

WYLIE INDEPENDENT SCHOOL DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2018



Wylie Independent School District  
Educational Service Center  
951 S. Ballard Ave.  
Wylie, TX 75098  
Collin County  
[www.wylieisd.net](http://www.wylieisd.net)

# Wylie Independent School District

## COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

FISCAL YEAR ENDED  
JUNE 30, 2018

Prepared by:

Wylie ISD —Finance Division

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Finance and Operations

Lynn Lyon, RTSBA – Executive Director of Finance

Donna Nettles—Administrative Assistant to the Assistant Superintendent  
for Finance and Operations



WYLIE INDEPENDENT SCHOOL DISTRICT

951 South Ballard Avenue

P.O. Box 490

Wylie, Collin County, Texas 75098-0490



WYLIE ISD  
*Vision:*

UNIFIED FOR EXCELLENCE

THE MISSION OF WYLIE ISD IS TO SUSTAIN A CULTURE OF HIGH EXPECTATIONS WHILE VALUING UNITY, RELATIONSHIPS, AND TRUST.

## *We Believe*

- Character and community values are essential to building responsible citizens
- High expectations and accountability should be expected from all students and staff
- Exemplary employees make an exemplary difference
- As Wylie ISD grows, we will sustain our level of excellence in all operations
- Wylie ISD graduates must be challenged and equipped to succeed in the 21st Century

## *Strategic Goals*

- Instill community and ethical values in our students
- Ensure academic achievement for every student through tight family partnerships, curriculum, and programs
- Attract, retain, and value a quality staff
- Manage growth in a way that provides
  - Functional equity
  - Financial responsibility
  - Assurance for all student needs
- Prepare students for a successful life beyond high school



# Core Ethical Values

**The Heart of the Wylie Way lies in our values. The Wylie Way fosters responsible, caring and grateful citizens who are prepared for a prosperous life through a focus on the core values of the Wylie ISD Community.**

# Wylie Independent School District Comprehensive Annual Financial Report (CAFR)

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**Wylie Independent School District**  
**INTRODUCTORY SECTION**




# Certificate of Board



Wylie Independent School District      Collin      043-914  
Name of School District                      County                      County-District Number

We, the undersigned, certify that the attached financial report of the Wylie Independent School District was reviewed and (check one)  approved \_\_\_\_\_ disapproved for the year ended June 30, 2018, at the meeting of the Board of Trustees of such school district on the 15<sup>th</sup> of October, 2018.

  
\_\_\_\_\_  
Mitch Herzog, Board President

  
\_\_\_\_\_  
Matt Atkins, Board Secretary

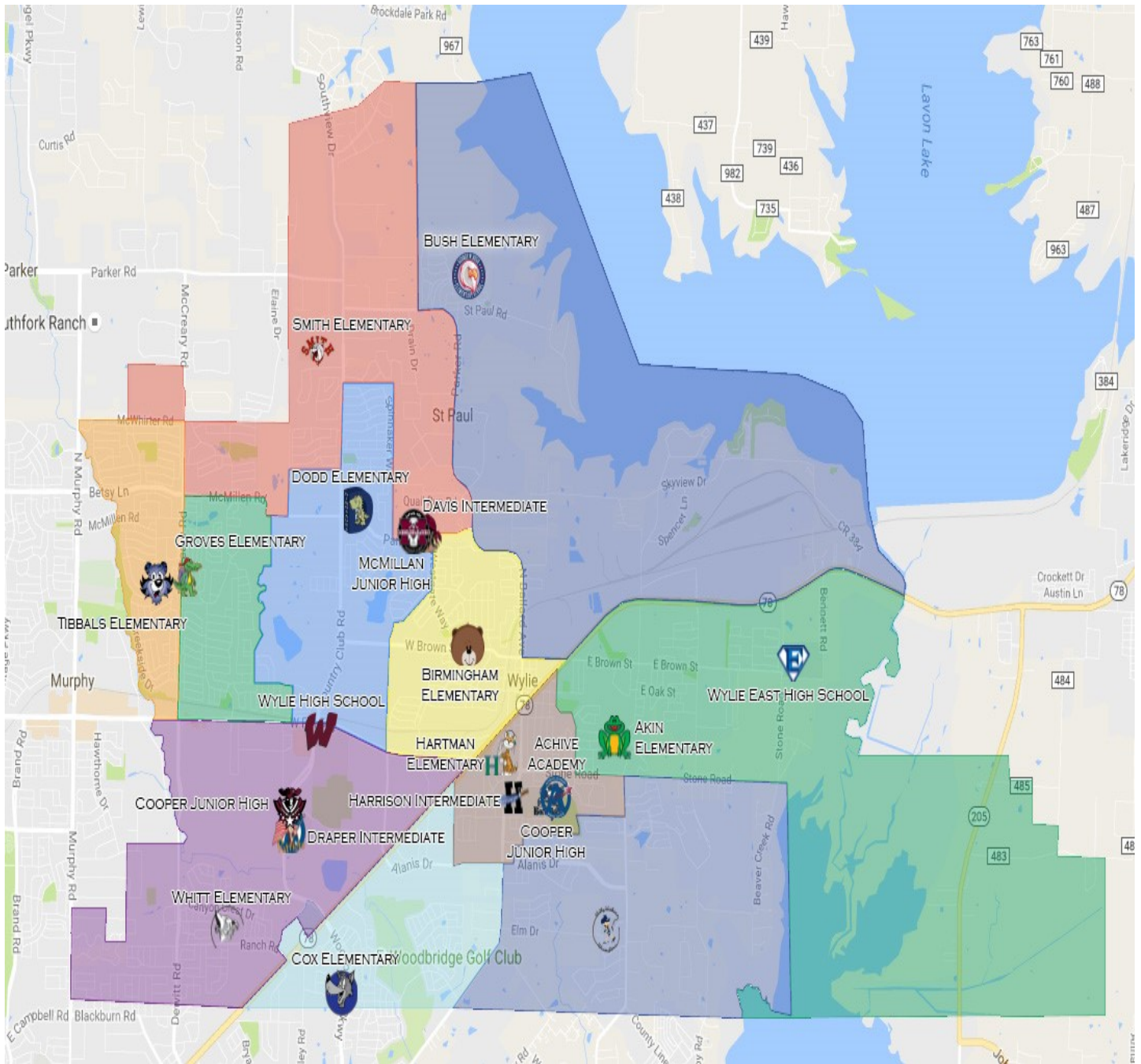
If the Board of Trustees disapproved of the auditor's report, the reason(s) for disapproving it is (are):

(Attach list as necessary)



# Wylie ISD District Boundaries

2017-18 School Year



## Mailing Address

P.O. Box 490, Wylie, TX 75098

## Physical Location

Educational Service Center; 951 S. Ballard Ave.; Wylie, TX 75098

**Questions concerning school attendance boundaries should be directed to the Wylie ISD Public Information Officer.**

# Wylie Independent School District



Mitch Herzog- President  
Place # 2  
Term Expires 2018  
Commercial Real Estate



Barbara Goss-Vice President  
Place #3  
Term Expires–2020  
Account Manager –HRRSmart



Matt Atkins-Secretary  
Place #4  
Term Expires 2020  
Civil Engineer



Stacie Gooch-Member  
Place #7  
Term Expires 2020  
Realtor– Ebby Halliday



Heather Leggett-Member  
Place #5  
Term Expires 2018  
Teacher/Stay-At-Home  
Parent



Joe Stooksberry– Member  
Place #6  
Term Expires 2018  
Accounting Mgr-Firetrol Protection  
Systems Inc



Tom Westhara -Member  
Place #1  
Term Expires 2018  
Vice Pres. Of Sales and  
Marketing—OneGuard Home  
Warranties

## Administrative Officials

### Administrator

Dr. David Vinson  
Dr. Kimberly Spicer  
Mr. Scott Winn

### Position

Superintendent  
Assistant Superintendent for Curriculum and Instruction  
Assistant Superintendent for Human Resources  
and Student Services  
Assistant Superintendent for Finance and Operations

### Length of Service

Hire Date 6/6/2011  
Hire Date 7/27/2015  
Hire Date 7/1/2000  
Hire Date 10/7/2003

Ms. Michele Trongaard,  
CPA, RTSBA,SFO



## Consultants & Advisors

### **Auditors**

Edgin, Parkman, Fleming & Fleming, PC, 4110 Kell Blvd, Second Floor, Wichita Falls, TX 76309

### **Bond Counsel**

McCall, Parkhurst & Horton, L.L.P., 717 North Harwood, Suite 900, Dallas, TX 75201

### **Financial Advisor**

PFM Financial Advisors, LLC., 221 West 6th St Suite 1900, Austin TX 78701

### **General Counsel**

Leasor Crass, PC, 302 West Broad Street, Mansfield, Texas 76063

### **Depository Bank**

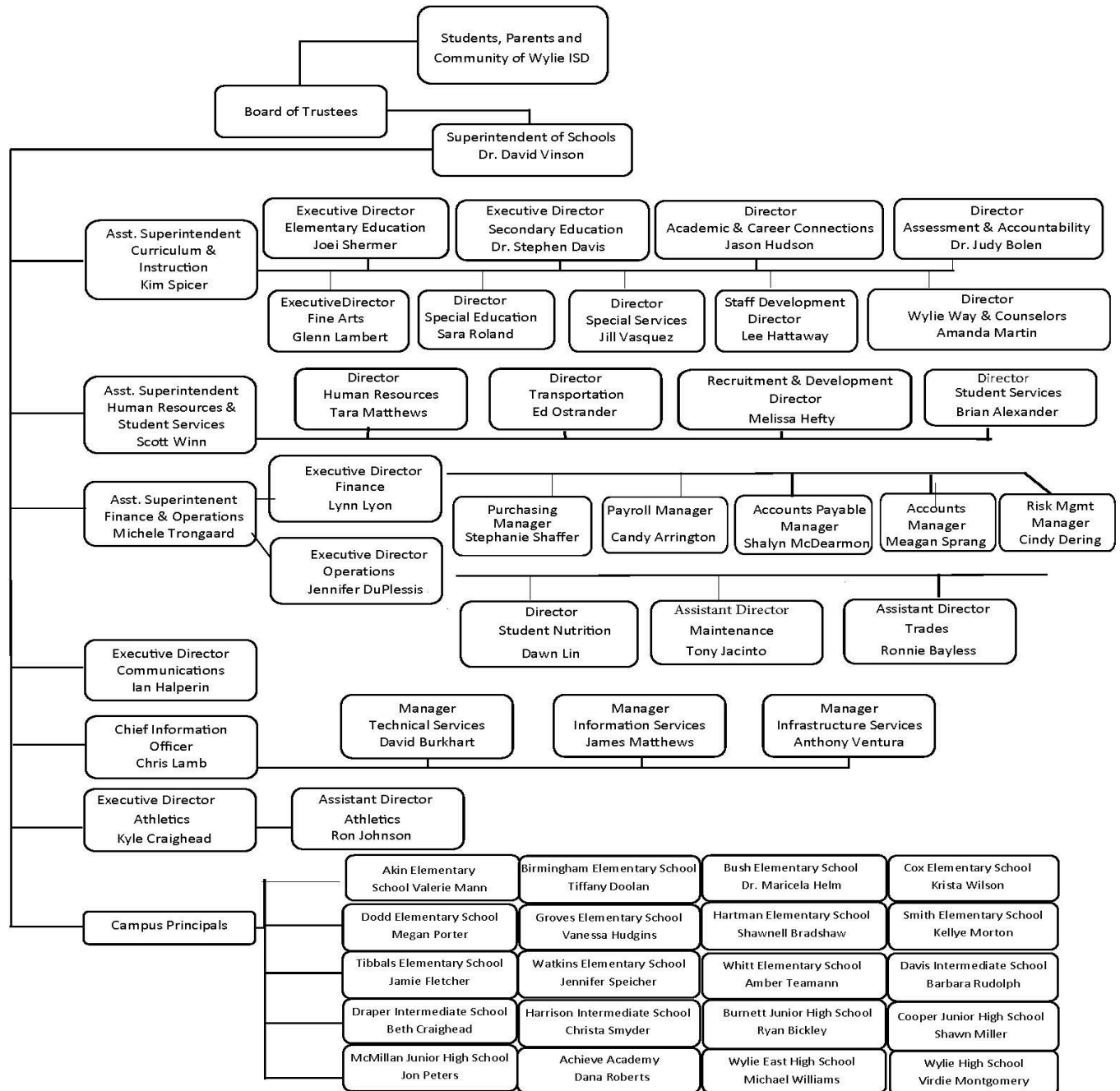
Inwood National Bank, 200 S. Highway 78, Wylie, TX 75098

### **Architects**

PBK Architects, 14001 North Dallas Parkway, Suite 400, Dallas, TX 75240

The District’s organizational hierarchy begins with the “Team of Eight” which consists of seven elected Board of Trustees and the Superintendent. The Superintendent is the chief executive officer and is responsible for the day-to-day management of the district. The Superintendent’s Leadership Team Consists of the Finance, Human Resource and Student Services, Curriculum and Instruction, Technology, Community Relations, Operations and Campus Principals. Each of these divisions specialize in providing leadership and service.

## WYLIE ISD Organizational Structure





# Wylie Independent School District

David Vinson, Ed.D.  
Superintendent

Michele Trongaard, CPA, RTSBA, SFO  
Assistant Superintendent for Finance and  
Operations

October 15, 2018

## Formal Transmittal of the Comprehensive Annual Financial Report (CAFR)

To the Board of Trustees and Citizens of the Wylie Independent School District:

The Comprehensive Annual Financial Report (CAFR) of the Wylie Independent School District ("WISD" or the "District") for fiscal year ended June 30, 2018, is hereby submitted. The report includes the unqualified opinion of our independent auditors, Edgin, Parkman, Fleming, and Fleming, PC. 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 fairly present the financial position and results of operations of the various funds of the WISD. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. The CAFR for the year ended June 30, 2018 is presented in conformance with the reporting model adopted by the Governmental Accounting Standards Board ("GASB") in their Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June, 1999. The CAFR also adheres to guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA) and the Association of School Business Officials International (ASBO).

Generally Accepted Accounting Principles (GAAP) requires 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). MD&A is intended to give the reader an easy-to-understand overview of the school district's financial position and results of operations for the year. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found on page 34 of the Financial Section.

The CAFR is presented in four sections: Introductory, Financial, Statistical, and Federal Awards. The Introductory Section presents an overview of the District, its leadership hierarchy, this transmittal letter, an economic condition and outlook, and highlights major initiatives and accomplishments. The Financial Section includes the report from the independent auditors, management's discussion and analysis of the financial report, and all government-wide and basic financial statements. Also included in this section is other supplementary information and required TEA schedules.

The Statistical section presents selected financial, demographic, economic, and operating information. The Federal awards section provides a schedule of federal award expenditures, prior year and current year audit findings, and the auditor's report on compliance.

The remainder of this transmittal highlights the governance structure, the mission, the accomplishments and initiatives, the economic conditions and outlook, and the financial activities of the District.

This report includes all funds of the WISD. The District is a public school system that provides full-day kindergarten through twelfth grade educational opportunities for all school residents within its geographic boundaries. All activities over which the WISD Board of Trustees exercises authority and/or oversight responsibilities are included.

## **Governing Body**

Each of the seven members of the Board of Trustees serves, without compensation, a four-year term of office. On a rotating basis, three or four places are filled during biennium elections held the second Tuesday in November. Vacancies may be filled by appointment until the next election.

Candidates must be qualified voters of the District. In general, the Board adopts policies, sets direction for curriculum, employs the Superintendent, and oversees the operations of the District and its schools.

Regular board meetings are generally scheduled the third Monday of the month and are held in the District's Educational Service Center. Special meetings and study sessions are scheduled, as needed, and announced in compliance with public notice requirements. The Board has final control over local school matters limited only by the state legislature, by the courts and by the will of the people as expressed in school board elections.

Besides general board business, Trustees are charged with numerous statutory functions including appointing the tax assessor/collector, calling trustee and other school elections and canvassing the results, organizing the board, and electing board officers. The Board solicits and evaluates community input and support concerning school policies and regularly meets with a variety of citizen groups to receive input on topics of public interest. Decisions of the board are based on a majority vote of the quorum present.

The Board is also responsible for setting the tax rate, setting salary schedules, acting as the board of appeals in personnel and student matters, confirming recommendations of textbook adoptions, and adopting and amending the annual budget.

## General Information

In the 1890's, the town of Wylie was served by a small school with a limited budget primarily provided by the parents and students. Ovid Birmingham noticed the problem and prompted the establishment of Wylie Independent School District in 1901-02. Limits were set up that all citizens in that area would pay taxes to uphold the District. The Birmingham family provided money to build a proper high school. Since then, the Birmingham family has established various Land Trusts to fund areas of curriculum for the District as well as scholarships for sixteen students of each graduating class.

Much has changed since the creation of the Wylie Independent School District. During most of its existence, WISD was a rural farming community growing cotton, wheat, and corn. The student population doubled between 2000 to 2005 with an average annual growth of nearly 8% from 2002 thru 2018. The pace of enrollment growth has doubled from the previous year with the increase in residential construction resulting in an increase of 5% for fiscal year 2017-2018. A schedule listing the last ten years enrollment can be found on Page 129, Exhibit S-20 in the Statistical Section of this report. Growth in the number of students means growth in special sub-population groups such as bilingual or special education students. Enrollment provides the basis for staffing, however, the Average Daily Attendance (ADA) is the basis for computing state aid. The correlation between the two is very important. Meeting the many needs of the educational system with limited resources is a challenge that can never satisfy all needs. During the 2017-2018 fiscal year WISD has made every effort to demonstrate reasonable and prudent progress in an effort to satisfy the needs of students, families, and members of the community. It is our goal to provide all students a world-class academic education which will prepare them to lead successful and productive lives while still being good stewards of taxpayer money.

WISD is a fast growing public school system serving 15,765 students at the end of school year 2017-2018 in UIL class 5A and 6A. The District is made up of twenty (20) campuses that include two (2) high schools, three (3) junior high schools, three (3) intermediate schools, eleven (11) elementary schools, and the Achieve Academy (grades K-12) for disciplinary and non-disciplinary student referrals. The ages of instructional buildings range from five to fifty-five years. (Original dates of construction included within Exhibit S-21.

The District covers 41 square miles in southeastern Collin County and maintains additional administration, transportation, and operation facilities to serve families in the City of Wylie, as well as surrounding communities of Lavon, Lucas, Murphy, Sachse, and St. Paul.

## **District Goals**

Strategic planning serves to assure the long range success of the District. As part of continuous improvement, the Board of Trustees and Administration have worked together to review the District's mission and goals, as per the Wylie Independent School District Board Policy BQ (LOCAL).

“The Board shall approve and periodically review the District's mission and goals to improve student performance. The mission, goals, and the approved District and campus objectives shall be mutually supportive and shall support the state goals and objectives under Education Code, Chapter 4.”

Goals are defined as broad based descriptions of desired future accomplishments. Objectives flow from goals and are measurable descriptions of what is to be accomplished. Annually, the District will revise and develop objectives which serve to accomplish District goals. WISD's strategic goals are listed below:

- Instill community and ethical values in our students
- Ensure academic achievement for every student through tight family partnerships, curriculum, and Programs
- Support student participation in extracurriculum activities to promote character and academic achievement
- Attract, retain, and value quality staff
- Manage growth in a way that provides
  - Functional equity
  - Financial responsibility
  - Assurance for all student needs
- Prepare students for a successful life beyond high school
- Celebrate our excellence

## **District Mission Statement**

“The Mission of Wylie Independent School District is to sustain a culture of high expectations while valuing unity, relationships and trust.”

The District believes that each student deserves our best efforts every day. Our mission emphasizes the importance of our work and partnerships with our parents and community. An important aspect of the financial structure is to ensure that the dollars spent translate into intended results. Results can be measured by objective student achievements and major student accomplishments. Throughout this document accomplishments exemplify WISD's steps toward excellence in attaining District goals. Opportunities exist for students to excel both academically and in extracurricular activities. Staff members range from the superintendent to the bus driver.



## **District Beliefs**

In WISD, our core beliefs drive our work with our students, our work with each other, and our work with our citizens and community. Through collaboration of board members and staff members WISD has defined District beliefs as stated below:

- Character and community values are essential to building responsible citizens
- High expectations and accountability should be expected from all students and staff
- Exemplary employees make an exemplary difference
- As WISD grows, we will sustain our level of excellence in all operations
- WISD graduates must be challenged and equipped to succeed in the 21st Century

## **Enrollment Growth**

WISD continues to respond to the enrollment growth needs of the District. According to the District's demographer, School District Strategies, using the New Home Method (Moderate) Wylie ISD's enrollment should peak at 19,700 students in fall of 2027. At that point the District will be built-out within its 41 square miles and will no longer be subject to the heavy growth of new houses which typically brings new students. This is analyzed on a quarterly basis and maybe adjusted due to development.

Growth in the number of students means growth in special sub-population groups such as bilingual students or special education students. Classroom space is impacted by these groups and the addition of regular education students. Enrollment provides the basis for staffing, however, the Average Daily Attendance is the basis for computing state aid. The correlation between the two is very important.

Wylie ISD enrollment experienced significant increases in the early 2000's with the highest in 2004-05 with 17% growth from the previous year. Total PK-12 enrollments have risen over the past decade from 7,857 in 2004-2005 to over an estimated 16,299 in 2017-2018. The average increase of students has steadied over the past five years to approximately 515 students per year.

The WISD staff has become slightly over the last several years to match enrollment growth needs. Any additional needed staff is essential to provide the necessary educational services ranging from teachers to bus drivers. The District expects to see an increased in staff over the next year with the continued growth of Wylie ISD.

# 2017-2018 Statistics

## Student Demographics

51% - Male                      49% - Female

47.2% - Caucasian

23.0% - Hispanic

14.3% - African American

10.7% - Asian/Pacific Islander

04.8% - Native American/Other



## Student Enrollment (End of Year)

15,765

## Staffing Ratios

Teaching Staff                15.8

Total Staff                    7.7

## Academic Assessment

WISD believes that assessment provides information necessary to improve student learning over time. Assessing student performance is an integral part of the instructional process because it allows educators to make informed decisions, set priorities, allocate resources, and be accountable to students, parents, and the community. It is also a method by which state and federal education authorities determine the District's progress and effectiveness.

# 2017-2018 Statistics

## **State of Texas Assessment of Academic Readiness**

The STAAR test replaced the Texas Assessment of Knowledge and Skills for grades 3-9 starting in the 2011-2012 school year. In 2012-13, students in grade 10 took STAAR as well. The phase in of STAAR will be complete in 2013-14 when it is administered to students in the 11th grade for the first time. The state-mandated assessment includes assessments for students in grades 3-12, and will focus on readiness for success in subsequent grades and courses and, ultimately, for college and career. The STAAR will be more rigorous than previous state tests. STAAR graduation requirements apply to students entering ninth grade starting in the 2011-2012 school year.

As a result of legislation passed in the spring of 2013, the number of STAAR tests at high school was reduced from 15 to 5.

Spring 2017 STAAR End of Course Satisfactory Results	
Algebra 1	94%
Biology	97%
English 1	80%
English 2	80%
U.S. History	96%

## **State Assessment System**

Wylie ISD students have performed well on standardized tests in the past and are expected to do well on the STAAR/TAKS exam this spring. For those students who do not meet the state standards on the STAAR, in school tutoring programs, and if necessary, summer school programs are already planned to help students pass the required STAAR EOC assessments.

# Wylie Independent School District



Elementary campuses include grades Pre-K thru 4th grade. The academic programs include art, computer literacy, development/readiness activities, health, language arts, math, music, physical education, reading, science, social studies, and spelling. In addition to regular classroom offerings, the following programs are available at all campuses to meet the needs of every student: Gifted/Talented, Advanced Academics (Grades 2-4), Alphabet Phonics, special education resource, inclusion, and speech therapy. English as a Second Language (ESL) is available at all campuses and a dual language program is also offered.

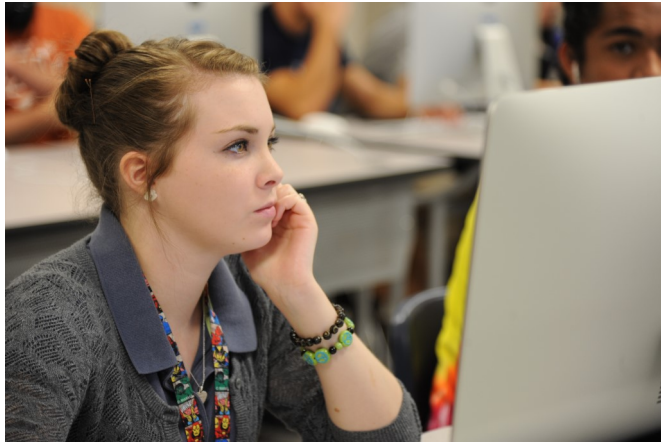
Intermediate campuses include grades 5 and 6. Students are required to take courses in English, Math, History, and Science. Students who meet minimum requirements are enrolled in advanced courses in Language Arts, Math, and Science. In addition, students take music, physical education, health and art. Students in grade 6 may choose band or choir as a fine arts option.

Junior High campuses include grades 7 and 8. Students are required to take courses in English, Math, History, and Science. Seventh grade electives include art, athletics, band, choir, computer applications, computer telecommunications, physical education, speech, theatre arts, and yearbook. Additional electives open to eighth graders include: career investigation, leadership, STEM, and Spanish 1 (high school credit)

WISD has two traditional high schools and one alternative high school. Wylie High School and Wylie East High School serves grades 9-12. The Choice High School (an alternative school) currently serves students in grades 9-12 who desire a different high school experience. Students at the Choice School complete the same graduation requirements and the same curriculum as do students at the comprehensive traditional high schools. The structure of the school day and the instructional delivery is individualized for each student.

Students at the two traditional high schools utilize a seven period schedule. Advanced opportunities include the Humanities program for students in the Gifted/Talented program as well as Pre-Advanced Placement and Advanced Placement courses. Special Education programs are individualized and based on student needs and eligibility.

Historically high school students have continued to score well on the Scholastic Aptitude Test (SAT) and the American College Test (ACT). The SAT reasoning test is the nation's most widely used admissions test among colleges and universities. It tests student's knowledge of subjects necessary for college success: Reading, Writing, and Mathematics. It is typically taken by juniors and seniors. It tells how well they use the skills and knowledge they have attained in and outside of the classroom. The ACT test assesses a high school students' general educational development and their ability to complete college-level work. The multiple-choice test covers four skill areas: English, Mathematics, Reading, and Science. The Writing test is optional. Historical results are shown in the following tables:



### **SAT Historical Data 2013-2017**

Year	Critical Reading			Math			Writing		
	Nat'l	State	District	Nat'l	State	District	Nat'l	State	District
2017	538	512	549	533	507	553	Now	With	Reading
2016	494	466	495	508	478	509	482	449	470
2015	495	470	499	511	486	513	484	454	473
2014	496	477	497	514	499	529	488	461	473
2013	496	474	486	514	499	519	488	461	463

### **ACT Historical Data 2013-2017**

Year	Reading			Science			English			Math		
	Nat'l	State	District	Nat'l	State	District	Nat'l	State	District	Nat'l	State	District
2017	21.4	21.1	22.0	21.0	20.9	22.2	20.3	19.5	20.3	20.9	20.7	22.3
2016	21.3	21	22.5	20.8	20.7	22.3	20.1	19.4	20.6	20.6	20.7	21.7
2015	21.4	21.1	22.3	20.9	21.0	22.3	20.4	19.8	20.7	20.8	21.1	21.9
2014	21.3	21.1	21.8	20.8	21.0	22	20.3	19.8	20.5	20.9	21.4	22.4
2013	21.1	21	22.2	20.7	20.9	22.3	20.2	19.8	20.9	20.9	21.5	23.1

Year	Composite Scores		
	Nat'l	State	District
2017	21.0	20.7	21.8
2016	20.8	20.6	21.9
2015	21.0	20.9	21.9
2014	21.0	20.9	21.8
2013	20.9	20.9	22.3

## **Technology: Power Up for Learning**

Technology is an essential learning tool in Wylie ISD. Using network and multimedia technologies, students at all grade levels use electronic resources for exploring their world.

Students have ample access to computers. Every classroom is directly wired to the Internet and all teachers have laptop or desktop computers for e-mail, Internet access and grade management.

Wylie ISD's approach is to first teach students how to use technology as a tool. Teachers then integrate the use of that technology into assignments and classroom projects. First grade students, for example, would first learn how to navigate the Internet and prepare information for sharing with others. These skills would then enable them to complete a simple research project. Students in junior high and high school may also enroll in specific technology classes to learn advanced skills.

The District is continually updating all of its teacher and student workstations. Wylie ISD continues to seek new and innovative technology resources for both students and teachers so "powering up" to learn is the norm.

