



Comprehensive Annual Financial Report

Crowley Independent School District

Crowley, Texas

July 1, 2014 through June 30, 2015

CROWLEY INDEPENDENT SCHOOL DISTRICT
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INTRODUCTORY SECTION

October 30, 2015

Board of Trustee Members
Crowley Independent School District
512 Peach Street
Crowley, Texas 76036

Dear Members of the Board:

The Comprehensive Annual Financial Report (CAFR) of the Crowley Independent School District (Crowley ISD) for the year ended June 30, 2015 is hereby submitted. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. In our opinion, the data, as presented, is accurate in all material aspects; is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds; and all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included in this report.

Management's Discussion and Analysis (MD&A) immediately follows the report of the independent auditors and provides a narrative introduction, overview, and analysis to accompany the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

THE REPORTING ENTITY AND ITS SERVICES

The Crowley Independent School District is one of 1,519 public and charter school districts in the State of Texas. Crowley ISD covers approximately 52 square miles in the south central portion of Tarrant County and approximately 4 square miles in the north central portion of Johnson County. The District's boundaries encompass the City of Crowley and portions of the cities of Fort Worth and Edgecliff Village along with many acres of ranch and farmland. The 2015 population estimate for the District is 75,772.

Located in the southern Tarrant County Highway 121 growth corridor, the District is experiencing relatively flat enrollment growth and has yet to see gains in assessed valuations due to the new construction. The District is located over the Barnett Shale gas reserves.

The District has a vibrant, diversified student population, an excellent array of programs, strong curriculum, access to an array of intellectual resources and taxpayers who support both growth and innovation. A dedicated School Board, a skilled administration and a professional, dedicated and resourceful staff, as well as an involved community, make Crowley ISD an educational district of choice. In 2014-2015 the District employed more than 1,713 professional and support personnel.

Crowley ISD is committed to being a recognized district, constantly improving and refining both instructional programs and managerial operations in the interest of effectiveness, productivity, transparency, and economy. Our standards for students and staff members are high, and we strive constantly to raise them higher. Our intent is to play a decisive role in ensuring the future success of the dynamic community we service.

BOARD of EDUCATION

JUNE W. DAVIS
President

RYAN RAY
Vice-President

JAY HINTON
Secretary

THEDRICK FRANKLIN GARY GRASSIA MIA HALL SHERRI L. WHITING

ECONOMIC CONDITION AND OUTLOOK

Crowley ISD has a vibrant student population, an excellent array of programs, a strong curriculum, access to an array of intellectual resources and an innovative atmosphere.

District curriculum is vertically aligned throughout all grade levels and based on the Texas Essential Knowledge and Skills (TEKS). A dedicated School Board, a skilled administration and a professional, dedicated and inventive staff, as well as an involved community, make Crowley ISD an outstanding school district.

The District is continuing with programs for both staff and students to increase self-discipline and positive character at the campus level. The District has also implemented a strategic plan with five measurable goals of:

1. Improve student achievement for all
2. Provide safe, secure and nurturing schools
3. Support parent and community partnerships
4. Provide a quality workforce in a positive work environment
5. Ensure effective and efficient use of resources.

The Board of Trustees has approved the performance objectives for each of these goals and the staff has provided performance measurement indicators. All district activities are tied to these goals.

District stakeholders passed a \$416,800,000 bond program in May of 2007 for both renovations/new construction and innovative program offerings including a career and technology center, and upgraded fine arts and athletics facilities. Land for future school sites was also included in the bond. The District completed what was planned as their fourth middle school and opened it in 2010-2011 as a Career and Technology Facility. In 2013, another \$25 million in bonds were issued as a part of the 2007 program for the construction of security vestibules in some schools and the construction of elementary school #15 on donated land, just to the west of the newly constructed State Highway 121.

In September 2012, Crowley ISD voters approved a tax referendum adding 13 cents per \$100 property valuation, raising the maintenance and operating tax rate to \$1.17 per \$100 property valuation. The school board also approved a 1/2 cent increase in interest and sinking taxes, raising that rate to \$0.50 per \$100 property valuation. The school board maintains a 10% local option property tax exemption for homestead owners.

Recently, State Highway 121 was opened and is running north to south the length of the school district on the western side of the district. The Chisholm Trail Parkway, as it is called, is a major toll way linking Fort Worth to Cleburne. Several thousand acres of residential, commercial and light industrial property is expected to be developed along the toll way.

BOARD of EDUCATION

JUNE W. DAVIS
 President

RYAN RAY
 Vice-President

JAY HINTON
 Secretary

THEDRICK FRANKLIN GARY GRASSIA MIA HALL SHERRI L. WHITING

FINANCIAL INFORMATION

District Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit - As a recipient of state and federal financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District. As a part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2015 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Accounting System and Budgetary Control

The School District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board on governmental accounting in its 1998 Codification of Government Accounting and Financial Reporting Standards, and subsequent statements and interpretations. The District's accounting records for general governmental operations are maintained on a modified accrual basis as prescribed by the Texas Education Agency Financial Accountability System Resource Guide.

In developing and evaluating the District's accounting system, consideration is given to the adequacy of internal accounting structure. The internal accounting structure is designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. All internal control evaluations occur within the above framework. We believe that the District's internal accounting structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

Budgetary control is initiated at the onset when the Board of Trustees adopts the annual appropriated budget. To ensure budgetary compliance, the Texas Education Agency (TEA) and the District have established spending regulations and policies. For all administrators with line item or program responsibility, TEA regulations set the level of budgetary control at the major functional expenditure level. Budgetary control is more restrictive at the District level where administrators are held responsible for maintaining and managing their budgets at the detail line item level. All revisions at the function level are approved by the Board of Trustees.

BOARD of EDUCATION

JUNE W. DAVIS RYAN RAY JAY HINTON
 President Vice-President Secretary

THEDRICK FRANKLIN GARY GRASSIA MIA HALL SHERRI L. WHITING

Cash Management

The District has a cash management program to maximize the use of the District's cash resources. The cash management policy of the District is to ensure the availability of cash to meet operational needs and to invest surplus cash in a manner to preserve and protect capital but also provide adequate liquidity and earn a market rate of return. Surplus cash on hand was either deposited in the District's depository bank or invested in one of three local government investment pools pursuant to the Interlocal Cooperation Act of 1989. Deposits with the depository bank were in accounts secured at the balance sheet date by FDIC coverage. The deposits were deemed collateralized under Texas Law and the Texas Education Agency.

The District complies with the School Depository Act by executing a depository agreement with a banking institution for a period of two fiscal years plus two optional two-year extensions. Local banks in the immediate surrounding area are given preference. Competitive proposals are taken with state law setting the general terms of the request for proposal.

