Curriculum and Instruction
Mike Dabney	Director of Technology
Scott Head	Athletic Director
Kristi Strickland, PhD.	High School Principal
Randall Caldwell	Middle School Principal
Jennifer Bryant	Shady Shores Elementary School Principal
Jennifer Perry, PhD.	Lake Dallas Elementary School Principal
Vangee Deussen	Corinth Elementary School Principal

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 (CAFR) for the Fiscal Year Ended August 31, 2018.

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

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

Tom Wohlleber, CSRM
President

David J. Lewis
Executive Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lake Dallas Independent School District, Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

August 31, 2018

Christopher P. Morrill

Executive Director/CEO



FINANCIAL SECTION



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

HANKINS, EASTUP, DEATON, TONN & SEAY
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

902 NORTH LOCUST
P.O. BOX 977
DENTON, TX 76202-0977

TEL. (940) 387-8563
FAX (940) 383-4746

Independent 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, 2019, 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, 2019, 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 79 and the *pension and OPEB schedules* on pages 80 through 87 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 9, 2020 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

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

January 9, 2020

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2019
(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, 2019. 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 $18,693,071 (negative net position). Of this amount, $(25,263,626) (negative unrestricted net position) may be used to meet the District's ongoing obligations to citizens and creditors in accordance with the District's fiscal policies.

- The District's total net position increased by $1,381,954 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 $21,622,582. 52.4% of this total amount, $11,339,328, 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 $11,339,328 or 29.9% of the total general fund expenditures, an increase of $883,434 from the prior year. Budgeted tax revenues were based on property values certified by the Denton Central Appraisal District. Current and prior year taxes collected were more than anticipated. The District also generated additional State funds due to an unanticipated increase in student enrollment. In addition the Federal Government funded the Section 7002 Federal Impact Aid program to prior year levels which was not anticipated.

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 49) 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 fiduciary, for money raised by student activities. The District's fiduciary activity is reported in a separate Statement of Fiduciary Assets and Liabilities on page 47. We exclude these resources from the District's other financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in this fund are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

Net position of the District's governmental activities increased from ($20,077,044) to ($18,695,090). 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 ($25,263,626) at August 31, 2019. Due to an increase in the value of new construction within the District, the Board of Trustees was able to defease $2,265,000 of the August 15, 2036 maturity of the District's 2012 Unlimited Tax Refunding Bonds. The District deposited $2,177,989 into the escrow account in order to pay off the entire $2,265,000 when such bonds are redeemed on August 15, 2021. A reduction in both accreted interest and bond discounts also contributed to an increase in net position.

In 2019, net position of our business-type activities remained at $2,019 during the year. 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	
	2018	2019	2018	2019	2018	2019
Current and other assets	$ 16,269,181	$ 27,424,645	$ 2,607	$ 2,668	$ 16,271,788	$ 27,427,313
Capital assets	92,413,423	99,386,158	-	-	92,413,423	99,386,158
Total assets	108,682,604	126,810,803	2,607	2,668	108,685,211	126,813,471
Deferred outflows of resources	7,275,210	15,186,399	-	-	7,275,210	15,186,399
Total assets and deferred outflows of resources	115,957,814	141,997,202	2,607	2,668	115,960,421	141,999,870
Long-term liabilities	125,892,025	149,020,959	-	-	125,892,025	149,020,959
Other liabilities	3,021,903	5,192,749	588	649	3,022,491	5,193,398
Total liabilities	128,913,928	154,213,708	588	649	128,914,516	154,214,357
Deferred inflows of resources	7,120,930	6,478,584	-	-	7,120,930	6,478,584
Total liabilities and deferred inflows of resources	136,034,858	160,692,292	588	649	136,035,446	160,692,941
Net Position:						
Net investments in capital assets	(1,011,015)	4,729,315	-	-	(1,011,015)	4,729,315
Restricted	1,403,707	1,839,221	-	-	1,403,707	1,839,221
Unrestricted	(20,469,736)	(25,263,626)	2,019	2,019	(20,467,717)	(25,261,607)
Total net position	$ (20,077,044)	$ (18,695,090)	$ 2,019	$ 2,019	$ (20,075,025)	$ (18,693,071)

Table II
CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
Revenues:						
Program Revenues:						
Charges for services	$ 813,117	$ 834,690	$ 336,824	$ 387,544	$ 1,149,941	$ 1,222,234
Operating grants and contributions	(1,901,848)	5,316,853	-	-	(1,901,848)	5,316,853
General Revenues:						
Maintenance and operations taxes	20,182,739	22,439,330	-	-	20,182,739	22,439,330
Debt service taxes	8,622,478	9,577,335	-	-	8,622,478	9,577,335
State aid	13,456,486	12,850,386	-	-	13,456,486	12,850,386
Investment earnings	339,170	678,764	-	-	339,170	678,764
Miscellaneous	2,348,060	118,352	-	-	2,348,060	118,352
Grants not restricted	388,721	433,858	-	-	388,721	433,858
Total Revenue	44,248,923	52,249,568	336,824	387,544	44,585,747	52,637,112
Expenses:						
Instruction, curriculum and media services	17,781,492	27,225,428	-	-	17,781,492	27,225,428
Instructional and school leadership	1,906,231	3,056,442	-	-	1,906,231	3,056,442
Student support services	2,056,915	3,230,257	-	-	2,056,915	3,230,257
Child nutrition	1,767,424	1,957,297	-	-	1,767,424	1,957,297
Cocurricular activities	1,215,238	1,705,455	-	-	1,215,238	1,705,455
General administration	1,072,859	1,629,207	-	-	1,072,859	1,629,207
Plant maintenance, security and data processing	4,785,416	7,027,296	-	-	4,785,416	7,027,296
Community services	4,023	6,793	356,685	390,371	360,708	397,164
Debt services	3,730,281	4,787,947	-	-	3,730,281	4,787,947
Capital outlay	1,780,675	-	-	-	1,780,675	-
Payments related to shared services arrangements	58,603	39,800	-	-	58,603	39,800
Intergovernmental charges	179,701	198,865	-	-	179,701	198,865
Total Expenses	36,338,858	50,864,787	356,685	390,371	36,695,543	51,255,158
Increase (Decrease) in Net Position before transfers	7,910,065	1,384,781	(19,861)	(2,827)	7,890,204	1,381,954
Nonoperating Revenues (Expenses)						
Transfers in (out)	(19,861)	(2,827)	19,861	2,827	-	-
Increase (Decrease) in Net Position	7,890,204	1,381,954	-	-	7,890,204	1,381,954
Net position at beginning of year	(6,101,365)	(20,077,044)	2,019	2,019	(6,099,346)	(20,075,025)
Prior period adjustment	(21,865,883)	-	-	-	(21,865,883)	-
Net position at end of year	$ (20,077,044)	$ (18,695,090)	$ 2,019	$ 2,019	$ (20,075,025)	$ (18,693,071)

The cost of all governmental activities for the current fiscal year was $50,864,787. 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 $31,862,858 because some of the costs were paid by those who directly benefited from the programs $834,690 or by other governments and organizations that subsidized certain programs with grants and contributions $5,316,853 or by State equalization funding $12,850,386.

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 $21,622,582, which is $9,050,196 higher than last year's total of $12,572,386. Included in this year's total change in fund balance is an increase of $896,448 in the District's General Fund. The primary reason for the General Fund's increase was the increase in property tax revenues. The Debt Service Fund increased by $623,953 due to increased property tax revenue. The Capital Projects Fund increased by $7,520,951 due to a bond issuance during the year for construction projects.

The District's General Fund balance of $11,363,614 reported on page 38 differs from the General Fund's budgetary fund balance of $10,515,097 reported in the budgetary comparison schedule on page 79. This is principally due to cost savings in all functions and an unanticipated increase in student enrollment that generated additional State revenue. Revenues collected from the Federal Impact Aid and Medicaid Reimbursement programs were also more than anticipated.

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 2018). 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, 2019, the District had $99,386,158 (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 $6,972,735, or 7.55 percent, 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 General 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 $120,317,873 in long-term debt (including bonds, notes payable, accreted interest on bonds and discount/premium on debt issuance) versus $107,582,023 last year–an increase of 11.84 percent.

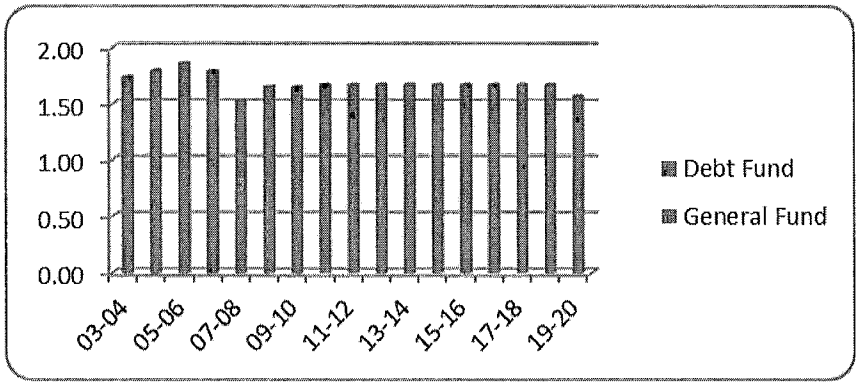
More detailed information about the District's long-term debt is presented in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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 IH35, the community has seen economic growth and expansion of its commercial base.

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 2019-20 budget revenue is based on a tax rate of $1.5683/100 valuation, which is a decrease of $0.10617 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 56.8% of its general fund revenue from taxes and other local sources. The District is expecting an increase in state funding of approximately $2.7M. 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 41.6% of the total budgeted general fund operating revenue. Federal funds account for the remaining 1.6% of operating revenue. The overall General Fund revenue increase is projected to be 8.8% due the increase in State funding.

General Fund expenditures are projected to be $40.3 million. Within the General Fund, 84.7% is budgeted for salary and benefits, 9.5% for contracted services and 5.8% for supplies and other types of expenditures.

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 $10.6M will be used to service debt liabilities during the 2019-20 school year.

The Child Nutrition budget is projected to be $1.9 million and is financed from student/staff charges and federal funding. National School Breakfast and Lunch Program funding will increase over the preceding year as more students become eligible for the program.

For years, when possible, the District has reduced budgets to provide for increasing 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, 2019

EXHIBIT A-1

Data Control Codes		1	2 Primary Government	3
		Governmental Activities	Business Type Activities	Total
ASSETS				
1110	Cash and Cash Equivalents	$ 25,994,488	$ 2,668	$ 25,997,156
1220	Property Taxes - Delinquent	578,862	-	578,862
1230	Allowance for Uncollectible Taxes	(57,886)	-	(57,886)
1240	Due from Other Governments	848,863	-	848,863
1260	Due from External Parties	7,602	-	7,602
1290	Other Receivables, Net	1,575	-	1,575
1300	Inventories	26,855	-	26,855
1410	Prepayments	24,286	-	24,286
	Capital Assets:			
1510	Land	3,940,602	-	3,940,602
1520	Buildings, Net	85,270,509	-	85,270,509
1530	Furniture and Equipment, Net	4,117,418	-	4,117,418
1580	Construction in Progress	6,057,629	-	6,057,629
1000	Total Assets	126,810,803	2,668	126,813,471
DEFERRED OUTFLOWS OF RESOURCES				
1701	Deferred Charge for Refunding	3,377,483	-	3,377,483
1705	Deferred Outflow Related to TRS Pension	8,819,836	-	8,819,836
1706	Deferred Outflow Related to TRS OPEB	2,989,080	-	2,989,080
1700	Total Deferred Outflows of Resources	15,186,399	-	15,186,399
LIABILITIES				
2110	Accounts Payable	2,446,013	522	2,446,535
2140	Interest Payable	145,757	-	145,757
2150	Payroll Deductions and Withholdings	204,103	-	204,103
2160	Accrued Wages Payable	2,319,757	-	2,319,757
2200	Accrued Expenses	57,687	127	57,814
2300	Unearned Revenue	19,432	-	19,432
	Noncurrent Liabilities:			
2501	Due Within One Year	5,553,783	-	5,553,783
2502	Due in More Than One Year	114,764,090	-	114,764,090
2540	Net Pension Liability (District's Share)	12,850,717	-	12,850,717
2545	Net OPEB Liability (District's Share)	15,852,369	-	15,852,369
2000	Total Liabilities	154,213,708	649	154,214,357
DEFERRED INFLOWS OF RESOURCES				
2605	Deferred Inflow Related to TRS Pension	1,465,683	-	1,465,683
2606	Deferred Inflow Related to TRS OPEB	5,012,901	-	5,012,901
2600	Total Deferred Inflows of Resources	6,478,584	-	6,478,584
NET POSITION				
3200	Net Investment in Capital Assets	4,729,315	-	4,729,315
	Restricted:			
3820	Restricted for Federal and State Programs	380,420	-	380,420
3850	Restricted for Debt Service	1,458,801	-	1,458,801
3900	Unrestricted	(25,263,626)	2,019	(25,261,607)
3000	Total Net Position	$ (18,695,090)	$ 2,019	$ (18,693,071)