The 2018-2019 school year will mark the eighth year in which all WISD students bring their own internet enabled devices to school. This includes laptops, netbooks, smartphones, and any device that meets minimum system requirements. Students who choose to bring their own device will have access to a guest wireless network; similar to the current hotel models you may experience when you travel or when you visit a Starbucks or McDonalds. The Internet will be filtered the same as if the student was using a District owned computer. The use of the technology in the classroom will be at the teacher's discretion and ultimately the student will be responsible for any applications and support needed for their device. To support the implementation of the **MyWyFi** program the District issues accounts in [Google Apps for Education](#) for students and staff.

The goals for the **MyWyFi** program are simple - to better engage and prepare our students for the 21<sup>st</sup> century. We also hope that through the program we are more equipped to support a true anytime, anywhere teaching and learning environment.

Parent Access is a web-based program that Wylie ISD provides to enhance parent and school communication at all campuses. The program, Parent Access, allows parents to access, via the web, pertinent information about their child's attendance, discipline, health records, documents, and grades. It allows parents to place funds in an electronic account for daily lunches as well as pay other fees. All that is needed to gain access is the Internet and an email address.

Parents can choose to receive alert messages via email when their child's attendance, grades or assignments need attention. Upon receiving the alert, they are able to refer to the web site to view the reason for the specific alert and then direct follow-up communication to their child's school.

Parents may report student absences via this system. Parent Access is available to parents of all students through a registration process and short tutorial. This service can be initiated at any campus.

## **edTechWylie**

As a result of the work of a district Technology Immersion Committee, the EdTechWylie Instructional Technology program was created and expanded to every elementary classroom. The 2018-2019 school year marks the third year for this program. The goal of EdTechWylie is to design instructional technology that is as indispensable to teachers as the Smartphone is to its users. Each EdTechWylie classroom is being equipped with additional technology tools including a teacher laptop, additional student devices, interactive projectors and teacher and student software tools to support the lesson plan goals of the program. Since the 2015 school year, the district has been supporting digital textbook adoptions in various content areas such as Social Studies and Science. This means students and teachers are issued logins for an online textbook, and can access the content anytime. The district also provides students daily access to Chromebooks.

## District Staff

The staff, likewise, is recognized as outstanding educators and professionals by their peers in Texas and throughout the nation. Professional learning has always been at the foundational belief for teachers and staff in WISD. As the District seeks to improve student academic performance, staff have used the Professional Learning Community to improve. WISD initiated a Teacher Leader Academy for teachers who aspire to lead other teachers. The Teacher Leader Academy candidates complete an application and go through a selection process before participating in the yearlong professional learning experience. Teachers and District staff work and learn together using the latest educational as well as global research.

Achieving Curriculum Excellence (ACE Academy) is the purpose of the WISD Professional Growth Program, which cultivates a supportive environment of professional growth opportunities which will maximize student achievement. The ACE Academy has three levels of achievement: Bronze, Silver, and Gold.

Professional learning communities are the expectation in WISD. The commitment to continuous learning is evident in our commitment to providing all students with a high common floor with no ceiling (or limits) in terms of their learning. We know that profound learning goes far beyond the results identified through the testing system and a restrictive “one size fits all” instructional approach might make an average school good but it will not produce a great school. This fact, along with the changing needs of our students’ “digital natives” and the demand for a graduate that is considered “ready” for post-secondary opportunities are compelling reasons to reposition our focus on the work we provide for our students.

## *We Believe*

- ◆ *Character and community values are essential to building responsible citizens*
- ◆ *High expectations and accountability should be expected from all students and staff*
- ◆ *Exemplary employees make an exemplary difference*
- ◆ *As Wylie ISD grows, we will sustain our level of excellence in all operations*
- ◆ *Wylie ISD graduates must be challenged and equipped to succeed in the 21st Century*

In Wylie ISD, our core beliefs drive our work with our students, our work with each other, and our work with our citizens and community.



## Financial Information

### **Controls**

An internal control structure has been designed, managed and maintained by the District. It is in place to ensure the District's assets are protected from loss, theft, and misuse, and to ensure that accurate accounting data is compiled in the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. Management believes the internal controls adequately meet the above objectives.

### **Cash Management**

Cash temporarily idle during the year is invested with Lone Star Investment Pool, LOGIC (Local Government Investment Coop) and Investors Brokerage of Texas, Ltd.. The District recognizes that it forgoes a certain amount of yield by operating with such a conservative investment philosophy. Although changes in Texas law allow investments in a broader range of investment vehicles, the District has determined that safety and liquidity outweigh the benefits of alternative investments. The District's investment earnings have continued to increase slightly over the past two fiscal years due to bond proceeds and cash flow. The District tries to maximize investment earnings while maintaining the goal of safety and liquidity. The Birmingham Scholarship Funds are invested with J.P. Morgan.

### **Budget and Budgetary Control**

The annual budget serves as the foundation for the District's financial planning and control. The District budget process is instructionally driven. District budget planning begins with the senior administrative staff and the Board of Trustees holding goal setting sessions. The Budget Calendar is presented in January and reviewed with the Board of Trustees. Also, campuses annually prepare the required Campus Improvement Plans. The proposed budget, comprised of the general fund, debt service fund and the student nutrition fund must be prepared by June 19<sup>th</sup> for the July 1<sup>st</sup> fiscal year start date for Wylie ISD. The board president must call a meeting for the purpose of discussing and adopting the budget and tax rate. A notice of this meeting is required to be published at least 10 days but no more than 30 days before the public meeting. The finalized budget must be adopted prior to June 30<sup>th</sup> for a July 1<sup>st</sup> fiscal year start date.

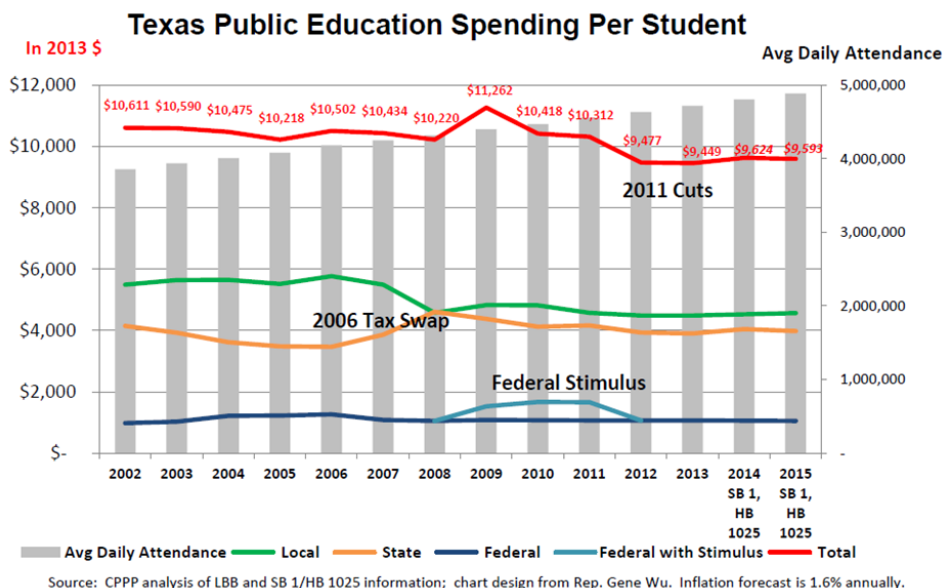
Budgetary controls are in place to ensure compliance with legal provisions embodied in the official budget adopted by the Board. In accordance with procedures prescribed by the State Board of Education, budget amendments that affect the total amount in a fund or functional spending category must be approved by the Board prior to the expenditure of funds. The functional level is specified by Board policy as the legal level of encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Outstanding encumbrances at the end of the year are an accounts payable and are treated as expenditures in the prior year upon receipt of the goods and services.

Constitutionally, the Texas Legislature is required to meet in regular session every two years to enact legislation and set a two year state budget. Revenue estimates on property values are determined by the State Comptroller.

## State Aid

The state aid system is made up of a multi-tiered funding formula that considers a District’s property wealth per student as a key variable in relation to tax effort by the District. In 2011, the Texas Legislature drastically cut funding to public education by reducing \$4 billion from formula funding and over \$1.4 billion from educational grants. SB1 and HB1025 restores \$3.4 billion to the Foundation School Program. The 2014-15 state budget provides \$3.2 billion more in General Revenue to the Texas Education Agency than the state budget for the 2012-2013 biennium. While the increases have helped to offset the \$5.4 billion loss in the 2011 legislative session, it fails to raise per student funding to pre-recession levels.

**Table 15**



According to the Center for Public Policy Priorities, in 2008, local/state/federal education spent an average of \$10,220 per student. In 2014-15, the per-student funding dropped to \$9,609. This represents a \$611 per-student drop in funding from pre-recession levels. For the 2017 legislative session, House Bill 21 established the Texas Commission on Public School Finance, to develop and make recommendations for improvements to the current public school finance system or for new methods of financing public schools. Not later than December 31, 2018, the commission shall prepare and deliver a report to the governor and the legislature their recommendations.

## Key State Funding Components

- *Compressed Maintenance and Operations Tax Rate—\$1.00*
- *Local Option Tax Rate—\$0.17*
- *High School Allotment—\$275 per Grades 9-12 ADA*
- *Basic Allotment—\$5,140*
- *Equalized Wealth Level—\$514,000 Level 1*
- *A guaranteed yield to \$31.95 per penny of tax effort on the additional 11 cents of local option*
- *A guaranteed yield to \$99.41 per penny of tax effort on the first 6 cents of local option*

The tax rate is comprised of two component rates each having separate purposes and state laws governing them—Maintenance and Operations (M&O) and Debt Service (I&S) rate. The M&O rate supports the major operational and educational programs of the District for such expenses as staff salaries and benefits, utilities, supplies, equipment, and many other costs. The Debt Service tax rate supports the repayment of debt authorized by District voters. The total amount of debt payable each budget year less any applicable state aid is divided by the taxable property values to determine the rate. The maximum Debt Service tax rate is \$0.50. WISD's 2017-2018 Debt Service tax rate is \$0.47. WISD's largest top ten taxpayers make up only 5.89% of the total taxable value. The lack of dependence on a single employer or business segment means that the loss of even a large business will not have a significant negative impact on the education of children, or imperil the future payment of obligations.

Formerly, the District had been at the maximum \$1.50 tax cap for 2004-2005 and 2005-2006 before decreasing to \$1.37 in 2006-2007 compressed by HB1 (3rd Called Special Legislative Session, 79th Session). The State Legislature compressed the Maintenance and Operations tax rate to \$1.00 in 2007-2008. In 2008-2009, the M&O rate became \$1.17 which includes the four cent local option and an additional \$0.13 cents as a result from voters approval in November, 2008. For 2017-2018, the M&O rate remained the same at \$1.17.

The General Fund is commonly referred to as the “Operating Fund” or “Local Maintenance Fund”. State aid and local tax revenue make up the majority of revenues received by this fund. The General Fund revenue for 2017-2018 totaled \$138,139,521 (all sources) which was an increase of \$9.1M over 2016-2017. District revenues per student are capped to avoid property tax creep. The need for increased funding results from keeping WISD salaries competitive, rising utility costs, additional fuel needs, costs of supplies, as well as funding new mandates. Fund balance levels are a sign of fiscal health. For 2017-2018 the fund balance for the General Fund increased by \$4.2M over the 2016-2017 year with an appropriated transfer of \$5M to the capital projects fund.

States will be burdened with the increased funding still mandated under the state aid formula. Knowing this, the District will be diligent in taking appropriate action for future funding. For additional information about the financial status of the District, readers should refer to the Management's Discussion and Analysis beginning on page 34 in the Financial Section of this report.

The District's budgeting process is more than just funding the next fiscal year's operations. The Board of Trustees and District administration anticipate major budget concerns two to four years in the future.

1. The 85th Legislative Session resulted in very minimal funding increase for public education.
2. The continuation of development, renovations, and additions, as needed due to enrollment growth.
3. Salary and benefit cost will continue to escalate due to competition for highly qualified teachers between neighboring school districts.
4. The District enrollment growth will require new staff increases both for direct instructional positions and support positions.

## **Economic Condition and Outlook**

Wylie, Texas is a unique blend of new edge urban mixed with traditional rural located in Southeastern Collin County, 24 miles northeast of metropolitan Dallas and its cultural, educational, and recreational amenities. Popular recreational attractions include water sports at Lake Lavon and the "South Fork Ranch" of the "Dallas" television series. In just a few years, Collin County has grown into a destination county for individuals, families, and corporations alike. Major employers of Wylie are North Texas Municipal Water District (Regional Water District), Sanden International (Automotive A/C Compressors), Extruders (Aluminum extrusion) and Wal-Mart (Retailer). New corporate headquarters for Toyota and State Farm are also located within 20 minutes from Wylie, TX. Therefore, it is no surprise that the county continues to grow at one of the nation's fastest rates since it is a great quality of life with a business/technology friendly environment. Many residents of Wylie commute to Dallas, Plano, Garland, and Richardson to work.

The City of Wylie has grown by 173.8% from 2000-2010 according to 2010 U.S. Census data. The population increased from 15,132 in 2000 to 52,003 in 2010. The gain of 36,871 residents makes Wylie the third fastest growing city in the state of Texas, during 2000-2010, for cities with population of more than 40,000. A large contribution factor to this growth were the relatively short commute to larger developed city areas such as Dallas, Ft. Worth, Plano, and Irving, and numerous commercial and road construction projects over the last decade to facilitate more business and additional residents.

At the end of June 2018, national unemployment was at about 4.2%. Texas was the same as the national average at 4.2%. Wylie's unemployment rate was even lower than the national and state being estimated at 3.3%.

Wylie's housing market has remained strong and property values continue to rise as a result. The Collin County Central Appraisal District (CCCAD) lists the average net taxable home price in Wylie for 2017-2018 at \$249,825. This represents an increase of 22.6% from the CCCAD's certified value of \$203,026 from 2016-2017. As the national and state economy continues to recover, so has the local economy.

According to School District Strategies, Wylie ISD's demographers, the job growth rate in the Dallas/Fort-Worth area remains healthy at 3.03% increase or 109,400 jobs. With the job growth continuing, housing markets also increase. New home construction show the most second quarter activity in 11 years with 276 starts and 241 closings. The annual pace of new home starts remains near the highest level since 2008 at 928 homes and 880 closings, a 28% year over year increase. In relation to our property values, 95% of new homes started over the past year are located in subdivisions with average base pricing between \$300k & \$500k. This is a substantial increase over the current average home price of \$249,825 in Wylie ISD.

### Major Initiatives

Construction continued in fiscal year 2017-2018 for the remaining \$94.2 million 2014 bond package.

- This bond package did not increase local taxes and focuses on updating four key areas:
  1. **Safety Concerns**
  2. **Technology Upgrades**
  3. **Renovations and Additions**
  4. **Provision for Future Growth.**
- Breakdown of approved spending:
  - ◇ **\$2.5 Million** will go towards addressing campus and facility security needs by installing or increasing security cameras, outdoor lighting, perimeter fencing, and badge security system.
  - ◇ **\$5.2 million** will bring the aging technology infrastructure up to 21st Century standards by upgrading the wireless network and providing a long-term solution for wireless network replacement for technology infrastructure.
  - ◇ **\$26.3 million** will be used for renovations and additions by addressing wear and tear issues on all campuses, but particularly at the 18-year-old Wylie High School.

These repairs include plumbing, HVAC, flooring, electrical, roofs, and other key systems. These funds will also be allocated in response to parent requests for new programs and provide college-readiness opportunities with new additions and renovated spaces for secondary campuses including a centralized junior high tennis facility, Orchestra facilities at our junior highs and high schools, an extra-curricular building at Wylie East, auditorium updates at Wylie High, a culinary arts center with public restaurant at Wylie High School, and information technology/engineering space, business/banking/finance space and health sciences space at both high schools.

- ◇ Finally **\$60.2 million** will provide for future growth.

Our schools are already reaching unsustainable capacity limits, and new housing developments project to bring the district 515 new students each year.

The proposal will allowed the district to maintain current feeder patterns and accommodate new students by increasing the enrollment capacity at all intermediate and junior high campuses, setting aside funds for a new, larger elementary campus and to replace 28 buses, all with more than 10 years of service.

This bond package was completed during the 2017-2018 fiscal year along with a \$56 million hail damage claim from April 2016. All new roofs on 20 buildings and over 1,800 HVAC units were re-placed. A short-term capital projects list was approved with the remaining funds from the hail damage claim. A bond election is expected to be held in May, 2019 with the needs of handling more students.

## **Independent Audit**

The Texas Education Agency requires an annual audit of all public schools. This audit must be an organization-wide basis and include all fund types that are the accounting responsibility of the District. The audit is performed by an independent certified public accounting firm selected by the District's Board of Trustees. The auditor's report has been included in the Financial Section of this report beginning on page 31.

## Accomplishments and Awards

An important aspect of any budget is to ensure that dollars spent translate into intended results. Results can be measured by objective student achievements and major District accomplishments. The accomplishments listed in this section exemplify WISD's steps toward excellence in attaining its District goals and objectives.

- ◆ GFOA Certificate of Achievement—The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Wylie Independent School District for its Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2017. In order to be awarded a Certificate Of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

- ◆ ASBO Certificate of Excellence— The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to Wylie Independent School District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017.

This award is for school districts whose comprehensive annual financial reports substantially conform to the recommended principles and standards of financial reporting adopted by that organization. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials.

The Certificate of Achievement for Excellence in Financial Reporting and the Certificate of Excellence in Financial Reporting are prestigious national awards recognizing conformance with the highest standards for its preparation of a state and local government financial report. Management believes that the current year's Comprehensive Annual Financial Report meets the program's requirements and will be submitted for review to determine award eligibility.

- ◆ The Texas Comptroller's office is required to conduct an annual rating of every school district to identify those districts that are producing high achievement while maintaining cost effective operations. The Texas Smart Schools report scores districts on a scale of 1-5 stars. In the 2018 Texas Smart Schools , the District received four and a half stars.

- ◆ In 1999, the 76th Texas Legislature approved legislation requiring the Commissioner of Education in consultation with the Comptroller of Public Accounts to develop a rating system for school district financial accountability. The 77th Texas Legislature in 2001 subsequently adopted rules for the implementation and administration of the financial accountability rating system known as School FIRST, Financial Integrity Rating System of Texas. The financial accountability rating system benefits the public by having in place a system to ensure that school districts will be held accountable for the quality of their financial management practices and achieve improved performance in the management of their financial resources. WISD received a “Superior Achievement” rating for the 2016-2017 fiscal year financials, earning a perfect score of 100 out of 100 possible points.

- ◆ In 2017, the District earned its first Transparency Stars Award from the Texas Comptroller’s Office for:



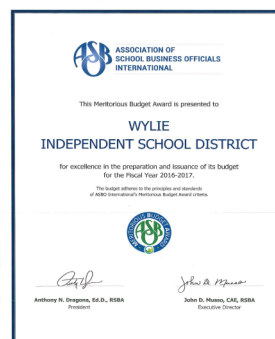
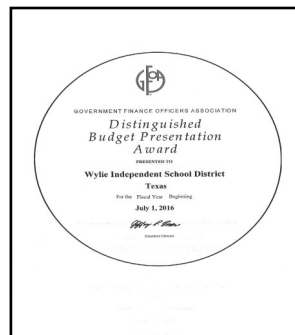
- ◆ *Opening its books to the public*

- ◆ *Providing clear, consistent pictures of spending*

- ◆ *Sharing information in a user-friendly format that lets taxpayers drill down for more information*

The program recognizes local governments across Texas that are striving to meet high standards of financial transparency.

- The 2017-2018 Budget Document received two awards: The Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) of the United States and Canada and the Meritorious Budget Award for excellence from the Association of School Business Officials (ASBO) International. The District received the ASBO award for the tenth consecutive year and the GFOA award for the ninth consecutive year.



- The Wylie Education Foundation awarded the District over **\$110,659** during the 2017-2018 school year. The foundation has supported classroom projects through grant awards totaling \$951,143 since its conception in 2003-2004.



# Wylie Independent School District



# Acknowledgements



In closing, without the leadership and support of the Board of Trustees and the dedicated service of the entire staff of the Finance Division, preparation of this report in a timely manner would not have been possible.


Respectfully,



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David Vinson, Ed., D.

Wylie ISD Superintendent



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Michele Trongaard, CPA, RTSBA

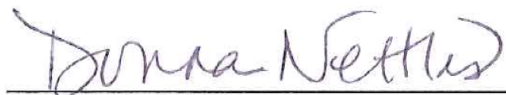
Wylie ISD Assistant Superintendent for  
Finance and Operations



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Lynn Lyon, CTSBO, RTSBA

Executive Director of Finance



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Donna Nettles

Administrative Assistant to the Assistant  
Superintendent for Finance and Operations



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Wylie Independent School District  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morrill*

Executive Director/CEO



The Government Finance Officers Association  
of the United States and Canada

*presents this*

## AWARD OF FINANCIAL REPORTING ACHIEVEMENT

*to*

**Finance Division**  
Wylie Independent School District, Texas



*The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.*

Executive Director

*Christopher P. Morill*

Date September 4, 2018



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

**Wylie Independent School District**

for its **Comprehensive Annual Financial Report (CAFR)**  
for the **Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.'.

Charles E. Peterson, Jr., SFO, RSBA, MBA  
President

A handwritten signature in black ink, reading 'John D. Musso'.

John D. Musso, CAE  
Executive Director



# Transparency Stars

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The Texas Comptroller of Public Accounts  
awards the **Wylie ISD** the  
**Traditional Finances Star**

for exemplary efforts in creating financial transparency around public services and spending decisions. The Transparency Stars program recognizes local governments across Texas that are striving to meet a high standard for financial transparency online. These efforts provide citizens with clear, consistent information about public spending in user-friendly formats.



September 1, 2017

WYLIE INDEPENDENT SCHOOL DISTRICT  
FINANCIAL SECTION





# **EDGIN, PARKMAN, FLEMING & FLEMING, PC**

CERTIFIED PUBLIC ACCOUNTANTS

4110 KELL BLVD., SECOND FLOOR ▪ P.O. Box 750  
WICHITA FALLS, TEXAS 76307-0750  
PH. (940) 766-5550 ▪ FAX (940) 766-5778

MICHAEL D. EDGIN, CPA  
DAVID L. PARKMAN, CPA  
A. PAUL FLEMING, CPA

## **Independent Auditor's Report on Financial Statements**

Board of Trustees  
Wylie Independent School District  
951 South Ballard Avenue  
Wylie, Texas 75098

Members of the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Wylie Independent School District ("District") as of and for the year ended June 30, 2018, 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 Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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 District'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 financial statement presentation.

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, business-type activities, each major fund, and the aggregate remaining fund information of Wylie Independent School District as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Change in Accounting Principle**

As described in Note A to the financial statements, in 2018, Wylie Independent School District adopted new accounting guidance, Government Accounting Standard Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information and schedules related to the Teacher Retirement System identified as Required Supplementary Information in the table of contents 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 the District's basic financial statements. The introductory section, other supplementary information, required Texas Education Agency Schedules, and statistical section 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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The other supplementary information, Texas Education Agency 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 financial statements. Such information, except for that portion labeled 'unaudited' on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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, Texas Education Agency Schedules, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section 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 October 10, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink that reads "Edgin, Parkman, Fleming & Fleming, PC". The signature is written in a cursive, flowing style.

Edgin, Parkman, Fleming & Fleming, PC

October 10, 2018

## MANAGEMENT'S DISCUSSION AND ANALYSIS

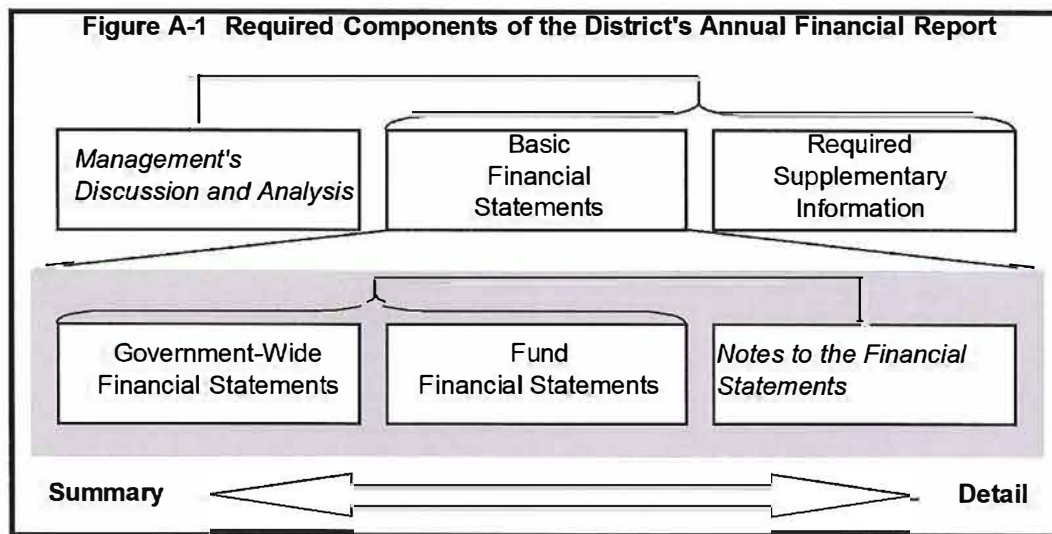
This section of Wylie Independent School District's annual financial report presents our management's discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2018. Please read it in conjunction with the District's financial statements, which follow this section.

### FINANCIAL HIGHLIGHTS

- At June 30, 2018, the District's liabilities and deferred inflows exceeded the assets and deferred outflows by \$28.3 million (net position). The deficit in net position reflects the extent to which a government has elected to defer to future periods the payment of expenditures, and the required accounting treatment of accreted interest. The District has sold Capital Appreciation Bonds in order to comply with Texas statutory and IRS limits. The accreted interest on these bonds must be reported as an addition to bonds payable each year in accordance with Generally Accepted Accounting Principles with the accounting treatment of accreted interest as though the entire amount was due. This contributes to the negative position coupled with the implementation of GASB 75.
- Total revenues (Table A-2) accounted for \$152.4 million of all fiscal year 2018 revenue. Changes in Program Revenues for Operating Grants and Contributions resulted in a \$9.1 deficit for fiscal year total revenue due to implementing GASB 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.
- The District had \$134.5 million in expenses related to governmental activities and General revenues of \$152.4 million. However, net position is a negative \$28.3 million as a result of implementing GASB 75 and the accounting treatment of accreted interest.
- Capital Appreciation Bonds outstanding necessitated the accreted interest accrual of \$102.4 million in the Governmental-Wide Financial Statement, thus decreases the net position value of the District.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$105.9 million. The General Fund represents approximately 55.1 percent of this total amount, \$58.4 million, of which \$56.8 million is available for spending at the government's discretion (unassigned fund balance).

### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—*management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds and internal service funds.



The basic financial statements include two kinds of statements that present different views of the District:

The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status.

The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District's operations in *more detail* than the government-wide statements.

The *governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.

*Proprietary fund* statements offer *short- and long-term* financial information about the activities the government operates *like businesses*, such as food service.

*Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

<b>Figure A-2 Major Features of the District's Government-wide and Fund Financial Statements</b>			
<i>Type of Statements</i>	<b>Government-wide</b>	<b>Governmental Funds</b>	<b>Fiduciary Funds</b>
<i>Scope</i>		The activities of the District that are not proprietary or fiduciary	Instances in which the District is the trustee or agent for someone else's resources
<i>Required financial statements</i>	* Statement of net position	* Balance Sheet	* Statement of fiduciary net position
	* Statement of activities	* Statement of revenues, expenditures & changes in fund balances	* Statement of changes in fiduciary net position
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both short-term and long-term; the District's funds do not currently contain capital assets, although they can
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

## Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's *net position* and how they have changed. Net position—the difference between the District's assets and liabilities—is one way to measure the District's financial health or *position*.

**Governmental activities**—Most of the District's basic services are included there, such as instruction, extracurricular activities, curriculum and staff development, health services, and general administration. Property taxes and grants finance most of these activities.

The District opened the Wylie East Spirit Shop which began *business type activities*. Not component units are recorded for which it is financially accountable.

## Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds*—not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law and by bond covenants. The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants. The District has two kinds of funds:

**Governmental funds**—Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.

**Fiduciary funds**—The District is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

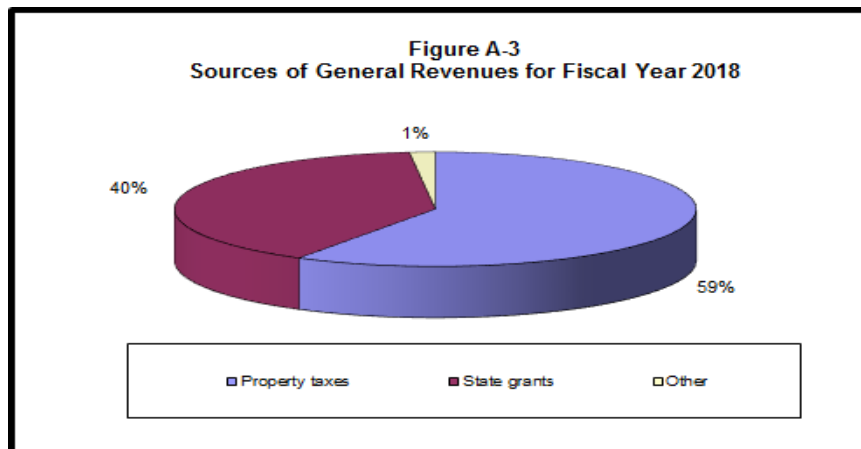
## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

**Net position.** The District's overall change in net position decreased between fiscal years 2017 and 2018 by -285.6% to approximately \$(28.3) million. (See Table A-1).

	<u>2017</u>	<u>2018</u>	<u>Total % Change</u>
Current and other assets	\$ 116.8	\$ 123.3	5.6%
Capital assets, net	344.4	336.8	-2.2%
<b>Total Assets</b>	<u>461.2</u>	<u>460.1</u>	-0.2%
Deferred Losses from Refunding Bonds and Pension Related Outflows			
<b>Total Deferred Outflows of Resources</b>	<u>27.2</u>	<u>26.3</u>	-3.3%
Current liabilities	17.3	18.2	5.2%
Long term liabilities	435.9	470.5	7.9%
<b>Total Liabilities</b>	<u>453.2</u>	<u>488.7</u>	7.8%
Deferred Inflows from Pension Related Inflows			
<b>Total Deferred Inflows of Resources</b>	<u>4.6</u>	<u>26.0</u>	465.2%
Net Investment in Capital Assets	66.4	85.4	28.6%
Restricted	26.7	33.8	26.6%
Unrestricted	(62.5)	(147.5)	-136.0%
<b>Total Net Position</b>	<u>\$ 30.6</u>	<u>\$ (28.3)</u>	-285.6%

Unrestricted net position showed a \$147.5 million deficit at the end of this year. This deficit does not mean that the District does not have significant resources available to pay its bills next year. Rather, it is the result of having *long-term* commitments that are more than currently available resources. Such long-term commitments include accreted interest from capital appreciation bonds that were issued in the previous year.

**Changes in net position.** The District's total revenues were \$152.4 million. (See Table A-2) The largest portion, 59% of the District's revenue comes from property taxes. (See Figure A-3.) 40% comes from state allocations, and most of the rest is from federal and state grants. The majority increase in revenues are attributed to a 14.6% increase in property values coupled with an increase of 390 students. The total cost of all programs and services decreased by 18.9% to \$134.5 million. A 3% mid-point salary increase was awarded to all employees. Additional staff including teachers were also hired as a result of enrollment growth. The District's expenses cover a range of services such as: salaries, utilities, benefits, and supplies.



## Governmental Activities

Revenues for the District's governmental activities decreased 22.7% while total expenses decreased 18.9%. The District's total net position decreased \$59 million.

	<u>2017</u>	<u>2018</u>	<u>Total % Change</u>
<b>Revenues</b>			
Program revenues:			
Charges for services	\$ 4.7	\$ 5.0	6.4%
Operating grants & contributions	17.2	(9.1)	-152.9%
General revenues:			
Property taxes	80.4	91.9	14.3%
State grants	62.4	62.1	-0.5%
Other	32.4	2.5	-92.3%
<b>Total Revenues</b>	<u>197.1</u>	<u>152.4</u>	<b>-22.7%</b>
<b>Expenses</b>			
Instruction	85.9	67.7	-21.2%
Instructional resources & media services	1.7	1.5	-11.8%
Curriculum & staff development	3.6	2.8	-22.2%
Instructional leadership	1.3	1.1	-15.4%
School leadership	7.7	5.4	-29.9%
Guidance, counseling & evaluation services	4.1	3.0	-26.8%
Social work services	0.1	0.1	0.0%
Health services	1.5	1.1	-23.8%
Student transportation	5.3	4.3	-18.9%
Food services	6.6	5.7	-13.6%
Co-curricular & extracurricular activities	6.5	6.3	-3.1%
General administration	4.1	3.6	-12.2%
Plant maintenance & operations	16.3	13.5	-17.2%
Security and monitoring services	0.6	0.7	16.7%
Data processing services	2.7	2.4	-11.1%
Community Services	0.0	0.0	0.0%
Debt service - interest on long term debt	14.9	14.5	-2.7%
Bond issuance costs and fees	0.2	0.0	-91.5%
Facilities acquisition and construction	2.2	0.0	-100.0%
Payments to JJAEPs	0.0	0.1	81.2%
Other intergovernmental charges	0.5	0.6	20.0%
<b>Total Expenses</b>	<u>165.8</u>	<u>134.5</u>	<b>-18.9%</b>
<b>Increase (Decrease) in Net Position</b>	<b>31.2</b>	<b>18.0</b>	<b>-42.3%</b>
<b>Prior Period Adjustment*</b>	<b>-</b>	<b>(76.9)</b>	
<b>Beginning Net Position</b>	<u>(0.6)</u>	<u>30.6</u>	
<b>Ending Net Position</b>	<u>\$ 30.6</u>	<u>\$ (28.3)</u>	<b>-192.5%</b>

Many of the fluctuations noted above are related to the implementation of GASB 75. The District is required to report on-behalf contributions at the government-wide level for their proportion of the change in OPEB liability and deferred balances recognized by the State of Texas on-behalf of the District. As described in Note 1 in the Notes to the Financial Statements, the current year OPEB expense recognized by the State of Texas was a negative \$24,328,331 and the actual on-behalf payments were \$869,202. Therefore, \$25,197,533 in negative operating grants and contributions is recognized at the government-wide level. As a result of this negative amount, the Statement of Activities reflects overall negative operating grants and contributions of \$9,103,231. Had this adjustment not been required, the Statement of Activities would have shown \$16,094,302 in program revenue for operating grants and contributions for the year ended June 30, 2018. The current year GASB 75 experience also resulted in a reduction of the District's expenses in almost all functional areas.

Property tax revenue increased in 2017-2018 due to an increase in property values and new construction. On November 4, 2008, the taxpayers of the District approved a Tax Ratification Election allowing the District to increase the maintenance and operations tax rate to \$1.17 from \$1.04. The increased maintenance and operations tax rate allows the District to maximize state aid. The tax rate has remained the same since 2010. Table A-3 presents the cost of each of the District's largest functions as well as each function's *net cost* (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

The cost of all *governmental* activities this year was \$134.5 million. However, the amount that our taxpayers paid for these activities through property taxes was \$91.9 million.

Some of the cost was paid by those who directly benefited from the programs (\$5.0 million). Revenue from grants resulted in a \$9.1 million deficit due to the implementation of GASB 75.

	Total Cost of Services			Net Cost of Services		
	2017	2018	% Change	2017	2018	% Change
Instruction	\$ 92.5	\$ 73.0	-21.1%	\$ 82.9	\$ 80.9	-2.4%
School leadership	7.7	5.4	-29.9%	7.3	6.6	-9.6%
Guidance & counseling	4.1	3.0	-26.8%	2.9	2.3	-20.7%
Student transportation	5.3	4.3	-18.9%	5.1	5.0	-2.0%
Food services	6.6	5.7	-13.6%	1.0	0.3	-70.0%
General administration	4.1	3.6	-12.2%	3.9	4.2	7.7%
Plant maintenance & operations	16.3	13.5	-17.2%	15.8	15.0	-5.1%

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, bond covenants, and segregation for particular purposes.

The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending balances of \$105.9 million. The General Fund accounts for \$58.4 million, approximately 55.1 percent of this total amount. Of this \$58.4 million, \$56.8 million constitutes *unassigned* fund balance, and the remaining \$1.6 million is classified as *non-spendable* and *restricted* fund balance. *Non-spendable, restricted, and committed funds* indicate that it is not available for new spending because it has already been committed to inventories, prepaid and miscellaneous items.



The unassigned fund balance of the District's General Fund increased by \$4.2 million during the current fiscal year. The increase is primarily due to a 14.6% increase in property values and 390 additional students.

The Debt Service Fund has a total fund balance of \$33.1 million, all of which is restricted for the payment of debt service. The increase in fund balance during the period in the Debt Service Fund was \$6.8 million which will be used as a bond defeasance to pay down debt incurred due to being a fast growth district.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. This fund includes outlays financed from general obligation bond proceeds. \$10.8 million represents the expenditures relating to the remaining November 2014 \$94.2 million bond and \$56 million in hail storm related costs. A Capital Projects Fund was established with remaining hail storm damage funds of \$12 million. A short-term capital projects dist was established and approved beginning with the 2017-2018 fiscal year.

### **General Fund Budgetary Highlights**

Over the course of the year, the District recommended and the Board approved several revisions to budgeted revenues and appropriations. The amendments fall into the following categories:

- Amendments approved shortly after the beginning of the new fiscal year for amounts reserved and designated in the prior year.
- Amendments throughout the year to revise estimates for local and state revenue based on the latest information on student attendance and tax collections.
- Amendments throughout the year for transfers to and from other funds and federal indirect cost calculations.
- Amendments throughout the year for unexpected occurrences.
- Amendments throughout the year for resignations and employment of new personnel.
- Amendments throughout the year for sale of bonds and related expenditures.

After appropriations were amended as described above, actual revenues for the General Fund were \$392.9 thousand above the final budgeted amounts due to final calculations in state aid and property values. Actual expenditures were \$3.9 million below final budget amounts. The major portion of this positive variance in expenditures resulted from lower than projected payroll and funds allocated for five buses (\$511k) not captured due to delivery date after fiscal year end.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### **Capital Assets**

The District's investment in capital assets for its governmental activities as of June 30, 2018, amount to \$336.8 million (net of accumulated depreciation). This amount represents a decrease (including additions and deletions) of \$7.6 million or 2.2 percent.

The investment in capital assets includes land, buildings and improvements, furniture and equipment, and construction in progress.

	<u>2017</u>	<u>2018</u>	<u>Total % Change</u>
Land	\$ 9.6	\$ 9.6	0.0%
Buildings and improvements	425.5	438.7	3.1%
Furniture and equipment	19.9	23.1	16.1%
Construction in progress	<u>7.1</u>	<u>2.0</u>	-71.8%
<b>Totals at historical cost</b>	<u>462.1</u>	<u>473.4</u>	2.4%
Less accumulated depreciation for:			
Buildings and improvements	106.5	123.6	16.1%
Furniture and equipment	<u>11.2</u>	<u>13.0</u>	16.1%
<b>Total accumulated depreciation</b>	<u>117.7</u>	<u>136.6</u>	16.1%
<b>Net capital assets</b>	<u>\$ 344.4</u>	<u>\$ 336.8</u>	-2.2%

Additional information on the District's capital assets can be found in Note C to the financial statements.

#### **Long-Term Debt**

At year-end the District had \$398 million in bonds payable – a decrease of 2.1 percent over last year attributed to no additional debt issued —as shown in Table A-5.

	<u>2017</u>	<u>2018</u>	<u>Total % Change</u>
<b>Bonds payable</b>			
General obligation bonds	\$ 293.9	\$ 283.1	-3.7%
Premium on issuance of bonds	13.6	12.5	-8.1%
Accreted interest	<u>98.9</u>	<u>102.4</u>	3.5%
	<u>406.4</u>	<u>398.0</u>	-2.1%
<b>Other liabilities</b>			
Capital leases	1.1	2.8	154.5%
Compensated absences	<u>0.8</u>	<u>0.8</u>	0.0%
	<u>1.9</u>	<u>3.6</u>	89.5%
<b>Total</b>	<u>\$ 408.3</u>	<u>\$ 401.6</u>	-1.6%

The "AAA" long term rating of the District's Texas bonds reflects the Texas Permanent School guarantee. Moody's rating is 'Aa2' for the \$94.2 million November 2014 bond. The District's 'AA' and 'Aa2' rating reflects: 1) strong and growing DFW Metroplex and Collin County area economy, 2) strong administrative management, and 3) excellent financial performance.

Additional information on the District's long-term debt can be found in Note E to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The District's assessed property tax value per the Collin County Appraisal District for the 2018-2019 fiscal year in the amount of \$6,299,924,565 increased by 16% compared to the audited assessed value in the 2017-2018 fiscal year with \$5,428,888,188. In the 85th Legislative Session, property tax relief was a priority. However, no action was taken during the session. For the 86th Legislative Session, the increase in property values will be at the forefront of providing some relief for the local taxpayers while still funding education with state aid. The Texas Public Commission on School Finance was created in the 85th Legislature to address the funding formula issues. Their report will be submitted to the Texas Governor by December 2018.

There is no change in the tax rate for this coming school year, still maintaining the \$1.17 Maintenance & Operating tax rate and \$0.47 Interest & Sinking Fund amounts.

The 2018-2019 budget for state revenues is based on an enrollment of 16,299, an increase of 519 students over the previous year.

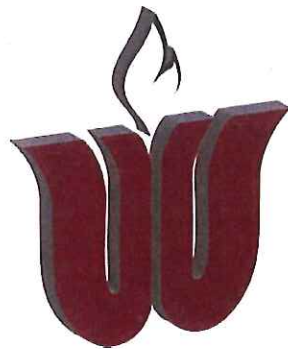
Programs and services included in the General Fund budget are primarily supported by local and state sources of revenue. The Debt Service Fund is supported mainly from local revenues and the Student Nutrition Fund (Food Service Fund) is supported by local and federal revenues. The revenue estimates by fund and source for 2018-2019 are presented below:

Revenues	General Fund		Debt Service Fund		Student Nutrition Fund	
Local & Intermediate Sources	\$	71,737,047	\$	28,279,508	\$	3,178,946
State Sources		63,304,598		1,055,859		152,500
Federal Sources		716,860				2,793,685
<b>Total Revenues</b>	<b>\$</b>	<b>135,758,505</b>	<b>\$</b>	<b>29,335,367</b>	<b>\$</b>	<b>6,125,131</b>

**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 demonstrate 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 Finance Division.

# Wylie Independent School District



# Government-Wide Financial Statements

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2018**

Data Control Codes		1	2	3
		Governmental Activities	Business-type Activities	Total
<b>Assets</b>				
1110	Cash and cash equivalents	\$ 4,899,807	\$ 3,992	\$ 4,903,799
1120	Current investments	95,476,894	-	95,476,894
1225	Property taxes receivable (net)	874,704	-	874,704
1240	Due from other governments	20,652,541	-	20,652,541
1250	Accrued interest	11,243	-	11,243
1260	Internal balances	5,000	(5,000)	-
1290	Other receivables (net)	715	-	715
1300	Inventories	257,703	-	257,703
1490	Other current assets	1,122,131	-	1,122,131
	Capital assets:			
1510	Land	9,635,527	-	9,635,527
1520	Buildings and improvements, net	315,091,766	-	315,091,766
1530	Furniture and equipment, net	7,160,352	-	7,160,352
1550	Furniture and equipment under capital lease, net	2,880,974	-	2,880,974
1580	Construction in progress	2,030,145	-	2,030,145
1000	Total assets	<u>460,099,502</u>	<u>(1,008)</u>	<u>460,098,494</u>
<b>Deferred outflows of resources</b>				
1701	Deferred losses from refunding bonds	12,032,058	-	12,032,058
1705	Pension-related outflows	13,684,521	-	13,684,521
1706	OPEB-related outflows	607,375	-	607,375
1700	Total deferred outflows of resources	<u>26,323,954</u>	<u>-</u>	<u>26,323,954</u>
<b>Liabilities</b>				
2110	Accounts payable	2,927,339	-	2,927,339
2140	Accrued interest	1,700,150	-	1,700,150
2150	Payroll deductions & withholdings	931,982	-	931,982
2165	Accrued liabilities	11,593,290	-	11,593,290
2180	Due to other governments	21,404	327	21,731
2300	Unearned revenue	916,119	-	916,119
2400	Payable from restricted assets	121,268	-	121,268
	Noncurrent liabilities:			
2501	Portion due or payable within one year	23,347,608	-	23,347,608
2502	Portion due or payable after one year	378,235,737	-	378,235,737
2540	Net pension liability	25,019,477	-	25,019,477
2541	Net OPEB liability	43,900,274	-	43,900,274
2000	Total liabilities	<u>488,714,648</u>	<u>327</u>	<u>488,714,975</u>
<b>Deferred inflows of resources</b>				
2605	Pension-related inflows	7,674,506	-	7,674,506
2606	OPEB-related inflows	18,363,567	-	18,363,567
2600	Total deferred inflows of resources	<u>26,038,073</u>	<u>-</u>	<u>26,038,073</u>
<b>Net Position</b>				
3200	Net investment in capital assets	85,418,434	-	85,418,434
	Restricted for:			
3820	Federal and state programs	1,530,561	-	1,530,561
3850	Debt service	31,601,056	-	31,601,056
3890	Other purposes	640,157	-	640,157
3900	Unrestricted	(147,519,473)	(1,335)	(147,520,808)
3000	Total net position	<u>\$ (28,329,265)</u>	<u>\$ (1,335)</u>	<u>\$ (28,330,600)</u>

See accompanying notes to the basic financial statements.

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Data Control Codes	Functions/Programs	1 Expenses	3 Program Revenues	
			Charges for Services	4 Operating Grants and Contributions
	Governmental activities:			
11	Instruction	\$ 67,664,807	\$ 717,009	\$ (8,448,061)
12	Instructional resources and media services	1,469,250	142,731	(178,047)
13	Curriculum and staff development	2,828,764	67,816	(54,908)
21	Instructional leadership	1,057,543	-	(173,176)
23	School leadership	5,372,351	26,732	(1,223,729)
31	Guidance, counseling, & evaluation services	3,000,383	186,039	494,064
32	Social work services	52,513	-	14,608
33	Health services	1,143,683	-	(247,120)
34	Student transportation	4,327,821	-	(711,531)
35	Food services	5,703,643	2,969,029	2,424,118
36	Cocurricular/extracurricular activities	6,304,760	823,622	(422,696)
41	General administration	3,634,600	-	(582,059)
51	Plant maintenance and operations	13,519,203	29,741	(1,490,685)
52	Security and monitoring services	720,578	369	(26,635)
53	Data processing services	2,435,699	-	(316,977)
61	Community services	5,732	1,955	3,784
72	Interest on long-term debt	14,549,502	-	1,835,819
73	Bond issuance costs and fees	16,980	-	-
95	Payments to JJAEPs	83,161	-	-
99	Other intergovernmental charges	570,108	-	-
TG	Total governmental activities	<u>134,461,081</u>	<u>4,965,043</u>	<u>(9,103,231)</u>
	Business-type activities:			
01	Wylie East School Store	8,289	9,055	-
TP	Total	<u>8,289</u>	<u>9,055</u>	<u>-</u>
	General revenues:			
MT	Property taxes, levied for general purposes			
DT	Property taxes, levied for debt service			
IE	Investment earnings			
GC	Grants and contributions not restricted to specific programs			
MI	Miscellaneous			
TR	Total general revenues			
CN	Change in net position			
NB	Net position - beginning, as originally stated			
PA	Prior period adjustment			
	Net position - beginning, as restated			
NE	Net position - ending			

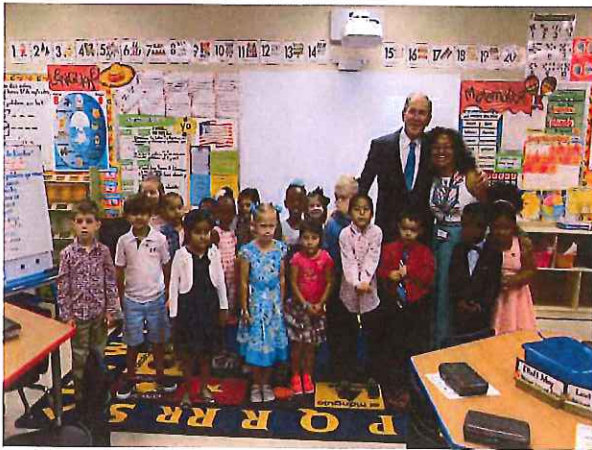
See accompanying notes to the basic financial statements.

**EXHIBIT B-1**

6	7	8
Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (75,395,859)	\$ -	\$ (75,395,859)
(1,504,566)	-	(1,504,566)
(2,815,856)	-	(2,815,856)
(1,230,719)	-	(1,230,719)
(6,569,348)	-	(6,569,348)
(2,320,280)	-	(2,320,280)
(37,905)	-	(37,905)
(1,390,803)	-	(1,390,803)
(5,039,352)	-	(5,039,352)
(310,496)	-	(310,496)
(5,903,834)	-	(5,903,834)
(4,216,659)	-	(4,216,659)
(14,980,147)	-	(14,980,147)
(746,844)	-	(746,844)
(2,752,676)	-	(2,752,676)
7	-	7
(12,713,683)	-	(12,713,683)
(16,980)	-	(16,980)
(83,161)	-	(83,161)
(570,108)	-	(570,108)
<u>(138,599,269)</u>	<u>-</u>	<u>(138,599,269)</u>
-	766	766
<u>(138,599,269)</u>	<u>766</u>	<u>(138,598,503)</u>
65,581,277	-	65,581,277
26,298,698	-	26,298,698
1,527,523	-	1,527,523
62,183,350	-	62,183,350
1,000,776	-	1,000,776
<u>156,591,624</u>	<u>-</u>	<u>156,591,624</u>
17,992,355	766	17,993,121
30,652,392	(2,101)	30,650,291
(76,974,012)	-	(76,974,012)
(46,321,620)	(2,101)	(46,323,721)
<u>\$ (28,329,265)</u>	<u>\$ (1,335)</u>	<u>\$ (28,330,600)</u>



# Wylie Independent School District



# Governmental Funds Financial Statements

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**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2018**

Data Control Codes		10 General Fund	50 Debt Service Fund
<b>Assets</b>			
1110	Cash and cash equivalents	\$ 3,090,110	\$ 7,291
1120	Current investments	51,806,217	32,749,665
1225	Property taxes receivable (net)	625,806	248,898
1240	Due from other governments	19,134,983	438,159
1250	Accrued interest	9,204	12
1260	Due from other funds	1,317,347	-
1290	Other receivables (net)	676	-
1300	Inventories	199,659	-
1490	Other current assets	1,030,230	-
1000	Total assets	<u>\$ 77,214,232</u>	<u>\$ 33,444,025</u>
<b>Liabilities</b>			
2110	Accounts payable	\$ 1,296,515	\$ 450
2150	Payroll deductions and withholdings	864,313	-
2160	Accrued wages payable	11,026,332	-
2170	Due to other funds	5,014,446	-
2180	Due to other governments	338	21,101
2190	Due to student groups	-	-
2300	Unearned revenue	-	-
2400	Payable from restricted assets	-	121,268
2000	Total liabilities	<u>18,201,944</u>	<u>142,819</u>
<b>Deferred inflows of resources</b>			
	Unavailable property taxes	611,419	243,118
2600	Total deferred inflows of resources	<u>611,419</u>	<u>243,118</u>
<b>Fund balances</b>			
Nonspendable fund balances:			
3410	Inventories	199,659	-
3430	Prepaid items	1,030,230	-
Restricted fund balances:			
3450	Federal/state funds grant restrictions	-	-
3470	Capital acquisitions & contractual obligations	-	-
3480	Retirement of long-term debt	-	33,058,088
3490	Other restrictions of fund balance	385,185	-
Committed fund balances:			
3545	Campus activities	-	-
3600	Unassigned	56,785,795	-
3000	Total fund balances	<u>58,400,869</u>	<u>33,058,088</u>
4000	Total liabilities, deferred inflows of resources and fund balances	<u>\$ 77,214,232</u>	<u>\$ 33,444,025</u>

*See accompanying notes to the basic financial statements.*

60 Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds
\$ 815,361	\$ 987,045	\$ 4,899,807
7,657,556	3,263,456	95,476,894
-	-	874,704
-	1,079,399	20,652,541
1,596	431	11,243
5,003,310	13,636	6,334,293
-	39	715
-	58,044	257,703
91,901	-	1,122,131
<u>\$ 13,569,724</u>	<u>\$ 5,402,050</u>	<u>\$ 129,630,031</u>
\$ 1,585,766	\$ 44,608	\$ 2,927,339
-	67,669	931,982
-	566,958	11,593,290
-	1,314,847	6,329,293
-	(35)	21,404
-	-	-
-	916,119	916,119
-	-	121,268
<u>1,585,766</u>	<u>2,910,166</u>	<u>22,840,695</u>
-	-	854,537
-	-	854,537
-	-	199,659
-	-	1,030,230
-	1,530,561	1,530,561
11,983,958	-	11,983,958
-	-	33,058,088
-	254,972	640,157
-	706,351	706,351
-	-	56,785,795
<u>11,983,958</u>	<u>2,491,884</u>	<u>105,934,799</u>
<u>\$ 13,569,724</u>	<u>\$ 5,402,050</u>	<u>\$ 129,630,031</u>

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2018**

Data Control Codes			
1	Total fund balances - governmental funds (Exhibit C-1)		\$ 105,934,799
	Amounts reported for <i>governmental activities</i> in the Statement of Net Position (Exhibit A-1) are different because:		
	Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. Capital assets at year-end consist of:		
2	Gross capital assets	\$ 473,425,456	
	Related accumulated depreciation	<u>136,626,692</u>	336,798,764
3	Property taxes receivable are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the funds.		854,537
	Long-term liabilities are not due and payable in the current period and therefore not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
4	General obligation bonds	283,132,270	
	Premiums and accreted interest for capital appreciation bonds	102,370,434	
	Capital leases payable	2,786,152	
	Compensated absences	<u>811,706</u>	(389,100,562)
5	Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the governmental fund financial statements, interest expenditures are recorded only when due.		(1,700,150)
6	In the governmental fund financial statements, refunding losses are expensed when incurred, whereas in the government-wide financial statements they are capitalized, net of amortization.		12,032,058
7	Premiums and discounts on the issuance of current interest bonds are capitalized, net of amortization, on the government-wide financial statements.		(12,482,783)
	The District's net pension liability and related deferred outflows and inflows related to its proportionate share of the Teacher Retirement System pension are not due and payable in the current period and are, therefore, not reported in the governmental funds financial statements. These items consist of:		
8	Net pension liability	25,019,477	
	Deferred outflows - pension related items	(13,684,521)	
	Deferred inflows - pension related items	<u>7,674,506</u>	(19,009,462)
	The District's net other post-employment benefit (OPEB) liability and related deferred outflows and deferred inflows proportionate share of the TRS-Care OPEB are not due and payable in the current period and are, therefore, not reported in the governmental funds financial statements. These items consist of:		
9	Net OPEB liability	43,900,274	
	Deferred outflows - OPEB related items	(607,375)	
	Deferred inflows - OPEB related items	<u>18,363,567</u>	(61,656,466)
19	Total net position - governmental activities (Exhibit A-1)		<u>\$ (28,329,265)</u>

See accompanying notes to the basic financial statements.

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Data Control Codes		10  General Fund	50 Debt Service Fund
<b>Revenues</b>			
5700	Local and intermediate sources	\$ 68,184,671	\$ 26,689,154
5800	State program revenues	68,670,458	1,834,925
5900	Federal program revenues	1,284,392	-
5020	Total revenues	<u>138,139,521</u>	<u>28,524,079</u>
<b>Expenditures</b>			
Current:			
0011	Instruction	80,745,550	-
0012	Instructional resources and media services	1,250,664	-
0013	Curriculum and staff development	3,425,539	-
0021	Instructional leadership	1,439,175	-
0023	School leadership	7,767,047	-
0031	Guidance, counseling, & evaluation services	3,123,633	-
0032	Social work services	44,939	-
0033	Health services	1,537,176	-
0034	Student transportation	4,974,986	-
0035	Food services	-	-
0036	Cocurricular/extracurricular activities	4,222,112	-
0041	General administration	4,124,641	-
0051	Plant maintenance and operations	13,646,116	-
0052	Security and monitoring services	704,778	-
0053	Data processing services	2,644,611	-
0061	Community services	77	-
0071	Principal on long-term debt	594,522	16,636,075
0072	Interest on long-term debt	137,758	5,086,220
0073	Bond issuance costs and fees	-	16,980
0081	Capital outlay	196,685	-
0095	Payments to Juvenile Justice Alternative Education Programs	83,161	-
0099	Other intergovernmental charges	570,108	-
6030	Total expenditures	<u>131,233,278</u>	<u>21,739,275</u>
1100	Excess of revenues over (under) expenditures	<u>6,906,243</u>	<u>6,784,804</u>
<b>Other Financing Sources (Uses)</b>			
7912	Sale of real or personal property	65,478	-
7913	Issuance of capital leases	2,226,771	-
7915	Transfers in	17,490	-
7919	Insurance proceeds - storm damage	-	-
8911	Transfers out	(5,000,000)	-
7080	Total other financing sources (uses)	<u>(2,690,261)</u>	<u>-</u>
1200	Net change in fund balances	4,215,982	6,784,804
0100	Fund balances - beginning	54,184,887	26,273,284
3000	Fund balances - ending	<u>\$ 58,400,869</u>	<u>\$ 33,058,088</u>

See accompanying notes to the basic financial statements.