ACKNOWLEDGEMENTS

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

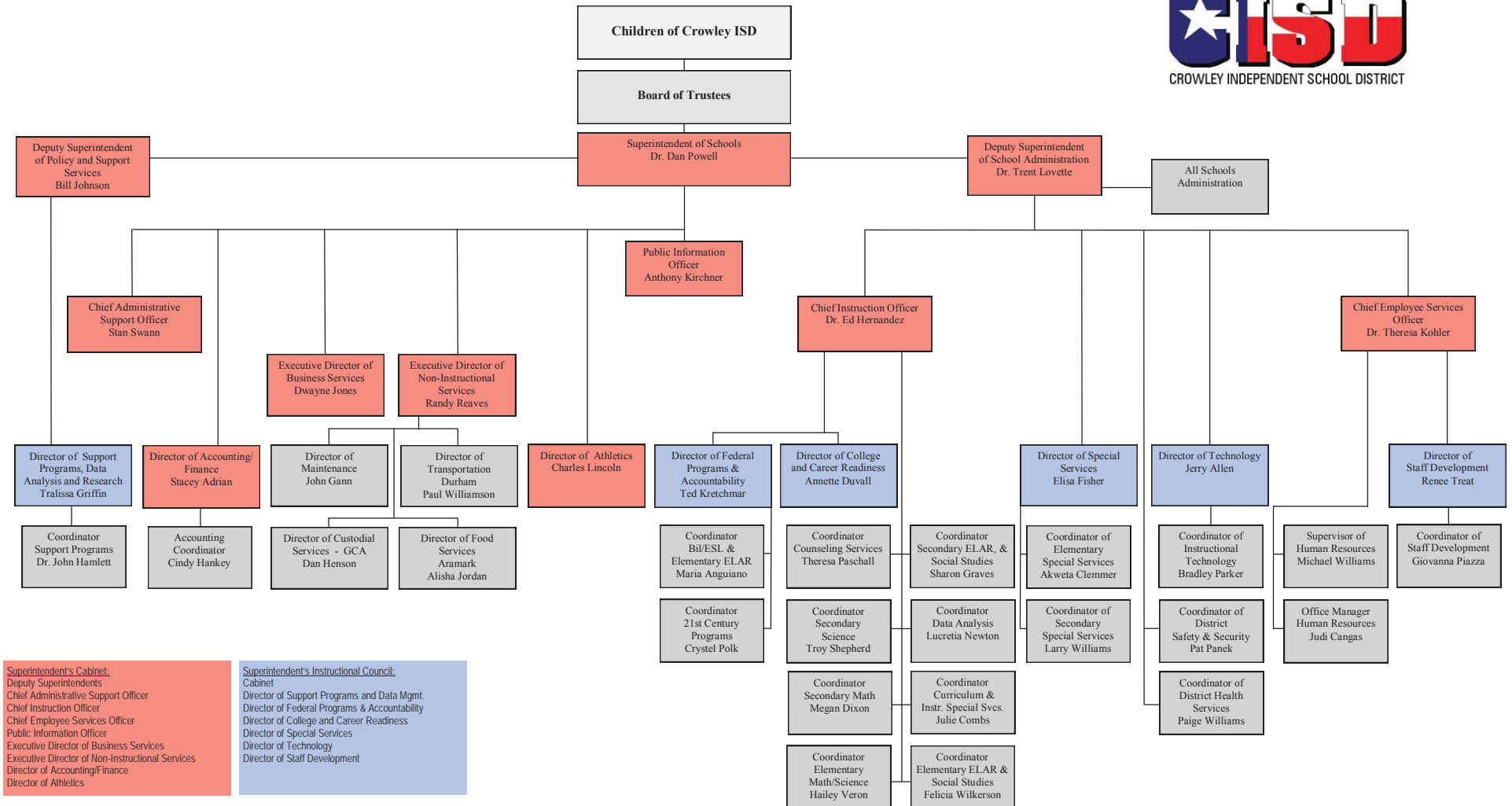
Respectfully submitted,

Dan Powell, Ed. D.
Superintendent of Schools

BOARD of EDUCATION

JUNE W. DAVIS President	RYAN RAY Vice-President	JAY HINTON Secretary
THEDRICK FRANKLIN	GARY GRASSIA	MIA HALL
		SHERRI L. WHITING

2014-15 CISD Central Administration Organization



Lead Team:
 Superintendent, Deputy Superintendents, Campus Principals, Central Office Administrators (Directors and Above)

Revised August 15, 2014

CROWLEY INDEPENDENT SCHOOL DISTRICT

PRINCIPAL OFFICIALS

For the Year Ended June 30, 2015

Elected Officials

June Davis
Ryan Ray
Jay Hinton
Sherri Whiting
Thedrick Franklin
Mia Hall
Gary Grassia

Position

President
Vice-President
Secretary
Board Member
Board Member
Board Member
Board Member

Appointed Officials

Dr. Dan Powell
Bill Johnson
Dr. Trent Lovette
Dr. Theresa Kohler
Dr. Eduardo Hernandez
Stan Swann
Anthony Kirchner
Dwayne Jones
Randy Reaves
Charles Lincoln
Elisa Fisher
Stacey Adrian
Ted Kretchmar
Lyndsa Benton
Stefani Allen
Jose Lara
Kady Donaghey
Omarian Brown
Stefani Allen
Jim Phillips
Robert Gillies
Pamela Berry
Cayla Bland
Deidra Castro
Betty Lewis
Kristina Turner
Melissa Block
Sherry Gore
MaLisa Horton
Dr. Arthurlyn Morgan
Vivian Lincoln
Armard Anderson
Dr. Kim Scoggins
Michelle McCone
Emily Scott
JonAnne Ledford

Position

Superintendent
Deputy Superintendent of Policy & Support Services
Deputy Superintendent of School Administration
Chief Employee Services Officer
Chief Instructional Officer
Chief Administrative Support Officer
Public Information Officer
Executive Director of Business Services
Executive Director of Non-Instructional Services
Director of Athletics
Director of Special Programs
Director of Accounting and Finance
Director of Assessment, Federal Programs and CTE
Crowley High School
North Crowley High School
Crowley Learning Center
Bill R. Johnson CTEC
Crowley 9th Grade Campus
North Crowley 9th Grade Campus
HF Stevens Middle School
Crowley Middle School
Summer Creek Middle School
Sue Crouch Intermediate
SH Crowley Intermediate
David L. Walker Intermediate
Mary Harris Intermediate
Bess Race Elementary
Sycamore Elementary
Deer Creek Elementary
Meadowcreek Elementary
Jackie Carden Elementary
Parkway Elementary
Oakmont Elementary
Dallas Park Elementary
JA Hargrave Elementary
Poynter Elementary

CERTIFICATE OF BOARD

Crowley Independent School District
Name of School District

Tarrant
County

220-912
Co. Dist. Number

We, the undersigned, clarify that the attached annual financial reports of the above named school district were reviewed and (check one) _____ approved _____ disapproved for the year ended June 30, 2015, at a meeting of the Board of Trustees of such school district on the 19th day of November, 2015.

Signature of Board Secretary

Signature of Board President

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

(Attach list as necessary)



Government Finance Officers Association

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

Presented to

**Crowley Independent School District
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Crowley Independent School District

Report on the Financial Statements

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 Crowley Independent School District (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing 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 from material misstatement.

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

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

To the Board of Trustees
Crowley Independent School District

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note I to the financial statements, the District adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* as of June 30, 2015. 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, schedule of the District's proportionate share of the net pension liability and schedule of District contributions on pages 12-17, 55-57 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, combining nonmajor fund financial statements, Texas Education Agency required 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

To the Board of Trustees
Crowley Independent School District

The combining nonmajor fund financial statements, Texas Education Agency required schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2015, 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, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
October 30, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

CROWLEY INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2015

This section of the Crowley Independent School District (the "District") financial report, presents our discussion and analysis of the District's financial performance for the year ended June 30, 2015. It should be read in conjunction with the District's financial statements.

FINANCIAL HIGHLIGHTS

Assets of the District exceeded liabilities by \$7,813,840 (net position) for governmental activities and \$45,377 for business-type activities. Restricted net position consists of \$23,412,491 for debt service and \$1,755,045 for grant funds.

At fiscal year end, the unassigned fund balance in the General Fund was \$28,660,073. Non-spendable fund balance for inventories and prepaids was \$159,506 and assigned for one-time, non-recurring instructional and extra-curricular expenses and District strategic initiatives was \$1.5 million. The District reported an increase to fund balance in the general fund of \$3.4 million due to conservative budgeting of revenue.

The fund balance in the Debt Service Fund increased to \$30,314,436, which still provides for a debt service payment of \$6.2 million in the 2016 fiscal year. The Capital Projects Fund reported a fund balance of \$21,968,247, which represents the balance remaining for projects authorized by the voters.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) Management's Discussion and Analysis, 2) the basic financial statements, and 3) required supplemental information. The basic statements include two kinds of statements that present different views of the District.

The first two statements are *Government-wide Financial Statements*, the *Statement of Net Position* and the *Statement of Activities*, which provide both long-term and short-term information about the District's overall financial status reflect.

The remaining statements are *fund financial statements* that report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The *governmental funds* statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. *Proprietary fund* statements offer short - and long-term financial information about the activities the government operates like businesses, such as self-insurance services. *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 additional data needed for full disclosure in the government-wide statements or the fund financial statements. The notes are followed by a section of *required supplementary information* and *other supplementary information* that further explains and supports the information in the basic financial statements. Following the section labeled *other supplementary information*, data used by the Texas Education Agency (TEA) and other monitoring or regulatory agencies is included.

CROWLEY INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2015

Government-wide Financial 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 District's assets and liabilities. All of the current period's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

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

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, one needs to consider additional non-financial factors such as changes in the District's tax base, staffing patterns, enrollment and attendance.

The government-wide financial statements of the District are divided into two categories:

- **Governmental activities.** Most of the District's basic services are reported here, including instruction, instructional support, instructional leadership, school leadership, student transportation, food service, extracurricular activities, general administration, maintenance, and so forth. Property taxes, state foundation funds, tuitions, fees, and state and federal grants are the major source of financing for these activities.
- **Business-type activities.** The District charges a fee to "customers" to help cover all or most of the cost of services it provides for community education.

Fund Financial Statements

Fund financial statements provide a detailed short-term view of the most significant funds; not the District as a whole. Laws and contracts require the District to establish some funds while the District's administration establishes other funds to help control and manage money for particular purposes. The District's three kinds of funds use different accounting approaches.

- **Governmental funds** - Most of the District's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.
- **Proprietary funds** - The District maintains two proprietary fund types. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for worker's compensation and health care programs. The internal service funds are included within *governmental activities* in the government-wide financial statements.

CROWLEY INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2015

- Fiduciary funds - The District is the trustee, or fiduciary, for resources held for the benefit of others such as the student activities fund. Fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. The resources accounted for in these funds are not available to finance the District's operations and are thus excluded from the District's government-wide financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position of the District's governmental and business-type activities decreased 61.28% from \$20.4 to \$7.9 million. The decrease was \$12.5 million as a result of the implementation of GASB 68 leading to the retroactive restatement for the recognition of a net pension liability. See further discussion at note I.