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, 2019

Data Control Codes		1	Program Revenues 3	4
		Expenses	Charges for Services	Operating Grants and Contributions
Primary Government:				
	GOVERNMENTAL ACTIVITIES:			
11	Instruction	$ 25,381,434	$ 11,315	$ 2,669,654
12	Instructional Resources and Media Services	648,672	-	28,613
13	Curriculum and Instructional Staff Development	1,195,322	-	148,668
21	Instructional Leadership	607,779	-	28,996
23	School Leadership	2,448,663	-	118,339
31	Guidance, Counseling and Evaluation Services	1,654,565	-	412,843
32	Social Work Services	21,759	-	1,482
33	Health Services	368,200	-	15,538
34	Student (Pupil) Transportation	1,185,733	-	196,156
35	Food Services	1,957,297	707,946	1,187,682
36	Extracurricular Activities	1,705,455	109,408	46,905
41	General Administration	1,629,207	-	56,946
51	Facilities Maintenance and Operations	5,948,185	6,021	133,018
52	Security and Monitoring Services	215,223	-	68
53	Data Processing Services	863,888	-	27,740
61	Community Services	6,793	-	-
72	Debt Service - Interest on Long-Term Debt	4,576,171	-	204,405
73	Debt Service - Bond Issuance Cost and Fees	211,776	-	-
93	Payments Related to Shared Services Arrangements	39,800	-	39,800
99	Other Intergovernmental Charges	198,865	-	-
	[TG] Total Governmental Activities:	50,864,787	834,690	5,316,853
	BUSINESS-TYPE ACTIVITIES:			
01	Childcare	390,371	387,544	-
	[TB] Total Business-Type Activities:	390,371	387,544	-
	[TP] TOTAL PRIMARY GOVERNMENT:	$ 51,255,158	$ 1,222,234	$ 5,316,853

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
FR	Transfers In (Out)
TR	Total General Revenues & Transfers
CN	Change in Net Position
NB	Net Position - Beginning
NE	Net Position--Ending

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

Net (Expense) Revenue and Changes in Net Position		
6	7	8
	Primary Government	
Governmental Activities	Business-type Activities	Total
$ (22,700,465)	$ -	$ (22,700,465)
(620,059)	-	(620,059)
(1,046,654)	-	(1,046,654)
(578,783)	-	(578,783)
(2,330,324)	-	(2,330,324)
(1,241,722)	-	(1,241,722)
(20,277)	-	(20,277)
(352,662)	-	(352,662)
(989,577)	-	(989,577)
(61,669)	-	(61,669)
(1,549,142)	-	(1,549,142)
(1,572,261)	-	(1,572,261)
(5,809,146)	-	(5,809,146)
(215,155)	-	(215,155)
(836,148)	-	(836,148)
(6,793)	-	(6,793)
(4,371,766)	-	(4,371,766)
(211,776)	-	(211,776)
-	-	-
(198,865)	-	(198,865)
(44,713,244)	-	(44,713,244)
-	(2,827)	(2,827)
-	(2,827)	(2,827)
(44,713,244)	(2,827)	(44,716,071)
22,439,330	-	22,439,330
9,577,335	-	9,577,335
12,850,386	-	12,850,386
433,858	-	433,858
678,764	-	678,764
118,352	-	118,352
(2,827)	2,827	-
46,095,198	2,827	46,098,025
1,381,954	-	1,381,954
(20,077,044)	2,019	(20,075,025)
$ (18,695,090)	$ 2,019	$ (18,693,071)

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2019

Data Control Codes		10 General Fund	50 Debt Service Fund	60 Capital Projects
	ASSETS			
1110	Cash and Cash Equivalents	$ 13,751,888	$ 1,593,603	$ 9,719,179
1220	Property Taxes - Delinquent	408,485	170,377	-
1230	Allowance for Uncollectible Taxes	(40,848)	(17,038)	-
1240	Due from Other Governments	607,433	-	-
1260	Due from Other Funds	298,965	-	146,352
1290	Other Receivables	1,575	-	-
1410	Prepayments	24,286	-	-
1000	Total Assets	$ 15,051,784	$ 1,746,942	$ 9,865,531
	LIABILITIES			
2110	Accounts Payable	$ 639,911	$ -	$ 1,603,120
2150	Payroll Deductions and Withholdings Payable	204,103	-	-
2160	Accrued Wages Payable	2,319,757	-	-
2170	Due to Other Funds	153,052	-	78,067
2200	Accrued Expenditures	29,346	-	-
2300	Unearned Revenue	-	-	-
2000	Total Liabilities	3,346,169	-	1,681,187
	DEFERRED INFLOWS OF RESOURCES			
2601	Unavailable Revenue - Property Taxes	342,001	142,384	-
2600	Total Deferred Inflows of Resources	342,001	142,384	-
	FUND BALANCES			
	Nonspendable Fund Balance:			
3430	Prepaid Items	24,286	-	-
	Restricted Fund Balance:			
3450	Federal or State Funds Grant Restriction	-	-	-
3470	Capital Acquisition and Contractural Obligation	-	-	8,184,344
3480	Retirement of Long-Term Debt	-	1,604,558	-
	Committed Fund Balance:			
3545	Campus Activities	-	-	-
3600	Unassigned Fund Balance	11,339,328	-	-
3000	Total Fund Balances	11,363,614	1,604,558	8,184,344
4000	Total Liabilities, Deferred Inflows & Fund Balances	$ 15,051,784	$ 1,746,942	$ 9,865,531

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

Other Funds	Total Governmental Funds
$ 670,169	$ 25,734,839
-	578,862
-	(57,886)
241,430	848,863
-	445,317
-	1,575
-	24,286
$ 911,599	$ 27,575,856
$ 180,344	$ 2,423,375
-	204,103
-	2,319,757
213,504	444,623
28,253	57,599
19,432	19,432
441,533	5,468,889
-	484,385
-	484,385
-	24,286
380,420	380,420
-	8,184,344
-	1,604,558
89,646	89,646
-	11,339,328
470,066	21,622,582
$ 911,599	$ 27,575,856



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
AUGUST 31, 2019

EXHIBIT C-2

	Total Fund Balances - Governmental Funds	$	21,622,582
1	The assets and liabilities of the Internal Service Funds are included in governmental activities, but are not reported in the fund financial statements.		270,686
2	Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund financial statements.		146,298,872
3	Accumulated depreciation has not been included in the fund financial statements.		(46,912,714)
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 $12,850,717, a Deferred Resource Inflow related to TRS in the amount of $1,465,683 and a Deferred Resource Outflow related to TRS in the amount of $8,819,836. This amounted to a decrease in Net Position in the amount of $5,496,564.		(5,496,564)
5	Bonds payable have not been included in the fund financial statements.		(89,125,180)
6	Accreted interest on capital appreciation bonds has not been included in the fund financial statements.		(14,099,203)
7	Bond discounts and premiums are not recognized in the fund financial statements.		(17,093,490)
8	Property tax revenue reported as unavailable revenue in the fund financial statements was recognized as revenue in the government-wide financial statements.		484,385
9	Deferred charge for refunding has not been included in the fund financial statements.		3,377,483
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.		(145,757)
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 $15,852,369, a Deferred Resource Inflow related to TRS OPEB in the amount of $5,012,901, and a Deferred Resource Outflow related to TRS OPEB in the amount of $2,989,080. This amounted to a net decrease in Net Position in the amount of $17,876,190.		(17,876,190)
19	**Net Position of Governmental Activities**	$	(18,695,090)

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, 2019

Data Control Codes		10 General Fund	50 Debt Service Fund	60 Capital Projects
	REVENUES:			
5700	Total Local and Intermediate Sources	$ 23,052,304	$ 9,716,872	$ 154,009
5800	State Program Revenues	14,769,107	204,405	-
5900	Federal Program Revenues	963,410	-	-
5020	Total Revenues	38,784,821	9,921,277	154,009
	EXPENDITURES:			
	Current:			
0011	Instruction	21,797,295	-	1,376,307
0012	Instructional Resources and Media Services	579,452	-	-
0013	Curriculum and Instructional Staff Development	1,016,447	-	-
0021	Instructional Leadership	561,586	-	-
0023	School Leadership	2,152,463	-	-
0031	Guidance, Counseling and Evaluation Services	1,145,021	-	-
0032	Social Work Services	20,124	-	-
0033	Health Services	320,673	-	-
0034	Student (Pupil) Transportation	1,148,052	-	-
0035	Food Services	-	-	-
0036	Extracurricular Activities	1,474,068	-	-
0041	General Administration	1,402,526	-	-
0051	Facilities Maintenance and Operations	4,870,191	-	24,992
0052	Security and Monitoring Services	197,254	-	418,312
0053	Data Processing Services	788,745	-	927,672
0061	Community Services	6,793	-	-
	Debt Service:			
0071	Principal on Long-Term Debt	173,753	4,347,607	-
0072	Interest on Long-Term Debt	642	5,217,951	-
0073	Bond Issuance Cost and Fees	-	7,478	204,298
	Capital Outlay:			
0081	Facilities Acquisition and Construction	46,540	-	7,485,775
	Intergovernmental:			
0093	Payments to Fiscal Agent/Member Districts of SSA	-	-	-
0099	Other Intergovernmental Charges	183,921	-	-
6030	Total Expenditures	37,885,546	9,573,036	10,437,356
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	899,275	348,241	(10,283,347)
	OTHER FINANCING SOURCES (USES):			
7911	Capital Related Debt Issued (Regular Bonds)	-	-	16,130,000
7916	Premium or Discount on Issuance of Bonds	-	275,712	1,674,298
8911	Transfers Out (Use)	(2,827)	-	-
7080	Total Other Financing Sources (Uses)	(2,827)	275,712	17,804,298
1200	Net Change in Fund Balances	896,448	623,953	7,520,951
0100	Fund Balance - September 1 (Beginning)	10,467,166	980,605	663,393
3000	Fund Balance - August 31 (Ending)	$ 11,363,614	$ 1,604,558	$ 8,184,344

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

Other Funds	Total Governmental Funds
$ 760,388	$ 33,683,573
341,698	15,315,210
2,370,757	3,334,167
3,472,843	52,332,950
1,030,783	24,204,385
-	579,452
96,286	1,112,733
562	562,148
1,287	2,153,750
350,263	1,495,284
-	20,124
-	320,673
-	1,148,052
1,906,464	1,906,464
35,712	1,509,780
-	1,402,526
-	4,895,183
2,842	618,408
-	1,716,417
-	6,793
-	4,521,360
-	5,218,593
-	211,776
-	7,532,315
39,800	39,800
-	183,921
3,463,999	61,359,937
8,844	(9,026,987)
-	16,130,000
-	1,950,010
-	(2,827)
-	18,077,183
8,844	9,050,196
461,222	12,572,386
$ 470,066	$ 21,622,582

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, 2019

Total Net Change in Fund Balances - Governmental Funds	$	9,050,196
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 2019 capital outlays is to increase net position.		9,883,165
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.		(2,910,430)
Current year long-term debt principal payments on bonds payable, loans and payments of accreted interest on capital appreciation bonds are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.		6,325,361
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.		(1,629,399)
Bond premiums and discounts are not amortized in the governmental funds but are capitalized in the statement of net position.		648,198
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 8/31/2018 caused the ending net position to increase in the amount of $38,455. Contributions made before the measurement but during the 2018 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 $1,316,148, which caused a net decrease in net position. The impact of all of these is to decrease net position by $1,277,693.		(1,277,693)
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.		(35,101)
The net income (loss) of the Internal Service Funds is reported with governmental activities but not in the fund financial statements.		(939)
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.		(150,842)
Interest on outstanding debt is accrued in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.		(29,537)
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 8/31/2018 but during the current fiscal year caused the ending net position to decrease in the amount of $23,445. These contributions were replaced with the District's OPEB expense for the year, which was a $387,570 expense and also caused a decrease in net position. The impact of both of these is to decrease the change in net position by $411,015.		(411,015)
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.		(16,130,000)
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.		(1,950,010)
Change in Net Position of Governmental Activities	$	1,381,954

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

EXHIBIT D-1

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AUGUST 31, 2019

	Business-Type Activities - Total Enterprise Funds	Governmental Activities - Total Internal Service Funds
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 2,668	$ 259,649
Due from Other Funds	-	6,908
Inventories	-	26,855
Total Assets	2,668	293,412
LIABILITIES		
Current Liabilities:		
Accounts Payable	522	22,638
Accrued Expenses	127	88
Total Liabilities	649	22,726
NET POSITION		
Unrestricted Net Position	2,019	270,686
Total Net Position	$ 2,019	$ 270,686

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

EXHIBIT D-2

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

	Business-Type Activities - Total Enterprise Funds	Governmental Activities - Total Internal Service Funds
OPERATING REVENUES:		
Local and Intermediate Sources	$ 365,224	$ 182,721
State Program Revenues	22,320	5,251
Total Operating Revenues	387,544	187,972
OPERATING EXPENSES:		
Payroll Costs	373,349	80,012
Professional and Contracted Services	10,151	75,664
Supplies and Materials	5,401	32,747
Other Operating Costs	1,470	-
Capital Outlay	-	488
Total Operating Expenses	390,371	188,911
Income (Loss) Before Transfers	(2,827)	(939)
Transfer In	2,827	-
Change in Net Position	-	(939)
Total Net Position - September 1 (Beginning)	2,019	271,625
Total Net Position - August 31 (Ending)	$ 2,019	$ 270,686

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, 2019

EXHIBIT D-3

	Business-Type Activities	Governmental Activities -
	Total Enterprise Funds	Total Internal Service Funds
Cash Flows from Operating Activities:		
Cash Received from Employees	$ 365,224	$ -
Cash Received from District	-	182,721
Cash Payments for Payroll Costs	351,029	(74,761)
Cash Payments for Supplies and Materials	5,401	(26,528)
Cash Payments for Other Operating Expenses	1,409	-
Cash Payments for Purchased Services	10,151	(75,664)
Net Cash Provided by (Used for) Operating Activities	733,214	5,768
Cash Flows from Non-Capital Financing Activities:		
Transfer In	2,827	-
Net Increase in Cash and Cash Equivalents	61	5,280
Cash and Cash Equivalents at Beginning of Year	2,607	254,369
Cash and Cash Equivalents at End of Year	$ 2,668	$ 259,649
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Operating Income (Loss):	$ (2,827)	$ (939)
Effect of Increases and Decreases in Current Assets and Liabilities:		
Decrease (increase) in Inventories	-	(16,419)
Increase (decrease) in Accounts Payable	61	22,638
Net Cash Provided by (Used for) Operating Activities	$ (2,766)	$ 5,280

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2019

	Agency Fund
ASSETS	
Cash and Cash Equivalents	$ 638,988
Total Assets	$ 638,988
LIABILITIES	
Accounts Payable	$ 56,147
Due to Other Funds	7,602
Due to Student Groups	575,239
Total Liabilities	$ 638,988

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lake Dallas Independent School District'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.