60 Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds
\$ 183,868	\$ 4,955,574	\$ 100,013,267
-	752,772	71,258,155
-	5,759,977	7,044,369
<u>183,868</u>	<u>11,468,323</u>	<u>178,315,791</u>
8,476	3,372,323	84,126,349
1,173	146,162	1,397,999
-	474,298	3,899,837
-	2,550	1,441,725
-	36,972	7,804,019
-	1,109,300	4,232,933
-	24,007	68,946
-	-	1,537,176
4,600	-	4,979,586
-	5,702,684	5,702,684
5,531,566	275,927	10,029,605
-	-	4,124,641
2,818,933	32,807	16,497,856
115,772	353	820,903
31,440	-	2,676,051
-	5,655	5,732
-	2,921	17,233,518
-	894	5,224,872
-	-	16,980
2,240,213	-	2,436,898
-	-	83,161
-	-	570,108
<u>10,752,173</u>	<u>11,186,853</u>	<u>174,911,579</u>
(10,568,305)	281,470	3,404,212
-	-	65,478
-	-	2,226,771
5,000,000	-	5,017,490
57,852	-	57,852
-	(17,490)	(5,017,490)
<u>5,057,852</u>	<u>(17,490)</u>	<u>2,350,101</u>
(5,510,453)	263,980	5,754,313
17,494,411	2,227,904	100,180,486
<u>\$ 11,983,958</u>	<u>\$ 2,491,884</u>	<u>\$ 105,934,799</u>

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Net change in fund balances - total governmental funds (Exhibit C-2)		\$ 5,754,313
Amounts reported for <i>governmental activities</i> in the Statement of Activities (Exhibit B-1) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. The net difference between the two is as follows:		
Capital outlay during the year	\$ 11,766,763	
Depreciation expense for the year	<u>19,288,915</u>	(7,522,152)
The disposal of capital assets is not recognized in the governmental fund financial statements. However, the net book value of the capital assets disposed of in the current year is:		(56,645)
Because property tax receivables will not be collected for several months after the District's fiscal year ends, they are not considered 'available' revenues and are deferred in the governmental funds. Deferred inflows decreased by this amount this year.		(125,944)
The issuance of long-term debt provides current financial resources to governmental funds. However, the issuance increases long-term liabilities in the Statement of Net Position. The District issued capital leases during the current year:		(2,226,771)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Current year long-term debt principal payments, including defeasance of debt through refunding, are summarized as follows:		
General obligation bonds	10,742,684	
Accreted interest	6,452,316	
Capital leases payable	<u>570,743</u>	17,765,743
Accretion on capital appreciation bonds is not reflected in the governmental fund financial statements, but is reflected as an increase in accreted interest in the government-wide financial statements. The current year accretion is:		(9,879,613)
Interest is accrued on long-term debt in the government-wide financial statements, whereas interest is reported when due in the governmental fund financial statements. Accrued interest increased by:		(4,805)
Changes in liabilities for compensated absences are not reflected in the governmental fund financial statements, but are reported as increases and decreases in long-term liabilities of the government-wide statements. The liability for compensated absences increased by:		(46,217)
Amortization of deferred losses on refundings is only reported in the government-wide financial statements. Current year amortization is:		(1,096,441)
Amortization of the premium of current interest bonds is only reported in the government-wide financial statements. Current year amortization is:		1,124,004
The District participates in a defined benefit pension plan. Contributions to the plan are expenditures at the fund level when payments are due. At the government-wide level, pension expenses are recognized on an actuarial basis. Payments were less than the actuarial expense in the current year.		(1,010,666)
The District participates in a defined benefit OPEB plan. Contributions to the plan are expenditures at the fund level when payments are due. At the government-wide level, OPEB expenses are recognized on an actuarial basis. Payments were more than the actuarial expense in the current year.		<u>15,317,549</u>
Change in net position of governmental activities (Exhibit B-1)		<u>\$ 17,992,355</u>

See accompanying notes to the basic financial statements.



**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**ENTERPRISE FUND**  
**JUNE 30, 2018**

<u>Data Control Codes</u>		<u>Business-type Activities</u> <u>Wylie East School Store</u>
<b>Assets</b>		
	Current assets:	
1110	Cash and cash equivalents	\$ 3,992
	Total current assets	<u>3,992</u>
1000	Total assets	<u>3,992</u>
<b>Liabilities</b>		
	Current liabilities:	
2170	Due to other funds	5,000
2180	Due to other governments	<u>327</u>
	Total current liabilities	<u>5,327</u>
2000	Total liabilities	<u>5,327</u>
<b>Net Position</b>		
3900	Unrestricted	<u>(1,335)</u>
3000	Total net position	<u>\$ (1,335)</u>

*See accompanying notes to the basic financial statements.*

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES**  
**IN FUND NET POSITION - ENTERPRISE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Data Control Codes		Business-type Activities <u>Wylie East</u> <u>School Store</u>
	Operating revenues:	
5700	Local and intermediate sources	\$ 9,055
5020	Total operating revenues	<u>9,055</u>
	Operating expenses:	
6300	Supplies and materials	543
6400	Other operating costs	<u>7,746</u>
6030	Total operating expenses	<u>8,289</u>
	Operating income	<u>766</u>
1300	Change in net position	766
	Net position - beginning	<u>(2,101)</u>
	Net position - ending	<u>\$ (1,335)</u>

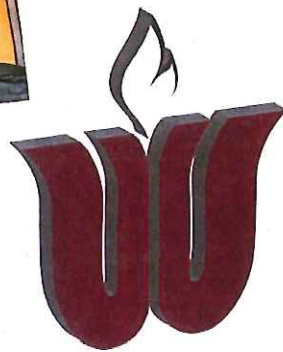
*See accompanying notes to the basic financial statements.*

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	Business-type Activities
	<u>Wylie East School Store</u>
Cash flows from operating activities:	
Cash received from customers	\$ 9,055
Cash payments to suppliers for goods and services	<u>(7,962)</u>
Net cash provided by operating activities	<u>1,093</u>
Net Increase in Cash and Cash Equivalents	1,093
Cash and Cash Equivalents - Beginning	2,899
Cash and Cash Equivalents - Ending	<u>\$ 3,992</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	<u>\$ 766</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase (decrease) in liabilities:	
Due to other governments	327
Net cash provided by operating activities	<u>\$ 1,093</u>

*See accompanying notes to the basic financial statements.*

# Wylie Independent School District



# Fiduciary Funds Financial Statements

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**JUNE 30, 2018**

Data Control Codes		Private-Purpose Trust Funds	Agency Funds  Student Activity
	<b>Assets</b>		
1110	Cash and cash equivalents	\$ -	\$ 326,108
1250	Accrued interest	292	-
1260	Due from other funds	-	1,000
1800	Restricted assets	2,083,412	-
1000	Total assets	<u>2,083,704</u>	<u>327,108</u>
	<b>Liabilities</b>		
	Current Liabilities:		
2110	Accounts payable	-	2,212
2170	Due to other funds	1,000	-
2180	Due to other governments	-	(18)
2400	Payable from restricted assets	308,567	324,914
2000	Total liabilities	<u>309,567</u>	<u>327,108</u>
	<b>Net position</b>		
3800	Held in trust	1,774,138	-
3000	Total net position	<u>\$ 1,774,138</u>	<u>\$ -</u>

*See accompanying notes to the basic financial statements.*

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	Private-Purpose Trust Funds
<b>Additions:</b>	
Investment income	\$ 131,071
Contributions	36,329
Total additions	<u>167,400</u>
<b>Deductions:</b>	
Scholarship awards	148,751
Administrative expenses	13,437
Total deductions	<u>162,188</u>
Change in net position	5,212
Net position - beginning of year	<u>1,768,926</u>
Net position - end of year	<u><u>\$ 1,774,138</u></u>

*See accompanying notes to the basic financial statements.*

# Wylie Independent School District





# Notes to the Financial Statements

A. Summary of Significant Accounting Policies

The basic financial statements of Wylie Independent School District (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") applicable to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide ("Resource Guide"). The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

The Board of School Trustees ("Board"), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the District. The Board is elected by the public and has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency ("TEA") or to the State Board of Education are reserved for the Board, and the TEA may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District receives funding from local, state and federal government sources and must comply with the requirements of those funding entities. However, the District is not included in any other governmental reporting entity and there are no component units included within the District's reporting entity.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Financial Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

Debt Service Fund: The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds in this fund.

Capital Projects Fund: The proceeds from long-term debt financing and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in this fund.

In addition, the District reports the following fund types:

Governmental Funds:

Special Revenue Funds: The District accounts for activities funded with restricted or committed revenues in special revenue funds. Most federal and some state grant programs are accounted for in these funds, as well as the District's campus activity funds.

Proprietary Funds:

Enterprise Fund: This fund is used to account for revenues and expenses related to goods and services sold to parties outside the District.

Fiduciary Funds:

Private-Purpose Trust Funds: The District accounts for donations for which the donor stipulated that both the principal and income may be used for purposes that benefit parties outside the District. The District's Private Purpose Trust Funds include the General Scholarship, Joe Stone Memorial Scholarship, Pearl Birmingham Scholarship, Vocational Ag Scholarship, and RC Dodd Scholarship Funds.

Agency Funds: The District accounts for resources held for others in a custodial capacity in agency funds. The District's Agency Fund is the Student Activity Fund.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support District programs, these funds are not included in the government-wide statements.

b. Measurement Focus, Basis of Accounting

Government-wide, Proprietary Fund and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. They are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

### 3. Financial Statement Amounts

#### a. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Allowances for uncollectible tax receivables within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

At June 30, 2018, net property taxes receivable is calculated as follows:

Gross property taxes receivable	\$1,252,795
Allowance for uncollectible taxes	( 378,091)
Net property taxes receivable	<u>\$ 874,704</u>

#### b. Investments

The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

#### c. Inventories and Prepaid Items

Supplies and materials are recorded as expenditures when requisitioned. Inventory is stated at cost using the first-in, first-out method. Inventory in the General Fund consists of expendable parts and supplies. Inventory in the Other Governmental Funds consists primarily of food service commodities.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

#### d. Deferred Outflows/Inflows of Resources

Deferred outflows of resources refers to the consumption of net assets that are applicable to a future reporting period. Deferred outflows of resources has a positive effect on net position, similar to assets. Notwithstanding the similarities, Concepts Statement 5 clearly establishes that deferred outflows of resources are not assets.

Deferred inflows of resources refers to the acquisition of net assets that are applicable to a future reporting period. Deferred inflows of resources has a negative effect on net position, similar to liabilities. Notwithstanding the similarities, Concepts Statement 5 clearly establishes that deferred inflows of resources are not liabilities.

e. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their acquisition value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

Capital assets are depreciated using the straight line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	40 years
Building improvements	6-20 years
Vehicles	5-10 years
Computer equipment	2-7 years
Other equipment	2-15 years

f. Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables, except for delinquent taxes receivable, which are not scheduled for collection within one year of year end. Of the \$1,252,795 outstanding at June 30, 2018, it is expected that the District will collect approximately \$700,000 during the upcoming year.

g. Compensated Absences

It is the District's policy to permit some employees to accumulate earned but unused sick pay benefits. School Board Policy contains a provision to compensate employees with more than 10 years of service in the District for accrued leave days upon retirement. This policy allows any employee who retires from the District through the Teacher Retirement System of Texas to receive, following termination of employment, a lump sum payment for accrued leave days.

School Board Policy also contains a provision to compensate employees with five or more years of service in the District for accrued local leave days upon resignation from the District.

h. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line on the government-wide statement of net position.

i. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates. Accordingly, actual results could differ from those estimates.

The amount of Foundation revenues a school district earns from the state each year is based on estimated data until final values for each of the factors in the formula become known, which is typically well into the subsequent fiscal year. It is reasonably possible that actual Foundation revenues for the year ended June 30, 2018 will differ from those reported in the accompanying financial statements, although management does not expect them to be materially different.

j. Data Control Codes

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

k. Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance - represents amounts that can only be used for a specific purpose because of a formal action (passage of resolution) by the District's Board of Trustees. Committed amounts cannot be used for any other purpose unless the Board of Trustees removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the Board of Trustees. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance - represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Board of Trustees or by an official or body to which the Board of Trustees delegates the authority. Per the fiscal management policies adopted by the Board of Trustees, the Board of Trustees, Superintendent and Chief Financial Officer are authorized to assign amounts for specific purposes. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.

Unassigned Fund Balance - represents amounts which are unconstrained in that they may be spent for any purpose. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

The District's Board of Trustees has formally adopted a minimum fund balance policy that states that the District shall maintain at a minimum, where possible, unassigned fund balance in the General Fund equal to two and one-half months of average General Fund expenditures.

I. Fund Balance Flow Assumptions

The District will sometimes fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance, and then, finally, unassigned fund balance.

m. Net Position Flow Assumptions

Consistent with the aforementioned policy for fund balance flow assumptions, the District considers amounts to have been spent first out of restricted net position when an expense is incurred for which restricted and unrestricted net position are available.

n. New Accounting Standard Adopted

In fiscal year 2018, the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for post-employment benefits other than pensions (other post-employment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

o. Pensions

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.

p. Other Post-Employment Benefits

The fiduciary net position of the Teacher Retirement System of Texas TRS Care Plan ("TRS Care") 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.

B. Deposits and Investments

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the District's agent bank approved pledged securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

1. Cash Deposits:

At June 30, 2018, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$4,868,825 and the bank balance was \$6,418,446. The District's cash deposits at June 30, 2018, and during the year ended June 30, 2018, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

2. Investments:

The District is required by Government Code Chapter 2256, The Public Funds Investment Act ("Act"), to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, 1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) securities lending program, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) commercial paper.

The District's investments at June 30, 2018, are shown below.

<u>Investment or Investment Type</u>	<u>Weighted Average Maturity (Months)</u>	<u>Fair Value</u>
Held in governmental funds:		
Lone Star Investment Pool	1	\$ 82,811,963
FDIC Insured CDARS	1	11,785,996
LOGIC Investment Pool	1	<u>878,895</u>
		<u>95,476,854</u>



Held in private-purpose trust funds:		
Mutual Funds	N/A	<u>1,888,658</u>
Total investments		<u>\$ 97,365,512</u>

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 judgement and considers factors specific to each asset or liability.

The District values its FDIC Insured CDARS using Level 2 inputs. Lone Star Investment Pool, LOGIC Investment Pool, and Mutual Fund balances are valued at net asset value per unit/share.

#### Public Funds Investment Pools

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

a. Local Government Investment Cooperative

The Local Government Investment Cooperative ("LOGIC") is a local government investment pool organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and operates under the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. LOGIC's governing body is a five-member board of directors comprised of employees, officers or elected officials of participant government entities or individuals who do not have a business relationship with LOGIC and are qualified to advise it. A maximum of two advisory board members represent the co-administrators of LOGIC. The co-administrators of the day to day administration of LOGIC are First Southwest Company and J.P. Morgan Investment Management, Inc. LOGIC is rated at a AAA or equivalent rating from at least one nationally recognized rating agency. LOGIC seeks to maintain a net asset value of \$1.00 per unit and is designed to be used for investment of funds which may be needed at any time.

b. Lone Star Investment Pool

The Lone Star Investment Pool ("Lone Star") is a local government investment pool organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and operates under the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. Lone Star is administered by First Public, a subsidiary of the Texas Association of School Boards ("TASB"), with Standish and American Beacon Advisors managing the investment and reinvestment of Lone Star's assets. State Street Bank provides custody and valuation services to Lone Star. All of the board of trustees' eleven members are Lone Star participants by either being employees or elected officials of a participant. Lone Star has established an advisory board composed of both pool members and non-members. Lone Star is rated AAA by Standard and Poor's. The District is invested in the Government Overnight Fund of Lone Star which seeks to maintain a net asset value

of \$1.00 per unit. Lone Star has three different funds: Government Overnight, Corporate Overnight, and Corporate Overnight Plus. Government and Corporate Overnight maintain a net asset value of \$1.00 per unit and the Corporate Overnight Plus maintains a net asset value of \$0.50 per unit.

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.

At June 30, 2018, the District's investments, other than those which are obligations of or guaranteed by the U.S. Government, are rated as to credit quality as follows:

<u>Investment Type</u>	<u>Minimum Legal Rating</u>	<u>Rating as of Year-end</u>
Lone Star Investment Pool	N/A	Not rated
FDIC Insured CDARS	N/A	Not rated
LOGIC Investment Pool	N/A	AAA

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name.

At year end, the District was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

C. Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 9,635,527	\$ -	\$ -	\$ 9,635,527
Construction in progress	<u>7,125,928</u>	<u>2,030,145</u>	<u>7,125,928</u>	<u>2,030,145</u>
Total capital assets not being depreciated	<u>16,761,455</u>	<u>2,030,145</u>	<u>7,125,928</u>	<u>11,665,672</u>
Capital assets being depreciated:				
Buildings and improvements	425,491,466	13,197,984	-	438,689,450
Furniture and equipment	17,566,321	1,437,791	369,738	18,634,374
Furniture and equipment under capital lease	<u>2,369,953</u>	<u>2,226,771</u>	<u>160,764</u>	<u>4,435,960</u>
Total capital assets being depreciated	<u>445,427,740</u>	<u>16,862,546</u>	<u>530,502</u>	<u>461,759,784</u>
Less accumulated depreciation for:				
Buildings and improvements	106,595,781	17,001,903	-	123,597,684
Furniture and equipment	10,119,229	1,668,331	313,538	11,474,022
Furniture and equipment under capital lease	<u>1,096,624</u>	<u>618,681</u>	<u>160,319</u>	<u>1,554,986</u>
Total accumulated depreciation	<u>117,811,634</u>	<u>19,288,915</u>	<u>473,857</u>	<u>136,626,692</u>
Total capital assets being depreciated, net	<u>327,616,106</u>	<u>( 2,426,369)</u>	<u>56,645</u>	<u>325,133,092</u>
Governmental activities capital assets, net	<u>\$344,377,561</u>	<u>(\$ 396,224)</u>	<u>\$7,182,573</u>	<u>\$336,798,764</u>

Depreciation expense was charged to functions as follows:

<u>Governmental activities:</u>	
Instruction	\$12,117,829
Instructional Resources and Media Services	445,146
Curriculum and Staff Development	4,643
Instructional Leadership	951
School Leadership	309,275
Guidance, Counseling, & Evaluation Services	78,382
Health Services	144,271
Student Transportation	914,667
Food Services	1,041,048
Extracurricular Activities	2,676,778
General Administration	597,474
Plant Maintenance and Operations	564,901
Security and Monitoring Services	69,040
Data Processing Services	<u>324,510</u>
Total governmental depreciation	<u>\$19,288,915</u>

D. Interfund Balances and Activities

1. Due To and From Other Funds

Balances due to and from other funds at June 30, 2018, consist of the following:

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Other Governmental Funds	\$1,314,847	Short-term loan
General Fund	Enterprise Fund	2,500	Short-term loan
Capital Projects Fund	General Fund	5,003,310	Short-term loan
Other Governmental Funds	General Fund	11,136	Short-term loan
Other Governmental Funds	Enterprise Fund	2,500	Short-term loan
Agency Funds	Private-Purpose Trust Funds	1,000	Short-term loan
	Total	<u>\$6,335,293</u>	

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

## 2. Interfund Transfers

Balances transferred to and from other funds during the year ended June 30, 2018, consisted of the following:

<u>Transfer Out Fund</u>	<u>Transfer In Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Capital Projects Fund	\$5,000,000	Fund capital projects
Other Governmental Funds	General Fund	17,490	Supplement funds
	Total	<u>\$5,017,490</u>	

## E. Long-term Obligations

The District has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Depository of Texas, 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.

### 1. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended June 30, 2018, are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities:</u>					
Bonds Payable:					
General Obligation Bonds	\$293,874,954	\$ -	\$10,742,684	\$283,132,270	\$ 11,835,707
Accreted Interest	98,943,137	9,879,613	6,452,316	102,370,434	10,644,724
Premium on Bonds	<u>13,606,787</u>	<u>-</u>	<u>1,124,004</u>	<u>12,482,783</u>	<u>-</u>
Total Bonds Payable	406,424,878	9,879,613	18,319,004	397,985,487	22,480,431
Capital Leases Payable	1,130,124	2,226,771	570,743	2,786,152	817,177
Compensated Absences *	<u>765,489</u>	<u>96,887</u>	<u>50,670</u>	<u>811,706</u>	<u>50,000</u>
Total Governmental Activities	<u>\$408,320,491</u>	<u>\$12,203,271</u>	<u>\$18,940,417</u>	<u>\$401,583,345</u>	<u>\$23,347,608</u>

\* Compensated absences are considered other long-term liabilities and are typically liquidated in the General Fund.

### 2. Debt Service Requirements

Debt service requirements on long-term debt, excluding amortization of bond premium and compensated absences, at June 30, 2018, are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 12,652,884	\$ 10,732,820	\$ 23,385,704
2020	12,068,815	11,426,178	23,494,993
2021	12,151,556	11,461,559	23,613,115
2022	11,788,702	11,530,972	23,319,674
2023	11,714,292	11,686,836	23,401,128
2024-2028	60,511,234	62,546,610	123,057,844
2029-2033	58,339,571	46,924,645	105,264,216
2034-2038	42,077,130	59,790,837	101,867,967
2039-2043	29,071,338	61,068,662	90,140,000
2044-2048	23,662,248	58,337,752	82,000,000
2049-2051	<u>11,880,652</u>	<u>37,319,348</u>	<u>49,200,000</u>
Totals	<u>\$285,918,422</u>	<u>\$382,826,219</u>	<u>\$668,744,641</u>

Accreted interest of \$102,370,434 is included in the interest column.

### 3. General Obligation Bonds

A summary of changes in general obligation bonds for the year ended June 30, 2018, is as follows:

	<u>Amounts Outstanding 7/1/17</u>	<u>Issued</u>	<u>Retired</u>	<u>Amounts Outstanding 6/30/18</u>	<u>Interest Accretion 6/30/18</u>
Unlimited Tax School Building and Refunding Bonds, Series 2003 Original Issue of \$29,121,683 Interest 4.45% - 5.25%	\$ 99,041	\$ -	\$ 99,041	\$ -	\$ -
Unlimited Tax School Building Bonds, Series 2007 Original Issue of \$20,749,994 Interest 4.00% - 5.03%	1,300,000	-	1,300,000	-	-
Unlimited Tax School Building Bonds, Series 2010 Original Issue of \$24,939,988 Interest 2.80% - 3.52%	24,737,959	-	-	24,737,959	13,879,824
Unlimited Tax Refunding Bonds, Series 2012B Original Issue of \$32,830,000 Interest 2.00% - 4.00%	31,930,000	-	1,140,000	30,790,000	-
Unlimited Tax School Building & Refunding Bonds, Series 2012C Original Issue of \$45,485,470 Interest 1.90% - 5.00%	45,485,470	-	-	45,485,470	4,842,130
Unlimited Tax Refunding Bonds, Series 2013 Original Issue of \$58,237,336 Interest 0.9% - 3.65%	51,106,555	-	6,537,790	44,568,765	63,445,746
Unlimited Tax Refunding	19,508,601	-	245,853	19,262,748	6,317,852

Bonds, Series 2014 Original Issue of \$29,622,480 Interest 0.2% - 3.47%					
Unlimited Tax School Building Bonds, Series 2015A Original Issue of \$2,690,000 Interest 2.00% - 4.00%	1,325,000	-	-	1,325,000	-
Unlimited Tax School Building Bonds, Series 2015B Original Issue of \$91,397,328 Interest 3.63% - 4.18%	91,397,328	-	-	91,397,328	13,884,882
Unlimited Tax Refunding Bonds, Series 2015C Original Issue of \$20,125,000 Interest 6.50% - 6.75%	20,125,000	-	-	20,125,000	-
Unlimited Tax Refunding Bonds, Series 2017 Original Issue of \$6,860,000 Interest 2.00% - 4.00%	6,860,000	-	1,420,000	5,440,000	-
	<u>\$293,874,954</u>	<u>\$ -</u>	<u>\$10,742,684</u>	<u>\$283,132,270</u>	<u>\$102,370,434</u>

Debt service requirements for the above listed general obligation bonds are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 11,835,707	\$ 10,644,724	\$ 22,480,431
2020	11,333,317	11,390,877	22,724,194
2021	11,564,522	11,456,159	23,020,681
2022	11,281,374	11,530,782	22,812,156
2023	11,575,177	11,686,836	23,262,013
2024-2028	60,511,234	62,546,610	123,057,844
2029-2033	58,339,571	46,924,645	105,264,216
2034-2038	42,077,130	59,790,837	101,867,967
2039-2043	29,071,338	61,068,662	90,140,000
2044-2048	23,662,248	58,337,752	82,000,000
2049-2051	<u>11,880,652</u>	<u>37,319,348</u>	<u>49,200,000</u>
Totals	<u>\$283,132,270</u>	<u>\$382,697,232</u>	<u>\$665,829,502</u>

Limitations and Restrictions

There are a number of limitations and restrictions contained in the general obligation bond indentures. Management has indicated that the District is in compliance with all significant limitations and restrictions.

Arbitrage Regulations

The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury for investment income received at yields that exceed the issuer's tax exempt borrowing rates. The United States Treasury requires payments for each issue every five years. The estimated liability is updated annually for all tax-exempt issuances or changes in yields until such time payment of the calculated liability is due. At June 30, 2018, the District has no liability under these regulations.

4. Advance Refundings of Debt

The District defeased certain general obligation bonds in the current year by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds.

GASB Statement No. 7, "Advance Refundings Resulting in Defeasance of Debt," provides that refunded debt and assets placed in escrow for the payment of related debt service be excluded from the financial statements. As of June 30, 2018, outstanding balances of bond issues that have been refunded and defeased in-substance by placing existing assets and the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments are as follows:

<u>Bond Issue</u>	<u>Amount</u>
Unlimited Tax School Building Bonds, Series 2010A	<u>\$ 7,445,000</u>

5. Capital Leases

Commitments under capitalized lease agreements for furniture and equipment provide for minimum future lease payments as of June 30, 2018, as follows:

<u>Year Ending June 30:</u>	
2019	\$ 905,273
2020	770,799
2021	592,434
2022	507,518
2023	<u>139,116</u>
Total Minimum Rentals	2,915,140
Less Imputed Interest	<u>( 128,988)</u>
Capital Lease Payable	<u>\$2,786,152</u>

As shown in Note C, the District's gross capital assets under capital lease was \$4,435,960 as of June 30, 2018. The accumulated depreciation on these assets was \$1,554,986, leaving a net book value \$2,880,974 as of June 30, 2018.

F. Other Restrictions of Fund Balance

Amounts reported as other restrictions of fund balance at June 30, 2018, on the balance sheet - governmental funds consist of the following:

<u>Restriction</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Local Grants	\$385,185	\$ -	\$385,185
Course Enhancement	<u>-</u>	<u>254,972</u>	<u>254,972</u>
	<u>\$385,185</u>	<u>\$254,972</u>	<u>\$640,157</u>

## G. Risk Management

The District is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2018, 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.

## H. Defined Benefit Pension Plan

### 1. Plan Description

The District participates in a cost-sharing multiple-employer defined benefit pension plan that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas ("TRS"). It is a defined benefit pension plan 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.

### 2. 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 at <http://www.trs.state.tx.us/about/documents/cafr.pdf#CAFR>; by writing to TRS at 1000 Red River Street, Austin, Texas 78701-2698; or by calling (512) 542-6592.

### 3. 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 a 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 the date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic cost of living adjustments ("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.

### 4. 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 6.0% 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 a particular action, the time required to amortize TRS's 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 through 2017. The 84th Texas Legislature, General Appropriations Act ("GAA") established the employer contribution rates for fiscal years 2016 and 2017.

Contribution rates for the Plan fiscal years (September through August) 2017 and 2018 follow:

	Contribution Rates for Plan Fiscal Year:	
	2017	2018
Members (Employees)	7.7%	7.7%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employer (District)	6.8%	6.8%

Contributions for the Plan's fiscal year 2017 are as follows:

Members (Employees)	\$7,318,312
Non-Employer Contributing Entity (State)	\$4,645,633
Employer (District)	\$2,564,511

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 GAA.

As the non-employer continuing 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 (public school, junior college, other entities or the State of Texas as employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

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 or charter school 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.

5. Actuarial Assumptions

The total pension liability in the August 31, 2017, actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2017
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Discount Rate	8.00%
Long-term Expected Investment Rate of Return	8.00%
Inflation	2.50%
Salary Increases	3.50% 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 used in the valuation are based primarily on a study of actual experience for the four year period ending August 31, 2014, and adopted on September 24, 2015.