Table 1
Net Position

Description	Governmental Activities		Business Type		Total		Total Change 2015-2014
	2015	2014	2015	2014	2015	2014	
Current assets	\$ 109,242,374	\$ 98,020,561	\$ 82,104	\$ 17,182	\$ 109,324,478	\$ 98,037,743	\$ 11,286,735
Capital assets	302,749,804	308,818,441	-	-	302,749,804	308,818,441	(6,068,637)
Total assets	411,992,178	406,839,002	82,104	17,182	412,074,282	406,856,184	5,218,098
Deferred outflow of resources	7,872,698	3,286,135	-	-	7,872,698	3,286,135	4,586,563
Total deferred outflow of resources	7,872,698	3,286,135	-	-	7,872,698	3,286,135	4,586,563
Current liabilities	27,604,602	22,307,338	36,727	2,572	27,641,329	22,309,910	5,331,419
Long-term liabilities	379,465,515	367,449,196	-	-	379,465,515	367,449,196	12,016,319
Total liabilities	407,070,117	389,756,534	36,727	2,572	407,106,844	389,759,106	17,347,738
Deferred inflow of resources	4,980,919	-	-	-	4,980,919	-	4,980,919
Total deferred inflow of resources	4,980,919	-	-	-	4,980,919	-	4,980,919
Net position:							
Investment in capital assets	7,047,304	9,720,341	-	-	7,047,304	9,720,341	(2,673,037)
Restricted	25,167,536	22,226,778	-	-	25,167,536	22,226,778	2,940,758
Unrestricted	(24,401,000)	(11,578,516)	45,377	14,610	(24,355,623)	(11,563,906)	(12,791,717)
Total net position	\$ 7,813,840	\$ 20,368,603	\$ 45,377	\$ 14,610	\$ 7,859,217	\$ 20,383,213	\$ (12,523,996)

CROWLEY INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2015

Statement of Activities

The following table summarizes the change in the District's net position from its activities for the fiscal years ended June 30, 2015 and June 30, 2014.

Table 2
Change in Net Position

Description	Governmental Activities		Business Type		Total		Total Change 2015-2014
	2015	2014	2015	2014	2015	2014	
Revenues:							
Program revenues:							
Charges for services	\$ 2,395,765	\$ 2,726,329	\$ 141,430	\$ 18,914	\$ 2,537,195	\$ 2,745,243	\$ (208,048)
Operating grants and contributions	22,409,321	20,348,020	-	-	22,409,321	20,348,020	2,061,301
General revenues:							
Maintenance and operations taxes	57,176,859	54,258,721	-	-	57,176,859	54,258,721	2,918,138
Debt service taxes	23,446,701	23,178,093	-	-	23,446,701	23,178,093	268,608
State aid - formula grants	56,187,355	53,427,592	-	-	56,187,355	53,427,592	2,759,763
Investment earnings	47,420	32,342	-	-	47,420	32,342	15,078
Other revenue	2,826,724	1,536,873	-	-	2,826,724	1,536,873	1,289,851
Total Revenue	164,490,145	155,507,970	141,430	18,914	164,631,575	155,526,884	9,104,691
Expenses:							
Instruction	85,178,110	81,109,956	-	-	85,178,110	81,109,956	4,068,154
Instructional and school leadership	11,709,380	10,097,756	-	-	11,709,380	10,097,756	1,611,624
Student support	10,664,001	10,389,116	-	-	10,664,001	10,389,116	274,885
Food services	6,974,891	6,814,958	-	-	6,974,891	6,814,958	159,933
Cocurricular activities	5,554,913	3,868,884	-	-	5,554,913	3,868,884	1,686,029
General and administration	4,283,914	3,861,845	-	-	4,283,914	3,861,845	422,069
Plant maintenance/Security/Data	17,455,819	16,046,093	-	-	17,455,819	16,046,093	1,409,726
Community services	1,986	9,491	110,663	41,673	112,649	51,164	61,485
Debt service taxes	15,014,106	26,601,318	-	-	15,014,106	26,601,318	(11,587,212)
Other activities	946,193	524,527	-	-	946,193	524,527	421,666
Total Expenses	157,783,313	159,323,944	110,663	41,673	157,893,976	159,365,617	(1,471,641)
Change in Net Position	6,706,832	(3,815,974)	30,767	(22,759)	6,737,599	(3,838,733)	10,576,332
Beginning Net Position	20,368,603	26,497,767	14,610	37,369	20,383,213	26,535,136	(6,151,923)
Change in Accounting Principle	(19,261,595)	(2,313,190)	-	-	(19,261,595)	(2,313,190)	(16,948,405)
Ending Net Position	\$ 7,813,840	\$ 20,368,603	\$ 45,377	\$ 14,610	\$ 7,859,217	\$ 20,383,213	\$ (12,523,996)

The District's statement of governmental activities reflects total revenues for the year ended June 30, 2015 of \$164.5 million, an increase of \$9.1 million and the total cost of all programs and services of \$157.8 million, a decrease of \$1.5 million. The District recognized a change in Accounting Principle to accommodate GASB #68 of \$19.2 million. The net result is a decrease in net position of \$12.5 million. The following impacted total expenses:

- Instruction and related expenses increased \$2.1 million.
- Debt service expenses decreased \$11.6 million due to the restructuring of our debt service.

The cost of all governmental activities this year was \$157.8 million. However, as shown in the Statement of Activities, the amount that taxpayers ultimately financed for these activities was \$80.6 million because some of the costs were paid by those who directly benefited from the programs (\$2.4 million), by other governments and organizations that subsidized certain programs with grants and contributions (\$22.4 million), or by grants and contributions (primarily State funding) not restricted to specific programs (\$59 million).

The District's statement of business activities reflects charges for services of \$141,430. With community education costs of \$110,663, the net activity for business-type activities increased \$30,767 for ending net position of \$45,377.

CROWLEY INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2015

THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds reported a combined fund balance of \$84.8 million, which is an increase of \$3.5 million from last year's total of \$81.3 million. The increase is composed of the following: The General Fund balance increased \$3.4 million from \$26.9 to \$30.3 million from regular operations. The fund balance in the Debt Service Fund increased \$708,167 to \$30.3 million as a result of restructuring of debt. The Capital Projects Funds decreased \$828,633 from \$22.8 million to \$21.97 million as a result of Construction in Progress and Other Governmental Funds balance increased \$249,187 from Food Service operations.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Board of Trustees revised the District's budget from time to time. Budget amendments included adjustments to revenues totaling \$2 million to reflect changed revenue estimates in all areas. Expenditure budgets increased \$5.6 million. Changes included increases due to one-time expenditures approved by the Board of Trustees and other minor adjustments throughout the year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2015, the District had \$302.75 million invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. Net increases (decreases) for the year were as follows:

Construction in progress	\$ 48,015
Buildings and improvements	744,664
Equipment and vehicles	1,020,398
Accumulated depreciation	7,881,714

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

Debt

At year-end, the District had \$304.1 million in bonds outstanding versus \$311.6 million last year a decrease of \$7.4 million. The District issued refunding bonds to take advantage of lower interest rates. More detailed information about the District's long-term liabilities is presented in Note III. C. to the financial statements.

CROWLEY INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2015

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- General Fund local property tax revenues are budgeted at \$58.7 million using a conservative collection rate of 98% and state funding is budgeted to remain constant due to the District's flat ADA projections.
- A 3% general pay increase was submitted and approved by the Board for the 2015-16 school year.
- With the expansion of the Chisholm Trail Parkway in the western edge of Crowley ISD, the District is closely monitoring the growth in the District to anticipate the location of a new campus when the need arises.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's business office at Crowley Independent School District, 512 Peach Street, Crowley, TX 76036, (817) 297-5800.

BASIC FINANCIAL SECTION

CROWLEY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2015

EXHIBIT A-1

Data Control Codes		1 Governmental Activities	2 Business-type Activities	Total
	Assets			
1110	Cash and cash equivalents	\$ 88,059,520	\$ 82,104	\$ 88,141,624
1220	Property taxes receivable	4,078,292	-	4,078,292
1230	Allowance for uncollectible taxes	(841,007)	-	(841,007)
1240	Due from other governments	17,529,585	-	17,529,585
1290	Other receivables	256,478	-	256,478
1300	Inventories	48,175	-	48,175
1410	Prepays	111,331	-	111,331
		<u>109,242,374</u>	<u>82,104</u>	<u>109,324,478</u>
	Capital assets			
1510	Land	22,192,028	-	22,192,028
1520	Buildings and improvements, net	275,197,815	-	275,197,815
1530	Furniture and equipment, net	5,235,469	-	5,235,469
1580	Construction in progress	124,492	-	124,492
		<u>411,992,178</u>	<u>82,104</u>	<u>412,074,282</u>
1000	Total assets			
	Deferred outflow of resources			
1700	Deferred charges on refunding	5,778,872	-	5,778,872
1997	Deferred resource outflow - TRS	2,093,826	-	2,093,826
		<u>7,872,698</u>	<u>-</u>	<u>7,872,698</u>
	Total deferred outflow of resources			
	Liabilities			
2110	Accounts payable	2,352,305	36,727	2,389,032
2140	Interest payable	8,785,159	-	8,785,159
2165	Accrued liabilities	11,630,274	-	11,630,274
2180	Due to other governments	4,800,250	-	4,800,250
2300	Unearned revenue	36,614	-	36,614
		<u>27,604,602</u>	<u>36,727</u>	<u>27,641,329</u>
	Noncurrent liabilities			
2501	Long-term liabilities due within one year	11,693,371	-	11,693,371
2502	Long-term liabilities due in more than one year	351,456,216	-	351,456,216
2595	Net pension liability	16,315,928	-	16,315,928
2000	Total liabilities	<u>407,070,117</u>	<u>36,727</u>	<u>407,106,844</u>
	Deferred resource inflow - TRS	4,980,919	-	4,980,919
	Net position			
3200	Net investment in capital assets	7,047,304	-	7,047,304
	Restricted for			
3850	Debt service	23,412,491	-	23,412,491
3890	Grants	1,755,045	-	1,755,045
3900	Unrestricted	(24,401,000)	45,377	(24,355,623)
		<u>\$ 7,813,840</u>	<u>\$ 45,377</u>	<u>\$ 7,859,217</u>
3000	Total net position			