Fund Financial Statements:

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

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

1. **General Fund** - This fund is established to account for resources financing the fundamental operations of the District, in partnership with the community, in enabling and motivating students to reach their full potential. All revenues and expenditures not required to be accounted for in other funds are included here. This is a budgeted fund and any fund balances are considered resources available for current operations. Fund balances may be appropriated by the Board of Trustees to implement its responsibilities.

2. **Debt Service Fund** - This fund is established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. This is a budgeted fund. Any unused sinking fund balances are transferred to the General Fund after all of the related debt obligations have been met.

3. **Capital Projects Fund** - This fund is established to account for proceeds, from the sale of bonds and other resources to be used for Board authorized acquisition, construction, or renovation, as well as, furnishings and equipping of major capital facilities. Upon completion of a project, any unused bond proceeds are transferred to the Debt Service Fund and are used to retire related bond principal.

Additionally, the District reports the following fund types:

1. **Special Revenue Funds** - These funds are established to account for federally financed or expenditures legally restricted for specified purposes. In many special revenue funds, any unused balances are returned to the grantor at the close of specified project periods. For funds in this fund type, project accounting is employed to maintain integrity for the various sources of funds.

2. **Enterprise Fund** – The District utilizes an enterprise fund to account for the Districts' activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities. The District uses this fund to account for its child care program, because the child care program is generally self-supporting and does not normally require subsidies from the general fund.

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

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

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year-end. A 90 day availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

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

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

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

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

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

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

D. BUDGETARY CONTROL

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

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

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

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

	August 31, 2019 Fund Balance
Appropriated Budget Funds - Food Service Special Revenue Fund	$351,347
Nonappropriated Budget Funds	118,719
All Special Revenue Funds	$470,066

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, 2019 that were subsequently provided for in the 2019-20 budget.

F. PREPAYMENTS

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

G. INVENTORIES

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

H. INTERFUND RECEIVABLES AND PAYABLES

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

I. CAPITAL ASSETS

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

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

Buildings and Improvements	50 Years
Furniture and Equipment	7-10 Years

J. COMPENSATED ABSENCES

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

K. CASH EQUIVALENTS

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

L. NET POSITION

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

M. LONG-TERM OBLIGATIONS

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

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

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

N. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

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

Deferred outflows of resources for refunding - Reported in the government-wide statement of net position, the deferred charge on bond refundings results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amount of deferred outflows reported in the governmental activities for the deferred charge on bond refundings at August 31, 2019 was $3,377,483.

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, 2019 was $8,819,836.

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, 2019 was $2,989,080.

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, 2019 was $484,385.

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 2019, the District reported deferred inflows of resources for pensions in the governmental activities in the amount of $1,465,683.

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 2018 measurement year). In fiscal year 2019, the District reported deferred inflows of resources for OPEB in the governmental activities in the amount of $5,012,901.

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 2019, 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, 2019, 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, 2019.

Workers' Compensation Aggregate Deductible

During the year ended August 31, 2019, 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, 2018, the fund carries a discounted reserve of $48,977,531 for future development on reported claims and claims that have been incurred but not yet reported. For the year-ended August 31, 2019, 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, 2018, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

Unemployment Compensation Pool

During the year ended August 31, 2019, 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, 2019, 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, 2018, 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, 2019, 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, 2019, 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, 2018, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

P. ESTIMATES

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

NOTE 2. FUND BALANCE

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

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

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified prepaid items as being nonspendable as these items are not expected to be converted to cash.

- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the District's bonded debt and are restricted through debt covenants. Federal and State grant resources are being restricted because their use is restricted pursuant to the mandates of the Federal or State grants. Capital projects resources are restricted for future capital outlay.

- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board of Trustees. The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board of Trustees have committed resources as of August 31, 2019 for campus activities.

- Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or through the Board of Trustees delegating this responsibility to other individuals in the District by Board resolution. Under the Board's adopted policy, the Superintendent has been given the authority to assign amounts for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

- Unassigned: This classification includes all amounts not included in other spendable classifications, including the residual fund balance for the General Fund.

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

The details of the fund balances are included in the Governmental Funds Balance Sheet (pages 38) and are described below:

General Fund

The General Fund has unassigned fund balance of $11,339,328 at August 31, 2019. Prepayments (prepaid items) of $24,286 are considered nonspendable fund balance.

Other Major Funds

The Debt Service Fund has restricted funds of $1,604,558 at August 31, 2019 consisting primarily of property tax collections that are restricted for debt service payments on bonded debt. The Capital Projects Fund has restricted funds of $8,184,344 at August 31, 2019 consisting primarily of unspent bond funds.

Other Funds

The fund balance of $89,646 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 $351,347 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, 2019, the carrying amount of the District's deposits checking accounts and interest-bearing savings accounts was $2,218,358 which includes $11,053 petty cash and the combined bank balance was $2,221,179. The District's cash deposits at August 31, 2019 were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

2. Investments:

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

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

a. Custodial Credit Risk – Deposits: In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. As of August 31, 2019, the District's cash balances totaled $2,221,179. 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, 2019.

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, 2019, the District held all of its investments in four public funds investment pools (TexPool, Lone Star, LOGIC and TxTerm). 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, 2019, the District was not exposed to foreign currency risk.

f. Concentration of Credit Risk - This is the risk of loss attributed to the magnitude of the District's investment in a single issuer (i.e., lack of diversification). Concentration risk is defined as positions of 5 percent or more in the securities of a single issuer. Investment pools are excluded from the 5 percent disclosure requirement.

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

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

The District's investments at August 31, 2019, are shown below:

Name	Carrying Amount	Fair Value	Maturity Date
TexPool	$10,492,096	$10,492,096	N/A
TxTerm	11,652,415	11,652,415	N/A
Lone Star	2,146,077	2,146,077	N/A
LOGIC	127,200	127,200	N/A
Total	$24,417,788	$24,417,788	

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, TxTerm, Lone Star, and Logic (statewide 2a7-like external investment pools) are not required to be measured at fair value but are measured at amortized cost.

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended August 31, 2019, was as follows:

	Balance September 1	Additions/ Completions	Retirement/ Adjustments	Balance August 31
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 3,586,103	$ -	$ 354,499	$ 3,940,602
Work in progress	-	6,057,629	-	6,057,629
Total capital assets, not being depreciated	3,586,103	6,057,629	354,499	9,998,231
Capital assets, being depreciated:				
Buildings and improvements	125,782,792	648,605	(354,499)	126,076,898
Furniture and equipment	7,046,812	3,176,931	-	10,223,743
Total capital assets, being depreciated	132,829,604	3,825,536	(354,499)	136,300,641
Less accumulated depreciation for:				
Buildings and improvements	(38,458,396)	(2,347,993)	-	(40,806,389)
Furniture and equipment	(5,543,888)	(562,437)	-	(6,106,325)
Total accumulated depreciation	(44,002,284)	(2,910,430)	-	(46,912,714)
Total capital assets, being depreciated, net	88,827,320	915,106	(354,499)	89,387,927
Governmental activities capital assets, net	$ 92,413,423	$ 6,972,735	$ -	$ 99,386,158

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

Governmental activities:	
Instruction	$1,685,231
Instructional Resources & Media Services	47,082
Curriculum & Instructional Staff Development	82,589
Instructional Leadership	45,631
School Leadership	174,600
Guidance, Counseling & Evaluation Services	93,036
Social Work Services	1,635
Health Services	26,056
Student (Pupil) Transportation	93,283
Cocurricular/Extracurricular Activities	119,773
General Administration	113,960
Plant Maintenance and Operations	332,495
Security & Data Processing Services	80,115
Capital Outlay and Other	14,944
Total depreciation expense-Governmental activities	$2,910,430

NOTE 5. LONG-TERM DEBT

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

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

The following is a summary of the changes in the District's Long-term Debt for the year ended August 31, 2019:

Description	Interest Rate Payable	Amount Original Issue	Amounts Outstanding 9/1/18	Additions	Refunded/ Retired	Amounts Outstanding 8/31/19	Due Within One Year
Bonded Indebtedness:							
1999 Bldg/Refunding	4.40-6.06%	$ 8,861,571	$ 3,103,958	$ -	$ 697,098	$ 2,406,860	$ 679,302
2001 Bldg/Refunding	4.00-5.70%	13,264,871	4,208,461	-	124,592	4,083,869	98,995
2010 Refunding	2.00-4.50%	6,340,000	2,920,000	-	440,000	2,480,000	455,000
2012 Refunding	1.90-4.05%	9,340,000	7,866,084	-	2,036,084	5,830,000	125,000
2013 Refunding	2.00-4.00%	8,955,000	8,855,000	-	-	8,855,000	-
2014 Refunding	2.00-4.00%	9,295,000	9,195,000	-	655,000	8,540,000	800,000
2015 Refunding	0.47-5.00%	19,063,027	17,556,584	-	109,833	17,446,751	69,692
2016 Refunding	2.00-4.00%	24,877,700	23,637,700	-	285,000	23,352,700	305,000
2019 Building Bonds	4.00-5.00%	16,130,000	-	16,130,000	-	16,130,000	635,000
Total Bonded Indebtedness			77,342,787	16,130,000	4,347,607	89,125,180	3,167,989
State Energy Cons. Loan	2.00%	658,262	173,753	-	173,753	-	-
Accreted Interest			14,273,805	1,629,399	1,804,001	14,099,203	1,687,893
Discount/Premium on Issuance of Debt			15,791,678	1,950,010	648,198	17,093,490	697,901
Total Other Obligations			30,239,236	3,579,409	2,625,952	31,192,693	2,385,794
Total Obligations of District			$107,582,023	$19,709,409	$ 6,973,559	$120,317,873	$5,553,783

The 1999, 2001, 2008, 2015, and 2016 bond series include outstanding capital appreciation bonds in the principal amount of $8,620,180. 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 $14,099,203 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, 2019.

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

	General Obligation		
Year Ended August 31,	Principal	Interest	Total Requirements
2020	$ 3,167,989	$ 5,499,418	$ 8,667,407
2021	3,205,324	5,466,007	8,671,331
2022	3,228,244	5,441,587	8,669,831
2023	3,296,826	5,373,455	8,670,281
2024	3,486,148	5,182,158	8,668,306
2025-2029	16,049,420	27,300,260	43,349,680
2030-2034	22,491,229	20,858,553	43,349,782
2035-2039	21,350,000	5,146,150	26,496,150
2040-2044	8,590,000	1,678,726	10,268,726
2045-2048	4,260,000	392,950	4,652,950
	$ 89,125,180	$ 82,339,264	$171,464,444

NOTE 6. DEBT ISSUANCE REFUNDING AND DEFEASED BONDS OUTSTANDING

In March 2019, the District issued $16,130,000 (par value) in unlimited tax school building bonds to provide funds for authorized construction projects. The net proceeds of the issue were $17,875,712 ($16,130,000 par amount of the bonds plus $1,950,010 of premium paid on the bonds less $204,298 of underwriting fees and other issuance costs).

In February 2019, the District advance refunded $2,036,084 (par value) of bonds by paying $2,177,989 into an irrevocable escrow account. All future payments on the refunded bonds will be paid from the escrow account. The refunded bonds will be redeemed in August 2021, the call date of the bonds.

In prior years, the District has defeased other bond series in advance refunding transactions. As of August 31, 2019, there were $3,195,000 (par value) of defeased bonds outstanding.

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

Balance – August 31, 2018	$3,528,324
Current year amortization	(150,841)
Balance – August 31, 2019	$3,377,483

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 2017-18 fiscal year was based was $1,953,569,778. 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, 2019, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were $1.17 and $0.50 per $100 valuation, respectively, for a total of $1.67 per $ 100 valuation.

Current tax collections for the year ended August 31, 2019 were 99.45% 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, 2019, property taxes receivable, net of estimated uncollectible taxes, totaled $367,637 and $153,339 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 Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at http://www.trs.texas.us/about/documents/cafr.pdf#CAFR; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

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

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 thru 2017. The 85th Texas Legislature, General Appropriations Act (GAA) affirmed that the employer contribution rates for fiscal years 2018 and 2019 would remain the same.

Contribution Rates

	2018	2019
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers	6.8%	6.8%

Lake Dallas ISD FY2019 Employer Contributions	$ 824,909
Lake Dallas ISD FY2019 Member Contributions	$ 2,165,003
Lake Dallas ISD 2019 NECE On-Behalf Contributions	$ 1,821,102

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

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

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.

- During a new member's first 90 days of employment.