6. Discount Rate

The discount rate used to measure the total pension liability was 8.0%. There was no change in the discount rate since the previous fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments is 8.0%. 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2017, are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Geometric Real Rate of Return</u>	<u>Expected Contribution to Long-term Portfolio Returns *</u>
Global Equity			
U.S.	18%	4.6%	1.0%
Non-U.S. Developed	13%	5.1%	0.8%
Emerging Markets	9%	5.9%	0.7%
Directional Hedge Funds	4%	3.2%	0.1%
Private Equity	13%	7.0%	1.1%
Stable Value			
U.S. Treasuries	11%	0.7%	0.1%
Absolute Return	0%	1.8%	0.0%
Stable Value Hedge Funds	4%	3.0%	0.1%

Cash	1%	-0.2%	0.0%
Real Return			
Global Inflation Linked Bonds	3%	0.9%	0.0%
Real Assets	16%	5.1%	1.1%
Energy and Natural Resources	3%	6.6%	0.2%
Commodities	0%	1.2%	0.0%
Risk Parity			
Risk Parity	5%	6.7%	0.3%
Inflation Expectation	0%	0%	2.2%
Alpha	<u>0%</u>	<u>0%</u>	<u>1.0%</u>
Total	<u>100%</u>		<u>8.7%</u>

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

#### 7. Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability of the plan if the discount rate used was 1% less than and 1% higher than the discount rate that was used (8%) in measuring the Net Pension Liability.

	1% Decrease <u>7%</u>	Current Discount Rate <u>8%</u>	1% Increase <u>9%</u>
District's proportional share of the net pension liability	\$42,177,892	\$25,019,477	\$10,732,308

#### 8. Pension Liabilities, Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2018, the District reported a liability of \$25,019,477 for its proportionate share of the TRS's net pension liability calculated at August 31, 2017. This liability reflects a reduction for the State pension support provided to the District. The amount recognized by the 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 the District were as follows:

District's proportionate share of the collective net pension liability	\$25,019,477
State's proportionate share of the net pension liability associated with the District	<u>45,418,283</u>
Total	<u>\$70,437,760</u>

The net pension liability was measured as of August 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2016, through August 31, 2017.

At August 31, 2017, the District's proportion of the collective net pension liability was 0.07824794%, which was an increase of .00537134% from its proportion measured as of August 31, 2016.

### Changes Since the Prior Actuarial Valuation

There were no changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period.

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

For the year ended June 30, 2018, the District recognized pension expense of \$3,464,326 and revenue of \$4,645,633 for support provided by the State.

At June 30, 2018, the 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:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences between expected and actual experience	\$ 366,046	\$1,349,268
Changes in assumptions	1,139,677	652,438
Net difference between projected and actual earnings on pension plan investments	3,847,705	5,671,070
Changes in proportion and differences between District contributions and proportionate share of contributions	5,768,488	1,730
District contributions subsequent to the measurement date	<u>2,562,605</u>	<u>-</u>
Total	<u>\$13,684,521</u>	<u>\$7,674,506</u>

The net amounts of the District's balances of deferred outflows of resources or deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan Year Ended <u>August 31</u>	Pension Exp. <u>Amount</u>
2019	\$ 495,508
2020	2,092,566
2021	372,800
2022	( 92,567)
2023	394,896
Thereafter	184,208

#### I. Defined Other Post-Employment Benefit Plans

##### 1. 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 TRS Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575.

2. OPEB Plan Fiduciary Net Position

Detailed information about the TRS-Care'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 at <http://www.trs.state.tx.us/about/documents/cafr.pdf#CAFR>; by writing to TRS at 1000 Red River Street, Austin, Texas 78701-2698; or by calling (512) 542-6592.

3. 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 the average retiree with Medicare Parts A&B coverage, with 20 to 29 years of service for the basic plan and the two optional plans.

TRS-Care Plan Premium Rates Effective September 1, 2016 – December 31, 2017			
	TRS-Care 1 <u>Basic Plan</u>	TRS-Care 2 <u>Optional Plan</u>	TRS-Care 3 <u>Optional Plan</u>
Retiree *	\$ 0	\$ 70	\$100
Retiree and Spouse	20	175	255
Retiree * and Children	41	132	182
Retiree and Family	61	237	337
Surviving Children only	28	62	82

\* or surviving spouse

4. 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 1.0% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than .25% or not more than .75% 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

	<u>2017</u>	<u>2018</u>
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.00%	1.25%
Employers (District)	0.55%	0.75%
Federal/private funding remitted by Employers	1.00%	1.25%
2017 Employer Contributions	\$524,851	
2017 Member Contributions	\$215,271	
2017 NECE On-behalf Contributions	\$869,202	

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 \$15.6 million in fiscal year 2017 and \$182.6 million in fiscal year 2018.

5. Actuarial Assumptions

The actuarial valuation of TRS-Care is similar to the actuarial valuations performed for the pension plan, except that the OPEB valuation is more complex. All of the demographic assumptions, including mortality, and most of the economic assumptions are identical to those which were adopted by the Board in 2015 and are based on the 2014 actuarial experience study of TRS.

The active mortality rates were based on 90% of the RP-2014 Employee Mortality Tables for males and females. The post-retirement mortality rates were based on the 2015 TRS of Texas Healthy Pensioner Mortality Tables.

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:

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

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2017
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.50%
Discount Rate	3.42%
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Payroll Growth Rate	2.50%
Projected Salary Increases	3.50% to 9.50%
Healthcare Trend Rates	4.50% to 12.00%
Election Rates	Normal Retirement: 70% participation prior to age 65 and 75% participation after age 65
Ad hoc post-employment benefit changes	None

Other Information:

There was a significant plan change adopted in fiscal year ending August 31, 2017. Effective January 1, 2018, only one health plan option will be offered and all retirees will be required to contribute monthly premiums for coverage. Assumption changes made for the August 31, 2017 valuation include a change to the assumption regarding the phase-out of the Medicare Part D subsidies and a change to the discount rate from 2.98% as of August 31, 2016 to 3.42% as of August 31, 2017.

6. Discount Rate

A single discount rate of 3.42% was used to measure the total OPEB liability. There was a change of .44% 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. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of August 31, 2017.

7. 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 (3.42%) in measuring the net OPEB liability.

	1% Decrease	Current Discount Rate	1% Increase
	<u>2.42%</u>	<u>3.42%</u>	<u>4.42%</u>
District's proportionate share of the net OPEB liability	<u>\$51,813,220</u>	<u>\$43,900,273</u>	<u>\$37,540,047</u>

The following schedule presents the net OPEB liability of the plan using the assumed healthcare cost trend rate as well as what the net OPEB liability would be if it were calculated using a trend ratio that is 1% less than and 1% greater than the assumed healthcare cost trend rate:

	1% Decrease	Current Discount Rate	1% Increase
	<u>2.42%</u>	<u>3.42%</u>	<u>4.42%</u>
District's proportionate share of the current healthcare cost trend rate	<u>\$36,551,363</u>	<u>\$43,900,273</u>	<u>\$53,542,969</u>

8. OPEB Liabilities, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEBs

At June 30, 2018, the District reported a liability of \$43,900,273 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for the 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	\$ 43,900,273
State's proportionate share that is associated with the District	<u>72,702,923</u>
Total	<u>\$116,603,196</u>

The net OPEB liability was measured as of August 31, 2017 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on the District's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2016 through August 31, 2017.

At August 31, 2017, the District's proportion of the collective net OPEB liability was 0.1009520816%, which was the same proportion measured as of August 31, 2016.

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:

- Significant plan changes were adopted during fiscal year ending August 31, 2017. Effective January 1, 2018, only one health plan option will exist (instead of three), and all retirees will be required to contribute monthly premiums for coverage. The health plan changes triggered changes to several of the assumptions, including participation rates, retirement rates, and spousal participation rates.
- The August 31, 2016 valuation had assumed that the savings related to the Medicare Part D reimbursements would phase out by 2022. This assumption was removed for the August 31, 2017 valuation. Although there is uncertainty regarding these federal subsidies, the new assumption better reflects the current substantive plan. This change was unrelated to the plan amendment, and its impact was included as an assumption change in the reconciliation of the total OPEB liability. This change significantly lowered the OPEB liability.
- The discount rate changed from 2.98% as of August 31, 2016 to 3.42% as of August 31, 2017. This change lowered the total OPEB liability.

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

For the year ended June 30, 2018, the District recognized OPEB expense of \$24,328,331 and revenue of \$869,202 for support provided by the State.

At June 30, 2018, 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:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences between expected and actual economic experience	\$ -	\$ 916,452
Changes in actuarial assumptions	-	17,447,115
Difference between projected and actual investment earnings	6,669	-
Changes in proportion and difference between District contributions and proportionate share of contributions	201	-
Contributions paid to TRS subsequent to the measurement date	<u>600,505</u>	<u>-</u>
Total	<u>\$607,375</u>	<u>\$18,363,567</u>

The net amounts of the District's balances of deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:



Plan Year Ended <u>August 31</u>	OPEB Exp. <u>Amount</u>
2019	\$2,422,187
2020	2,422,187
2021	2,422,187
2022	2,422,187
2023	2,423,854
Thereafter	6,244,095

J. Commitments and Contingencies

1. Contingencies

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

2. Litigation

The District is a defendant in a lawsuit. In the opinion of the District's management, any unrecorded liabilities resulting from such suits will not materially affect the financial position of the District.

3. Construction Commitments

As of June 30, 2018, the District was party to several uncompleted contracts for renovation and construction projects. The total amount of those contracts, portions completed through June 30, 2018, and remaining commitments as of June 30, 2018, are summarized as follows:

Total contract sum - all projects	\$13,601,044
Portions completed through June 30, 2018	<u>( 11,608,178)</u>
Total remaining commitments as of June 30, 2018	<u>\$ 1,992,866</u>

It is anticipated that all of the above projects will be completed during the fiscal year ended June 30, 2018.

4. Operating Lease Commitments

The District leases office and other equipment through operating (noncapitalized) lease agreements which have lease terms in excess of one year. The total remaining commitments under those leases as of June 30, 2018, and amounts paid under such agreements during the fiscal year then ended are immaterial in management's judgment.

K. Prior Period Adjustment

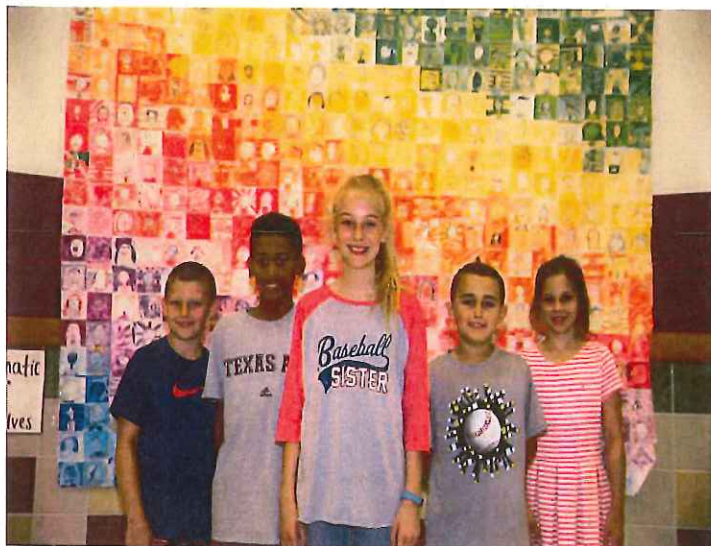
For fiscal year ended June 30, 2018, the District implemented GASB Statement No. 75. As a result, a prior period adjustment to the beginning net position for governmental activities for post-employment benefits other than pensions (OPEB) is required. The adjustment is as follows:

Net position as previously stated on June 30, 2017	\$30,652,392
June 30, 2017 deferred outflows – 2017 contributions	529,685
August 31, 2016 net OPEB liability (measurement date)	( <u>77,503,697</u> )
Net position as restated on June 30, 2018	( <u>\$46,321,620</u> )

L. Statement of Activities Negative Operating Grants

With the implementation of GASB 75, the District is required to report on-behalf contributions at the government-wide level for their proportion of the change in OPEB liability and deferred balances recognized by the State of Texas on-behalf of the District. As described in Note I, the current year OPEB expense recognized by the State of Texas was a negative \$24,328,331 and the actual on-behalf payments were \$869,202. Therefore, \$25,197,533 in negative operating grants and contributions is recognized at the government-wide level. As a result of this negative amount, the Statement of Activities reflects an overall negative operating grants and contributions of \$9,103,231. Had this adjustment not been required, the Statement of Activities would have shown \$16,094,302 in program revenue for operating grants and contributions for the year ended June 30, 2018.

# Wylie Independent School District



## Required Supplementary Information

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Data Control Codes		Budgeted Amounts			Variance With Final Budget - Positive (Negative)
		Original	Final	Actual	
	Revenues:				
5700	Local and intermediate sources	\$ 61,434,163	\$ 68,067,124	\$ 68,184,671	\$ 117,547
5800	State program revenues	63,284,794	68,406,109	68,670,458	264,349
5900	Federal program revenues	925,955	1,273,350	1,284,392	11,042
5020	Total revenues	<u>125,644,912</u>	<u>137,746,583</u>	<u>138,139,521</u>	<u>392,938</u>
	Expenditures:				
	Current:				
	Instruction & instructional related services:				
0011	Instruction	75,407,303	82,076,645	80,745,550	1,331,095
0012	Instructional resources and media services	1,162,894	1,263,760	1,250,664	13,096
0013	Curriculum and staff development	3,463,268	3,469,560	3,425,539	44,021
	Total instruction & instructional related services	<u>80,033,465</u>	<u>86,809,965</u>	<u>85,421,753</u>	<u>1,388,212</u>
	Instructional and school leadership:				
0021	Instructional leadership	1,419,494	1,473,613	1,439,175	34,438
0023	School leadership	7,352,704	7,822,609	7,767,047	55,562
	Total instructional and school leadership	<u>8,772,198</u>	<u>9,296,222</u>	<u>9,206,222</u>	<u>90,000</u>
	Support services - student (pupil):				
0031	Guidance, counseling and evaluation services	3,026,568	3,178,065	3,123,633	54,432
0032	Social work services	43,770	45,997	44,939	1,058
0033	Health services	1,451,889	1,545,044	1,537,176	7,868
0034	Student (pupil) transportation	5,378,013	5,691,111	4,974,986	716,125
0036	Cocurricular/extracurricular activities	4,003,242	4,306,795	4,222,112	84,683
	Total support services - student (pupil)	<u>13,903,482</u>	<u>14,767,012</u>	<u>13,902,846</u>	<u>864,166</u>
	Administrative support services:				
0041	General administration	4,340,225	4,295,600	4,124,641	170,959
	Total administrative support services	<u>4,340,225</u>	<u>4,295,600</u>	<u>4,124,641</u>	<u>170,959</u>
	Support services - nonstudent based:				
0051	Plant maintenance and operations	14,160,885	14,290,131	13,646,116	644,015
0052	Security and monitoring services	511,759	805,495	704,778	100,717
0053	Data processing services	2,559,280	2,645,246	2,644,611	635
	Total support services - nonstudent based	<u>17,231,924</u>	<u>17,740,872</u>	<u>16,995,505</u>	<u>745,367</u>
	Ancillary services:				
0061	Community services	3,988	288	77	211
	Total ancillary services	<u>3,988</u>	<u>288</u>	<u>77</u>	<u>211</u>
	Debt service:				
0071	Principal on long-term debt	595,730	594,473	594,522	(49)
0072	Interest on long-term debt	140,974	139,513	137,758	1,755
0073	Bond issuance costs and fees	27,926	27,646	-	27,646
	Total debt service	<u>764,630</u>	<u>761,632</u>	<u>732,280</u>	<u>29,352</u>

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Data Control Codes		Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
		Original	Final		
	Capital outlay:				
0081	Capital outlay	-	441,960	196,685	245,275
	Total capital outlay	-	441,960	196,685	245,275
	Intergovernmental charges:				
0095	Payments to JJAEPs	45,000	83,600	83,161	439
0099	Other intergovernmental charges	550,000	570,108	570,108	-
	Total intergovernmental charges	595,000	653,708	653,269	439
6030	Total expenditures	125,644,912	134,767,259	131,233,278	3,533,981
1100	Excess of revenues over (under) expenditures	-	2,979,324	6,906,243	3,926,919
	Other financing sources (uses):				
7912	Sale of real or personal property	-	-	65,478	65,478
7913	Issuance of capital leases	-	-	2,226,771	2,226,771
7915	Transfers in	2,308,719	2,308,719	17,490	(2,291,229)
8911	Transfers out	-	(5,000,000)	(5,000,000)	-
7080	Total other financing sources (uses)	2,308,719	(2,691,281)	(2,690,261)	1,020
1200	Net change in fund balance	2,308,719	288,043	4,215,982	3,927,939
0100	Fund balance - beginning	54,184,887	54,184,887	54,184,887	-
3000	Fund balance - ending	<u>\$ 56,493,606</u>	<u>\$ 54,472,930</u>	<u>\$ 58,400,869</u>	<u>\$ 3,927,939</u>

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**TEACHER RETIREMENT SYSTEM**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability	0.078247940%	0.072876660%	0.072865900%	0.049942800%
District's proportional share of the net pension liability	\$ 25,019,477	\$ 27,539,006	\$ 25,757,126	\$ 13,340,412
State's proportionate share of the net pension liability associated with the District	<u>45,418,283</u>	<u>52,369,395</u>	<u>49,658,505</u>	<u>40,873,130</u>
Total	<u>\$ 70,437,760</u>	<u>\$ 79,908,401</u>	<u>\$ 75,415,631</u>	<u>\$ 54,213,542</u>
District's covered payroll	\$ 90,245,547	\$ 83,194,497	\$ 78,469,240	\$ 74,645,351
District's proportionate share of the net pension liability as a percentage of its covered payroll	27.72%	33.10%	32.82%	17.87%
Plan fiduciary net position as a percentage of the total pension liability	82.17%	78.00%	78.43%	83.25%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been prepared.

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF DISTRICT'S CONTRIBUTIONS**  
**TEACHER RETIREMENT SYSTEM**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 2,768,279	\$ 2,524,931	\$ 2,279,281	\$ 1,998,600
Contributions in relation to the contractually required contribution	<u>(2,768,279)</u>	<u>(2,524,931)</u>	<u>(2,279,281)</u>	<u>(1,998,600)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 95,040,401	\$ 89,086,857	\$ 82,484,305	\$ 77,837,891
Contributions as a percentage of covered payroll	<u>2.91%</u>	<u>2.83%</u>	<u>2.76%</u>	<u>2.57%</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been prepared.



**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET**  
**OTHER POST-EMPLOYMENT BENEFIT (OPEB) LIABILITY**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**  
**YEAR ENDED JUNE 30, 2018**

	<u>2018</u>
District's proportion of the net OPEB liability	<u>0.100952082%</u>
District's proportionate share of the net OPEB liability	\$ 43,900,273
State's proportionate share of the net OPEB liability associated with the District	<u>72,702,923</u>
Total	<u>\$ 116,603,196</u>
District's covered payroll (Plan year end August 31)	<u>\$ 90,245,547</u>
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	<u>48.65%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>0.91%</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 74/75, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

Note - the column label is the District's fiscal year. The data is derived from the Teacher Retirement System's Comprehensive Annual Financial Report.

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF DISTRICT'S OTHER POST-EMPLOYMENT BENEFIT (OPEB) CONTRIBUTIONS**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**  
**YEAR ENDED JUNE 30, 2018**

	<u>2018</u>
Contractually required contribution	\$ 712,803
Contributions in relation to the contractually required contribution	<u>(712,803)</u>
Contribution deficiency	<u>\$ -</u>
District's covered payroll	<u>\$ 95,040,401</u>
Contributions as a percentage of covered payroll	<u>0.75%</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 74/75, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

Note - the contractually required contribution is for the District's indicated fiscal year.

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
*NOTES TO REQUIRED SUPPLEMENTARY INFORMATION*  
*FOR THE YEAR ENDED JUNE 30, 2018*

A. Budget

1. Basis of Budgeting

The Wylie Independent School District's ("District") budget for the General Fund is prepared and presented on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

2. Budget Process

a. Budgeting

Annual budgets are legally adopted for the General Fund, Debt Service Fund, and Food Service Fund. The annual budget is presented in the accompanying schedule for the General Fund. The following procedures are used in establishing the budgetary data reflected in that schedule:

1. Prior to June 20th of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 1st. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board of Trustees is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
3. Prior to July 1st, the budget is legally enacted through passage of a resolution by the Board of Trustees.

The budget is prepared and controlled by the budget officer at the revenue object and expenditure function level.

Debt Service Fund: The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds in this fund.

The official budget for the General Fund was prepared and adopted through Board resolution before June 30, 2017. The administration performs budget reviews by which budget requirements are re-evaluated and revisions recommended to the Board. The Board may approve amendments to the budget, which are required when a change is made to the functional expenditure categories or revenue object accounts, as defined by the Texas Education Agency. Total expenditures may exceed total appropriations, as amended, by fund as long as those expenditures are certified as being available by the budget officer to the Board. The final amended budget for the General Fund reflected an increase in budgeted revenues for local and intermediate revenues of \$6,632,961 mostly related to increased property tax revenue. The final amended budget also included an increase of \$5,121,315 in state revenues related to higher student attendance. Budgeted expenditures were increased by \$9,122,347 in the final budget. This increase was principally for instruction expenditures, which increased \$6,669,342 from the original budget. The final amended budget also included a transfer out of \$5,000,000 that was not included in the original budget. Altogether the final amended budget resulted in a budgeted increase in fund balance of \$288,043. The budget amounts reflected in the accompanying schedule represent final amended budget amounts as approved by the Board.

b. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in order to reserve that portion of the applicable appropriation, is used in all governmental funds. There are no outstanding encumbrances at year-end as all encumbrances at that date are canceled and re-appropriated in the subsequent fiscal year's budget to provide for their liquidation.

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
*NOTES TO REQUIRED SUPPLEMENTARY INFORMATION*  
*FOR THE YEAR ENDED JUNE 30, 2018*

B. Defined Benefit Pension Plan

1. Change of Benefit Terms

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

2. Changes of Assumptions

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

C. OPEB Plan

1. Change of Benefit Terms

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

2. Changes of Assumptions

The following assumptions and other inputs which are specific to TRS-Care were updated from the prior year's report:

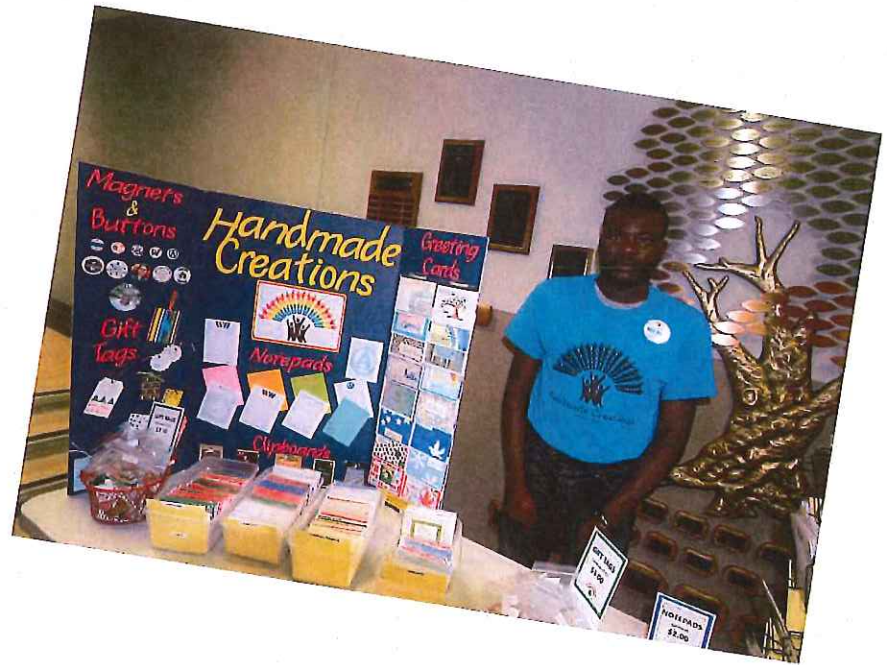
- a. Significant plan changes were adopted during fiscal year ending August 31, 2017. Effective January 1, 2018, only one health plan option will exist (instead of three), and all retirees will be required to contribute monthly premiums for coverage. The health plan changes triggered changes to several of the assumptions, including participation rates, retirement rates, and spousal participation rates.
- b. The August 31, 2016 valuation had assumed that the savings related to the Medicare Part D reimbursements would phase out by 2022. This assumption was removed for the August 31, 2017 valuation. Although there is uncertainty regarding these federal subsidies, the new assumption better reflects the current substantive plan. This change was unrelated to the plan amendment, and its impact was included as an assumption change in the reconciliation of the total OPEB liability. This change significantly lowered the OPEB liability.
- c. The discount rate changed from 2.98% as of August 31, 2016 to 3.42% as of August 31, 2017. This change lowered the total OPEB liability.

In this valuation, the impact of the Cadillac Tax has been calculated as a portion of the trend assumption. Assumptions and methods used to determine the impact of the Cadillac Tax include:

- 2018 thresholds of \$850/\$2,292 were indexed annually by 2.50%.
- Premium data submitted was not adjusted for permissible exclusions to the Cadillac Tax.
- There were no special adjustments to the dollar limit other than those permissible for non-Medicare retirees over 55.

Results indicate that the value of the excise tax would be reasonably represented by a 25 basis point addition to the long-term trend rate assumption.