The Notes to Financial Statements are an integral part of this statement.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
JUNE 30, 2015**

Data Control Codes	Functions/Programs	1 Expenses	Program Revenues	
			3 Charges for Services	4 Operating Grants and Contributions
	Governmental activities			
11	Instruction	\$ 84,186,905	\$ 32,013	\$ 9,679,204
12	Instructional resources and media services	636,562	-	31,334
13	Curriculum/instructional staff development	354,643	-	258,189
21	Instructional leadership	3,021,111	-	415,205
23	School leadership	8,688,269	-	403,536
31	Guidance, counseling, evaluation services	4,115,215	-	1,717,745
33	Health services	1,295,523	-	71,911
34	Student (pupil) transportation	5,253,263	-	39,667
35	Food services	6,974,891	2,018,620	6,809,028
36	Extracurricular activities	5,554,913	218,508	1,237,690
41	General administration	4,283,914	-	82,375
51	Plant maintenance and operations	13,093,030	126,624	281,117
52	Security and monitoring services	1,577,138	-	3,710
53	Data processing services	2,785,651	-	967,470
61	Community services	1,986	-	2,375
72	Debt service - interest	14,420,164	-	-
73	Bond issuance cost and fees	593,942	-	-
81	Facilities maintenance	604,189	-	-
93	Payments to fiscal agent/member districts of SSA	342,004	-	408,765
	Total governmental activities	157,783,313	2,395,765	22,409,321
	Business-type activities			
01	Community education	110,663	141,430	-
	Total business-type activities	110,663	141,430	-
TP	Total	\$ 157,893,976	\$ 2,537,195	\$ 22,409,321
	General revenues			
MT	Property taxes, levied for general purposes			
DT	Property taxes, levied for debt service			
GC	Grants and contributions not restricted			
GC	for specific programs			
IE	Investment earnings			
MI	Miscellaneous local and intermediate revenue			
TR	Total general revenues			
CN	Change in net position			
NB	Beginning net position			
PA	Change in accounting principle			
NE	Ending net position			

The Notes to Financial Statements are
an integral part of this statement.

EXHIBIT B-1

Net (Expense) Revenue and Changes in Net Position		
6	7	8
Governmental Activities	Business-type Activities	Total
\$ (74,475,688)	\$ -	\$ (74,475,688)
(605,228)	-	(605,228)
(96,454)	-	(96,454)
(2,605,906)	-	(2,605,906)
(8,284,733)	-	(8,284,733)
(2,397,470)	-	(2,397,470)
(1,223,612)	-	(1,223,612)
(5,213,596)	-	(5,213,596)
1,852,757	-	1,852,757
(4,098,715)	-	(4,098,715)
(4,201,539)	-	(4,201,539)
(12,685,289)	-	(12,685,289)
(1,573,428)	-	(1,573,428)
(1,818,181)	-	(1,818,181)
389	-	389
(14,420,164)	-	(14,420,164)
(593,942)	-	(593,942)
(604,189)	-	(604,189)
66,761	-	66,761
(132,978,227)	-	(132,978,227)
-	30,767	30,767
-	30,767	30,767
(132,978,227)	30,767	(132,947,460)
57,176,859	-	57,176,859
23,446,701	-	23,446,701
56,187,355	-	56,187,355
47,420	-	47,420
2,826,724	-	2,826,724
139,685,059	-	139,685,059
6,706,832	30,767	6,737,599
20,368,603	14,610	20,383,213
(19,261,595)	-	(19,261,595)
<u>\$ 7,813,840</u>	<u>\$ 45,377</u>	<u>\$ 7,859,217</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015**

Data Control Codes		10	50
		General	Debt Service
	Assets		
1110	Cash and cash equivalents	\$ 39,433,803	\$ 23,757,991
1220	Taxes receivable	2,931,265	1,147,027
1230	Allowance for uncollectible taxes	(660,649)	(180,358)
1240	Due from other governments	16,804,964	-
1260	Due from other funds	665,194	7,472,990
1290	Other receivables	225,185	-
1300	Inventories	48,175	-
1410	Prepaid items	111,331	-
1000	Total assets	\$ 59,559,268	\$ 32,197,650
	Liabilities		
2110	Accounts payable	\$ 1,506,753	\$ -
2160	Accrued wages and benefits payable	11,630,274	-
2170	Due to other funds	10,085,902	-
2180	Due to other governments	3,746,144	916,544
2300	Unearned revenue	-	-
2000	Total liabilities	26,969,073	916,544
	Deferred inflows of resources		
2600	Unavailable revenue - property taxes	2,270,616	966,670
	Total deferred inflows of resources	2,270,616	966,670
	Fund balances		
	Non-spendable		
3410	Inventories	48,175	-
3430	Prepaid items	111,331	-
	Restricted		
3450	Grant funds	-	-
3470	Capital acquisitions and contracts	-	-
3480	Debt service	-	30,314,436
	Committed		
3545	Local activity	-	-
	Assigned		
3570	Capital acquisitions and contracts	1,500,000	-
3600	Unassigned	28,660,073	-
3000	Total fund balances	30,319,579	30,314,436
4000	Total liabilities, deferred inflows of resources and fund balances	\$ 59,559,268	\$ 32,197,650

The Notes to Financial Statements are
an integral part of this statement.

EXHIBIT C-1

60		98
Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 22,333,987	\$ 2,533,739	\$ 88,059,520
-	-	4,078,292
-	-	(841,007)
-	731,224	17,536,188
-	30,001	8,168,185
-	31,291	256,476
-	-	48,175
-	-	111,331
<u>\$ 22,333,987</u>	<u>\$ 3,326,255</u>	<u>\$ 117,417,160</u>
\$ 365,740	\$ 218,945	\$ 2,091,438
-	-	11,630,274
-	693,047	10,778,949
-	144,165	4,806,853
-	36,614	36,614
365,740	1,092,771	29,344,128
-	-	3,237,286
-	-	3,237,286
-	-	48,175
-	-	111,331
-	1,755,889	1,755,889
21,968,247	-	21,968,247
-	-	30,314,436
-	478,439	478,439
-	-	1,500,000
-	(844)	28,659,229
<u>21,968,247</u>	<u>2,233,484</u>	<u>84,835,746</u>
<u>\$ 22,333,987</u>	<u>\$ 3,326,255</u>	<u>\$ 117,417,160</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
YEAR ENDED JUNE 30, 2015**

Total fund balances for governmental funds (from C-1)	\$ 84,835,746
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.	389,048,622
Accumulated depreciation, including current year depreciation expense of \$7,881,714, is not reported in the fund financial statements.	(86,298,818)
Long-term liabilities including bonds payable, premiums and accreted interest are not included in the fund financial statements.	(363,149,587)
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.	(8,785,159)
Deferred outflows of resources on issuances of debt were not recognized on the balance sheet for governmental funds.	5,778,872
Deferred outflows of resources for pension related items were not recognized on the balance sheet for governmental funds.	2,093,826
Long-term liabilities associated with the District's net pension liability are not included in the fund financial statements.	(16,315,928)
Internal service funds are used to charge the costs of certain activities, such as self-insurance and catering, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	2,349,897
Deferred inflows of resources for property taxes are recognized in the government-wide financial statements.	3,237,288
Deferred inflows of resources for pension related liabilities are recognized in the government-wide financial statements.	<u>(4,980,919)</u>
Net position of governmental activities (from A-1)	<u>\$ 7,813,840</u>

The Notes to Financial Statements are
an integral part of this statement.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015**

Data Control Codes		10	50
		General	Debt Service
	Revenues		
5700	Local, intermediate, and out-of-state	\$ 58,279,203	\$ 23,259,131
5800	State program revenues	60,746,295	-
5900	Federal program revenues	1,689,783	-
5020	Total revenues	120,715,281	23,259,131
	Expenditures		
0011	Instruction	71,488,793	-
0012	Instructional resources/media services	608,305	-
0013	Curriculum and staff development	125,306	-
0021	Instructional leadership	2,759,672	-
0023	School leadership	8,682,150	-
0031	Guidance, counseling, and evaluation services	2,790,357	-
0033	Health services	1,295,689	-
0034	Student (pupil) transportation	5,145,335	-
0035	Food service	-	-
0036	Extracurricular activities	4,223,996	-
0041	General administration	4,264,187	-
0051	Plant maintenance and operations	12,467,354	-
0052	Security and monitoring services	1,577,220	-
0053	Data processing services	1,881,503	-
0061	Community services	-	-
0071	Principal	-	4,652,405
0072	Interest	-	17,889,684
0073	Bond issuance costs and fees	-	593,942
0081	Facilities acquisition and construction	-	-
0093	Shared service arrangements	-	-
0099	Other intergovernmental charges	-	-
6030	Total expenditures	117,309,867	23,136,031
1100	Excess (deficiency) of revenues over (under) expenditures	3,405,414	123,100
	Other financing sources (uses)		
7901	Issuance of refunding bonds	-	47,635,000
7916	Premium/discount on bonds	-	5,898,848
8940	Payment to escrow agent	-	(52,948,781)
7080	Total other financing sources (uses)	-	585,067
1200	Net change in fund balances	3,405,414	708,167
0100	Beginning fund balances	26,914,165	29,606,269
3000	Ending fund balances	\$ 30,319,579	\$ 30,314,436

The Notes to Financial Statements are
an integral part of this statement.