- When any part or all of an employee's salary is paid by federal funding source or a privately sponsored source, from non-educational and general, or local funds.

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

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

- When a school district does not contribute to the Federal Old-Age, Survivors and Disability Insurance (OASDI) Program for certain employees, they must contribute 1.5% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

Actuarial Assumptions. The total pension liability in the August 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2017 rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	6.907%
Long-term expected Investment Rate of Return	7.25%
Inflation	2.30%
Salary Increases Including Inflation	3.05% to 9.50%
Payroll Growth Rate	2.50%
Benefit Changes During the Year	None
Ad hoc Post Employment Benefit Changes	None

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 2017 and adopted in July, 2018.

The single discount rate used to measure the total pension liability was 6.907%. The single discount rate was based on the expected rate of return on pension plan investments of 7.25 percent and a municipal bond rate of 3.69 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was sufficient to finance the benefit payments until the year 2069. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2069, and the municipal bond rate was applied to all benefit payments after that date. 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 arithmetic real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2018 are summarized below:

Asset Class	Target Allocation	Real Return Geometric Basis	Long-Term Expected Portfolio Real Rate of Return*
Global Equity			
U.S.	18%	5.7%	1.0%
Non-U.S. Developed	13%	6.9%	0.9%
Emerging Markets	9%	8.9%	0.8%
Directional Hedge Funds	4%	3.5%	0.1%
Private Equity	13%	10.2%	1.3%
Stable Value			
U.S. Treasuries	11%	1.1%	0.1%
Absolute Return	0%	-	-
Stable Value Hedge Funds	4%	3.1%	0.1%
Cash	1%	-0.3%	-
Real Return			
Global Inflation Linked Bonds	3%	0.7%	-
Real Assets	14%	5.2%	0.7%
Energy and Natural Resources	5%	7.5%	0.4%
Commodities	0%	-	-
Risk Parity			
Risk Parity	5%	3.7%	0.2%
Inflation Expectation			2.3%
Volatility Drag	0%		-0.8%
Total	100%		7.2%

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

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (6.907%) in measuring the Net Pension Liability.

	1% Decrease in Discount Rate (5.907%)	Discount Rate (6.907%)	1% Increase in Discount Rate (7.907%)
Lake Dallas ISD's proportionate share of the net pension liability:	$ 19,394,805	$ 12,850,717	$ 7,552,880

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At August 31, 2019, Lake Dallas Independent School District reported a liability of $12,850,717 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	$12,850,717
State's proportionate share that is associated with the District	22,529,858
Total	$35,380,575

The net pension liability was measured as of August 31, 2017 and rolled forward to August 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2017 rolled forward to August 31, 2018. 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, 2017 thru August 31, 2018.

At August 31, 2018 the employer's proportion of the collective net pension liability was 0.0233469298%, an increase of 27.8% from its proportionate share of 0.0182648746% at August 31, 2017.

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

- The Total Pension Liability as of August 31, 2018 was developed using a roll-forward method from the August 31, 2017 valuation.
- Demographic assumptions including post-retirement mortality, termination rates, and rates of retirement were updated based on the experience study performed for TRS for the period ending August 31, 2017.
- Economic assumptions including rates of salary increase for individual participants were updated based on the same experience study.
- The discount rate changed from 8.0 percent as of August 31, 2017 to 6.907 percent as of August 31, 2018.
- The long-term assumed rate of return changed from 8.0 percent to 7.25 percent.
- The change in the long-term assumed rate of return combined with the change in the single discount rate was the primary reason for the increase in the Net Pension Liability.

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

For the year ended August 31, 2019, Lake Dallas Independent School District recognized pension expense of $1,821,102 and revenue of $1,821,102 for support provided by the State.

At August 31, 2019, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 80,101	$ 315,306
Changes in actuarial assumptions	4,633,302	144,791
Difference between projected and actual investment earnings	667,843	911,676
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	2,613,681	93,910
Contributions paid to TRS subsequent to the measurement date	824,909	-
Total	$8,819,836	$1,465,683

$824,909 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended August 31:	Pension Expense Amount
2020	$ 1,653,804
2021	1,140,674
2022	990,561
2023	1,041,625
2024	1,019,887
Thereafter	682,693

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

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

Benefits Provided. TRS-Care provides a basic health insurance coverage (TRS-Care 1), at no cost to all retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible retirees and their dependents not enrolled in Medicare may pay premiums to participate in one of two optional insurance plans with more comprehensive benefits (TRS-Care 2 and TRS-Care 3). Eligible retirees and dependents enrolled in Medicare may elect to participate in one of the two Medicare health plans for an additional fee. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic post-employment benefit changes; including automatic COLAs.

The premium rates for the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for a retiree with and without Medicare coverage.

TRS-Care Monthly for Retirees		
	Medicare	Non-Medicare
January 1, 2018 thru December 31, 2018		
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 .75% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

Contribution Rates	2018	2019
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 FY19 Employer Contributions	**$223,600**
Lake Dallas ISD FY19 Member Contributions	**$182,762**
Lake Dallas ISD 2019 NECE On-behalf Contributions	**$338,680**

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 employers hire a TRS retiree, they are required to pay to TRS Care, a monthly surcharge of $535 per retiree.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of $182.6 million in fiscal year 2018. The 85th Texas Legislative House Bill 30 provided an additional $212 million one-time, supplemental funding for the FY 2018-19 biennium to continue to support the program. This was also received in FY 2018 bringing the total appropriations received in fiscal year 2018 to $394.6 million.

The total OPEB liability in the August 31, 2017 was rolled forward to August 31, 2018. The actuarial valuation was determined using the following actuarial assumptions. The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2017 TRS pension actuarial valuation was rolled forward to August 31, 2018:

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

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2017 rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.69%
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
Payroll Growth Rate	2.50%
Projected Salary Increases	3.05% to 9.50%, including inflation
Election Rates	Normal Retirement: 70% participation prior to age 65 and 75% participation after age 65
Ad hoc post-employment benefit changes	None

Discount Rate. A single discount rate of 3.69% was used to measure the total OPEB liability. There was a change of .27 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 applied to all periods of projected benefit payments to determine the total OPEB liability.

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 (3.69%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (2.69%)	Current Single Discount Rate (3.69%)	1% Increase in Discount Rate (4.69%)
District's proportionate share of the Net OPEB Liability:	$18,871,868	$15,852,369	$13,465,414

Healthcare Cost Trend Rates Sensitivity Analysis - The following presents the net OPEB liability of the plan using the assumed healthcare cost trend rate, as well as what the OPEB liability would be if it were calculated using a trend rate that is one-percentage lower or one-percentage point higher than the assumed healthcare cost trend rate:

	1% Decrease (7.5%)	Current Healthcare Cost Trend Rate (8.5%)	1% Increase (9.5%)
District's proportionate share of the Net OPEB Liability:	$13,165,646	$15,852,369	$19,390,836

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At August 31, 2019, the District reported a liability of $9,169,939 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District.

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

District's Proportionate share of the collective Net OPEB Liability	$15,852,369
State's proportionate share that is associated with the District	23,874,982
Total	$39,727,351

The Net OPEB Liability was measured as of August 31, 2017 and rolled forward to August 31, 2018 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, 2017 thru August 31, 2018.

At August 31, 2018 the employer's proportion of the collective Net OPEB Liability was 0.0317486056%, an increase of 10.7% compared to the August 31, 2017 proportionate share of 0.0286754529%.

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 total OPEB liability as of August 31, 2018 was developed using the roll forward method of the August 31, 2017 valuation.
- Adjustments were made for retirees that were known to have discontinued their health care coverage in fiscal year 2018. This change increased the total OPEB liability.
- The health care trend rate assumption was updated to reflect the anticipated return of the Health Insurer Fee (HIF) in 2020. This change increased the total OPEB liability.
- Demographic and economic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2017. This change increased the total OPEB liability.
- The discount rate changed from 3.42 percent as of August 31, 2017 to 3.69 percent, as of August 31, 2018. This change lowered the total OPEB liability $2.3 billion.

The following are changes of benefit terms that affected measurement of the Total OPEB liability during the measurement period. The 85th Legislature, Regular Session, passed the following statutory changes in House Bill 3976 which became effective on September 1, 2017:

- Created a high-deductible health plan that provides a zero cost for generic prescriptions for certain preventive drugs and proves a zero premium for disability retirees who retired as a disability retiree on or before January 1, 2017 and are not eligible to enroll in Medicare.
- Created a single Medicare Advantage plan and Medicare prescription drug plan for all Medicare-eligible participants.
- Allowed the System to provide other, appropriate health benefit plans to address the needs of enrollees eligible for Medicare.
- Allowed eligible retirees and their eligible dependents to enroll in TRS-Care when the retiree reaches 65 years of age, rather than waiting for the next enrollment period.
- Eliminated free coverage under TRS-Care, except for certain disability retirees enrolled during Plan years 2018 through 2021, requiring members to contribute $200 per month toward their health insurance premiums.

For the year ended August 31, 2019, the District recognized OPEB expense of ($9,288) and revenue of ($9,288) for support provided by the State.

At August 31, 2019, 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	$ 841,226	$ 250,174
Changes in actuarial assumptions	264,533	4,762,727
Difference between projected and actual investment earnings	2,772	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	1,656,949	-
Contributions paid to TRS subsequent to the measurement date	223,600	-
Total	$2,989,080	$5,012,901

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

Year ended August 31:	OPEB Expense Amount
2020	$ (414,290)
2021	(414,290)
2022	(414,290)
2023	(414,815)
2024	(415,114)
Thereafter	(146,502)

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, 2019, 2018 and 2017, the subsidy payments received by TRS-Care on behalf of the District were $87,838, $83,163 and $81,121, 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, 2019, 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

The following is a summary of the District's transfers for the fiscal year ended August 31, 2019:

Fund	Transfers In	Transfers Out
Major Funds:		
General Fund	$ -	$2,827
Non-Major Funds:		
Enterprise Fund	2,827	-
	$2,827	$2,827

$2,827 was transferred from the General Fund to the Childcare Fund to help with operating costs.

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, 2019, consisted of the following individual fund receivables and payables:

Fund	Advances to Other Funds	Advances from Other Funds
Major Funds:		
General Fund:		
Special Revenue Funds	$209,252	$ -
Capital Projects Fund	78,067	146,352
Agency Fund	4,946	-
Total General Fund	292,265	146,352
Capital Projects Fund:		
General Fund	146,352	78,067
Total Major Funds	438,617	224,419
Non-Major Funds:		
Special Revenue Funds:		
General Fund	-	209,252
Internal Service Fund	-	4,252
Total Special Revenue Funds	-	213,504
Internal Service Fund:		
Special Revenue Fund	4,252	-
Agency Fund	2,656	-
Total Internal Service Fund	6,908	-
Agency Fund:		
General Fund	-	4,946
Internal Service Fund	-	2,656
Total Agency Fund	-	7,602
Total Non-Major Funds	6,908	221,106
	$445,525	$445,525

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, 2019, are summarized below. All federal grants shown below are passed through the TEA and are reported on the combined financial statements as Due from Other Governments.

Fund	State Entitlements	Federal Grants	Local Governments	Total
General Fund	$607,433	$ -	$ -	$607,433
Special Revenue	-	241,430	-	241,430
Total	$607,433	$241,430	$ -	$848,863

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, 2019 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, 2019 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

NOTE 16. REVENUES FROM LOCAL AND INTERMEDIATE SOURCES

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

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total
Property Taxes	$22,320,553	$ -	$9,538,174	$ -	$31,858,727
Food Sales	-	707,945	-	-	707,945
Investment Income	392,381	2,529	129,844	154,009	678,763
Penalties, interest and other tax related income	144,185	-	48,854	-	193,039
Co-curricular student activities	109,409	-	-	-	109,409
Other	85,776	49,914	-	-	135,690
Total	$23,052,304	$ 760,388	$9,716,872	$154,009	$33,683,573

NOTE 17. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

	General Fund	Special Revenue Fund	Total
Unearned Grants	$ -	$19,432	$19,432

NOTE 18. GENERAL FUND FEDERAL SOURCE REVENUES

Program or Source	CFDA Number	Amount	Total Grant or Entitlement
General Fund:			
Impact Aid	84.041	$433,858	$433,858
Medicaid Administrative Claiming Program-MAC	93.778	9,214	9,214
Medicaid Reimbursement (SHARS)		520,338	520,338
Total for General Fund		$963,410	$963,410