# Wylie Independent School District



Other Supplementary Information  
Non-Major Special Revenue Funds

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2018**

Data Control Codes	206 ESEA Title III Subtitle B Homeless	211 ESEA Title I Improving Basic Programs	224 IDEA-B Formula	225 IDEA-B Preschool	
<b>Assets</b>					
1110	Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 9
1120	Current investments	-	-	-	-
1240	Due from other governments	-	273,815	685,384	3,853
1250	Accrued interest	-	-	-	-
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1300	Inventories	-	-	-	-
1000	Total assets	<u>\$ -</u>	<u>\$ 273,815</u>	<u>\$ 685,384</u>	<u>\$ 3,862</u>
<b>Liabilities</b>					
2110	Accounts payable	\$ -	\$ 3,355	\$ 11,183	\$ 172
2150	Payroll deductions and withholdings	-	2,604	11,707	91
2160	Accrued wages payable	-	36,958	208,627	3,599
2170	Due to other funds	-	230,898	453,867	-
2180	Due to other governments	-	-	-	-
2300	Unearned revenue	-	-	-	-
2000	Total liabilities	<u>-</u>	<u>273,815</u>	<u>685,384</u>	<u>3,862</u>
<b>Fund balances</b>					
Restricted fund balances:					
3450	Federal/state funds grant restrictions	-	-	-	-
3490	Other restrictions of fund balance	-	-	-	-
Committed fund balances:					
3545	Campus activities	-	-	-	-
3000	Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 273,815</u>	<u>\$ 685,384</u>	<u>\$ 3,862</u>

240 National School Breakfast/Lunch Program	244 Vocational Ed Basic Grant	255 ESEA Title II Training & Recruiting	263 English Language Acquisition and Enhancement	289 Title IV, Part A	397 Advanced Placement Incentives
\$ 140,156	\$ -	\$ -	\$ -	\$ -	\$ 8,619
2,384,520	-	-	-	-	-
-	35,228	14,992	50,006	16,121	-
198	-	-	-	-	-
10,000	-	-	-	-	-
39	-	-	-	-	-
58,044	-	-	-	-	-
<u>\$ 2,592,957</u>	<u>\$ 35,228</u>	<u>\$ 14,992</u>	<u>\$ 50,006</u>	<u>\$ 16,121</u>	<u>\$ 8,619</u>
\$ 20,292	\$ 497	\$ -	\$ 776	\$ -	\$ -
48,804	137	-	3,144	-	-
280,512	5,486	-	16,348	-	-
539,277	29,108	14,992	29,738	16,121	-
-	-	-	-	-	-
173,511	-	-	-	-	8,619
<u>1,062,396</u>	<u>35,228</u>	<u>14,992</u>	<u>50,006</u>	<u>16,121</u>	<u>8,619</u>
1,530,561	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,530,561</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,592,957</u>	<u>\$ 35,228</u>	<u>\$ 14,992</u>	<u>\$ 50,006</u>	<u>\$ 16,121</u>	<u>\$ 8,619</u>



**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2018**

Data Control Codes		410 State Textbook Fund	429 Pre-K Grant	461 Campus Activity Funds	474 District Golden Ticket
<b>Assets</b>					
1110	Cash and cash equivalents	\$ 11,738	\$ 52	\$ 711,165	\$ 7,877
1120	Current investments	-	-	-	-
1240	Due from other governments	-	-	-	-
1250	Accrued interest	-	-	-	-
1260	Due from other funds	-	83	2,500	-
1290	Other receivables	-	-	-	-
1300	Inventories	-	-	-	-
1000	Total assets	<u>\$ 11,738</u>	<u>\$ 135</u>	<u>\$ 713,665</u>	<u>\$ 7,877</u>
<b>Liabilities</b>					
2110	Accounts payable	\$ -	\$ -	\$ 7,349	\$ 842
2150	Payroll deductions and withholdings	-	-	-	413
2160	Accrued wages payable	-	-	-	5,775
2170	Due to other funds	-	-	-	846
2180	Due to other governments	-	-	(35)	-
2300	Unearned revenue	11,738	135	-	1
2000	Total liabilities	<u>11,738</u>	<u>135</u>	<u>7,314</u>	<u>7,877</u>
<b>Fund balances</b>					
Restricted fund balances:					
3450	Federal/state funds grant restrictions	-	-	-	-
3490	Other restrictions of fund balance	-	-	-	-
Committed fund balances:					
3545	Campus activities	-	-	706,351	-
3000	Total fund balances	<u>-</u>	<u>-</u>	<u>706,351</u>	<u>-</u>
4000	Total liabilities and fund balances	<u>\$ 11,738</u>	<u>\$ 135</u>	<u>\$ 713,665</u>	<u>\$ 7,877</u>

491 Culinary Arts, Food Production	492 Family and Consumer Science	493 Agriculture Science	498 Education Foundation Grants	499 Birmingham Projects Clearing	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
\$ 45,900	\$ 9,294	\$ 372	\$ 6,103	\$ 45,760	\$ 987,045
-	-	-	-	878,936	3,263,456
-	-	-	-	-	1,079,399
-	-	-	-	233	431
-	1,053	-	-	-	13,636
-	-	-	-	-	39
-	-	-	-	-	58,044
<u>\$ 45,900</u>	<u>\$ 10,347</u>	<u>\$ 372</u>	<u>\$ 6,103</u>	<u>\$ 924,929</u>	<u>\$ 5,402,050</u>
\$ -	\$ 127	\$ 15	\$ -	\$ -	\$ 44,608
-	761	8	-	-	67,669
-	9,320	333	-	-	566,958
-	-	-	-	-	1,314,847
-	-	-	-	-	(35)
50,752	139	186	6,103	664,935	916,119
<u>50,752</u>	<u>10,347</u>	<u>542</u>	<u>6,103</u>	<u>664,935</u>	<u>2,910,166</u>
-	-	-	-	-	1,530,561
(4,852)	-	(170)	-	259,994	254,972
-	-	-	-	-	706,351
<u>(4,852)</u>	<u>-</u>	<u>(170)</u>	<u>-</u>	<u>259,994</u>	<u>2,491,884</u>
<u>\$ 45,900</u>	<u>\$ 10,347</u>	<u>\$ 372</u>	<u>\$ 6,103</u>	<u>\$ 924,929</u>	<u>\$ 5,402,050</u>

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Data Control Codes		206 ESEA Title III Subtitle B Homeless	211 ESEA Title I Improving Basic Programs	224 IDEA-B Formula	225 IDEA-B Preschool
<b>Revenues</b>					
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	22,446	771,408	1,747,462	17,973
5020	Total revenues	<u>22,446</u>	<u>771,408</u>	<u>1,747,462</u>	<u>17,973</u>
<b>Expenditures</b>					
Current:					
0011	Instruction	-	713,712	796,993	17,973
0012	Instructional resources and media services	-	6,072	-	-
0013	Curriculum and staff development	-	38,007	175,194	-
0021	Instructional leadership	-	450	-	-
0023	School leadership	-	5,811	-	-
0031	Guidance, counseling, & evaluation services	-	2,011	775,275	-
0032	Social work services	22,446	1,561	-	-
0035	Food services	-	-	-	-
0036	Cocurricular/extracurricular activities	-	-	-	-
0051	Plant maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	-	-
0061	Community services	-	3,784	-	-
0071	Principal on long-term debt	-	-	-	-
0072	Interest on long-term debt	-	-	-	-
6030	Total expenditures	<u>22,446</u>	<u>771,408</u>	<u>1,747,462</u>	<u>17,973</u>
1100	Excess of revenues over (under) expenditures	-	-	-	-
<b>Other Financing Sources (Uses)</b>					
8911	Transfers out	-	-	-	-
7080	Total other financing sources (uses)	-	-	-	-
1200	Net change in fund balances	-	-	-	-
0100	Fund balances - beginning	-	-	-	-
3000	Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

240 National School Breakfast/Lunch Program	244 Vocational Ed Basic Grant	255 ESEA Title II Training & Recruiting	263 English Language Acquisition and Enhancement	289 Title IV, Part A	397 Advanced Placement Incentives
\$ 2,992,505	\$ -	\$ -	\$ -	\$ -	\$ -
153,769	-	-	-	-	4,541
<u>2,771,543</u>	<u>84,651</u>	<u>195,844</u>	<u>131,511</u>	<u>17,139</u>	<u>-</u>
<u>5,917,817</u>	<u>84,651</u>	<u>195,844</u>	<u>131,511</u>	<u>17,139</u>	<u>4,541</u>
-	11,234	-	131,515	13,016	-
-	-	-	-	3,493	-
-	-	188,166	(4)	630	4,541
-	-	2,100	-	-	-
-	-	5,578	-	-	-
-	73,417	-	-	-	-
-	-	-	-	-	-
5,702,684	-	-	-	-	-
-	-	-	-	-	-
4,344	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,921	-	-	-	-	-
894	-	-	-	-	-
<u>5,710,843</u>	<u>84,651</u>	<u>195,844</u>	<u>131,511</u>	<u>17,139</u>	<u>4,541</u>
<u>206,974</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
206,974	-	-	-	-	-
1,323,587	-	-	-	-	-
<u>\$ 1,530,561</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Data Control Codes		410 State Textbook Fund	429 Pre-K Grant	461 Campus Activity Funds	474 District Golden Ticket
<b>Revenues</b>					
5700	Local and intermediate sources	\$ -	\$ -	\$ 1,366,612	\$ 246,948
5800	State program revenues	590,219	4,243	-	-
5900	Federal program revenues	-	-	-	-
5020	Total revenues	<u>590,219</u>	<u>4,243</u>	<u>1,366,612</u>	<u>246,948</u>
<b>Expenditures</b>					
Current:					
0011	Instruction	590,219	3,466	596,141	166,395
0012	Instructional resources and media services	-	-	136,597	-
0013	Curriculum and staff development	-	777	64,902	-
0021	Instructional leadership	-	-	-	-
0023	School leadership	-	-	25,583	-
0031	Guidance, counseling, & evaluation services	-	-	178,044	80,553
0032	Social work services	-	-	-	-
0035	Food services	-	-	-	-
0036	Cocurricular/extracurricular activities	-	-	275,927	-
0051	Plant maintenance and operations	-	-	28,463	-
0052	Security and monitoring services	-	-	353	-
0061	Community services	-	-	1,871	-
0071	Principal on long-term debt	-	-	-	-
0072	Interest on long-term debt	-	-	-	-
6030	Total expenditures	<u>590,219</u>	<u>4,243</u>	<u>1,307,881</u>	<u>246,948</u>
1100	Excess of revenues over (under) expenditures	-	-	58,731	-
<b>Other Financing Sources (Uses)</b>					
8911	Transfers out	-	-	(17,490)	-
7080	Total other financing sources (uses)	-	-	(17,490)	-
1200	Net change in fund balances	-	-	41,241	-
0100	Fund balances - beginning	-	-	665,110	-
3000	Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 706,351</u>	<u>\$ -</u>

482 Media Technology & CAD	484 Health Science Technology	489 Advanced Chemistry	491 Culinary Arts, Food Production	492 Family and Consumer Science	493 Agriculture Science
\$ 5,107	\$ 9,467	\$ 43,629	\$ -	\$ 71,454	\$ 43,941
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,107</u>	<u>9,467</u>	<u>43,629</u>	<u>-</u>	<u>71,454</u>	<u>43,941</u>
5,107	9,467	43,473	-	71,454	43,941
-	-	-	-	-	-
-	-	156	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(4,852)	-	(170)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,852)</u>	<u>\$ -</u>	<u>\$ (170)</u>

**WYLIE INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018**

Data Control Codes		496 Advanced U.S. History	497 Principles of Technology	498 Education Foundation Grants
<b>Revenues</b>				
5700	Local and intermediate sources	\$ 43,191	\$ 6,296	\$ 110,659
5800	State program revenues	-	-	-
5900	Federal program revenues	-	-	-
5020	Total revenues	<u>43,191</u>	<u>6,296</u>	<u>110,659</u>
<b>Expenditures</b>				
Current:				
0011	Instruction	41,262	6,296	110,659
0012	Instructional resources and media services	-	-	-
0013	Curriculum and staff development	1,929	-	-
0021	Instructional leadership	-	-	-
0023	School leadership	-	-	-
0031	Guidance, counseling, & evaluation services	-	-	-
0032	Social work services	-	-	-
0035	Food services	-	-	-
0036	Cocurricular/extracurricular activities	-	-	-
0051	Plant maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0061	Community services	-	-	-
0071	Principal on long-term debt	-	-	-
0072	Interest on long-term debt	-	-	-
6030	Total expenditures	<u>43,191</u>	<u>6,296</u>	<u>110,659</u>
1100	Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
8911	Transfers out	-	-	-
7080	Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-
0100	Fund balances - beginning	-	-	-
3000	Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

499 Birmingham Projects Clearing	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
\$ 15,765	\$ 4,955,574
-	752,772
-	5,759,977
<u>15,765</u>	<u>11,468,323</u>
-	3,372,323
-	146,162
-	474,298
-	2,550
-	36,972
-	1,109,300
-	24,007
-	5,702,684
-	275,927
-	32,807
-	353
-	5,655
-	2,921
-	894
<u>-</u>	<u>11,186,853</u>
<u>15,765</u>	<u>281,470</u>
<u>-</u>	<u>(17,490)</u>
<u>-</u>	<u>(17,490)</u>
15,765	263,980
244,229	2,227,904
<u>\$ 259,994</u>	<u>\$ 2,491,884</u>



# Wylie Independent School District



Other Supplementary Information  
Fiduciary Funds

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PRIVATE-PURPOSE TRUST FUNDS**  
**JUNE 30, 2018**

Data Control Codes		815 RC Dodd Scholarship	816 General Scholarship Fund	818 Joe Stone Memorial Scholarship
	<b>Assets</b>			
1250	Accrued interest	\$ -	\$ 127	\$ -
1800	Restricted assets	8	83,790	2,996
1000	Total assets	<u>8</u>	<u>83,917</u>	<u>2,996</u>
	<b>Liabilities</b>			
	Current Liabilities:			
2170	Due to other funds	-	1,000	-
2400	Payable from restricted assets	-	50,942	3,000
2000	Total liabilities	<u>-</u>	<u>51,942</u>	<u>3,000</u>
	<b>Net position</b>			
3800	Held in trust	8	31,975	(4)
3000	Total net position	<u>\$ 8</u>	<u>\$ 31,975</u>	<u>\$ (4)</u>

821 Pearl Birmingham Scholarship	822 Vocational Agriculture Scholarship	Total Private- Purpose Trust Funds (See Exhibit E-1)
\$ 30	\$ 135	\$ 292
<u>1,908,275</u>	<u>88,343</u>	<u>2,083,412</u>
<u>1,908,305</u>	<u>88,478</u>	<u>2,083,704</u>
-	-	1,000
<u>240,250</u>	<u>14,375</u>	<u>308,567</u>
<u>240,250</u>	<u>14,375</u>	<u>309,567</u>
1,668,056	74,103	1,774,138
<u>\$ 1,668,056</u>	<u>\$ 74,103</u>	<u>\$ 1,774,138</u>

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**ALL PRIVATE-PURPOSE TRUST FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	815	816	818
	RC Dodd Scholarship	General Scholarship Fund	Joe Stone Memorial Scholarship
<b>Additions:</b>			
Investment income	\$ -	\$ 832	\$ -
Contributions	-	36,329	-
Total additions	<u>-</u>	<u>37,161</u>	<u>-</u>
<b>Deductions:</b>			
Scholarship awards	-	36,329	-
Administrative expenses	-	-	-
Total deductions	<u>-</u>	<u>36,329</u>	<u>-</u>
Change in net position	-	832	-
Net position - beginning of year	8	31,143	(4)
Net position - end of year	<u>\$ 8</u>	<u>\$ 31,975</u>	<u>\$ (4)</u>

821 Pearl Birmingham Scholarship	822 Vocational Agriculture Scholarship	Total Private-Purpose Trust Funds (See Exhibit E-2)
\$ 128,964	\$ 1,275	\$ 131,071
-	-	36,329
<u>128,964</u>	<u>1,275</u>	<u>167,400</u>
112,110	312	148,751
13,437	-	13,437
<u>125,547</u>	<u>312</u>	<u>162,188</u>
3,417	963	5,212
1,664,639	73,140	1,768,926
<u>\$ 1,668,056</u>	<u>\$ 74,103</u>	<u>\$ 1,774,138</u>

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**STUDENT ACTIVITY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Data Control Codes	97 Balance July 1, 2017	5030 Additions	6050 Deductions	98 Balance June 30, 2018
<b>Assets</b>				
1110	\$ 318,123	\$ 582,079	\$ 574,094	\$ 326,108
1260	-	1,000	-	1,000
1000	<u>\$ 318,123</u>	<u>\$ 583,079</u>	<u>\$ 574,094</u>	<u>\$ 327,108</u>
<b>Liabilities</b>				
Current Liabilities:				
2110	\$ 22,177	\$ 519,378	\$ 539,343	\$ 2,212
2160	1,000	-	1,000	-
2180	(41)	5,233	5,210	(18)
2400	<u>294,987</u>	<u>592,041</u>	<u>562,114</u>	<u>324,914</u>
2000	<u>\$ 318,123</u>	<u>\$ 1,116,652</u>	<u>\$ 1,107,667</u>	<u>\$ 327,108</u>

Other Supplementary Information  
Required Texas Education Agency Schedules



**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF DELINQUENT TAXES RECEIVABLE**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Fiscal Year Ending June 30,	1		2	3
	Tax Rates			Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service		
2009 and Prior Years	\$ Various	\$ Various		\$ Various
2010	1.17	0.42		3,084,000,060
2011	1.17	0.47		3,132,399,613
2012	1.17	0.47		3,193,229,451
2013	1.17	0.47		3,248,924,526
2014	1.17	0.47		3,478,419,817
2015	1.17	0.47		3,800,264,829
2016	1.17	0.47		4,175,434,575
2017	1.17	0.47		4,771,483,841
2018 (School year under audit)	1.17	0.47		5,428,888,171
1000 Totals				

EXHIBIT J-1

10 Beginning Balance 7/1/2017	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance 6/30/2018
\$ 260,154	\$ -	\$ 21,471	\$ 3,643	\$ (16,863)	\$ 218,177
37,061	-	2,635	946	(2,512)	30,968
39,158	-	1,924	773	(2,603)	33,858
80,874	-	18,228	7,322	(3,542)	51,782
84,459	-	57,752	23,200	55,209	58,716
105,771	-	66,166	26,579	53,121	66,147
115,616	-	64,351	25,851	49,098	74,512
153,506	-	52,529	21,101	1,773	81,649
533,345	-	254,129	102,086	(80,707)	96,423
-	89,033,766	64,793,134	26,028,007	2,327,938	540,563
<u>\$ 1,409,944</u>	<u>\$ 89,033,766</u>	<u>\$ 65,332,319</u>	<u>\$ 26,239,508</u>	<u>\$ 2,380,912</u>	<u>\$ 1,252,795</u>

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**NATIONAL SCHOOL LUNCH AND BREAKFAST PROGRAM**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Data Control Codes		Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
		Original	Final		
	Revenues:				
5700	Local and intermediate sources	\$ 2,949,365	\$ 3,113,686	\$ 2,992,505	\$ (121,181)
5800	State program revenues	144,095	144,095	153,769	9,674
5900	Federal program revenues	2,760,053	2,760,053	2,771,543	11,490
5020	Total revenues	<u>5,853,513</u>	<u>6,017,834</u>	<u>5,917,817</u>	<u>(100,017)</u>
	Expenditures:				
	Current:				
	Support services - student (pupil):				
0035	Food services	<u>5,839,575</u>	<u>6,003,896</u>	<u>5,702,684</u>	<u>301,212</u>
	Total support services - student (pupil)	<u>5,839,575</u>	<u>6,003,896</u>	<u>5,702,684</u>	<u>301,212</u>
	Support services - nonstudent based:				
0051	Plant maintenance and operations	<u>8,740</u>	<u>8,740</u>	<u>4,344</u>	<u>4,396</u>
	Total support services - nonstudent based	<u>8,740</u>	<u>8,740</u>	<u>4,344</u>	<u>4,396</u>
	Debt service:				
0071	Principal on long-term debt	2,345	3,000	2,921	79
0072	Interest on long-term debt	<u>1,112</u>	<u>1,112</u>	<u>894</u>	<u>218</u>
	Total debt service	<u>3,457</u>	<u>4,112</u>	<u>3,815</u>	<u>297</u>
6030	Total expenditures	<u>5,851,772</u>	<u>6,016,748</u>	<u>5,710,843</u>	<u>305,905</u>
1100	Excess of revenues over (under) expenditures	<u>1,741</u>	<u>1,086</u>	<u>206,974</u>	<u>205,888</u>
1200	Net change in fund balance	1,741	1,086	206,974	205,888
0100	Fund balance - beginning	<u>1,323,587</u>	<u>1,323,587</u>	<u>1,323,587</u>	<u>-</u>
3000	Fund balance - ending	<u>\$ 1,325,328</u>	<u>\$ 1,324,673</u>	<u>\$ 1,530,561</u>	<u>\$ 205,888</u>

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**DEBT SERVICE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Data Control Codes		Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
		Original	Final		
	Revenues:				
5700	Local and intermediate sources	\$ 24,140,717	\$ 24,140,717	\$ 26,689,154	\$ 2,548,437
5800	State program revenues	1,174,293	1,174,293	1,834,925	660,632
5020	Total revenues	<u>25,315,010</u>	<u>25,315,010</u>	<u>28,524,079</u>	<u>3,209,069</u>
	Expenditures:				
	Debt service:				
0071	Principal on long-term debt	19,815,000	19,522,500	16,636,075	2,886,425
0072	Interest on long-term debt	4,809,450	5,099,300	5,086,220	13,080
0073	Bond issuance costs and fees	15,000	19,500	16,980	2,520
	Total debt service	<u>24,639,450</u>	<u>24,641,300</u>	<u>21,739,275</u>	<u>2,902,025</u>
6030	Total expenditures	<u>24,639,450</u>	<u>24,641,300</u>	<u>21,739,275</u>	<u>2,902,025</u>
1100	Excess of revenues over (under) expenditures	<u>675,560</u>	<u>673,710</u>	<u>6,784,804</u>	<u>6,111,094</u>
1200	Net change in fund balance	675,560	673,710	6,784,804	6,111,094
0100	Fund balance - beginning	<u>26,273,284</u>	<u>26,273,284</u>	<u>26,273,284</u>	-
3000	Fund balance - ending	<u>\$ 26,948,844</u>	<u>\$ 26,946,994</u>	<u>\$ 33,058,088</u>	<u>\$ 6,111,094</u>

WYLIE INDEPENDENT SCHOOL DISTRICT  
STATISTICAL SECTION



## STATISTICAL SECTION

This part of the Wylie Independent School District's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

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Financial Trends	110
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These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity	117
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These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity	123
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These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information	125
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information	127
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These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial reports relates to the services the government provides and the activities it performs.

Source: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

WYILE INDEPENDENT SCHOOL DISTRICT

Exhibit S-1

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS (UNAUDITED)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Governmental Activities</b>										
<u>Net Investment in Capital Assets Restricted:</u>										
Federal/State Funds Grant Restrictions	662,900	1,059,812	1,339,544	1,555,004	1,446,488	1,581,144	1,414,520	1,332,050	1,323,588	1,530,561
Capital Acquisitions and Contractual Obligations	17,050,731	27,898,809	10,133,563	4,804,004	7,122,836	696,460	79,045,331	-	-	-
Retirement of Long Term Debt	11,782,739	15,324,937	16,843,549	16,296,668	17,543,118	19,630,918	22,204,435	22,318,818	24,856,046	31,601,056
Other	450,181	501,793	272,815	352,296	473,666	665,429	708,087	711,781	569,956	640,157
<u>Unrestricted</u>	(56,008,114)	(72,383,426)	(57,731,957)	(53,838,343)	(86,301,726)	(83,863,797)	(152,712,855)	(64,675,129)	(62,487,900)	(147,520,808)
<b>Total Primary Government Net Position</b>	<b>\$ (29,325,527)</b>	<b>\$ (30,012,162)</b>	<b>\$ (31,753,938)</b>	<b>\$ (27,893,224)</b>	<b>\$ (31,407,573)</b>	<b>\$ (24,216,463)</b>	<b>\$ (31,570,064)</b>	<b>\$ (601,800)</b>	<b>\$ 30,650,293</b>	<b>\$ (28,330,600)</b>

Source: The Statement of Net Position for the Wylie Independent School District (Exhibit A-1)

WYLLIE INDEPENDENT SCHOOL DISTRICT

Exhibit S-2

GOVERNMENT-WIDE EXPENSES, PROGRAM REVENUES, AND CHANGE IN NET POSITION  
LAST TEN FISCAL YEARS (UNAUDITED)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses</b>										
<b>Governmental Activities</b>										
11 Instruction	\$ 54,331,700	\$ 57,823,619	\$ 62,811,033	\$ 61,089,271	\$ 62,712,314	\$ 67,138,998	\$ 74,839,032	\$ 81,657,077	\$ 85,872,078	\$ 67,664,807
12 Instructional Resources and Media Services	1,440,154	1,431,538	1,485,778	1,418,783	1,355,183	1,408,400	1,389,341	1,559,475	1,718,295	1,469,250
13 Curricular and Staff Development	1,890,612	2,258,911	2,588,312	2,272,774	2,490,589	2,779,945	3,050,589	3,353,538	3,607,329	2,828,764
21 Instructional Leadership	613,965	777,417	843,771	877,739	1,007,149	1,088,660	1,091,290	1,302,583	1,324,924	1,057,543
23 School Leadership	5,324,248	5,439,451	5,883,778	5,826,328	6,210,210	6,491,252	6,725,696	7,352,511	7,678,597	5,372,351
31 Guidance, Counseling, & Evaluation Services	2,383,520	2,578,323	2,788,303	2,664,494	2,777,089	3,046,241	3,179,328	3,742,538	4,057,962	3,000,383
32 Social Work Services	69,531	16,919	9,159	18,208	20,098	20,010	81,973	99,199	53,021	52,513
33 Health Services	1,142,194	1,158,213	1,505,569	1,223,780	1,244,400	1,290,197	1,345,116	1,492,632	1,545,881	1,143,683
34 Student Transportation	3,250,421	3,241,441	3,576,960	3,845,976	4,095,980	4,344,383	4,707,751	4,720,524	5,320,035	4,327,821
35 Food Services	4,853,705	4,950,115	5,251,375	5,239,072	5,471,433	5,803,722	6,260,078	6,740,567	6,612,269	5,707,643
36 Cocurricular/Extracurricular Activities	4,119,897	4,667,961	4,285,409	4,716,408	5,023,239	5,539,097	5,591,059	5,777,888	6,452,782	6,304,760
41 General Administration	2,720,227	2,758,461	2,954,112	2,917,483	2,996,769	3,430,016	3,515,106	3,867,479	4,087,714	3,634,600
51 Plant Maintenance and Operations	10,397,713	10,377,326	10,737,178	10,255,583	10,804,783	11,477,788	10,960,755	14,376,166	16,250,230	13,519,203
52 Security and Monitoring Services	199,348	228,738	248,434	246,111	355,199	329,456	424,882	620,620	662,299	720,578
53 Data Processing Services	1,686,679	1,654,755	2,268,094	1,642,557	1,686,124	1,858,655	2,054,073	2,631,396	2,741,018	2,435,699
61 Community Services	2,169	11,490	16,466	23,345	3,312	1,272	3,190	595	3,651	5,732
71 Debt Service - Principal on Long-term Debt	-	-	-	-	-	-	-	-	-	-
72 Debt Service - Interest on Long-term Debt	13,846,678	14,233,719	15,342,310	13,459,159	14,161,833	12,109,740	12,599,573	14,341,594	14,878,433	14,549,502
73 Debt Service - Bond Issuance Cost & Fees	132,968	147,172	117,186	161,804	1,451,757	331,650	924,837	305,441	165,985	16,980
81 Facilities Acquisition and Construction	284,623	402,226	742,959	-	-	-	-	849,247	2,237,487	-
93 Payments to Fiscal Agent/Member Districts of SSA	-	-	-	-	-	-	-	-	-	-
95 Payments to JIAEPs	-	31,021	10,465	36,701	60,968	79,038	48,082	43,521	45,883	83,161
99 Other Intergovernmental Charges	281,323	308,444	330,059	329,294	345,336	364,428	392,948	436,976	499,699	570,108
<b>Total Primary Government Program Expenses</b>	<b>108,690,352</b>	<b>114,497,260</b>	<b>123,796,710</b>	<b>118,264,870</b>	<b>124,273,765</b>	<b>128,932,948</b>	<b>139,185,025</b>	<b>155,271,567</b>	<b>165,815,572</b>	<b>134,461,081</b>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Charges for Services										
Instruction	404,442	448,073	568,205	678,509	667,472	564,598	736,283	650,775	718,821	717,009
Instructional Resources and Media Services	107,466	118,199	99,719	92,767	83,291	114,382	117,941	144,818	144,523	142,731
Curriculum and Staff Development	29,639	63,565	57,924	73,632	68,320	56,952	90,963	80,202	71,230	67,816
Instructional Leadership	-	-	-	-	-	-	-	-	-	-
School Leadership	76,081	10,799	7,940	15,362	33,385	17,479	15,483	22,630	25,155	26,732
Guidance, Counseling, & Evaluation Services	26,130	36,877	25,966	62,415	56,441	58,698	46,852	126,907	152,929	186,039
Health Services	-	-	-	-	-	-	-	423	-	-
Student Transportation	-	319	-	-	-	-	-	-	-	-
Food Services	2,592,716	2,674,570	2,677,559	2,669,121	2,673,274	2,943,573	2,899,401	2,941,702	2,799,805	2,969,029
Cocurricular/Extracurricular Activities	586,614	516,632	645,961	760,362	661,255	826,412	729,978	689,975	742,790	823,622
General Administration	-	-	-	-	-	-	-	-	-	-
Plant Maintenance and Operations	-	2,302	6,695	27,082	22,919	11,332	1,919	7,684	15,113	29,741
Security and Monitoring Services	-	1,442	513	3,684	7,943	446	-	-	-	369
Community Services	-	-	6,342	103	930	702	1,271	274	891	1,955
Facilities Acquisition and Construction	10,678	-	-	-	-	-	-	-	-	-
Operating grants and contribution	12,815,624	17,725,571	18,909,907	16,358,489	14,288,771	15,447,935	17,307,118	21,164,376	17,204,611	(9,103,231)
<b>Total Primary Government Program Revenues</b>	<b>16,649,390</b>	<b>21,598,349</b>	<b>23,006,731</b>	<b>20,741,526</b>	<b>18,564,001</b>	<b>20,042,509</b>	<b>21,948,261</b>	<b>25,829,766</b>	<b>21,875,868</b>	<b>(4,138,188)</b>
<b>Net (Expense)/Revenue</b>										
Total Primary Government Expenses	\$ (91,286,965)	\$ (92,322,285)	\$ (92,898,911)	\$ (97,523,344)	\$ (105,709,764)	\$ (108,890,439)	\$ (117,236,764)	\$ (129,441,801)	\$ (143,939,704)	\$ (138,599,269)

Source: The Statement of Activities for the Wylie Independent School District (Exhibit B-1)