EXHIBIT C-2

60		98
Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 1,483,741	\$ 4,013,190	\$ 87,035,265
7,168	1,896,831	62,650,294
-	12,389,453	14,079,236
1,490,909	18,299,474	163,764,795
-	5,711,838	77,200,631
-	-	608,305
-	242,807	368,113
-	277,176	3,036,848
-	-	8,682,150
-	1,418,677	4,209,034
-	-	1,295,689
-	35,473	5,180,808
-	7,394,081	7,394,081
-	1,202,816	5,426,812
-	-	4,264,187
-	495,060	12,962,414
-	-	1,577,220
-	904,688	2,786,191
-	2,123	2,123
-	-	4,652,405
-	-	17,889,684
-	-	593,942
2,319,542	-	2,319,542
-	365,548	365,548
-	-	-
2,319,542	18,050,287	160,815,727
(828,633)	249,187	2,949,068
-	-	47,635,000
-	-	5,898,848
-	-	(52,948,781)
-	-	585,067
(828,633)	249,187	3,534,135
22,796,880	1,984,297	81,301,611
\$ 21,968,247	\$ 2,233,484	\$ 84,835,746

**CROWLEY INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015**

EXHIBIT C-2R

Net changes in fund balances - total governmental funds (from C-2)	\$ 3,534,135
Internal service funds are used to charge the costs of certain activities to individual funds. The net income of internal service funds are reported with governmental activities, so the net effect is to increase net position.	920,545
Current year capital outlays are expenditures in the fund financial statements but appear as increases in capital assets in the government-wide financial statements. The net effect of the current year capital outlay is to increase net position.	1,813,077
Depreciation is not expensed in fund financial statements because it does not require the use of current financial resources. The effect of current year depreciation is to decrease net position.	(7,881,714)
The refundings and issuances of bonds payable are considered a source/use of funds on the governmental fund statements, but are treated as long-term liabilities for the government-wide presentation. Current year principal payments on noncurrent liabilities are expenditures in the fund financial statements, whereas they are reported as reductions of noncurrent liabilities in the government-wide financial statements. The net effect of current year refundings \$3,814,515 and principal paid on bonds payable (\$4,652,405) is to increase net position.	8,466,920
Premiums on bonds payable are reported as other sources of funds in the fund financial statements when the bonds are issued. Deferred charges on refunding are presented as deferred outflows of resources on the government-wide statements and amortized over the life of the related debt. Amounts are reported net of amortization on the government-wide financial statements. The net effect of these items is to decrease net position.	(3,406,112)
Changes in the net pension liability, and related deferred inflows and outflows not recognized on the fund financial statements under the modified accrual basis are recognized on the accrual basis in the government-wide financial statements. The effect of the change is to increase net position.	58,574
Revenue not recognized on the fund financial statements under the modified accrual basis are recognized on the accrual basis in the government-wide financial statements. The effect of the change in deferred outflow of resources is to increase net position.	725,357
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements an interest expenditure is reported when due. The effect of recording the decrease in accreted interest \$1,731,533 and the decrease in accrued interest \$744,517 is to increase net position.	2,476,050
Change in net position of governmental activities (from B-1)	<u>\$ 6,706,832</u>

The Notes to Financial Statements are
an integral part of this statement.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015**

EXHIBIT D-1

<u>Data Control Codes</u>		<u>Business-type Activities - Enterprise Community Education</u>	<u>Governmental Activities - Internal Service Funds</u>
	Assets		
	Current assets		
1110	Cash and cash equivalents	\$ 82,104	\$ -
1260	Due from other funds	-	2,610,764
1000	Total assets	82,104	2,610,764
	Liabilities		
	Current liabilities		
2110	Accounts payable	36,727	260,867
2000	Total liabilities	36,727	260,867
	Net position		
3900	Unrestricted	45,377	2,349,897
3000	Total net position	<u>\$ 45,377</u>	<u>\$ 2,349,897</u>

The Notes to Financial Statements are
an integral part of this statement.

CROWLEY INDEPENDENT SCHOOL DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2015

EXHIBIT D-2

Data Control Codes		Business-type Activities - Enterprise Community Education	Governmental Activities - Internal Service Funds
	Operating revenues		
5700	Local and intermediate sources	\$ 141,430	\$ 1,003,886
5020	Total operating revenues	141,430	1,003,886
	Operating expenses		
6100	Payroll cost	1,898	17,843
6200	Contractual services	85,483	65,498
6300	Supplies	22,560	-
6400	Other operating costs	722	-
6030	Total operating expenses	110,663	83,341
	Income before contribution and transfers	30,767	920,545
8911	Transfers in	-	-
1300	Change in net position	30,767	920,545
0100	Beginning net position	14,610	1,429,352
3300	Ending net position	\$ 45,377	\$ 2,349,897

The Notes to Financial Statements are
an integral part of this statement.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
STATEMENTS OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2015**

EXHIBIT D-3

	Business-type Activities - Enterprise Community Education	Governmental Activities - Internal Service Funds
Cash flows from operating activities		
Cash received from customers	\$ 141,430	\$ 1,003,886
Cash payments to suppliers	(74,610)	(269,714)
Cash payments to employees	(1,898)	(17,843)
	<hr/>	<hr/>
Net cash provided by operating activities	64,922	716,329
Cash flows from noncapital financing activities		
Operating subsidies and transfers to other funds	-	(1,003,886)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	64,922	(287,557)
Beginning cash and cash equivalents	<hr/> 17,182	<hr/> 287,557
	<hr/>	<hr/>
Ending cash and cash equivalents	<u>\$ 82,104</u>	<u>\$ -</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 30,767	\$ 920,545
Adjustments to reconcile operating income to net cash provided by operating activities		
Change in assets and liabilities		
Increase (decrease) in accounts payable	<hr/> 34,155	<hr/> (204,216)
	<hr/>	<hr/>
Cash provided by operating activities	<u>\$ 64,922</u>	<u>\$ 716,329</u>

The Notes to Financial Statements are an integral part of this statement.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
STATEMENTS OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2015**

EXHIBIT E-1

<u>Data Control Codes</u>		<u>Private Purpose Trust</u>	<u>Agency</u>
	Assets		
1110	Cash and cash equivalents	\$ 25,965	\$ 182,545
	Total assets	25,965	182,545
	Liabilities		
2190	Due to student groups	-	182,545
2000	Total liabilities	-	\$ 182,545
3000	Net position	<u>\$ 25,965</u>	

The Notes to Financial Statements are
an integral part of this statement.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2015**

EXHIBIT E-2

	Private Purpose Trust
	<hr/>
Additions	
Local and intermediate sources	\$ 1,000
	<hr/>
Total additions	1,000
Deductions	
Supplies and materials	977
	<hr/>
Total deductions	977
	<hr/>
Change in net position	23
Beginning net position	25,942
	<hr/>
Ending net position	\$ 25,965
	<hr/> <hr/>

The Notes to Financial Statements are
an integral part of this statement.

CROWLEY INDEPENDENT SCHOOL DISTRICT NOTES TO FINANCIAL STATEMENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Crowley Independent School District (the District) is a public educational agency operating under the applicable laws and regulations of the State of Texas. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and it complies with the requirements of the appropriate version of Texas Education Agency's (TEA) *Financial Accountability System Resource Guide* (the Resource Guide) and the requirements of contracts and grants of agencies from which it receives funds.

The District is an independent political subdivision of the State of Texas governed by the Board of Trustees, a seven member group, elected by the public. It has the authority to make decisions, appoint administrators and managers, and significantly influence operations and is considered a primary government. As required by generally accepted accounting principles, these financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations or functions as part of the District's financial reporting entity. No other entities have been included in the District's reporting entity. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity, which is in accordance with GASB Statement No. 14, *The Financial Reporting Entity*, as revised by GASB Statement No. 39 and GASB Statement No. 61.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information about the District as a whole. These statements include all activities of the primary government. The effect of interfund activity has been removed from these statements.

The statement of activities presents a comparison between direct expenses and program revenues for each segment 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. Program revenues include charges paid by the recipients of goods or services offered by the programs and grants that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, such as taxes and investment earnings, are presented as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. In the fund financial statements, the accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

B. Government-wide and Fund Financial Statements – Continued

The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance or net position, as appropriate, revenues, and expenditures or expenses, as appropriate. Following is a description of the various funds:

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed.

General Fund

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund is considered a major fund for reporting purposes.

Debt Service Fund

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest on all long-term debt of the District. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

Capital Projects Funds

The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The capital projects fund is considered a major fund for reporting purposes.

Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The restricted or committed proceeds of specific revenue sources comprise a substantial portion of the inflows of these special revenue funds. Most federal and some state financial assistance are accounted for in special revenue funds.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

B. Government-wide and Fund Financial Statements – Continued

Proprietary Funds

The proprietary funds account for services that are generally fully supported by user fees. The District has the following types of proprietary funds:

Enterprise Funds

The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are reported as “Business Type Activities” in the government-wide financial statements. The District uses this fund to account for its community education programs because the community education programs are self-supporting and do not require subsidies from the general fund.