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes		Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	REVENUES:				
5700	Total Local and Intermediate Sources	$ 22,429,041	$ 22,941,125	$ 23,052,304	$ 111,179
5800	State Program Revenues	14,137,582	14,477,070	14,769,107	292,037
5900	Federal Program Revenues	546,462	898,094	963,410	65,316
5020	Total Revenues	37,113,085	38,316,289	38,784,821	468,532
	EXPENDITURES:				
	Current:				
0011	Instruction	21,042,118	21,815,342	21,797,295	18,047
0012	Instructional Resources and Media Services	575,334	581,141	579,452	1,689
0013	Curriculum and Instructional Staff Development	1,040,973	1,049,695	1,016,447	33,248
0021	Instructional Leadership	530,726	568,573	561,586	6,987
0023	School Leadership	2,191,405	2,191,714	2,152,463	39,251
0031	Guidance, Counseling and Evaluation Services	1,198,137	1,192,394	1,145,021	47,373
0032	Social Work Services	19,809	21,223	20,124	1,099
0033	Health Services	323,577	328,778	320,673	8,105
0034	Student (Pupil) Transportation	1,643,388	1,314,586	1,148,052	166,534
0036	Extracurricular Activities	1,146,472	1,476,914	1,474,068	2,846
0041	General Administration	1,341,377	1,416,509	1,402,526	13,983
0051	Facilities Maintenance and Operations	4,731,480	4,882,323	4,870,191	12,132
0052	Security and Monitoring Services	212,894	212,962	197,254	15,708
0053	Data Processing Services	707,267	789,332	788,745	587
0061	Community Services	-	7,000	6,793	207
	Debt Service:				
0071	Principal on Long-Term Debt	77,370	173,973	173,753	220
0072	Interest on Long-Term Debt	-	642	642	-
	Capital Outlay:				
0081	Facilities Acquisition and Construction	47,500	54,782	46,540	8,242
	Intergovernmental:				
0095	Payments to Juvenile Justice Alternative Ed. Prg.	5,000	5,000	-	5,000
0099	Other Intergovernmental Charges	180,000	185,475	183,921	1,554
6030	Total Expenditures	37,014,827	38,268,358	37,885,546	382,812
1100	Excess of Revenues Over Expenditures	98,258	47,931	899,275	851,344
	OTHER FINANCING SOURCES (USES):				
8911	Transfers Out (Use)	-	-	(2,827)	(2,827)
1200	Net Change in Fund Balances	98,258	47,931	896,448	848,517
0100	Fund Balance - September 1 (Beginning)	10,467,166	10,467,166	10,467,166	-
3000	Fund Balance - August 31 (Ending)	$ 10,565,424	$ 10,515,097	$ 11,363,614	$ 848,517

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, 2019

	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017	FY 2017 Plan Year 2016
District's Proportion of the Net Pension Liability (Asset)	0.02334693%	0.018264875%	0.018637105%
District's Proportionate Share of Net Pension Liability (Asset)	$ 12,850,717	$ 5,840,123	$ 7,042,685
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	22,529,858	15,271,643	18,223,942
Total	$ 35,380,575	$ 21,111,766	$ 25,266,627
District's Covered Payroll	$ 27,397,418	$ 26,574,196	$ 25,849,885
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	46.90%	21.98%	27.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.74%	82.17%	78.00%

Note: GASB 68, Paragraph 81 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, 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 2015.

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

	FY 2016 Plan Year 2015	FY 2015 Plan Year 2014
	0.0198897%	0.0100669%
$	7,030,744	$ 2,689,008
	17,229,897	14,622,939
$	24,260,641	$ 17,311,947
$	24,956,220	$ 23,960,423
	28.17%	11.22%
	78.43%	83.25%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2019

	2019	2018	2017
Contractually Required Contribution	$ 824,909	$ 786,464	$ 598,616
Contribution in Relation to the Contractually Required Contribution	(824,909)	(786,464)	(598,616)
Contribution Deficiency (Excess)	$ -	$ -	$ -
District's Covered Payroll	$ 28,111,928	$ 27,397,418	$ 26,574,196
Contributions as a Percentage of Covered Payroll	2.93%	2.87%	2.25%

Note: GASB 68, Paragraph 81 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 years.

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

2016	2015
$ 592,480	$ 588,942
(592,480)	(588,942)
$ -	$ -
$ 25,849,885	$ 24,956,220
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, 2019

	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.031748606%	0.028767545%
District's Proportionate Share of Net OPEB Liability (Asset)	$ 15,852,369	$ 12,469,879
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	23,874,982	21,870,140
Total	$ 39,727,351	$ 34,340,019
District's Covered Payroll	$ 27,397,418	$ 26,574,196
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	57.87%	46.92%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	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 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 2019

	2019	2018
Contractually Required Contribution	$ 223,600	$ 218,925
Contribution in Relation to the Contractually Required Contribution	(223,600)	(218,925)
Contribution Deficiency (Excess)	$ -0-	$ -0-
District's Covered Payroll	$ 28,111,928	$ 27,397,418
Contributions as a Percentage of Covered Payroll	0.75%	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.

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:

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

- The Total Pension Liability as of August 31, 2018 was developed using a roll-forward method from the August 31, 2017 valuation.
- Demographic assumptions including post-retirement mortality, termination rates, and rates of retirement were updated based on the experience study performed for TRS for the period ending August 31, 2017.
- Economic assumptions including rates of salary increase for individual participants were updated based on the same experience study.
- The discount rate changed from 8.0 percent as of August 31, 2017 to 6.907 percent as of August 31, 2018.
- The long-term assumed rate of return changed from 8.0 percent to 7.25 percent.
- The change in the long-term assumed rate of return combined with the change in the single discount rate was the primary reason for the increase in the Net Pension Liability.

OPEB LIABILITY:

Changes of benefit terms:

The following are changes of benefit terms that affected measurement of the Total OPEB liability during the measurement period. The 85th Legislature, Regular Session, passed the following statutory changes in House Bill 3976 which became effective on September 1, 2017:

- Created a high-deductible health plan that provides a zero cost for generic prescriptions for certain preventive drugs and proves a zero premium for disability retirees who retired as a disability retiree on or before January 1, 2017 and are not eligible to enroll in Medicare.
- Created a single Medicare Advantage plan and Medicare prescription drug plan for all Medicare-eligible participants.
- Allowed the System to provide other, appropriate health benefit plans to address the needs of enrollees eligible for Medicare.
- Allowed eligible retirees and their eligible dependents to enroll in TRS-Care when the retiree reaches 65 years of age, rather than waiting for the next enrollment period.
- Eliminated free coverage under TRS-Care, except for certain disability retirees enrolled during Plan years 2018 through 2021, requiring members to contribute $200 per month toward their health insurance premiums.

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 total OPEB liability as of August 31, 2018 was developed using the roll forward method of the August 31, 2017 valuation.
- Adjustments were made for retirees that were known to have discontinued their health care coverage in fiscal year 2018. This change increased the total OPEB liability.
- The health care trend rate assumption was updated to reflect the anticipated return of the Health Insurer Fee (HIF) in 2020. This change increased the total OPEB liability.
- Demographic and economic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2017. This change increased the total OPEB liability.
- The discount rate changed from 3.42 percent as of August 31, 2017 to 3.69 percent, as of August 31, 2018. This change lowered the total OPEB liability $2.3 billion.

OTHER SUPPLEMENTARY INFORMATION:

NONMAJOR GOVERNMENTAL FUNDS

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
Summer Feeding Program
Career and Technical - Basic Grant
ESEA, Title II, A Training and Recruiting
Title III, A English Lang. Acquisition
Summer School LEP

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, 2019

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	$ -	$ -	$ -	$ 471,846
1240	Due from Other Governments	41,159	110,531	1,043	69,181
1000	Total Assets	$ 41,159	$ 110,531	$ 1,043	$ 541,027
	LIABILITIES				
2110	Accounts Payable	$ 284	$ 8,692	$ -	$ 161,427
2170	Due to Other Funds	40,875	101,839	1,043	-
2200	Accrued Expenditures	-	-	-	28,253
2300	Unearned Revenue	-	-	-	-
2000	Total Liabilities	41,159	110,531	1,043	189,680
	FUND BALANCES				
	Restricted Fund Balance:				
3450	Federal or State Funds Grant Restriction	-	-	-	351,347
	Committed Fund Balance:				
3545	Campus Activities	-	-	-	-
3000	Total Fund Balances	-	-	-	351,347
4000	Total Liabilities and Fund Balances	$ 41,159	$ 110,531	$ 1,043	$ 541,027

242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	288 Summer School LEP	289 ESEA Title IV Part A	397 Advanced Placement Incentives	410 State Instructional Materials
$ -	$ -	$ -	$ -	$ -	$ -	$ 9,456	$ 48,990
-	5,116	2,808	4,340	-	7,252	-	-
$ -	$ 5,116	$ 2,808	$ 4,340	$ -	$ 7,252	$ 9,456	$ 48,990
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,941
-	5,116	2,808	4,340	-	7,252	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	9,456	9,976
-	5,116	2,808	4,340	-	7,252	9,456	19,917
-	-	-	-	-	-	-	29,073
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	29,073
$ -	$ 5,116	$ 2,808	$ 4,340	$ -	$ 7,252	$ 9,456	$ 48,990

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2019

Data Control Codes		429 Math Achievement Academies	462 Campus Activity Funds	Total Nonmajor Governmental Funds
	ASSETS			
1110	Cash and Cash Equivalents	$ -	$ 139,877	$ 670,169
1240	Due from Other Governments	-	-	241,430
1000	Total Assets	$ -	$ 139,877	$ 911,599
	LIABILITIES			
2110	Accounts Payable	$ -	$ -	$ 180,344
2170	Due to Other Funds	-	50,231	213,504
2200	Accrued Expenditures	-	-	28,253
2300	Unearned Revenue	-	-	19,432
2000	Total Liabilities	-	50,231	441,533
	FUND BALANCES			
	Restricted Fund Balance:			
3450	Federal or State Funds Grant Restriction	-	-	380,420
	Committed Fund Balance:			
3545	Campus Activities	-	89,646	89,646
3000	Total Fund Balances	-	89,646	470,066
4000	Total Liabilities and Fund Balances	$ -	$ 139,877	$ 911,599



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

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	$ -	$ -	$ -	$ 710,474
5800 State Program Revenues	-	-	-	10,258
5900 Federal Program Revenues	312,996	707,200	10,628	1,164,265
5020 Total Revenues	312,996	707,200	10,628	1,884,997
EXPENDITURES:				
Current:				
0011 Instruction	286,090	314,775	10,628	-
0013 Curriculum and Instructional Staff Development	25,619	1,800	-	-
0021 Instructional Leadership	-	562	-	-
0023 School Leadership	1,287	-	-	-
0031 Guidance, Counseling and Evaluation Services	-	350,263	-	-
0035 Food Services	-	-	-	1,891,822
0036 Extracurricular Activities	-	-	-	-
0052 Security and Monitoring Services	-	-	-	-
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of SSA	-	39,800	-	-
6030 Total Expenditures	312,996	707,200	10,628	1,891,822
1200 Net Change in Fund Balance	-	-	-	(6,825)
0100 Fund Balance - September 1 (Beginning)	-	-	-	358,172
3000 Fund Balance - August 31 (Ending)	$ -	$ -	$ -	$ 351,347

242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	288 Summer School LEP	289 ESEA Title IV Part A	397 Advanced Placement Incentives	410 State Instructional Materials
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	1,600	327,323
14,642	38,529	75,739	31,178	2,503	13,077	-	-
14,642	38,529	75,739	31,178	2,503	13,077	1,600	327,323
-	34,346	14,250	31,178	2,503	8,640	-	327,323
-	4,183	61,489	-	-	1,595	1,600	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
14,642	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	2,842	-	-
-	-	-	-	-	-	-	-
14,642	38,529	75,739	31,178	2,503	13,077	1,600	327,323
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	29,073
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 29,073

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes		429 Math Achievement Academies	462 Campus Activity Funds	Total Nonmajor Governmental Funds
	REVENUES:			
5700	Total Local and Intermediate Sources	$ -	$ 49,914	$ 760,388
5800	State Program Revenues	1,050	1,467	341,698
5900	Federal Program Revenues	-	-	2,370,757
5020	Total Revenues	1,050	51,381	3,472,843
	EXPENDITURES:			
	Current:			
0011	Instruction	1,050	-	1,030,783
0013	Curriculum and Instructional Staff Development	-	-	96,286
0021	Instructional Leadership	-	-	562
0023	School Leadership	-	-	1,287
0031	Guidance, Counseling and Evaluation Services	-	-	350,263
0035	Food Services	-	-	1,906,464
0036	Extracurricular Activities	-	35,712	35,712
0052	Security and Monitoring Services	-	-	2,842
	Intergovernmental:			
0093	Payments to Fiscal Agent/Member Districts of SSA	-	-	39,800
6030	Total Expenditures	1,050	35,712	3,463,999
1200	Net Change in Fund Balance	-	15,669	8,844
0100	Fund Balance - September 1 (Beginning)	-	73,977	461,222
3000	Fund Balance - August 31 (Ending)	$ -	$ 89,646	$ 470,066

EXHIBIT H-3

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, 2019

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	$ 792,012	$ 792,012	$ 710,474	$ (81,538)
5800	State Program Revenues	9,865	9,865	10,258	393
5900	Federal Program Revenues	1,125,116	1,125,116	1,164,265	39,149
5020	Total Revenues	1,926,993	1,926,993	1,884,997	(41,996)
	EXPENDITURES:				
	Current:				
0035	Food Services	1,903,647	1,966,273	1,891,822	74,451
6030	Total Expenditures	1,903,647	1,966,273	1,891,822	74,451
1200	Net Change in Fund Balances	23,346	(39,280)	(6,825)	32,455
0100	Fund Balance - September 1 (Beginning)	358,172	358,172	358,172	-
3000	Fund Balance - August 31 (Ending)	$ 381,518	$ 318,892	$ 351,347	$ 32,455