WYLLIE INDEPENDENT SCHOOL DISTRICT

GENERAL REVENUES AND TOTAL

CHANGE IN NET POSITION

LAST TEN FISCAL YEARS (UNAUDITED)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Net (Expense)/Revenue</b>										
Total Primary Government Expenses	\$ (92,322,285)	\$ (92,898,911)	\$ (100,789,979)	\$ (97,523,344)	\$ (105,709,764)	\$ (108,890,439)	\$ (117,236,764)	\$ (129,441,801)	\$ (143,941,803)	\$ (138,598,503)
<b>General Revenues</b>										
Governmental Activities										
Taxes										
Levied for General Purposes	36,375,993	36,660,229	37,024,283	38,022,303	38,553,748	41,198,545	45,667,251	50,035,694	57,383,682	65,581,277
Levied for Debt Service	10,574,024	13,155,879	14,842,543	15,233,365	15,466,591	16,525,402	18,320,564	20,084,175	23,023,817	26,298,698
State Aid - Formula Grants	-	-	-	-	-	-	-	-	-	-
Grants and Contributions (Unrestricted)	39,756,086	41,859,299	46,320,707	47,307,870	49,659,594	57,101,930	59,940,895	64,349,727	62,395,930	62,183,350
Investment Earnings	637,867	126,553	136,431	94,796	116,388	89,797	101,658	480,428	694,691	1,527,523
Miscellaneous Local and Intermediate Revenue	514,010	312,587	724,239	725,724	1,096,821	1,165,875	1,168,326	25,460,041	31,695,783	1,000,776
Special Item:										
Gain (Loss) on Sale of Capital Assets	9,669	-	-	-	-	-	-	-	-	-
Total General Revenues and Special Item	87,867,649	92,114,547	99,048,203	101,384,058	104,893,142	116,081,549	125,198,694	160,410,065	175,193,903	156,591,624
<b>Change in Net Position</b>										
Total Primary Government	\$ (4,454,636)	\$ (784,364)	\$ (1,741,776)	\$ 3,860,714	\$ (816,622)	\$ 7,191,110	\$ 7,961,930	\$ 30,968,264	\$ 31,252,100	\$ 17,993,121

Source: The Statement of Activities for the Wylie Independent School District (Exhibit B-1)

WYLLIE INDEPENDENT SCHOOL DISTRICT

FUND BALANCES-GOVERNMENTAL FUNDS (MODIFIED ACCRUAL BASIS)  
 LAST TEN FISCAL YEARS (UNAUDITED)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 18,110	\$ 20,269	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	11,674,547	13,636,735	-	-	-	-	-	-	-	-
Non-Spendable- Inventories	-	-	31,914	17,022	29,656	555,930	804,778	1,029,086	1,345,578	1,229,889
Restricted/Committed: Other	-	-	38,929	116,634	236,435	2,433,945	468,050	468,002	330,748	385,185
Unassigned	-	-	15,929,254	21,232,692	24,209,943	28,958,381	38,475,226	44,963,491	52,508,558	56,785,795
Total General Fund	\$ 11,692,657	\$ 13,657,004	\$ 16,000,097	\$ 21,366,348	\$ 24,476,034	\$ 31,948,256	\$ 39,748,054	\$ 46,460,579	\$ 54,184,884	\$ 58,400,869
All Other Governmental Funds										
Reserved										
Food Services	662,900	1,059,812	-	-	-	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Debt Service Fund	13,521,849	16,979,457	-	-	-	-	-	-	-	-
Capital Projects Fund	17,050,731	27,898,809	-	-	-	-	-	-	-	-
Other Governmental Funds	467,111	551,463	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Non-Spendable	-	-	-	-	-	-	-	-	-	-
Inventories	-	-	82,423	44,170	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Federal/State Funds Restrictions	-	-	1,339,544	1,555,004	1,472,949	1,581,144	1,414,520	1,332,050	1,323,588	1,530,561
Capital Acquisitions & Contractual Obligations	-	-	10,133,563	4,804,004	7,122,836	696,460	79,045,331	49,745,492	17,494,409	11,983,958
Retirement of Long-Term Debt	-	-	18,514,177	17,081,627	18,485,606	20,662,619	23,494,850	24,070,873	26,273,285	33,058,088
Other Restrictions of Fund Balance	-	-	272,815	235,662	237,231	238,908	240,037	243,779	239,208	254,972
Committed	-	-	-	-	-	-	-	-	-	-
Campus Activities	-	-	295,729	356,023	320,766	367,146	480,997	540,703	665,109	706,351
Total All Other Governmental Funds	\$ 31,702,591	\$ 46,489,541	\$ 30,638,251	\$ 24,076,490	\$ 27,639,388	\$ 23,546,277	\$ 104,675,735	\$ 75,932,897	\$ 45,995,599	\$ 47,533,930

Source: The Balance Sheet of Governmental Funds for the Wylie Independent School District (Exhibit C-1)

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS (UNAUDITED)**

Exhibit S-5

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>Federal Sources:</b>										
General Fund Federal Grants	\$ 209,723	\$ 461,129	\$ 497,770	\$ 418,694	\$ 695,564	\$ 610,900	\$ 744,240	\$ 1,039,822	\$ 1,470,712	\$ 1,284,392
Food Service Fund/Student Nutrition	1,591,889	1,868,623	2,022,926	2,077,763	2,199,658	2,351,524	2,489,664	2,687,422	2,704,641	2,771,543
Special Revenue Funds/Other Governmental Funds	2,220,297	6,738,548	7,194,664	4,425,720	2,767,553	2,858,221	2,709,475	2,867,491	3,001,629	2,988,434
<b>Total Federal Sources</b>	<b>4,021,909</b>	<b>9,068,300</b>	<b>9,715,360</b>	<b>6,922,177</b>	<b>5,662,775</b>	<b>5,820,645</b>	<b>5,943,379</b>	<b>6,594,735</b>	<b>7,176,982</b>	<b>7,044,369</b>
<b>State Sources:</b>										
State Education Finance Program Revenues	43,384,981	45,703,323	50,631,586	51,229,545	53,684,595	61,624,073	64,890,343	69,601,571	68,144,806	68,670,458
Food Service Fund/Student Nutrition	106,035	110,346	112,329	103,460	100,057	126,971	132,061	140,606	147,515	153,769
Debt Service Fund	3,009,693	3,540,622	3,516,189	3,732,701	3,751,603	4,167,505	4,036,395	3,845,513	3,136,569	1,834,925
State Grants & Other Special Revenue	1,586,137	811,890	854,676	1,306,588	438,513	255,277	1,903,745	2,016,659	603,588	599,003
<b>Total State Sources</b>	<b>48,086,846</b>	<b>50,166,181</b>	<b>55,114,780</b>	<b>56,372,294</b>	<b>57,974,768</b>	<b>66,173,826</b>	<b>70,962,544</b>	<b>75,604,349</b>	<b>72,032,478</b>	<b>71,258,155</b>
<b>Local Sources:</b>										
Property Taxes	46,598,404	49,503,241	51,673,968	52,841,167	53,622,081	57,723,947	63,987,815	70,368,746	80,215,975	92,005,919
Capital Acquisition Fund	-	-	-	-	-	-	-	-	-	-
Athletic Activities	439,763	341,586	388,510	435,029	399,702	429,179	457,221	405,412	474,006	535,304
Interest Earnings	637,863	126,553	134,486	92,723	114,341	89,797	101,658	480,428	535,137	1,511,759
Food Service Fund/Student Nutrition	2,592,716	2,676,174	2,679,506	2,671,194	2,675,318	2,944,744	2,920,451	2,941,702	2,794,957	2,963,182
Other Local Sources	2,172,852	2,068,887	2,556,755	2,676,698	2,830,855	3,007,826	2,719,442	3,222,559	3,265,939	2,997,103
<b>Total Local Sources</b>	<b>52,441,598</b>	<b>54,716,441</b>	<b>57,433,225</b>	<b>58,716,811</b>	<b>59,642,297</b>	<b>64,195,493</b>	<b>70,186,587</b>	<b>77,418,848</b>	<b>87,286,014</b>	<b>100,013,267</b>
<b>Total Revenues</b>	<b>\$ 104,550,353</b>	<b>\$ 113,950,922</b>	<b>\$ 122,263,365</b>	<b>\$ 122,011,282</b>	<b>\$ 123,279,840</b>	<b>\$ 136,189,964</b>	<b>\$ 147,092,510</b>	<b>\$ 159,617,931</b>	<b>\$ 166,495,474</b>	<b>\$ 178,315,791</b>

**Source:** The Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds for the Wylie Independent School District (Exhibit C-2)

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO <sup>1</sup>**  
**LAST TEN FISCAL YEARS (UNAUDITED)**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenditures</b>										
Governmental Activities										
11 Instruction	\$ 50,570,961	\$ 54,610,666	\$ 58,891,746	\$ 56,455,903	\$ 58,082,278	\$ 62,356,862	\$ 69,937,709	\$ 74,722,740	\$ 77,331,869	\$ 84,126,349
12 Instructional Resources and Media Services	1,122,635	1,114,537	1,145,262	1,085,146	1,024,211	1,067,306	1,075,528	1,185,074	1,339,203	1,397,999
13 Curriculum and Staff Development	1,884,370	2,250,731	2,582,497	2,266,641	2,484,138	2,773,249	3,064,789	3,241,713	3,559,629	3,899,837
Total Function 10	53,577,966	57,972,934	62,619,505	59,807,690	61,590,627	66,197,417	74,078,026	79,149,527	82,230,701	89,424,185
21 Instructional Leadership	613,965	777,417	843,771	877,739	1,007,149	1,088,660	1,105,599	1,261,042	1,311,062	1,441,725
23 School Leadership	5,067,769	5,176,361	5,641,008	5,583,943	5,969,347	6,242,230	6,548,748	6,813,742	7,324,702	7,804,019
Total Function 20	5,681,734	5,953,778	6,484,779	6,461,682	6,976,496	7,330,890	7,654,347	8,074,784	8,635,764	9,245,744
31 Guidance, Counseling, & Evaluation Services	2,327,590	2,541,250	2,759,962	2,605,246	2,718,221	2,985,627	3,160,122	3,538,114	3,913,103	4,232,933
32 Social Work Services	69,531	16,919	9,159	18,208	20,098	20,010	82,163	96,233	52,690	68,946
33 Health Services	1,040,692	1,056,398	1,122,926	1,118,296	1,133,259	1,175,813	1,245,515	1,327,229	1,406,342	1,537,176
34 Student Transportation	3,126,887	4,106,296	4,019,357	3,774,148	4,059,357	4,114,545	4,925,549	4,446,449	7,012,700	4,979,586
35 Food Services	4,165,624	4,222,042	4,498,828	4,415,908	4,830,000	5,094,448	5,486,422	5,877,755	5,670,591	5,702,684
36 Curricular/Extracurricular Activities	2,405,719	2,949,134	3,204,570	2,869,866	3,249,916	4,290,744	3,695,791	3,571,272	4,981,737	10,029,605
Total Function 30	13,136,043	14,892,039	15,614,802	14,801,672	16,010,851	17,681,187	18,595,562	18,857,052	23,037,163	26,550,930
41 General Administration	2,503,205	2,547,647	2,742,844	2,707,880	2,784,307	3,209,423	3,326,188	3,541,205	3,818,832	4,124,641
Total Function 40	2,503,205	2,547,647	2,742,844	2,707,880	2,784,307	3,209,423	3,326,188	3,541,205	3,818,832	4,124,641
51 Plant Maintenance and Operations	10,275,786	10,354,009	10,654,107	10,056,440	10,103,147	10,782,406	10,940,601	14,291,886	16,313,218	16,497,856
52 Security and Monitoring Services	199,348	228,603	248,299	245,976	360,520	303,266	400,561	605,382	631,432	820,903
53 Data Processing Services	1,645,266	1,591,378	1,733,130	1,657,013	1,537,049	1,831,028	1,944,671	2,409,719	2,353,494	2,676,051
Total Function 50	12,120,400	12,173,990	12,635,536	11,959,429	12,000,716	12,916,700	13,285,833	17,306,987	19,298,144	19,994,810
61 Community Services	2,169	11,490	16,466	23,345	3,312	1,272	3,190	595	3,651	5,732
Total Function 60	2,169	11,490	16,466	23,345	3,312	1,272	3,190	595	3,651	5,732
71 Debt Service	6,481,993	6,846,438	9,869,673	13,695,142	13,952,548	15,073,035	16,131,161	16,390,527	19,920,072	17,233,518
72 Debt Service - Interest on Long-term Debt	7,120,033	7,241,654	7,370,030	4,720,578	4,217,638	3,807,011	3,741,891	4,457,276	5,104,498	5,224,872
Total Function 70	13,602,026	14,088,092	17,239,703	18,415,720	18,170,186	18,880,046	19,873,052	20,847,803	25,024,570	22,458,390
81 Facilities Acquisition and Construction	3,480,412	15,436,333	18,256,604	6,356,305	19,898,378	6,169,023	15,907,997	56,250,634	58,752,429	2,436,898
Total Function 80	3,480,412	15,436,333	18,256,604	6,356,305	19,898,378	6,169,023	15,907,997	56,250,634	58,752,429	2,436,898
93 Other Intergovernmental Charges	-	-	-	-	-	-	-	-	-	-
95 Payments to Juvenile Justice Alternative	-	31,021	10,465	36,701	60,968	79,038	48,082	43,521	45,883	83,161
99 Other Intergovernmental Charges	281,323	308,444	330,059	329,294	345,336	364,428	392,948	436,976	499,699	570,108
Total Function 90	281,323	339,465	340,524	365,995	406,304	443,466	441,030	480,497	545,582	653,269
Total Expenditures	\$ 104,385,278	\$ 123,415,768	\$ 135,950,763	\$ 120,899,718	\$ 137,841,177	\$ 132,829,424	\$ 153,165,225	\$ 204,509,084	\$ 221,346,836	\$ 174,894,599
Debt Service as a Percentage of Non-Capital Expenditures	13.7%	13.6%	14.7%	16.2%	15.5%	15.3%	14.6%	14.3%	15.4%	13.8%

Source: The Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds for the Wylie Independent School District (Exhibit C-2)

**Notes:**

<sup>1</sup>Includes General, Student Nutrition, Debt Service, Capital Projects, Expendable Trust Funds, and Special Revenue Funds.

WYLIE INDEPENDENT SCHOOL DISTRICT

OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES

LAST TEN FISCAL YEARS (UNAUDITED)

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Excess of revenues over (under) expenditures	\$ (84,151)	\$ (9,848,387)	\$ (13,637,784)	\$ 1,132,966	\$ (14,565,161)	\$ 3,028,343	\$ (6,992,936)	\$ (45,196,504)	\$ (55,017,367)	\$ 3,404,212
Other Financing Sources (Uses)										
General long-term debt issued	6,069,975	24,940,127	-	-	21,125,000	-	-	-	-	-
General long-term debt refunding	-	-	17,775,000	68,985,000	82,606,556	29,623,028	94,087,328	20,125,000	6,859,465	-
Premium or discount on issuance on bonds	1,392,127	379,124	6,243,697	3,932,124	57,820,880	2,675,229	1,026,276	6,263,777	308,251	-
Capital Related Debt Issued- Capital Leases	-	1,260,854	49,780	19,639	-	-	722,929	1,373,039	88,595	2,226,771
Sale of real or personal property	19,569	17,467	36,180	30,769	100,105	9,430	25,271	180,700	72,248	65,478
Transfers In	-	500,000	-	-	-	-	-	5,611,105	3,120	5,017,490
Insurance proceeds - storm damage	-	0	-	-	-	-	-	24,310,416	32,519,129	57,852
Other Resources	-	2,112	-	-	-	-	60,384	12,651	-	-
Fund 437 (Collin Co Special Ed Coop)	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	(500,000)	-	-	-	-	-	(5,611,105)	(3,120)	(5,017,490)
Payments to escrow agents	-	-	(24,014,014)	(75,257,081)	(140,414,793)	(31,956,919)	-	(29,100,391)	(7,043,307)	-
Other Uses	(7,217,405)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	264,266	26,599,684	90,643	(2,289,549)	21,237,748	350,768	95,922,188	23,165,192	32,804,381	2,350,101
Net change in fund balances	\$ 180,115	\$ 16,751,297	\$ (13,547,141)	\$ (1,156,583)	\$ 6,672,587	\$ 3,379,111	\$ 88,929,252	\$ (22,031,312)	\$ (22,212,986)	\$ 5,754,313

Source: Statement of Revenues, Expenditures, and Change in Fund Balances Governmental Funds for the Wylie Independent School District (Exhibit C-2)

**WYLIE INDEPENDENT SCHOOL DISTRICT**

**Exhibit S-8**

**APPRAISED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS (UNAUDITED)**

**ACTUAL VALUE<sup>1</sup>**

Fiscal Year	Residential or Real Property	Personal Property	Less: Exemptions <sup>3</sup>	Total Estimated Taxable Value	Total Direct Tax Rate <sup>2</sup>
2009	3,340,925,079	220,493,713	458,858,991	3,102,559,801	1.5100
2010	3,373,482,861	227,462,007	516,944,804	3,084,000,064	1.5900
2011	3,493,439,773	204,365,196	565,405,356	3,132,399,613	1.6400
2012	3,533,550,496	225,362,551	565,683,596	3,193,229,451	1.6400
2013	3,573,505,275	256,124,621	580,705,370	3,248,924,526	1.6400
2014	3,823,051,378	279,091,723	623,723,284	3,478,419,817	1.6400
2015	4,607,687,338	312,681,237	1,120,103,746	3,800,264,829	1.6400
2016	4,924,038,250	362,455,687	1,111,059,362	4,175,434,575	1.6400
2017	5,675,753,873	351,121,651	1,255,391,654	4,771,483,870	1.6400
2018	6,321,990,715	357,943,306	1,251,045,833	5,428,888,188	1.6400

**Source:** Collin County Central Tax Assessor - Tax Roll Summary

**Notes:**

- Collin County Tax Assessor Collector performs tax collection activities for the Wylie Independent School District
- Total estimated taxable value adjusted to match audit schedules

<sup>1</sup> Represents total appraised value before exemptions.

<sup>2</sup> Per \$100 of assessed value

<sup>3</sup> Includes Ag Productivity Loss, Homestead Cap, and Total Exemptions

WYLIE INDEPENDENT SCHOOL DISTRICT

PROPERTY TAX RATES AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS (UNAUDITED)

Wylie Independent School District Direct Rates

Overlapping Rates<sup>1</sup>

Fiscal Year	Maintenance and Operations	Debt Service	Total	County of Collin <sup>2</sup>	Collin County Community College	City of Murphy	City of Sachse	City of Lucas	Seis Lagos Utility District	City of Wylie
2009	1.170000	0.340000	1.510000	0.242500	0.086493	0.518300	0.610000	0.374177	0.443439	0.898900
2010	1.170000	0.420000	1.590000	0.242500	0.086300	0.538405	0.705819	0.374177	0.449183	0.898900
2011	1.170000	0.470000	1.640000	0.240000	0.086300	0.565000	0.705819	0.374177	0.448255	0.898900
2012	1.170000	0.470000	1.640000	0.240000	0.086300	0.565000	0.770819	0.374177	0.460371	0.898900
2013	1.170000	0.470000	1.640000	0.240000	0.086299	0.570000	0.770819	0.374177	0.462451	0.888900
2014	1.170000	0.470000	1.640000	0.237500	0.083643	0.570000	0.770819	0.355616	0.469292	0.883900
2015	1.170000	0.470000	1.640000	0.225000	0.081960	0.530000	0.757279	0.320660	0.264895	0.878900
2016	1.170000	0.470000	1.640000	0.208395	0.081222	0.510000	0.757279	0.317948	0.265730	0.868900
2017	1.170000	0.470000	1.640000	0.192246	0.079810	0.500000	0.747279	0.317948	0.269235	0.781000
2018	1.170000	0.470000	1.640000	0.180785	0.081222	0.490000	0.720000	0.303216	0.275152	0.725848

Source: Collin County Central Appraisal District- Tax Rate and Exemption Report by Year - 2018  
Rates are per \$100 of assessed value

Notes:

<sup>1</sup> Includes levies for operating and debt service costs.

<sup>2</sup> Includes Collin County and Collin County Hospital District

WYLLIE INDEPENDENT SCHOOL DISTRICT

Exhibit S-10

PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

Taxpayer	2018		2009	
	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
WW Woodbridge LP	\$53,367,100	0.98%	-	
Woodbridge Crossing LP	\$40,898,026	0.75%	-	
Creekside South Apartments LLC	\$36,600,000	0.67%	-	
Hayden Wylie LLC	\$36,500,000	0.67%	-	
Western Rim Investors 2014-3 LP	\$34,454,863	0.63%	-	
Oncor Electric Delivery Company	\$27,613,440	0.51%	26,961,667	0.87%
Woodbridge Villas LLC	\$23,891,676	0.44%	\$13,207,985	0.43%
Sanden International (USA) Inc.	\$23,288,066	0.43%	15,846,442	0.00%
Wylie Apartments LP	\$22,874,986	0.42%	-	
Kansas City Southern Railway Co	\$20,070,250	0.37%	-	
Yes Companies LLC	-		\$10,541,091	0.34%
Broadstone Woodbridge LP	-		\$16,370,936	3
GTE Southwest Inc	-		\$14,541,600	5
Atrium Companies INC	-		\$12,368,403	8
Cascades Apartments	-		\$11,000,000	9
Sanden International (USA) Inc.	-		\$24,542,498	2
Wal-Mart Real Est. Business TR	-		\$14,383,982	6
	\$319,558,407	5.89%	\$159,764,604	4.11%

Notes:

Total Net Taxable Assessed Value - WISD \$ 5,428,888,188 \$ 3,102,559,801

Source: Collin County Central Appraisal District- 2018 Top Taxpayer Listing  
For Total Net Taxable Values see Schedule S-8



WYLIE INDEPENDENT SCHOOL DISTRICT

Exhibit S-11

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year Ending	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years and Cumulative Adjustments (Net)	Total Collections and Cumulative Adjustments to Date#		Outstanding Delinquent Taxes	Outstanding Delinquent Taxes As a Percentage of Tax Levy
		Amount	Percentage of Levy		Amount	Percentage of Levy		
2009	46,848,653	45,704,955	97.56%	1,074,248	46,779,203	99.85%	69,450	0.15%
2010	49,035,601	48,822,634	99.57%	175,906	48,998,540	99.92%	37,061	0.08%
2011	51,371,354	51,020,323	99.32%	264,723	51,285,046	99.83%	86,308	0.17%
2012	52,368,963	52,116,736	99.52%	129,507	52,246,243	99.77%	122,720	0.23%
2013	53,282,362	52,991,740	99.45%	132,771	53,124,511	99.70%	157,851	0.30%
2014	57,046,085	56,735,232	99.46%	(89,725)	56,645,507	99.30%	190,740	0.33%
2015	62,324,343	62,478,228	100.25%	(226,268)	62,704,496	100.61%	72,383	0.12%
2016	68,477,127	68,620,739	100.21%	(297,118)	68,917,857	100.64%	153,506	0.22%
2017	78,252,335	78,995,588	100.95%	(1,276,598)	80,272,186	102.58%	533,345	0.68%
2018	89,033,766	90,821,141	102.01%	(2,327,938)	93,149,079	104.62%	540,563	0.61%

Source: Schedule of Delinquent Taxes Receivable

Notes:

\* Collin County Tax Office collects the District tax revenues

#Total cash collections are net of interest, penalties, and other judgments, may result in collections that exceed 100% of original levy.

**WYLIE INDEPENDENT SCHOOL DISTRICT**

**Exhibit S-12**

**OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS (UNAUDITED)**

Fiscal Year	General Obligation Bonds	Contractual Obligations	Capital Financing Agreements	Total Primary Government	Percentage of Personal Income <sup>1</sup>	Total Outstanding Debt Per Capita <sup>1</sup>	Per Student Enrolled	Enrollment Numbers
2009	292,179,917		469,196	292,649,113	0.026%	7,189	25,887	11,305
2010	318,232,088		1,212,788	319,444,876	0.027%	7,711	26,594	12,012
2011	316,908,785		1,005,620	317,914,405	0.027%	7,562	25,490	12,472
2012	311,367,140		772,846	312,139,986	0.026%	7,292	24,236	12,879
2013	330,033,060		500,434	330,533,494	0.026%	7,601	24,646	13,411
2014	337,759,297		211,411	337,970,708	0.024%	7,666	24,653	13,709
2015	424,703,257		668,302	425,371,559	0.024%	9,253	30,243	14,065
2016	416,552,649		1,560,552	418,113,201	0.024%	8,493	28,726	14,555
2017	406,424,878		1,130,124	407,555,002	0.023%	8,278	27,134	15,020
2018	397,985,487		2,786,152	400,771,639	N/A*	7,707	25,397	15,780

Source: District Records

Notes:

\* Details of the District's outstanding debt can be found in the Notes to the Financial Statements

<sup>1</sup>See Exhibit S-16 for personal income and population data source information

\* N/A - City of Wylie Comprehensive Annual Financial Report -Wylie, Texas, 2018 not available

**WYLIE INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT S-13**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2018 (UNAUDITED)**

<b>Governmental Unit</b>	<b>Debt Outstanding</b>	<b>As Of</b>	<b>Estimated Percentage Applicable</b>	<b>Estimated Share of Direct and Overlapping Debt</b>
Collin County	\$ 301,610,000 *	6/30/2018	4.56%	\$ 13,753,416
Collin County Community College District	248,840,000 *	6/30/2018	4.56%	11,347,104
Collin County WC&ID # 3	20,445,000 *	6/30/2018	100.00%	20,445,000
City of Dallas	1,764,367,437 *	6/30/2018	**	-
City of Lucas	17,675,000 *	6/30/2018	1.20%	212,100
City of Murphy	48,540,000 *	6/30/2018	28.34%	13,756,236
City of Parker	4,710,000 *	6/30/2018	0.16%	7,536
City of Sachse	55,790,000 *	6/30/2018	39.29%	21,919,891
City of Wylie	89,910,000 *	6/30/2018	95.24%	85,630,284
<b>Total Net Overlapping Debt</b>				<b>\$ 167,071,567</b>
Wylie ISD				<b>\$ 285,918,422</b>
<b>Total Direct and Overlapping Debt</b>				<b>\$ 452,989,989</b>
Total Direct and Overlapping Debt % A.V.				8.55%
Total Direct and Overlapping Debt per Capita				\$ 6,713

\* Gross Debt

\*\* Less than 0.01%

Source: Municipal Advisory Council of Texas - Texas Municipal Report July 2017 update

Notes:

(1) The percentage of overlapping debt applicable is estimated using taxable property values.

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

WYLIE INDEPENDENT SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS (UNAUDITED)

The Texas Education Code (TEC) authorizes the District to issue negotiable coupon bonds to construct, acquire, or equip school buildings, to purchase necessary sites; and to acquire or refinance property financed under a contract entered into under the Public Property Finance Act. The District is further authorized to levy and assess annual ad valorem taxes sufficient to pay the principal and interest on bonds as they become due. Local policy gives the superintendent or designee management oversight responsibility for the debt service operation of the District. In this capacity, the superintendent recommends all proposed bond sales to the board for its approval. All bond elections are held in accordance with statutory requirements, and bonds are sold, as authorized by the qualified voters of the District, on a competitive basis under the directions of a fiscal agent selected by the board. Texas statutes do not prescribe a debt limit; however, by custom, a practical economic debt limit of 10% of the assessed valuation is used.

	Legal Debt Margin Calculation for Fiscal Year 2018	
Assessed Value		\$5,428,888,188
Debt limit (10% of assessed value)		542,888,819
Total bonded debt	397,985,487	
Less reserve for retirement of debt	33,058,088	
Debt applicable to limit		364,927,399
Legal debt margin		\$177,961,420

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt Limit	310,225,980	308,400,006	313,239,961	319,322,945	324,892,453	347,841,982	380,026,483	417,543,458	477,148,387	542,888,819
Total net debt applicable to limit	225,701,714	240,630,339	301,390,707	294,285,513	311,547,454	317,096,678	401,208,407	392,481,776	380,151,593	364,927,399
Legal debt margin	84,524,266	67,769,667	11,849,254	25,037,432	13,344,999	30,745,304	(21,181,924)	25,061,682	96,996,794	177,961,420

Total net debt applicable to the limit of a percentage of debt limit	72.75%	78.03%	96.22%	92.16%	95.89%	91.16%	105.57%	94.00%	79.67%	67.22%
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Source: Calculation from taxable assessed valuation, total bonded debt and debt service reservation data.

Wylie ISD Notes to the Financial Statements

## RATIO OF NET BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA

LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Population <sup>1</sup>	Assessed Value*	Gross Bonded Debt <sup>2</sup>	Less		Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
				Debt Service Funds <sup>3</sup>	Net Bonded Debt		
2009	40,709	3,075,029,355	239,223,563	13,521,849	225,701,714	7.34%	5,544
2010	41,427	3,084,000,064	257,609,796	16,979,457	240,630,339	7.80%	5,809
2011	42,040	3,132,399,613	316,908,785	18,514,177	298,394,608	9.53%	7,098
2012	42,804	3,193,229,451	311,367,140	17,081,627	294,285,513	9.22%	6,875
2013	43,484	3,248,924,526	330,033,060	18,485,606	311,547,454	9.59%	7,165
2014	44,089	3,478,419,817	337,759,297	20,662,619	317,096,678	9.12%	7,192
2015	45,970	3,800,264,829	424,703,257	23,494,850	401,208,407	10.56%	8,728
2016	47,776	4,175,434,575	416,552,649	24,070,873	392,481,776	9.40%	8,215
2017	50,152	4,771,483,870	406,424,878	26,273,285	380,151,593	7.97%	7,580
2018	52,003	5,428,888,188	397,985,487	33,058,088	364,927,399	6.72%	7,017

**Source:** Collin County Central Appraisal District and the District records

**Notes:**

<sup>1</sup>See Exhibit S-16 for population data (only the City of Wylie population is represented)

<sup>2</sup> Source- Details of the District's outstanding debt can be found in the Notes to the financial statements.