Internal Service Funds

The internal service funds are used to account for revenues and expenses related to services provided to parties inside the District. These funds facilitate distribution of support costs to the users of support services on a cost-reimbursement basis. Because the principal users of the internal services are the District’s governmental activities, this fund type is included in the “Governmental Activities” column of the government-wide financial statements. The District has internal service funds for its worker’s compensation and health self-insurance plans.

Fiduciary Funds

Agency Funds

The agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for the District’s student activity funds and donations.

Private Purpose Trust Funds

The District uses these funds to account for donations received from private individuals and foundations which have the stipulation that the funds be used for a specific purpose. These funds are not budgeted.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. Measurement Focus and Basis of Accounting

The government-wide statements and the proprietary fund statements are accounted for using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operations of these activities are included on the statement of net position. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing resources) and decreases (i.e., expenditures and other financing uses) in fund balance.

The District utilizes the modified accrual basis of accounting in the governmental fund statements. Under the modified accrual basis of accounting, revenues are recognized in the accounting period when they are susceptible to accrual (i.e., when they are measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues available if they are collected within 60 days of the end of the current period. Revenues susceptible to accrual include charges for services and interest on temporary investments.

Property taxes and interest associated with the current period are all considered to be susceptible to accrual and have been recognized as revenues of the current period. Other receipts and other taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Grant funds are considered to be earned when all eligibility requirements have been met, (including time requirements) to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received in advance, they are recorded as unearned revenues until earned. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

Using the modified accrual basis of accounting, expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for interest on long-term debt, which is recognized when due.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, and Net Position or Fund Balance

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

The District reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized cost. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, are reported using the pools' share price, which generally maintain a stable \$1 per share value. A board of directors comprised of local government officers, including participants of the pools, performs regulatory oversight to the external investment pools.

The District has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Governmental Code. In summary, the District is authorized to invest in the following:

- Direct obligations of the U.S. Government
- Fully collateralized certificates of deposit and money market accounts
- Government investment pools and commercial paper

Receivables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as due to/from other funds

Due from other governments is primarily comprised of amounts to be received related to federal and state funding sources, and is considered entirely collectible.

Property Taxes

All taxes due to the District on real or personal property are payable at the Office of the Tax Assessor-Collector and may be paid at any time after the tax rolls for the year have been completed and approved, which is no later than October 1. Taxes are due by January 31, and all taxes not paid prior to this date are deemed delinquent and are subject to such penalty and interest. Property taxes attach as an enforceable lien on property as of January 1 each year. Taxes are levied on October 1 and are payable prior to the next February 1. District property tax revenues are recognized when collected.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, and Net Position or Fund Balance – Continued

Inventories

The costs of governmental fund type inventories are recorded as expenditures when consumed (i.e., the consumption method). Inventory is recorded at average cost.

Capital Assets

Capital assets, which include land, buildings, furniture, and equipment, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Description Useful Life</u>	<u>Estimated</u>
Buildings and improvements	15-30 years
Furniture and equipment	3-15 years

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, and Net Position or Fund Balance – Continued

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.

Fund Balance

Fund balances in governmental funds are classified as follows:

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

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

Committed - Represents amounts that can only be used for a specific purpose because of a formal action by the District's Board of Trustees (the "Board"). Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of formal action. Commitments are approved through the adoption and amendment of the District's budget or a formal resolution stating the commitment. The commitment must be made prior to yearend.

Assigned - 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 or by an official or body to which the Board delegates the authority. The Board has retained this authority. 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 convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself. Assignments can be made at any time.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, and Net Position or Fund Balance – Continued

Fund Balance – Continued

Unassigned - 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.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed, then assigned funds, and finally unassigned funds.

Net Position

The District classifies net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net investment in capital assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of constraints placed on net position used through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted - Consists of net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

E. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles (GAAP), requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

CROWLEY INDEPENDENT SCHOOL DISTRICT NOTES TO FINANCIAL STATEMENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

F. Data Control Codes

The data control codes refer to the account code structure prescribed by TEA in the Resource Guide. The TEA requires school districts to display these codes in the financial statements filed with the TEA in order to insure accuracy in building a statewide database for policy development and funding plans.

G. New Accounting Pronouncements

The GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, which will be effective for periods beginning after June 15, 2014. The objective of this Statement is to improve accounting and financial reporting of state and local governmental pension plans. This Statement applies to all state and governmental entities and replaces Statements 27 and 50. The District has retroactively implemented this change. See Note I. H.

H. Restatement of Prior Year Net Position

For the fiscal year ended June 30, 2015, the District made a change in accounting principle due to the implementation of Governmental Accounting Standards Board No. 68, *Accounting and Financial Reporting for Pensions*, which required restatement of net position as of June 30, 2015. This resulted in a decrease in net position of \$20,770,706 due to retroactively recognizing the District's overall net pension liability as of June 30, 2014. This change is in accordance with generally accepted accounting principles.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with GAAP. The original budget is adopted by the District prior to the beginning of the year. The legal level of control is the function code stated in the approved budget. Appropriations lapse at the end of the year, excluding capital project budgets. Supplemental budget appropriations were made for the year.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Custodial Credit Risk – Deposits In the case of deposits, this is the risk that in the event of a bank failure the District's deposits may not be returned to it. The District's investment policy requires funds on deposit at the depository bank to be collateralized. As of year-end, checking and time deposits were entirely insured or collateralized with securities as provided by State laws and regulations and FDIC insurance. At year-end, the carrying amount of the District's deposits was \$5,054,334, and the bank balance was \$6,093,580, of which \$5,593,580 exceeded FDIC limits and was collateralized by securities held in the District's name.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

III. DETAILED NOTES ON ALL FUNDS – CONTINUED

A. Deposits and Investments – Continued

Custodial Credit Risk – Investments For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, the District was not exposed to custodial credit risk. All of the investment pools are rated AAA or better by Standard and Poor's Rating Services as of year-end.

At year end, the District's investments were as follows:

Investments	Maturity	Amount	Rating
Lone Star Investment Pool	32 days	\$ 77,944,730	AAA
MBIA Texas Class Investment Pool	52 days	<u>5,351,070</u>	AAA
Total Investments		<u><u>\$ 83,295,800</u></u>	

Interest Rate Risk In accordance with its investment policy, the District manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and invest operating funds primarily in short-term securities.

Concentration of Credit Risk The District's investment policy limits investments in money market mutual funds rated as to investment quality not less than AAA by Standard & Poor's.

B. Capital Assets

Capital asset activity for the year ended June 30, 2015 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities				
Capital assets not being depreciated				
Land	\$ 22,192,028	\$ -	\$ -	\$ 22,192,028
Construction in progress	<u>76,477</u>	<u>48,015</u>	<u>-</u>	<u>124,492</u>
Total capital assets not being depreciated	22,268,505	48,015	-	22,316,520
Other capital assets				
Buildings and improvements	349,980,985	744,664	-	350,725,649
Furniture and equipment	<u>14,986,055</u>	<u>1,020,398</u>	<u>-</u>	<u>16,006,453</u>
Total other capital assets	364,967,040	1,765,062	-	366,732,102
Less accumulated depreciation for				
Buildings and improvements	(68,455,787)	(7,072,047)	-	(75,527,834)
Furniture and equipment	<u>(9,961,317)</u>	<u>(809,667)</u>	<u>-</u>	<u>(10,770,984)</u>
Total accumulated depreciation	<u>(78,417,104)</u>	<u>(7,881,714)</u>	<u>-</u>	<u>(86,298,818)</u>
Totals	<u><u>\$ 308,818,441</u></u>	<u><u>\$ (6,068,637)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 302,749,804</u></u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

III. DETAILED NOTES ON ALL FUNDS – CONTINUED

B. Capital Assets – Continued

Depreciation was charged to governmental functions as follows:

	<u>Governmental Activities</u>
11 Instruction	\$ 7,312,839
12 Instructional resources/media services	28,463
23 School leadership	10,554
31 Guidance, counseling, and evaluation services	1,260
33 Health services	421
34 Student (pupil) transportation	74,740
35 Food services	57,117
36 Extracurricular activities	128,762
41 General administration	20,658
51 Plant maintenance and operations	<u>246,900</u>
	<u><u>\$ 7,881,714</u></u>

C. Long-term Liabilities

The following is a summary of changes in the District's total governmental long-term liabilities for the year. In general, the District uses the debt service fund to liquidate governmental long-term liabilities.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