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, 2019

Data Control Codes		Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	REVENUES:				
5700	Total Local and Intermediate Sources	$ 9,488,693	$ 9,764,406	$ 9,716,872	$ (47,534)
5800	State Program Revenues	-	-	204,405	204,405
5020	Total Revenues	9,488,693	9,764,406	9,921,277	156,871
	EXPENDITURES:				
	Debt Service:				
0071	Principal on Long-Term Debt	4,588,490	4,483,490	4,347,607	135,883
0072	Interest on Long-Term Debt	4,839,134	5,219,847	5,217,951	1,896
0073	Bond Issuance Cost and Fees	10,000	10,000	7,478	2,522
6030	Total Expenditures	9,437,624	9,713,337	9,573,036	140,301
1100	Excess of Revenues Over Expenditures	51,069	51,069	348,241	297,172
	OTHER FINANCING SOURCES (USES):				
7916	Premium or Discount on Issuance of Bonds	-	275,713	275,712	(1)
1200	Net Change in Fund Balances	51,069	326,782	623,953	297,171
0100	Fund Balance - September 1 (Beginning)	980,605	980,605	980,605	-
3000	Fund Balance - August 31 (Ending)	$ 1,031,674	$ 1,307,387	$ 1,604,558	$ 297,171

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, 2019

	752 Print Shop	754 Computer Operations	Total Internal Service Funds
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 149,125	$ 110,524	$ 259,649
Due from Other Funds	2,656	4,252	6,908
Inventories	24,171	2,684	26,855
Total Assets	175,952	117,460	293,412
LIABILITIES			
Current Liabilities:			
Accounts Payable	22,638	-	22,638
Accrued Expenses	88	-	88
Total Liabilities	22,726	-	22,726
NET POSITION			
Unrestricted Net Position	153,226	117,460	270,686
Total Net Position	$ 153,226	$ 117,460	$ 270,686

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, 2019

	752 Print Shop	754 Computer Operations	Total Internal Service Funds
OPERATING REVENUES:			
Local and Intermediate Sources	$ 182,721	$ -	$ 182,721
State Program Revenues	5,251	-	5,251
Total Operating Revenues	187,972	-	187,972
OPERATING EXPENSES:			
Payroll Costs	80,012	-	80,012
Professional and Contracted Services	75,664	-	75,664
Supplies and Materials	32,296	451	32,747
Capital Outlay	-	488	488
Total Operating Expenses	187,972	939	188,911
Operating Income (Loss)	-	(939)	(939)
Total Net Position - September 1 (Beginning)	153,226	118,399	271,625
Total Net Position August 31 (Ending)	$ 153,226	$ 117,460	$ 270,686

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

	752 Print Shop	754 Computer Operations	Total Internal Service Funds
Cash Flows from Operating Activities:			
Cash Received from District	$ 182,721	$ -	$ 182,721
Cash Payments for Payroll Costs	(74,761)	-	(74,761)
Cash Payments for Supplies and Materials	(26,528)	-	(26,528)
Cash Payments for Purchased Services	(75,664)	-	(75,664)
Net Cash Provided by Operating Activities	5,768	-	5,768
Net Increase in Cash and Cash Equivalents	5,280	-	5,280
Cash and Cash Equivalents at Beginning of Year	143,845	110,524	254,369
Cash and Cash Equivalents at End of Year	$ 149,125	$ 110,524	$ 259,649
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Operating Income (Loss):	$ -	$ (939)	$ (939)
Effect of Increases and Decreases in Current Assets and Liabilities:			
Decrease (increase) in Inventories	(17,358)	939	(16,419)
Increase (decrease) in Accounts Payable	22,638	-	22,638
Net Cash Provided by Operating Activities	$ 5,280	$ -	$ 5,280

OTHER SUPPLEMENTARY INFORMATION:

AGENCY FUND

EXHIBIT H-8

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED AUGUST 31, 2019

	BALANCE SEPTEMBER 1 2018	ADDITIONS	DEDUCTIONS	BALANCE AUGUST 31 2019
STUDENT ACTIVITY ACCOUNT				
Assets:				
Cash and Temporary Investments	$ 589,183	$ 637,088	$ 587,283	$ 638,988
Other Receivables	15	-	15	-
Total Assets	$ 589,198	$ 637,088	$ 587,298	$ 638,988
Liabilities:				
Accounts Payable	$ 8,616	$ 47,531	$ -	$ 56,147
Due to Other Funds	11,238	-	3,636	7,602
Due to Student Groups	576,044	-	805	575,239
Total Liabilities	$ 595,898	$ 47,531	$ 4,441	$ 638,988
TOTAL AGENCY FUNDS				
Assets:				
Cash and Temporary Investments	$ 589,183	$ 637,088	$ 587,283	$ 638,988
Other Receivables	15	-	15	-
Total Assets	$ 589,198	$ 637,088	$ 587,298	$ 638,988
Liabilities:				
Accounts Payable	$ 8,616	$ 47,531	$ -	$ 56,147
Due to Other Funds	11,238	-	3,636	7,602
Due to Student Groups	576,044	805	805	576,044
Total Liabilities	$ 595,898	$ 48,336	$ 4,441	$ 639,793

OTHER SUPPLEMENTARY INFORMATION:

REQUIRED TEA SCHEDULES

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FISCAL YEAR ENDED AUGUST 31, 2019

Last 10 Years Ended August 31		(1) Tax Rates Maintenance	(2) Tax Rates Debt Service	(3) Assessed/Appraised Value for School Tax Purposes
2010	and prior years	Various	Various	$ Various
2011		1.170000	0.500000	1,205,064,272
2012		1.170000	0.500000	1,215,992,122
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	(School year under audit)	1.170000	0.500000	1,953,569,778
1000	TOTALS			

(10) Beginning Balance 9/1/2018	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2019
$ 61,678	$ -	$ 1,992	$ 796	$ (10,685)	$ 48,205
21,478	-	666	285	(112)	20,415
19,984	-	909	388	(28)	18,659
44,155	-	4,798	2,050	(28)	37,279
54,326	-	18,858	8,059	17,936	45,345
71,849	-	43,459	18,572	42,852	52,670
83,024	-	47,593	20,339	41,557	56,649
112,001	-	54,353	23,228	24,959	59,379
162,178	-	69,820	29,838	2,211	64,731
-	31,374,399	22,085,130	9,438,090	324,350	175,529
$ 630,673	$ 31,374,399	$ 22,327,578	$ 9,541,645	$ 443,012	$ 578,861



STATISTICAL SECTION (UNAUDITED)



Statistical Section

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

Contents	Page
Financial Trends	114
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	123
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
Debt Capacity	130
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	136
These schedules offer demographic and economic indicators to help the reader understand the environment within the government's financial activities take place.	
Operating Information	142
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 comprehensive annual financial reports for the relevant year.

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

Fiscal Year	2010	2011	2012	2013
Governmental Activities:				
Net Investment in Capital Assets	$ 4,377,808	$ 5,374,717	$ 6,917,917	$ 6,110,394
Restricted for Federal and State Programs	245,795	476,951	452,319	353,245
Restricted for Debt Service	1,472,099	916,427	397,695	717,021
Restricted for Campus Activities	-	22,208	43,228	47,627
Unrestricted Net Position	(11,314,665)	(13,595,936)	(15,000,928)	(15,129,099)
Total Governmental Activities Net Position (1,2)	$ (5,218,963)	$ (6,805,633)	$ (7,189,769)	$ (7,900,812)
Business-Type Activities:				
Unrestricted Net Position	$ 1,428	$ -	$ 17,965	$ -
Total Business-Type Activities	$ 1,428	$ -	$ 17,965	$ -
Primary Government:				
Net Investment in Capital Assets	$ 4,377,808	$ 5,374,717	$ 6,917,917	$ 6,110,394
Restricted for Federal and State Programs	245,795	476,951	452,319	353,245
Restricted for Debt Service	1,472,099	916,427	397,695	717,021
Restricted for Campus Activities	-	22,208	43,228	47,627
Unrestricted Net Position	(11,313,237)	(13,595,936)	(14,982,963)	(15,129,099)
Total Primary Government Net Position (1,2)	$ (5,217,535)	$ (6,805,633)	$ (7,171,804)	$ (7,900,812)

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.

2014 (3)	2015	2016	2017	2018	2019
$ 6,964,541	$ 10,701,163	$ 10,532,295	$ 999,254	$ (1,011,015)	$ 4,729,315
363,149	372,313	289,104	276,416	387,245	380,420
165,123	204,440	552,093	548,129	1,016,462	1,458,801
-	-	-	-	-	-
(16,854,334)	(21,228,700)	(18,901,486)	(7,925,164)	(20,469,736)	(25,263,626)
$ (9,361,521)	$ (9,950,784)	$ (7,527,994)	$ (6,101,365)	$ (20,077,044)	$ (18,695,090)
$ -	$ 2,019	$ 2,019	$ 2,019	$ 2,019	$ 2,019
$ -	$ 2,019	$ 2,019	$ 2,019	$ 2,019	$ 2,019
$ 6,964,541	$ 10,701,163	$ 10,532,295	$ 999,254	$ (1,011,015)	$ 4,729,315
363,149	372,313	289,104	276,416	387,245	380,420
165,123	204,440	552,093	548,129	1,016,462	1,458,801
-	-	-	-	-	-
(16,854,334)	(21,228,700)	(18,899,467)	(7,923,145)	(20,467,717)	(25,261,607)
$ (9,361,521)	$ (9,948,765)	$ (7,525,975)	$ (6,099,346)	$ (20,075,025)	$ (18,693,071)

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

Fiscal Year	2010	2011	2012	2013
Expenses				
Governmental Activities:				
Instruction	$ 20,514,458	$ 20,218,443	$ 19,417,571	$ 19,604,501
Instructional Resources & Media Services	652,911	611,435	525,739	545,040
Curriculum & Staff Development	721,919	748,658	743,596	775,300
Instructional Leadership	362,333	311,479	328,888	461,658
School Leadership	1,812,793	1,824,013	1,931,761	2,018,860
Guidance, Counseling & Evaluation Services	1,127,716	1,096,335	1,052,165	1,210,347
Social Work Services	-	-	391	16,336
Health Services	344,154	345,364	328,698	354,303
Student (Pupil) Transportation	1,127,079	1,131,566	1,273,673	1,022,918
Food Services	1,679,715	1,743,118	1,717,847	1,893,064
Cocurricular/Extracurricular Activities	1,292,504	1,300,510	1,350,211	1,319,230
General Administration	1,010,450	1,200,834	1,184,065	1,233,522
Plant Maintenance & Operations	4,529,637	5,425,032	4,344,652	4,342,753
Security Monitoring Services	117,424	118,717	123,984	131,168
Data Processing Services	534,990	638,803	702,435	634,526
Community Services	-	-	-	-
Debt Service - Interest and Fees	6,006,752	6,095,207	5,413,137	5,570,370
Facilities Furnishings - Noncapital	-	-	-	-
Shared Services Special Education	-	-	-	-
Juvenile Justice Alternative Education Program	-	-	-	-
Tax Appraisal Fees	178,174	175,100	171,105	165,545
Total Expenses	42,013,009	42,984,614	40,609,918	41,299,441
Program Revenues				
Governmental Activities:				
Charges for Services				
Instruction	26,044	11,810	11,495	2,415
Food Services	852,066	868,652	854,998	810,140
Cocurricular/Extracurricular Activiites	132,819	115,525	117,257	92,023
Plant Maintenance & Operations	40,567	60,570	38,720	40,930
Operating Grants and Contributions	5,552,985	5,829,481	4,600,798	4,233,864
Total Governmental Program Revenues	6,604,481	6,886,038	5,623,268	5,179,372
Total Governmental Net (Expense) Revenue	$ (35,408,528)	$ (36,098,576)	$ (34,986,650)	$ (36,120,069)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes - General Purposes	$ 14,915,083	$ 14,505,620	$ 14,518,282	$ 14,545,942
Property Taxes - Debt Service	6,119,832	6,173,212	6,186,799	6,205,067
State Aid-Formula Grants	12,705,279	13,274,716	12,919,301	13,562,403
Grants and Contributions not Restricted	213,297	363,396	677,771	863,331
Investment Earnings	26,956	56,595	51,453	61,232
Miscellaneous	86,741	149,499	240,158	174,947
Transfers Out	-	(11,132)	-	(3,896)
Gain on Sale of Assets	-	-	8,750	-
Total General Revenues and Other Changes in Net Position Governmental Activities	34,067,188	34,511,906	34,602,514	35,409,026
Change in Net Position Govermnental Activities	(1,341,340)	(1,586,670)	(384,136)	(711,043)
Business-Type Activities:				
Revenue-Charge for Service	378,746	390,496	371,397	322,582
Expense-Day Care Service	392,064	403,056	353,482	344,443
Operating Grants and Contributions	-	-	-	-
Transfer In	-	11,132	-	3,896
Change in Net Position-Business-Type Activities	(13,318)	(1,428)	17,965	(17,965)
Total Primary Government Change in Net Position	$ (1,354,658)	$ (1,588,098)	$ (366,171)	$ (729,008)

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.