<sup>3</sup> Source- Wylie Independent School District Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit C-2)

**WYLIE INDEPENDENT SCHOOL DISTRICT**

**Exhibit S-16**

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALENDAR YEARS (UNAUDITED)

Period Ending	Population <sup>1</sup>	Personal Income (thousands of dollars)	Per Capita Personal Income (dollars) <sup>2</sup>	Unemployment Rate
2009	40,709	1,387,444,138	34,082	8.0%
2010	41,427	1,264,932,018	30,534	8.6%
2011	42,040	1,302,525,320	30,983	7.9%
2012	42,804	1,320,374,988	30,847	6.8%
2013	43,484	1,349,873,812	31,043	5.8%
2014	44,089	1,417,549,528	32,152	4.6%
2015	45,970	1,504,644,070	32,731	4.1%
2016	47,776	1,579,379,008	33,058	3.2%
2017	47,274	1,586,231,796	33,554	3.1%
2018	52,003	N/A*	N/A*	3.3%

**Source:**

<sup>1</sup> City of Wylie Website, 2018 staff estimate

<sup>2</sup>Period Ending 2009 thru 2017 -Population and Per Capita Personal Income

\*N/A - City of Wylie Comprehensive Annual Financial Report -Wylie, Texas, 2018 not available at the time this document was prepared

Wylie Economic Development Center ([www.tracer2.com](http://www.tracer2.com))

**WYLIE INDEPENDENT SCHOOL DISTRICT**

Exhibit S-17

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

Employer	2017 Fiscal Year			2008 Fiscal Year		
	# of Employees	Rank	Percentage of Total City Employment	# of Employees	Rank	Percentage of Total City Employment
Wylie Independent School District	2,122	1	21.45%	1,581	1	21.15%
North Texas Municipal Water Dist	756	2	7.64%	465	3	6.22%
Sanden International USA	483	3	4.88%	670	2	8.96%
City of Wylie	408	4	4.12%	231	6	3.09%
Wal-Mart	343	5	3.47%	360	5	4.82%
SAF Holland	224	6	2.26%	142	9	1.90%
Kroger	210	7	2.12%			
Extruders/Tower Extrusion	198	8	2.00%	400	4	5.35%
Ascend Custom Extrusion	190	9	1.92%			
Target	170	10	1.72%			
Global Innovation				187	7	2.50%
Home Depot				150	8	2.01%
Garnet Hill Rehab and Skilled Nursing Facility				120	10	1.61%
	<u>5,104</u>		<u>51.59%</u>	<u>4,306</u>		<u>57.61%</u>
Estimated Employment	9,893			7,475		

**Source:** \*Wylie Economic Development Unit, Information was based on previous year. Data was not available at time of issue.

FULL-TIME-EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS (UNAUDITED)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Change 09 18
<b>Teachers</b>	778	807	847	826	835	861	887	918	969	1,006	29%
<b>Professional Support</b>											
Supervisors											
Counselor	24	24	25	25	25	25	26	29	31	30	
Department Head			2	2	2	2	3	3	4	3	
Educational Diagnostician	8	9	9	8	8	10	10	10	12	13	
Librarian	7	7	8	7	6	8	8	8	8	9	
Therapist	1	1	1	0	0	1	1	1	1	1	
School Nurse	18	18	19	20	19	19	19	19	20	19	
Psychologist/Assoc Psychologist	2	2	2	3	3	3	3	4	3	4	
Occupational Therapist	1	1	2	1	3	3	4	4	3	2	
Speech Therapist	4	10	10	9	11	15	14	16	15	16	
Other Support Staff				0	0	1	0	0	0	0	
Other Campus Professional Personnel		1	1	2	5	7	4	2	2	8	
Teacher Facilitator	15	14	16	15	16	12	15	16	22	21	
Work-Based Learning Site Coordinator	1	1	1								
Other Non-Campus Professional Personnel	29	26	31	33	32	34	34	39	40	38	
<b>Total Professional Support</b>	<b>108</b>	<b>114</b>	<b>127</b>	<b>125</b>	<b>128</b>	<b>138</b>	<b>140</b>	<b>151</b>	<b>161</b>	<b>164</b>	<b>51%</b>
<b>Campus Administration</b>											
Principal	18	18	19	19	18	19	19	19	20	20	
Assistant Principal	23	23	24	24	25	25	26	28	31	31	
Athletic Trainer							1	1	0	0	
<b>Total Campus Administration</b>	<b>41</b>	<b>41</b>	<b>43</b>	<b>43</b>	<b>43</b>	<b>44</b>	<b>46</b>	<b>48</b>	<b>51</b>	<b>51</b>	
<b>Central Administration</b>											
Superintendent	1	1	1	1	1	1	1	1	1	1	
Assistant Superintendent	3	3	3	3	3	2	2	2	2	2	
Business Manager	1	1	1	1	1	1	1	1	1	1	
Instructional Officer	10	12	12	13	10	17	17	16	16	13	
Athletic Director	1	3	3	2	2	2	2	2	2	2	
Administrative/Instructional Officers	2										
Director of Personnel/Human Resource	1	1	1	1	1	1	1	1	1	1	
<b>Total Central Administration</b>	<b>19</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>18</b>	<b>24</b>	<b>24</b>	<b>23</b>	<b>23</b>	<b>20</b>	
<b>Total Administrators</b>	<b>60</b>	<b>62</b>	<b>64</b>	<b>64</b>	<b>62</b>	<b>68</b>	<b>70</b>	<b>71</b>	<b>74</b>	<b>71</b>	<b>18%</b>
<b>Educational Aides</b>											
Educational Aides	152	148	165	155	163	167	179	187	215	224	
<b>Total Educational Aides</b>	<b>152</b>	<b>148</b>	<b>165</b>	<b>155</b>	<b>163</b>	<b>167</b>	<b>179</b>	<b>187</b>	<b>215</b>	<b>224</b>	
<b>Auxiliary Staff</b>	<b>440</b>	<b>447</b>	<b>468</b>	<b>455</b>	<b>467</b>	<b>469</b>	<b>475</b>	<b>478</b>	<b>493</b>	<b>502</b>	<b>14%</b>
<b>Total All Full-Time Equivalent Employees</b>	<b>1,539</b>	<b>1,578</b>	<b>1,671</b>	<b>1,625</b>	<b>1,654</b>	<b>1,703</b>	<b>1,750</b>	<b>1,804</b>	<b>1,912</b>	<b>1,967</b>	<b>28%</b>

**Note:** A standard full-time instructional employee of the District is employed for 187 school days.

**Source:**

Texas Education Agency PEIMS Standard Reports



TEACHER BASE SALARIES  
 LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Minimum Salary	Maximum Salary <sup>1</sup>	District Teacher Average Salary	Statewide Average Salary
2009	43,000	56,872	44,731	47,158
2010	44,000	59,766	47,983	48,263
2011	45,500	61,070	49,213	48,639
2012	45,400	61,070	49,287	48,375
2013	45,300	61,070	49,387	48,821
2014	47,000	62,902	51,242	49,692
2015	49,598	65,899	52,417	50,715
2016	51,000	66,752	53,542	51,891
2017	52,000	68,441	54,883	52,525
2018	53,200	69,835	56,580	53,334

Minimum and Maximum District Salaries based on Bachelors Degree

<sup>1</sup>Maximum Salary is based on 38+ Years Experience

Sources: Wylie ISD- Professional Salary Schedules  
 Texas Education Agency (Standard Reports)

OPERATING STATISTICS  
 LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Enrollment	Operating Expenditures <sup>1</sup>	Cost per Pupil	Percentage Change	Teaching Staff <sup>2</sup>	Pupil Teacher Ratio	Percentage of Students Receiving Free or Reduced Price Meals <sup>3</sup>
2009	11,305	78,753,678	6,966	-0.66%	778	14.5	24.8%
2010	12,012	82,689,175	6,884	-0.45%	807	14.9	29.2%
2011	12,472	87,290,842	6,999	1.67%	847	14.7	27.8%
2012	12,879	85,656,654	6,651	-4.97%	826	15.6	27.5%
2013	13,411	91,518,668	6,824	2.61%	835	16.1	28.8%
2014	13,709	97,900,760	7,141	4.65%	861	15.9	27.6%
2015	14,065	106,002,696	7,537	5.54%	887	15.9	28.7%
2016	14,555	112,590,166	7,735	2.64%	918	15.9	28.2%
2017	15,020	121,484,923	8,088	4.56%	969	15.5	28.8%
2018	15,780	131,233,278	8,316	2.82%	1,006	15.7	27.4%

Source: District Records

<sup>1</sup> Operating Expenditures- Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Funds (Exhibit C-2)

<sup>2</sup>See Exhibit S-18 for Teaching Staff

<sup>3</sup>Wylie Independent School District Student Nutrition Department Records  
 Number of Students Receiving Free or Reduced Lunches  
 and TEA PEIMS Standard Reports

WYLLIE INDEPENDENT SCHOOL DISTRICT

CAPITAL ASSET INFORMATION  
 LAST TEN FISCAL YEARS (UNAUDITED)

Exhibit S-21

Fiscal Year

Elementary Schools	Year of Original Construction	Campus Size (Acres)	Square Feet for Other Educational Facilities and Other Buildings	Fiscal Year												
				2009	2010	2011	2012	2013	2014	2015	2016	2017	2018			
<b>R. F. Hartman Elementary</b>																
Square Feet	1963	8		65,473	65,473	66,277	67,081	67,081	67,081	67,081	67,081	67,081	67,081	68,906	68,906	68,906
Maximum Capacity				600	600	600	700	700	700	700	700	700	700	700	700	700
Enrollment				549	546	575	560	568	568	517	495	495	506	513	513	513
<b>T. F. Birmingham Elementary</b>																
Square Feet	1985	15		71,130	71,130	71,814	72,498	72,498	72,498	72,498	72,498	72,498	72,498	72,498	72,498	72,498
Maximum Capacity				700	700	700	700	700	700	700	700	700	700	700	700	700
Enrollment				583	595	565	530	553	553	531	547	530	530	496	496	496
<b>P. M. Akin Elementary</b>																
Square Feet	1988	8		76,109	76,109	76,734	76,734	76,734	76,734	76,734	76,734	76,734	76,734	76,734	76,734	76,734
Maximum Capacity				600	600	600	700	700	700	700	700	700	700	700	700	700
Enrollment				569	564	562	518	486	466	466	517	548	389	389	389	389
<b>R. C. Dodd Elementary</b>																
Square Feet	1999	10		69,294	69,294	69,294	69,294	69,294	69,294	69,294	69,294	69,294	69,294	69,294	69,294	69,294
Maximum Capacity				700	700	700	700	700	700	700	700	700	700	700	700	700
Enrollment				579	573	601	581	604	602	602	570	581	538	538	538	538
<b>R. V. Groves Elementary</b>																
Square Feet	2002	10		69,546	69,546	69,546	69,546	69,546	69,546	69,546	69,546	69,546	69,546	69,546	69,546	69,546
Maximum Capacity				700	700	700	700	700	700	700	700	700	700	700	700	700
Enrollment				660	665	604	605	596	569	569	632	653	562	562	562	562
<b>Cheri L Cox Elementary</b>																
Square Feet	2004	11		76,580	76,580	76,580	76,580	76,580	76,580	76,580	76,580	76,580	76,580	76,580	76,580	76,580
Maximum Capacity				700	700	700	700	700	700	700	700	700	700	700	700	700
Enrollment				428	454	575	590	607	628	628	626	652	677	677	677	677
<b>Harry and Retha Tibbals Elementary</b>																
Square Feet	2005	10		71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289
Maximum Capacity				700	700	700	700	700	700	700	700	700	700	700	700	700
Enrollment				611	677	561	577	621	678	613	613	670	666	666	666	666
<b>Rita Smith Elementary</b>																
Square Feet	2007	14		71,172	71,172	71,172	71,172	71,172	71,172	71,172	71,172	71,172	71,172	71,172	71,172	71,172
Maximum Capacity				700	700	700	700	700	700	700	700	700	700	700	700	700
Enrollment				574	674	601	611	646	643	624	624	609	505	505	505	505

WYLIE INDEPENDENT SCHOOL DISTRICT

Exhibit S-21

CAPITAL ASSET INFORMATION  
LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year

	Year of Original Construction	Campus Size (Acres)	Square Feet for Other Educational Facilities and Other Buildings												
			2009	2010	2011	2012	2013	2014	2015	2016	2017	2018			
<b>Don Whitt Elementary</b>	2008	11	71,231	71,231	71,231	71,231	71,231	71,231	71,231	71,231	71,231	71,231	71,231	71,231	71,231
Square Feet			71,231	71,231	71,231	71,231	71,231	71,231	71,231	71,231	71,231	71,231	71,231	71,231	71,231
Maximum Capacity			700	700	700	700	700	700	700	700	700	700	700	700	700
Enrollment			591	653	537	595	634	568	588	642	642	642	642	642	642
<b>Wally Watkins Elementary</b>	2010	10	71,231	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289
Square Feet			71,231	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289	71,289
Maximum Capacity			700	700	700	700	700	700	700	700	700	700	700	700	700
Enrollment			395	430	471	545	609	611	611	477	477	477	477	477	477
<b>George W. Bush Elementary</b>	2016	10													
Square Feet														86,032	86,032
Maximum Capacity														900	900
Enrollment														555	555
<b>Total Elementary Schools</b>			641,824	641,824	715,168	716,714	716,714	716,714	716,714	716,714	716,714	718,539	804,571	804,571	804,571
Square Feet			641,824	641,824	715,168	716,714	716,714	716,714	716,714	716,714	716,714	718,539	804,571	804,571	804,571
Maximum Capacity			6,100	6,100	6,800	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,900	7,900	7,900
Enrollment			5,144	5,401	5,576	5,597	5,786	5,804	5,804	5,804	5,801	5,948	6,020	6,020	6,020
<b>Intermediate Schools</b>															
<b>Ab Harrison Intermediate</b>	1967	10	69,850	69,850	72,860	72,860	72,860	72,860	72,860	72,860	72,860	101,912	101,912	101,912	101,912
Square Feet			69,850	69,850	72,860	72,860	72,860	72,860	72,860	72,860	72,860	101,912	101,912	101,912	101,912
Maximum Capacity			800	800	800	800	800	800	800	800	800	1,000	1,000	1,000	1,000
Enrollment			587	651	634	610	643	600	600	658	718	682	682	682	682
<b>Bill Davis Intermediate</b>	2004	10	89,758	89,758	89,758	89,758	89,758	89,758	89,758	89,758	89,758	89,758	107,250	107,250	107,250
Square Feet			89,758	89,758	89,758	89,758	89,758	89,758	89,758	89,758	89,758	89,758	107,250	107,250	107,250
Maximum Capacity			800	800	800	800	800	800	800	800	800	1,000	1,000	1,000	1,000
Enrollment			608	596	667	708	652	634	634	692	736	774	774	774	774
<b>Al Draper Intermediate</b>	2007	11	81,892	81,892	81,892	81,892	81,892	81,892	81,892	81,892	81,892	102,194	102,194	102,194	102,194
Square Feet			81,892	81,892	81,892	81,892	81,892	81,892	81,892	81,892	81,892	102,194	102,194	102,194	102,194
Maximum Capacity			800	800	800	800	800	800	800	800	800	1,000	1,000	1,000	1,000
Enrollment			561	652	662	697	788	859	837	881	881	881	881	881	881
<b>Total Intermediate Schools</b>			241,500	241,500	244,510	244,510	244,510	244,510	251,495	251,495	251,495	293,864	311,356	311,356	311,356
Square Feet			241,500	241,500	244,510	244,510	244,510	244,510	251,495	251,495	251,495	293,864	311,356	311,356	311,356

WYLIE INDEPENDENT SCHOOL DISTRICT

Exhibit S-21

CAPITAL ASSET INFORMATION  
 LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year

	Year of Original Construction	Campus Size (Acres)	Square Feet for Other Educational Facilities and Other Buildings														
			2009	2010	2011	2012	2013	2014	2015	2016	2017	2018					
Maximum Capacity			2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	3,000	3,000
Enrollment			1,756	1,899	1,963	2,015	2,083	2,093	2,187	2,335	2,337	2,337	2,337	2,337	2,337	2,337	2,337

WYLLIE INDEPENDENT SCHOOL DISTRICT

Exhibit S-21

CAPITAL ASSET INFORMATION  
LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year

	Year of Original Construction	Campus Size (Acres)	Square Feet for Other Educational Facilities and Other Buildings	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Junior High Schools</b>													
<b>Grady Burnett Jr. High</b>													
Square Feet	1975	13		103,511	103,511	115,233	115,233	115,233	115,233	115,508	131,171	131,171	131,171
Maximum Capacity				800	800	800	800	800	800	800	800	1,000	1,000
Enrollment				566	606	652	662	623	654	725	705	727	727
<b>Frank McMillan Jr. High</b>													
Square Feet	2003	14		115,430	115,430	115,430	115,430	115,430	115,430	115,430	115,430	136,060	136,060
Maximum Capacity				800	800	800	800	800	800	800	800	1,000	1,000
Enrollment				604	612	613	633	688	706	656	675	747	747
<b>Raymond Cooper Jr. High</b>													
Square Feet	2006	11		104,045	104,045	104,045	104,045	104,045	104,045	104,045	104,045	104,045	104,045
Maximum Capacity				800	800	800	800	800	800	800	800	1,000	1,000
Enrollment				472	552	621	645	655	701	748	770	820	820
<b>Total Junior High Schools</b>													
Square Feet				322,986	322,986	334,708	334,708	334,708	334,708	334,983	350,646	371,276	371,276
Maximum Capacity				2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	3,000	3,000
Enrollment				1,642	1,770	1,886	1,940	1,966	2,061	2,129	2,150	2,294	2,294
<b>High Schools</b>													
<b>Wyllie High School</b>													
Square Feet	1996	61		302,963	302,963	302,963	302,963	302,963	302,963	344,801	375,762	375,762	375,762
Maximum Capacity				2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Enrollment				2,042	2,197	1,956	1,738	1,856	1,976	2,061	2,227	2,303	2,303
<b>Wyllie East High School</b>													
Square Feet	2007	61		267,178	267,178	267,178	280,912	280,912	304,640	329,550	379,550	379,550	379,550
Maximum Capacity				2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Enrollment				749	695	1,153	1,579	1,677	1,734	1,718	1,820	1,825	1,825
<b>Total High Schools</b>													
Square Feet				570,141	570,141	570,141	583,875	583,875	607,603	674,351	755,312	755,312	755,312
Maximum Capacity				4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800
Enrollment				2,791	2,892	3,109	3,317	3,533	3,710	3,779	4,047	4,128	4,128

WYLIE INDEPENDENT SCHOOL DISTRICT

Exhibit S-21

CAPITAL ASSET INFORMATION  
LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year

	Year of Original Construction	Campus Size (Acres)	Square Feet for Other Educational Facilities and Other Buildings	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Other Educational Facilities</b>													
<b>Achieve Academy</b>													
Square Feet	2011	2	25,000										
Maximum Capacity				13	6	15	46	37	41	140	131	129	129
Enrollment													
<b>Vocational Building- Wylie High School</b>													
Square Feet	1999	Included with WHS	27,450										
Other Information included with Wylie High School													
<b>Other Portable Buildings</b>													
Square Feet ( 19 Portable Bldgs )	1995	1	13,088										
<b>Other Buildings</b>													
Vocational Building- Burnett Jr High	1975	Included with Burnett	6,840										
Ag and Swine Barn	1990	13	27,289										
Educational Service Center (Administration Building)	1987	11	6,622										
Educational Service Center (Administration Building)- Addition	2007, 2016		31,327										
Maintenance and Student Nutrition Department Facility	2006	8	45,088										
Transportation Facility	2002	10	9,380										
<b>Athletic Facilities</b>													
Field House- WHS- Wylie ISD Stadium	2001		27,278										
WHS M'pact - Indoor Athletic Complex Facility	2001		42,289										
Field House- Burnett Jr. High - Shaffer Stadium	1975	13	8,479										
<b>Other Sites Owned by District</b>													
Kreymer Site		10											
Ranch Road Site		11											
Kreymer/Brown		49											
Third High School Site		64											

Source - District Construction Records

**WYLIE INDEPENDENT SCHOOL DISTRICT  
FEDERAL AWARDS SECTION**







## EDGIN, PARKMAN, FLEMING & FLEMING, PC

CERTIFIED PUBLIC ACCOUNTANTS

4110 KELL BLVD., SECOND FLOOR ▪ P.O. BOX 750  
WICHITA FALLS, TEXAS 76307-0750  
PH. (940) 766-5550 ▪ FAX (940) 766-5778

MICHAEL D. EDGIN, CPA  
DAVID L. PARKMAN, CPA  
A. PAUL FLEMING, CPA

Independent Auditor's Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed In Accordance with *Government Auditing Standards*

Board of Trustees  
Wylie Independent School District  
951 South Ballard Avenue  
Wylie, Texas 75098

Members of the Board of Trustees:

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, business-type activities, each major fund, and the aggregate remaining fund information of Wylie Independent School District ("District") as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 10, 2018.

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

Respectfully submitted.

A handwritten signature in black ink that reads "Edgin, Parkman, Fleming & Fleming, PC". The signature is written in a cursive, professional style.

Edgin, Parkman, Fleming & Fleming, PC

October 10, 2018



## **EDGIN, PARKMAN, FLEMING & FLEMING, PC**

CERTIFIED PUBLIC ACCOUNTANTS

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MICHAEL D. EDGIN, CPA  
DAVID L. PARKMAN, CPA  
A. PAUL FLEMING, CPA

### **Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance**

Board of Trustees  
Wylie Independent School District  
951 South Ballard Avenue  
Wylie, Texas 75098

Members of the Board of Trustees:

#### **Report on Compliance for Each Major Federal Program**

We have audited Wylie Independent School District's ("District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal programs for the year ended June 30, 2018. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### **Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for the 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, Cost 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 the 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 the District's compliance.

#### **Opinion on Each Major Federal Program**

In our opinion, Wylie 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 June 30, 2018.

## Report on Internal Control Over Compliance

Management of the 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, we considered the 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 our opinion on compliance for each major 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 the 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 considered to be material weaknesses. However, material weaknesses may exist that may not have 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.

Respectfully submitted,

A handwritten signature in black ink that reads "Edgin, Parkman, Fleming & Fleming, PC". The signature is written in a cursive, slightly slanted style.

Edgin, Parkman, Fleming & Fleming, PC

October 10, 2018

# WYLIE INDEPENDENT SCHOOL DISTRICT

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2018

### A. Summary of Auditor's Results

#### 1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ Yes  X  No

Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes  X  None reported

Noncompliance material to the financial statements noted? \_\_\_\_\_ Yes  X  No

#### 2. Federal and State Awards

Internal control over major programs:

One of more material weaknesses identified? \_\_\_\_\_ Yes  X  No

One or more significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes  X  None reported

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

Any audit findings disclosed that are required to be reported under CFR Section 200.516(a) \_\_\_\_\_ Yes  X  No

#### Identification of major programs:

Special Education Cluster:	
IDEA-B Formula	84.027
IDEA-B Preschool	84.173

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

Auditee qualified as low-risk auditee?  X  Yes \_\_\_\_\_ No

### B. Financial Statement Findings

None

### C. Federal/State Award Findings and Questioned Costs

None

# WYLIE INDEPENDENT SCHOOL DISTRICT

## Audit Corrective Action Plan Year Ended June 30, 2018

There were no findings in the current year.

# WYLIE INDEPENDENT SCHOOL DISTRICT

## Summary Schedule of Prior Audit Findings Year Ended June 30, 2018

There were no findings in the prior year.

**WYLIE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures and Indirect Costs	Amount Relating to Pass-Through to Subrecipients
<u>U.S. Department of Education</u>				
Direct Program:				
Impact Aid - P.L. 81.874	84.041	N/A	\$ 121,819	\$ -
Passed Through State Department of Education:				
Special Education Cluster:				
IDEA-B Formula	84.027	176600010439146000	100,103	-
IDEA-B Formula	84.027	186600010439146000	1,647,359	-
Total CFDA Number 84.027			<u>1,747,462</u>	<u>-</u>
IDEA-B Preschool	84.173	186610010439146000	17,973	-
Total Special Education Cluster			<u>1,765,435</u>	<u>-</u>
Vocational Education - Basic Grant	84.048A	17420006043914	464	-
Vocational Education - Basic Grant	84.048A	18420006043914	84,188	-
Total CFDA Number 84.048A			<u>84,652</u>	<u>-</u>
Summer School LEP	84.369	69551502	13,058	-
Total Passed Through State Department of Education			<u>1,863,145</u>	<u>-</u>
Passed Through Education Service Center, Region 10:				
ESEA Title I Part A - Improving Basic Programs	84.010a	17610101057950	42,595	-
ESEA Title I Part A - Improving Basic Programs	84.010a	18610101057950	728,813	-
Total CFDA Number 84.010a			<u>771,408</u>	<u>-</u>
ESEA Title X Part C - Education for Homeless Children and Youth	84.196	184600017110001	22,446	-
Title III Part A English Language Acquisition and Enhancement	84.365	17671001057950	1,535	-
Title III Part A English Language Acquisition and Enhancement	84.365	18671001057950	129,976	-
Total CFDA Number 84.365			<u>131,511</u>	<u>-</u>
ESEA Title II Part A - Teacher & Principal Training & Recruiting	84.367a	17694501057950	45,556	-
ESEA Title II Part A - Teacher & Principal Training & Recruiting	84.367a	18694501057950	150,287	-
Total CFDA Number 84.367a			<u>195,843</u>	<u>-</u>
ESEA Title IV Part A - Student Support & Academic Achievement	84.424	1868010157950	17,138	-
Total Passed Through Education Service Center, Region 10			<u>1,138,346</u>	<u>-</u>
Total U.S. Department of Education			<u>3,123,310</u>	<u>-</u>
<u>U.S. Department of Defense</u>				
Direct Program:				
Selective Reserve Educational Assistance	12.609	N/A	141,848	-
Total U.S. Department of Defense			<u>141,848</u>	<u>-</u>
<u>U.S. Department of Agriculture</u>				
Child Nutrition Cluster:				
Passed Through Texas Department of Agriculture:				
National School Lunch Program (Non-cash)	10.555	00205	399,492	-
Summer Food Service Program	10.559	00205	15,153	-
Total Passed Through Texas Department of Agriculture			<u>414,645</u>	<u>-</u>



**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures and Indirect Costs	Amount Relating to Pass-Through to Subrecipients
<u>U.S. Department of Agriculture (Cont'd.)</u>				
Passed Through State Department of Education:				
School Breakfast Program	10.553	71401601	787,316	-
National School Lunch Program	10.555	71301601	1,569,582	-
Total Passed Through State Department of Education			<u>2,356,898</u>	<u>-</u>
Total Child Nutrition Cluster			<u>2,771,543</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>2,771,543</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 6,036,701</u>	<u>\$ -</u>

The accompanying notes are an integral part of this schedule.

# WYLIE INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2018

### A. Basis of Presentation

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of Wylie Independent School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from the amounts presented in, or used in the preparation of, the basic financial statements.

### B. Reconciliation of Federal Expenditures per the SEFA to the Basic Financial Statements

Amount of federal revenues per Exhibit C-2	\$7,044,369
Less Medicaid reimbursements not considered to be federal awards for inclusion on the Schedule of Expenditures of Federal Awards	( 1,007,668)
Total expenditures of federal awards per the Schedule of Expenditures of Federal Awards	<u>\$6,036,701</u>

### C. De Minimis Indirect Cost Rate

Entities that receive federal awards for which an indirect cost rate has never been negotiated may elect to charge a de minimis indirect cost rate of ten percent of modified total direct costs. The District did not elect to charge the de minimis rate to any of its federal awards during the year ended June 30, 2018.

**WYLIE INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS (UNAUDITED)**  
**AS OF JUNE 30, 2018**

<u>Data Control Codes</u>		<u>Responses</u>
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF4	Was there an unmodified opinion on the Annual Financial Report?	Yes
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts and laws related to local, state, or federal funds?	No
SF7	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other governmental agencies?	Yes
SF8	Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an allocation of Foundation School Program (FSP) funds as a result of a financial hardship?	Yes
SF10	What was the total accumulated accretion on capital appreciation bonds (CABs) included in government-wide financial statements at fiscal year-end?	\$ 102,370,434
SF11	Net Pension Assets (object 1920) at fiscal year-end:	\$ -
SF12	Net Pension Liabilities (object 2540) at fiscal year-end:	\$ 25,019,477
SF13	Pension Expense (object 6147) at fiscal year-end:	\$ -