III. DETAILED NOTES ON ALL FUNDS – CONTINUED

C. Long-term Liabilities – Continued

Governmental activities	Beginning Balances	Additions	Reductions	Ending Balances	Amounts Due Within One Year
Bonds payable					
Series 1991 Refunding	\$ 128,486	\$ -	\$ 51,033	\$ 77,453	\$ 42,324
Series 1993 Refunding	2,794,051	-	-	2,794,051	-
Series 2002 Refunding	774,812	-	-	774,812	-
Series 2004 Refunding	1,105,000	-	1,105,000	-	-
Series 2005 Refunding	37,210,000	-	35,600,000	1,610,000	1,610,000
Series 2006	22,180,000	-	16,555,000	5,625,000	560,000
Series 2007	57,621,428	-	318,978	57,302,450	287,451
Series 2008	79,566,186	-	14,968	79,551,218	9,106
Series 2010 Refunding	19,460,000	-	675,000	18,785,000	-
Series 2010	4,999,998	-	-	4,999,998	1,155,000
Series 2011 Refunding	8,094,997	-	60,000	8,034,997	60,000
Series 2012 Refunding	8,734,971	-	4,971	8,730,000	-
Series 2013 Refunding	20,842,915	-	22,455	20,820,460	5,007
Series 2013	24,425,000	-	-	24,425,000	-
Series 2014 A Refunding	23,684,994	-	755,000	22,929,994	1,175,000
Series 2014 B Refunding	-	16,380,000	-	16,380,000	640,000
Series 2015 Refunding	-	31,255,000	-	31,255,000	655,000
	311,622,838	47,635,000	55,162,405	304,095,433	6,198,888
Other liabilities					
Bond premiums	13,558,277	5,898,844	939,515	18,517,606	1,016,297
Accreted interest	42,268,081	2,729,579	4,461,112	40,536,548	4,478,186
Total governmental activities	<u>\$ 367,449,196</u>	<u>\$ 56,263,423</u>	<u>\$ 60,563,032</u>	<u>\$ 363,149,587</u>	<u>\$ 11,693,371</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

III. DETAILED NOTES ON ALL FUNDS – CONTINUED

C. Long-term Liabilities – Continued

These bonds were issued as school building bonds or refunding bonds, and have interest rates ranging from 0.40% to 5.13%. There are a number of limitations and restrictions contained in the various general obligation bonds indentures. The District is in compliance with all significant limitations and restrictions at year end.

During the year, the District issued \$47,635,000 in unlimited tax refunding bonds to refund \$50,510,000 of outstanding bonds in series 2004, 2005 and 2006. The refunding resulted in total gross savings of \$10,288,737 and a present value economic gain (difference between present value of debt service payment on the old and new debt) of \$7,667,619. In prior years, the District issued refunding bonds to defease certain outstanding bonds to achieve debt service savings. The District has placed the proceeds from the refunding issues in irrevocable escrow accounts with a trust agent to ensure payment of debt service on the refunded bonds. At year end \$73,690,000 of bonds outstanding are considered defeased. The interest rates on these bonds ranged from 0.40% to 5.125%

Debt service requirements by fiscal year on the District's outstanding bonds was as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2016	\$ 6,198,888	\$ 17,877,300	\$ 24,076,188
2017	5,385,661	16,371,921	21,757,582
2018	6,955,627	14,143,924	21,099,551
2019	5,638,567	15,744,684	21,383,251
2020	7,509,523	13,954,222	21,463,745
2021-2025	46,627,500	63,228,834	109,856,334
2026-2030	54,283,299	65,938,989	120,222,288
2031-2035	66,181,367	41,950,833	108,132,200
2036-2040	105,315,001	13,300,894	118,615,895
	<u>\$ 304,095,433</u>	<u>\$ 262,511,601</u>	<u>\$ 566,607,034</u>

D. Interfund Transactions

The interfund balances and transfers were as follows:

Due to	Due from	Amount	Purpose
General	Special revenue	\$ 665,194	Short term loans
Special revenue	Special revenue	17,413	Short term loans
Special revenue	General fund	2,148	Short term loans
Debt service	General fund	7,472,990	Short term loans
Internal service	General fund	2,610,764	Short term loans

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

IV. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District purchases commercial insurance to cover general liabilities insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

B. Workers' Compensation Insurance

During the fiscal year ended June 30, 2015, employees of the District were covered by a workers' compensation insurance plan (the plan). Contributions are made based upon rates established for the District's various types of employees.

The contract between the District and the third party administrator, Alamo Insurance Group (AIG), is renewable annually, and the terms of coverage and costs are included in the contractual provisions. The District is protected against unanticipated catastrophic individual loss by stop-loss coverage carried through a commercial insurer licensed to do business in Texas in accordance with the Texas Insurance Code. Stop-loss coverage is in effect for specific occurrences exceeding \$300,000 and an aggregate limit of \$1,000,000.

AIG has performed an evaluation of claims submitted for incidents occurring prior to June 30, 2015, and has projected open claims and incurred but not reported claims will cost \$129,418. The following is a reconciliation of changes in the aggregate liabilities for claims for the last three fiscal years:

<u>Fiscal Year</u>	<u>Beginning of Year Accrual</u>	<u>Current Year Estimates</u>	<u>Claims Payments</u>	<u>End of Year Accrual</u>
2014	\$ 192,498	\$ 338,230	\$ 110,625	\$ 420,103
2015	420,103	179,416	135,111	464,408
2016	464,408	(287,749)	47,241	129,418

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

IV. OTHER INFORMATION – CONTINUED

C. Other Liabilities

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or not performed correctly, it could result in a substantial liability to the District. The District engages an arbitrage consultant to perform the calculations in accordance with IRS rules and regulations.

D. Defined Benefit Pension Plans

Plan Description

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

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

Pension Plan Fiduciary Net Position

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

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

IV. OTHER INFORMATION – CONTINUED

D. Defined Benefit Pension Plans – Continued

Benefits Provided

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

Contributions

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

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

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

IV. OTHER INFORMATION – CONTINUED

Defined Benefit Pension Plans – Continued

Contributions – Continued

	Contribution Rates	
	2014	2015
Member	6.40%	6.70%
Non-Employer Contributing Entity (State)	6.80%	6.80%
Employers	6.80%	6.80%
Employer #1787 - 2014 Employer Contributions		\$ 1,546,777
Employer #1787 - 2014 Member Contributions		1,438,427
Employer #1787 - 2014 NECE On-behalf Contributions		3,966,316

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

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

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

IV. OTHER INFORMATION – CONTINUED

D. Defined Benefit Pension Plans – Continued

Actuarial Assumptions

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

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

**Includes Inflation of 3%*

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

Discount Rate

The discount rate used to measure the total pension liability was 8.0%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 8%. The long-term expected rate of return on pension plan investments was determined using a building-

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

IV. OTHER INFORMATION – CONTINUED

D. Defined Benefit Pension Plans – Continued

Discount Rate – Continued

block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2014 are summarized below:

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

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

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

IV. OTHER INFORMATION – CONTINUED

D. Defined Benefit Pension Plans – Continued

Discount Rate Sensitivity Analysis

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

	1% Decrease in Discount Rate (7.0%)	Discount Rate (8%)	1% Increase in Discount Rate (9.0%)
The District's proportionate share of the net pension liability:	\$ 29,140,397	\$ 16,315,928	\$ 6,725,614

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

At June 30, 2015, the District reported a liability of \$16,315,928 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for 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:

The District's Proportionate share of the collective net pension liability	\$ 16,315,928
State's proportionate share that is associated with the District	41,877,722
Total	<u>\$ 58,193,650</u>

The net pension liability was measured as of August 31, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The 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, 2013 thru August 31, 2014.

At August 31, 2014 the employer's proportion of the collective net pension liability was 0.06107% which was an increase from its proportion measured as of August 31, 2013 of 0.06079%. The change in proportion was immaterial and therefore disregarded this year.

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

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

There was a change in employer contribution requirements that occurred after the measurement date of the net pension liability and the employer's reporting date. A 1.5%

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

IV. OTHER INFORMATION – CONTINUED

E. Defined Benefit Pension Plans – Continued

Discount Rate Sensitivity Analysis

contribution for employers not paying Old Age Survivor and Disability Insurance (OASDI) on certain employees went into law effective 09/01/2014. The amount of the expected resultant change in the employer's proportion cannot be determined at this time.

For the year ended August 31, 2014, the District recognized pension expense and revenue of \$3,966,316 for support provided by the State.

At August 31, 2014, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 252,033	\$ -
Changes in actuarial assumptions	1,059,300	-
Difference between projected and actual investment earnings	-	4,980,919
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	12,236	-
Contributions paid to TRS subsequent to the measurement date	770,257	-
Total	2,093,826	4,980,919

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

Year ended June 30:	Pension Expense Amount
2016	\$ (254,472)
2017	(1,024,739)
2018	(1,024,739)
2019	(1,024,739)
2020 and thereafter	441,596

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

IV. OTHER INFORMATION – CONTINUED

E. Retiree Health Care Plan

Plan Description

The District contributes to the Texas Public School Retired Employees Group Insurance Program (TRS-Care), a cost-sharing multiple-employer defined benefit postemployment health care plan administered by the Teacher Retirement System of Texas. TRS-Care provides health care coverage for certain persons (and their dependents) who retired under the Teacher Retirement System of Texas. The statutory authority for the program is Texas Insurance Code, Chapter 1575. Section 1575.052 grants the TRS Board of Trustees the authority to establish and amend basic and optional group insurance coverage for participants. The Teacher Retirement System of Texas issues a publicly available financial report that includes financial statements and required supplementary information for TRS-Care. That report may be obtained by visiting the [TRS website](#) under the TRS Publications heading, by calling the TRS Communications Department at 1-800-223-8778, or by writing to the Communications Department of the Teacher Retirement System of Texas at 1000 Red River Street, Austin, Texas 78701.

Funding Policy

Contribution requirements are not actuarially determined but are legally established each biennium by the Texas Legislature. Texas Insurance Code, Sections 1575.202, 203 and 204 establish state, active employee and public school contributions, respectively. Funding for free basic coverage is provided by the program based upon public school district payroll. Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than 0.25% or greater than 0.75% of the salary of each active employee of the public school. Funding for optional coverage is provided by those participants selecting the optional coverage. Contribution rates and amounts are shown in the table below for fiscal years 2015–2013.