2014	2015	2016	2017	2018	2019
$ 20,594,920	$ 21,602,235	$ 23,420,949	$ 23,396,271	$ 16,521,116	$ 25,381,434
561,763	577,352	615,380	608,202	435,713	648,672
855,170	864,442	1,062,067	1,146,177	824,663	1,195,322
419,164	433,087	537,969	544,277	382,487	607,779
2,028,199	2,037,524	2,221,927	2,239,641	1,523,744	2,448,663
1,325,337	1,302,368	1,479,360	1,534,056	1,094,629	1,654,565
17,276	17,781	19,264	21,085	11,942	21,759
326,353	303,402	349,952	348,539	233,779	368,200
1,052,382	996,880	1,027,448	1,131,794	716,565	1,185,733
1,761,483	1,828,423	2,040,332	1,869,615	1,767,424	1,957,297
1,344,164	1,450,777	1,650,080	1,484,754	1,215,238	1,705,455
1,419,162	1,371,000	1,431,261	1,422,654	1,072,859	1,629,207
4,620,415	4,581,366	4,641,156	4,860,641	3,956,372	5,948,185
153,783	148,585	142,798	157,201	226,556	215,223
832,017	662,639	1,169,096	804,769	602,488	863,888
-	-	-	10,691	4,023	6,793
5,493,125	5,354,996	2,903,668	4,206,670	3,730,281	4,576,171
-	-	-	63,123	1,780,675	211,776
-	-	-	50,205	56,200	39,800
801	-	-	-	2,403	-
158,721	153,902	154,181	172,488	179,701	198,865
42,964,235	43,686,759	44,866,888	46,072,853	36,338,858	50,864,787
6,556	1,950	9,285	151,386	10,680	11,315
834,368	759,799	698,891	777,262	705,650	707,946
99,245	73,706	137,602	88,174	92,362	109,408
20,470	2,435	3,443	3,315	4,425	6,021
3,952,861	4,357,148	6,008,342	4,997,486	(1,901,848)	5,316,853
4,913,500	5,195,038	6,857,563	6,017,623	(1,088,731)	6,151,543
$ (38,050,735)	$ (38,491,721)	$ (38,009,325)	$ (40,055,230)	$ (37,427,589)	$ (44,713,244)
$ 14,850,909	$ 16,203,206	$ 16,810,170	$ 18,523,586	$ 20,182,739	$ 22,439,330
6,359,350	6,898,513	7,182,779	7,903,046	8,622,478	9,577,335
14,672,165	15,568,660	15,552,620	14,292,335	13,456,486	12,850,386
402,391	432,334	606,466	388,692	388,721	433,858
49,716	39,472	77,326	163,067	339,170	678,764
263,108	251,061	221,434	227,052	2,348,060	118,352
(7,613)	-	(18,680)	(15,919)	(19,861)	(2,827)
-	-	-	-	-	-
36,590,026	39,393,246	40,432,115	41,481,859	45,317,793	46,095,198
(1,460,709)	901,525	2,422,790	1,426,629	7,890,204	1,381,954
313,933	353,939	340,628	303,073	336,824	387,544
321,546	351,920	359,308	338,986	356,685	390,371
-	-	-	19,994	-	-
7,613	-	18,680	15,919	19,861	2,827
-	2,019	-	-	-	-
$ (1,460,709)	$ 903,544	$ 2,422,790	$ 1,426,629	$ 7,890,204	$ 1,381,954

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

Fiscal Year	2010	2011	2012	2013	2014
General Fund					
Nonspendable Fund Balance:					
Prepayments	$ 199,218	$ 198,664	$ 185,983	$ 186,633	$ 189,985
Assigned Fund Balance:					
Fiscal year 2018 Budget Deficit	-	-	-	-	-
Unassigned	6,948,853	7,997,172	8,598,497	8,610,944	8,661,210
Total General Fund	$ 7,148,071	$ 8,195,836	$ 8,784,480	$ 8,797,577	$ 8,851,195
All Other Governmental Funds					
Restricted Fund Balance:					
Retirement of Long-Term Debt	$ 1,483,738	$ 913,359	$ 397,129	$ 628,469	$ 139,593
Federal or State Grants	287,266	476,951	452,319	353,245	363,149
Capital Acquisition and Contractual Obligation	1,079,860	804,818	475,714	588,381	433,642
Committed Fund Balance:					
Campus Activities	26,269	22,208	43,228	47,627	75,125
Total All Other Governmental Funds	$ 2,877,133	$ 2,217,336	$ 1,368,390	$ 1,617,722	$ 1,011,509

2015	2016	2017	2018	2019
$ 10,731	$ 3,042	$ 3,782	$ 11,272	$ 24,286
-	-	169,826	-	-
9,531,344	10,055,011	10,148,627	10,455,894	11,339,328
$ 9,542,075	$ 10,058,053	$ 10,322,235	$ 10,467,166	$ 11,363,614
$ 214,899	$ 588,223	$ 860,722	$ 980,605	$ 1,604,558
372,313	289,104	276,416	387,245	380,420
770,835	842,019	848,353	663,394	8,184,344
76,659	91,739	88,063	73,977	89,646
$ 1,434,706	$ 1,811,085	$ 2,073,554	$ 2,105,221	$ 10,258,968

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

Fiscal Year	2010	2011	2012	2013
REVENUES:				
Total Local and Intermediate Sources	$ 22,375,369	$ 21,943,479	$ 22,029,278	$ 21,916,928
State Program Revenues	14,866,301	15,701,523	15,367,206	15,770,892
Federal Program Revenues	3,483,106	3,766,070	2,831,114	2,888,706
Total Revenues	40,724,776	41,411,072	40,227,598	40,576,526
EXPENDITURES:				
Current:				
Instruction	18,786,723	18,614,269	17,999,346	18,090,353
Instructional Resources & Media Services	595,200	558,438	478,975	498,623
Curriculum & Instructional Staff Development	664,300	690,037	684,337	716,481
Instructional Leadership	330,923	284,740	300,250	433,233
School Leadership	1,652,965	1,666,044	1,763,372	1,851,721
Guidance, Counseling & Evaluation Services	1,031,802	1,002,229	960,315	1,119,179
Social Work Services	-	-	391	16,336
Health Services	313,734	315,429	299,426	325,248
Student (Pupil) Transportation	1,277,001	1,153,028	1,160,381	1,133,915
Food Services	1,573,557	1,636,960	1,611,689	1,787,694
Cocurricular/Extracurricular Activities	1,181,592	1,192,403	1,235,315	1,205,187
General Administration	921,136	1,096,750	1,078,744	1,128,983
Plant Maintenance and Operations	4,232,782	4,333,894	3,970,249	3,971,130
Security and Monitoring Services	107,045	108,427	112,956	120,222
Data Processing Services	487,702	588,296	639,954	572,509
Community Services	-	-	-	-
Debt Service:				
Debt Service - Principal on long-term debt	2,867,990	3,031,480	3,479,937	2,699,486
Debt Service - Interest on long-term debt	4,085,652	4,051,998	3,678,527	4,367,004
Debt Service - Bond Issuance Cost and Fees	79,985	7,356	166,773	153,890
Capital Outlay:				
Facilities Acquisition and Construction	481,289	1,163,356	903,700	107,576
Intergovernmental:				
Payments to Fiscal Agent/Member Districts of SSA	-	-	-	-
Payments to Juvenile Justice Alternative Ed. Prg.	-	-	-	-
Other Intergovernmental Charges	178,174	175,100	171,105	165,545
Total Expenditures	40,849,552	41,670,234	40,695,742	40,464,315
Excess (Deficiency) of Revenues Over (Under) Expenditures	(124,776)	(259,162)	(468,144)	112,211
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	92,390	665,859
Transfers Out	-	(11,132)	(92,390)	(669,755)
Bonds Issued	6,340,000	-	9,340,000	8,955,000
Premium or discount on Issuance of Bonds	365,428	-	617,120	1,040,260
Sale of Real or Personal Property	-	-	8,750	-
Capital Lease Proceeds	-	-	-	-
Non-current Loan	-	658,262	35,604	-
Payments to Bond Refunding Escrow Agent	(6,627,197)	-	(9,793,632)	(9,841,146)
Refund of Prior Year Taxes	-	-	-	-
Total Other Financing Sources (Uses)	78,231	647,130	207,842	150,218
Net Change in Fund Balances	$ (46,545)	$ 387,968	$ (260,302)	$ 262,429
Debt service as a percentage of noncapital expenditures	17.3%	17.2%	18.03%	17.61%

2014	2015	2016	2017	2018	2019
$ 22,403,813	$ 24,267,450	$ 25,277,027	$ 27,807,379	$ 31,912,030	$ 33,683,573
16,834,060	17,976,575	18,247,506	16,783,305	16,041,408	15,315,210
2,187,218	2,380,465	2,967,718	2,672,292	3,045,203	3,334,167
41,425,091	44,624,490	46,492,251	47,262,976	50,998,641	52,332,950
19,022,062	20,292,379	21,148,185	21,377,389	22,130,354	24,204,385
514,093	536,718	546,198	551,588	575,768	579,452
802,070	815,428	959,912	1,042,807	1,097,393	1,112,733
393,625	411,108	482,176	493,726	520,584	562,148
1,867,111	1,902,508	1,940,524	2,025,767	2,117,988	2,153,750
1,231,707	1,226,646	1,316,630	1,386,036	1,476,687	1,495,284
17,276	17,930	18,518	18,948	19,625	20,124
296,514	278,717	303,370	315,015	319,824	320,673
1,121,481	979,160	1,084,652	1,110,579	1,243,785	1,148,052
1,653,268	1,742,163	1,845,766	1,869,405	1,767,424	1,906,464
1,241,695	1,349,429	1,491,906	1,359,900	1,498,981	1,509,780
1,240,316	1,290,885	1,240,379	1,292,688	1,342,275	1,402,526
4,238,758	4,232,882	4,201,445	4,490,946	4,498,155	4,895,183
142,541	137,878	132,113	146,372	211,013	618,408
768,326	605,141	1,093,345	805,850	768,398	1,716,417
-	-	-	-	250	6,793
2,556,288	2,639,168	2,541,705	2,555,323	2,027,213	4,521,360
4,608,806	4,645,179	4,680,862	4,979,100	5,068,512	5,218,593
144,750	296,535	316,954	10,345	3,511	211,776
20,148	252,759	395,440	215,652	2,239,637	7,532,315
-	-	-	-	56,200	-
801	-	-	50,205	2,403	39,800
158,721	153,902	154,181	160,658	166,646	183,921
42,040,357	43,806,515	45,894,261	46,258,299	49,152,626	61,359,937
(615,266)	817,975	597,990	1,004,677	1,846,015	(9,026,987)
100,000	525,000	100,000	-	299,698	-
(107,613)	(525,000)	(118,680)	(15,919)	(319,559)	(2,827)
9,295,000	19,063,027	24,877,700	-	-	16,130,000
701,308	9,175,973	6,013,881	-	-	1,950,010
-	5,300	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(9,850,887)	(27,948,198)	(30,578,534)	(462,105)	(1,649,558)	-
(75,137)	-	-	-	-	-
62,671	296,102	294,367	(478,024)	(1,669,419)	18,077,183
$ (552,595)	$ 1,114,077	$ 892,357	$ 526,653	$ 176,596	$ 9,050,196
17.15%	16.77%	16.03%	16.39%	15.10%	19.33%



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

	ASSESSED VALUE				
Fiscal Year	Residential or Real Property	Personal Property	Less Exemptions	Total Estimated Taxable Value	Total Direct Rate
2010	$1,242,409,700	$ 80,744,730	$ 87,588,938	$ 1,235,565,492	1.650
2011	1,270,631,001	74,685,726	140,252,455	1,205,064,272	1.670
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

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
2010	$ 1.170	$ 0.480	$ 1.650
2011	1.170	0.500	1.670
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

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
$ 0.24980	$ 0.71000	$ 0.57698	$ 0.424290	$ 0.210
0.27390	0.71000	0.59292	0.424287	0.150
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	-

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

		2019		
Taxpayer	Description	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Mansions at Hickory Creek LP	Real Estate	$ 32,500,000	1	1.66%
Oxford 2181 Inc.	Real Estate	32,206,000	2	1.65%
Boulevard 2010 LLC	Real Estate	27,678,509	3	1.42%
Millennium Place LP	Real Estate	26,585,356	4	1.36%
Denton County Elec Coop	Utility	24,576,822	5	1.26%
Anixter, Inc.	Wholesale Ind. Supplies	15,165,334	6	0.78%
AV Ashleye Village LP	Real Estate	12,791,129	7	0.65%
Oncor Electric Delivery Co.	Utility	12,309,886	8	0.63%
Wal-Mart Stores Real Estate	Retail	11,359,953	9	0.58%
Tower Ridge Corinth I, LTD	Real Estate	10,651,000	10	0.55%
Goldfield, Alan H. & Shirley M.	Real Estate			
Hickory Creek Crossing LLP	Real Estate			
Labinal-Corinth, Inc.	Avionic Manufacturing			
Wal-mart Stores, Inc.	Retail			
Kensington Square LP PS	Apartment			
RRC (TX) LP	Real Estate			
TOTAL		$ 205,823,989		10.54%

The 2018 taxable valuation is based on the 2017-2018 tax roll with a total assessed value of $11,953,569,778

Source of information: Denton Central Appraisal District

	2010	
Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
$ 8,848,065	4	0.72%
8,670,310	5	0.70%
13,367,675	3	1.08%
6,286,410	7	0.51%
14,213,966	1	1.15%
4,681,202	10	0.38%
13,556,735	2	1.10%
6,528,969	6	0.53%
6,171,760	8	0.50%
5,482,493	9	0.44%
$ 87,807,585		7.11%

The 2009 taxable valuation is based on the 2008-2009 tax roll with a total assessed value of $1,235,565,492

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
2010	$ 20,881,712	$ 20,664,965	98.96%	$ 205,875	$ 20,870,840
2011	20,461,313	20,293,265	99.18%	147,521	20,440,786
2012	20,511,720	20,372,587	99.32%	120,446	20,493,033
2013	20,542,830	20,397,497	99.29%	108,026	20,505,523
2014	20,948,111	20,820,019	99.39%	100,683	20,920,702
2015	22,684,911	22,504,021	99.20%	171,072	22,675,093
2016	23,682,610	23,532,301	99.37%	135,217	23,667,518
2017	26,042,409	25,842,333	99.23%	165,656	26,007,989
2018	28,577,451	28,415,273	99.23%	99,658	28,514,931
2019	31,698,749	31,523,220	99.45%	-	31,523,220

Source of information: Annual Financial Report.

to Date Percentage of Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as % of Tax Levy
99.95%	$ 10,872	0.05%
99.90%	20,415	0.10%
99.91%	18,659	0.09%
99.82%	37,279	0.18%
99.87%	45,345	0.22%
99.96%	52,670	0.23%
99.94%	56,649	0.24%
99.87%	57,379	0.22%
99.78%	64,731	0.23%
99.45%	175,529	0.55%

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 *
2010	$100,051,298	$20,106,459	$ -	$4,306,334	$ -	$124,464,091	16.87%	$ 5,507
2011	97,019,818	22,287,040	-	4,161,606	658,262	124,126,726	16.68%	5,455
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	14.24%	4,810
2017	80,182,514	25,875,328	-	6,371,993	251,121	112,680,956	13.71%	4,627
2018	77,342,787	14,273,805	-	15,791,678	173,753	107,582,023	13.09%	4,348
2019	89,125,180	14,099,203	-	17,093,490	-	120,317,873	14.64%	4,812

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, 2019
(UNAUDITED)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Corinth, City of	$48,625,000	43.75%	$ 21,273,438
Denton, City of	752,640,000	0.25%	1,881,600
Denton County	590,380,000	2.04%	12,043,752
Hickory Creek, Town of	7,215,000	99.42%	7,173,153
Lake Dallas, City of	4,475,000	100.00%	4,475,000
Subtotal, overlapping bonded debt			46,846,943
Lake Dallas ISD	153,025,180	100.000%	153,025,180
Total direct and overlapping debt			$ 199,872,123

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
2010	22,601	$ 1,235,565,492	$ 124,464,091	$ 1,483,738	$122,980,353	9.95%	$ 5,441
2011	22,756	1,205,064,272	124,126,726	913,359	123,213,367	10.22%	5,415
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	112,433,835	860,722	111,573,113	6.97%	4,582
2018	24,743	1,748,779,669	107,408,270	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	6.16%	4,748

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	2010	2011	2012	2013
Total Assessed Value	$1,235,565,492	$1,205,064,272	$1,215,992,122	$1,203,818,215
Debt Limit (10% of Total Assessed Value)	$ 123,556,549	$ 120,506,427	$ 121,599,212	$ 120,381,822
Debt Applicable to Limit:				
General Obligation Bonds	$ 100,051,298	$ 97,019,818	$ 93,571,648	$ 90,742,582
Less Net Position in Debt Service Fund	1,483,738	913,359	397,129	628,469
Total Amount of Debt Applicable to Debt Limit	98,567,560	96,106,459	93,174,519	90,114,113
Legal Debt Margin	$ 24,988,989	$ 24,399,968	$ 28,424,693	$ 30,267,709
Total Net Debt Applicable to the Limit as a percentage of Debt Limit	79.78%	79.75%	76.62%	74.86%

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

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

2014	2015	2016	2017	2018	2019
$1,244,533,513	$1,343,350,119	$1,422,319,042	$1,601,010,736	$1,748,779,669	$1,953,569,778
$ 124,453,351	$ 134,335,012	$ 142,231,904	$ 160,101,073	$ 174,877,967	$ 195,359,978
$ 87,922,086	$ 85,340,015	$ 82,931,615	$ 80,182,514	$ 77,342,787	$ 89,125,180
139,593	214,899	588,223	860,722	1,016,462	1,458,801
87,782,493	85,125,116	82,343,392	79,321,792	76,326,325	87,666,379
$ 36,670,858	$ 49,209,896	$ 59,888,512	$ 80,779,281	$ 98,551,642	$ 107,693,599
70.53%	63.37%	57.89%	50.46%	56.35%	55.13%

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

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate *
2010	22,601	$ 737,764,443	$ 32,643	5.4%
2011	22,756	744,075,688	32,968	6.7%
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	820,267,538	33,771	3.4%
2017	24,352	821,978,647	33,754	3.5%
2018	24,743	822,000,458	33,222	3.3%
2019	25,002	822,078,962	32,881	2.8%

Source: North Central Texas Council of Governments

* Texas Workforce Commission

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
(UNAUDITED)
AUGUST 31, 2019

Student Data	
Student Ethnicity:	
White	52.0%
Hispanic	30.9%
Black	8.4%
Other	8.6%
Attendance Rate:	95.9%
Dropout Rate:	0.2%
Number of Students per Campus:	
Lake Dallas	
Elementary	653
Middle School	919
High School	1,314
Corinth	
Elementary	585
Shady Shores	
Elementary	560
Total Students	4,031
Faculty Data	
Teachers	284.2
Counselors	10
Administrators	18
Educational Aides	68.9
Advance Degrees/Certifications:	
Master Degrees	64
Doctoral Degrees	5
Average Experience of Teachers	12.7 Years
Student/Teacher Ratio	14.2 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	44.60%

Source of Information: District enrollment and financial records



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

		Average Daily Attendance		
	Average Daily Enrollment	Average Daily Attendance	Percent of Increase/ (Decrease)	Percent of Enrollment
2009/10	4,016	3,852	1.10%	95.90%
2010/11	4,030	3,877	0.60%	96.20%
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%

Source of information: Superintendent's Annual Report.

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

		2019		
Employer	Description	Employees	Rank	Percentage of Total City Employment
Lake Dallas ISD	School District	593.5	1	27.29%
Coserve	Electric Utility	475	2	21.84%
North Central Texas College	College	416	3	19.13%
Wal-Mart	Retail	270	4	12.42%
City of Corinth	Government	126	5	5.79%
Huffines Corinth	Car Dealership	94	6	4.32%
Albertsons	Grocery	75	7	3.45%
ComCo Systems	Manufacturer	45	8	2.07%
Lake Cities Fire Dept.	Fire Protection	40	9	1.84%
Success Partners	Media/Marketing Comm	40	10	1.84%
Labinal	Avionic Manufacturing			
Llano Utility	Utility/Construction			
Video Plus	Media/Marketing Comm.			
HD Supply	Wholesale Distribution			
TOTAL		2,175		100.00%

Source of Information: Lake Cities Chamber of Commerce

2010		
Employees	Rank	Percentage of Total City Employment
612	2	22.25%
338	4	12.29%
430	3	15.63%
154	6	5.60%
120	8	4.36%
690	1	25.07%
200	5	7.27%
143	7	5.20%
64	9	2.33%
2,751		100.00%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2009-2010	4,090	$29,060,062	$ 7,105	-1.31%	281	14.5
2010-2011	4,104	29,745,120	7,248	2.01%	287	14.3
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	37,887,369	9,399	1.03%	284	14.2

Source of Information: AEIS Report

Economically Disadvantaged	Limited English Proficient
1321	240
1436	236
1446	232
1461	248
1626	278
1521	301
1514	338
1572	362
1786	362
1798	380

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STAFF INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Teachers	Professional Support	Campus Administration	Central Administration	Total Professional Staff	Educational Aides
2009-2010	281.4	54.5	14.0	4.5	354.4	47.6
2010-2011	286.9	55.5	14.0	4.0	360.4	40.5
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

Source of Information: AEIS Report

Auxiliary Staff	Total Staff	% Change
182.4	584.4	1.30%
185.2	586.1	0.29%
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%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
TEACHERS SALARY DATA
2018-19 SCHOOL YEAR

Years of Experience	Bachelor's Degree	Master's Degree	Doctorate Degree
0	$ 51,125	$ 52,625	$ 53,625
1	51,225	52,725	53,725
2	51,325	52,825	53,825
3	51,425	52,925	53,925
4	51,525	53,025	54,025
5	51,625	53,125	54,125
6	51,725	53,225	54,225
7	51,825	53,325	54,325
8	51,925	53,425	54,425
9	52,025	53,525	54,525
10	52,125	53,625	54,625
11	52,225	53,725	54,725
12	52,325	53,825	54,825
13	52,425	53,925	54,925
14	52,925	54,425	55,425
15	53,825	55,325	56,325
16	54,525	56,025	57,025
17	55,025	56,525	57,525
18	55,325	56,825	57,825
19	55,625	57,125	58,125
20	56,025	57,525	58,525
21	57,025	58,525	59,525
22	58,025	59,525	60,525
23	59,025	60,525	61,525
24	60,025	61,525	62,525
25	61,025	62,525	63,525
26	62,025	63,525	64,525
27	63,025	64,525	65,525
28	64,025	65,525	66,525
29	65,025	66,525	67,525
30	66,025	67,525	68,525
31	67,025	68,525	69,525
32	67,725	69,225	70,225
33	68,225	69,725	70,725
34	68,575	70,075	71,075
35	68,675	70,175	71,175
36	68,875	70,375	71,375
37	69,275	70,775	71,775
38	69,875	71,375	72,375
39	70,475	71,975	72,975
40	70,575	72,075	73,075

Average Salary by Years of Experience	
Beginning Teachers	$ 52,896
1-5 Years of Experience	$ 53,865
6-10 Years of Experience	$ 53,558
11-20 Years of Experience	$ 55,720
Over -20 Years of Experience	$ 65,270

Average Actual Salaries	
Teachers	$ 56,789
Professional Staff	$ 67,769
Campus Administration	$ 82,595
Central Administration	$ 145,786
Educational Aides	$ 21,638



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

Schools	2010	2011	2012	2013	2014
Elementary *					
Buildings	3	3	3	3	3
Square Feet	347,486	347,486	347,486	347,486	347,486
Capacity	2,100	2,100	2,100	2,100	2,100
Enrollment	1,951	1,910	1,910	1,785	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	957	1,007	1,007	974	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	1,182	1,187	1,187	1,256	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	8	8	5	2	2
Square Feet	9,600	9,600	6,000	2,400	2,400
Total Square Feet	950,740	950,740	947,140	943,540	943,540
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

2015	2016	2017	2018	2019
3	3	3	3	3
347,486	351,486	351,486	351,486	351,486
2,100	2,100	2,100	2,100	2,100
1,739	1,739	1,761	1,761	1,761
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
930	930	902	902	902
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
1,292	1,292	1,300	1,300	1,300
5	5	5	5	5
116,246	116,246	116,246	116,246	116,246
2	2	2	2	2
2,400	2,400	2,400	2,400	2,400
943,540	947,540	947,540	947,540	947,540
1	1	1	1	1
4	4	4	4	4
2	2	2	2	2
2	2	2	2	2
4	4	4	4	4
3	3	3	3	3



COMPLIANCE AND FEDERAL AWARDS SECTION



Members:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
TEXAS SOCIETY OF CERTIFIED
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HANKINS, EASTUP, DEATON, TONN & SEAY
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Trustees
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, 2019, 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 9, 2020.

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 9, 2020

Members:
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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, 2019. 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, 2019.

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

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

January 9, 2020

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2019

I. Summary of Auditor's Results

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

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

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

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

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

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

7. Major programs include:

   Child Nutrition Cluster:

CFDA 10.553	School Breakfast Program
CFDA 10.555	National School Lunch Program - Cash Assistance
CFDA 10.555	National School Lunch Program - Non-Cash Assistance

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, 2019

FINDING/NONCOMPLIANCE

None

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2019

(1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal CFDA Number	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
Direct Programs			
Impact Aid - P.L. 81.874 (Note A)	84.041	S041A-2019-5019	$ 433,858
Total Direct Programs			433,858
Passed Through State Department of Education			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	19610101061912	312,996
*IDEA - Part B, Formula	84.027	196600010619126600	707,200
*IDEA - Part B, Preschool	84.173	196610010619126600	10,628
Total Special Education Cluster (IDEA)			717,828
Career and Technical - Basic Grant	84.048	19420006061912	38,529
Title III, Part A - English Language Acquisition	84.365A	19671001061912	31,178
ESEA, Title II, Part A, Teacher Principal Training	84.367A	19694501061912	75,739
Summer School LEP	84.369A	69551802	2,503
ESEA, Title IV, Part A	84.424A	19680101061912	13,077
Total Passed Through State Department of Education			1,191,850
TOTAL U.S. DEPARTMENT OF EDUCATION			1,625,708
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Texas Dept of Human Services			
Medicaid Administrative Claiming Program - MAC	93.778	01-061914	9,214
Total Passed Through Texas Dept of Human Services			9,214
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			9,214
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through the State Department of Agriculture			
*School Breakfast Program	10.553	71401901	260,275
*National School Lunch Program - Cash Assistance	10.555	71301901	773,152
*National School Lunch Prog. - Non-Cash Assistance	10.555	71301901	130,838
Total CFDA Number 10.555			903,990
*Summer Feeding Program - Cash Assistance	10.559	CD 00298	14,642
Total Child Nutrition Cluster			1,178,907
Total Passed Through the State Department of Agriculture			1,178,907
TOTAL U.S. DEPARTMENT OF AGRICULTURE			1,178,907
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 2,813,829

*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, 2019

1. The District uses the fund types specified in Texas Education Agency's Financial Accountability System Resource Guide. Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in a Special Revenue Fund which is a Governmental Fund type. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

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

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

3. The District participates in numerous state and Federal grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at August 31, 2019, may be impaired. In the opinion of the District, there are not significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions has been recorded in the accompanying combined financial statements for such contingencies.

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

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

Total Expenditures of Federal Awards	$2,813,829
Medicaid Reimbursement (SHARS)	520,338
Federal Revenues per Financial Statements	$3,334,167