Contribution Rates						
Year	Active Member		State		School District	
	Rate	Amount	Rate	Amount	Rate	Amount
2015	0.65%	\$ 522,895	1.0%	\$ 39,070	0.55%	\$ 442,449
2014	0.65%	489,013	1.0%	28,700	0.55%	413,697
2013	0.65%	458,275	0.5%	16,841	0.55%	391,536

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS**

IV. OTHER INFORMATION – CONTINUED

E. Retiree Health Care Plan – Continued

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended June 30, 2015, 2014, and June 30, 2013, the subsidy payments received by TRS-Care on behalf of the District were \$288,491, \$193,868, and \$267,524, respectively.

Funding Policy – Continued

The Early Retiree Reinsurance Program (ERRP) is a provision of the Patient Protection and Affordable Care Act (PPACA) and provides reimbursement to plan sponsors for a portion of the cost of providing health benefits to retirees between the ages of 55-64 and their covered dependents regardless of age. An "early retiree" is defined as a plan participant ages 55-64 who is not eligible for Medicare and is not covered by an active employee for plan sponsor. This temporary program is available to help employers continue to provide coverage to early retirees. Funds were allocated to reporting agencies using the same basis as the Medicare, Part D on behalf payments. For the fiscal year ended June 30, 2015, amounts received by TRS-Care on behalf of the District was \$237,952.

F. Shared Services Arrangements

The District is the fiscal agent for a Shared Services Arrangement ("SSA") which provides a regional day school for the deaf to various member districts. All services are provided by the fiscal agent. According to guidance provided in TEA's Resource Guide, the District has accounted for the fiscal agent's activities of the SSA in a special revenue fund and will be accounted for using Model 3 in the SSA section of the Resource Guide.

REQUIRED SUPPLEMENTARY INFORMATION

CROWLEY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2015

EXHIBIT G-1

Data Control Codes		Budgeted Amounts			Variance with Final Budget Positive (Negative)
		Original	Final	Actual	
Revenues					
5700	Local, intermediate, and out-of-state	\$ 56,898,648	\$ 57,928,648	\$ 58,279,203	\$ 350,555
5800	State program revenues	60,061,830	60,631,830	60,746,295	114,465
5900	Federal program revenues	1,200,000	1,600,000	1,689,783	89,783
5020	Total revenues	118,160,478	120,160,478	120,715,281	554,803
Expenditures					
0011	Instruction	73,450,308	73,303,711	71,488,793	1,814,918
0012	Instructional resources/media services	647,557	682,557	608,305	74,252
0013	Curriculum and staff development	231,706	241,009	125,306	115,703
0021	Instructional leadership	2,553,006	3,106,006	2,759,672	346,334
0023	School leadership	8,939,246	9,535,114	8,682,150	852,964
0031	Guidance, counseling, and evaluation services	2,663,977	3,054,977	2,790,357	264,620
0033	Health services	1,563,709	1,563,709	1,295,689	268,020
0034	Student (pupil) transportation	5,445,846	5,695,846	5,145,335	550,511
0036	Extracurricular activities	2,869,014	6,543,524	4,223,996	2,319,528
0041	General administration	4,288,193	4,770,693	4,264,187	506,506
0051	Plant maintenance and operations	12,561,943	13,313,610	12,467,354	846,256
0052	Security and monitoring services	1,153,588	1,914,140	1,577,220	336,920
0053	Data processing services	1,731,407	2,034,454	1,881,503	152,951
Debt service					
0071	Principal	-	-	-	-
0072	Interest	-	-	-	-
6030	Total expenditures	118,099,500	125,759,350	117,309,867	8,449,483
1100	Excess (deficiency) of revenues over (under) expenditures	60,978	(5,598,872)	3,405,414	9,004,286
Other financing sources (uses)					
7915	Transfers out	-	-	-	-
7080	Total other financing sources (uses)	-	-	-	-
1200	Net change in fund balances	60,978	(5,598,872)	3,405,414	9,004,286
0100	Beginning fund balances	26,914,165	26,914,165	26,914,165	-
3000	Ending fund balances	\$ 26,975,143	\$ 21,315,293	\$ 30,319,579	\$ 9,004,286

**CROWLEY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
YEAR ENDED JUNE 30, 2015**

EXHIBIT G-2

District's Proportion of the Net Pension Liability (Asset)	0.000610101%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 16,315,928
State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	<u>41,877,722</u>
Total	<u>\$ 58,193,650</u>
District's Covered-Employee Payroll	80,443,994
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its covered-Employee Payroll	20.28%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.25%

Note: Only one year of data is presented in accordance with GASB Standard No. 68 as the data for the years other than 2015 is not available.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
YEAR ENDED JUNE 30, 2015**

EXHIBIT G-3

Contractually Required Contribution	\$ 2,049,210
Contribution in Relation to the Contractually Required Contribution	<u>(2,049,210)</u>
Contribution Deficiency (Excess)	<u>-</u>
District's Covered-Employee Payroll	<u>\$ 80,443,994</u>
Contributions as a Percentage of Covered-Employee Payroll	2.55%

Note: Only one year of data is presented in accordance with GASB Standard No. 68 as the data for the years other than 2015 is not available.

OTHER SUPPLEMENTARY INFORMATION

**CROWLEY INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

Data Control Codes		211 ESEA Title I Part A Imp Basic Program	224 IDEA Part B Formula	225 IDEA Part B Preschool
	Assets			
1110	Cash and cash equivalents	\$ -	\$ 144,165	\$ -
1240	Due from other governments	280,567	-	10,990
1260	Due from other funds	-	-	-
1290	Other receivables	-	-	-
1000	Total assets	<u>\$ 280,567</u>	<u>\$ 144,165</u>	<u>\$ 10,990</u>
	Liabilities			
2110	Accounts payable and accrued wages and benefits payable	\$ -	\$ -	\$ -
2170	Due to other funds	280,567	-	10,990
2180	Due to other governments	-	144,165	-
2300	Unearned revenue	-	-	-
2000	Total Liabilities	280,567	144,165	10,990
	Fund balances			
3450	Grant funds - restricted	-	-	-
3450	Grant funds - committed	-	-	-
3600	Grant funds - unassigned	-	-	-
3000	Total fund balances	-	-	-
4000	Total liabilities, deferred inflows of resources and fund balances	<u>\$ 280,567</u>	<u>\$ 144,165</u>	<u>\$ 10,990</u>

EXHIBIT H-1
PAGE 1 OF 3

240 National Sch. Breakfast/ Lunch Program	242 Summer Feeding Program	244 Career and Technical Basic Grant	255 ESEA Title H Part A Training and Recruiting	263 Title III Part A English Language Acquisition	265 Title IV Part B Community Learning
\$ 1,656,574	\$ 19,471	\$ -	\$ -	\$ -	\$ -
-	-	17,233	2,105	34,227	83,909
8,728	-	-	-	-	-
24,179	-	-	-	-	-
<u>\$ 1,689,481</u>	<u>\$ 19,471</u>	<u>\$ 17,233</u>	<u>\$ 2,105</u>	<u>\$ 34,227</u>	<u>\$ 83,909</u>
\$ 212,464	\$ 4,093	\$ -	\$ -	\$ -	\$ -
-	1,848	17,233	2,105	34,227	83,909
-	-	-	-	-	-
36,614	-	-	-	-	-
249,078	5,941	17,233	2,105	34,227	83,909
1,440,403	13,530	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,440,403	13,530	-	-	-	-
<u>\$ 1,689,481</u>	<u>\$ 19,471</u>	<u>\$ 17,233</u>	<u>\$ 2,105</u>	<u>\$ 34,227</u>	<u>\$ 83,909</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

		289	315	316
Data Control Codes		Summer School LEP	SSA IDEA Part B Discretionary	SSA IDEA Part B Deaf
	Assets			
1110	Cash and cash equivalents	\$ 22,246	\$ -	\$ -
1240	Due from other governments	-	66,417	-
1260	Due from other funds	-	-	-
1290	Other receivables	-	-	-
1000	Total assets	<u>\$ 22,246</u>	<u>\$ 66,417</u>	<u>\$ -</u>
	Liabilities			
2110	Accounts payable and accrued wages and benefits payable	\$ -	\$ -	\$ -
2170	Due to other funds	-	66,417	-
2180	Due to other governments	-	-	-
2300	Unearned revenue	-	-	-
2000	Total liabilities	-	66,417	-
	Fund balances			
3450	Grant funds - restricted	22,246	-	-
3450	Grant funds - committed	-	-	-
3600	Grant funds - unassigned	-	-	-
3000	Total fund balances	<u>22,246</u>	<u>-</u>	<u>-</u>
4000	Total liabilities, deferred inflows of resources and fund balances	<u>\$ 22,246</u>	<u>\$ 66,417</u>	<u>\$ -</u>

317	385	392	397
SSA IDEA Part B Preschool Deaf	State Supplemental Visually Impaired	Non-Ed Community Based Support	Advanced Placement Incentives
\$ -	\$ -	\$ -	\$ 7,977
-	10,527	-	-
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ 10,527</u>	<u>\$ -</u>	<u>\$ 7,977</u>
\$ -	\$ -	\$ -	\$ -
-	10,527	844	-
-	-	-	-
-	-	-	-
-	10,527	844	-
-	-	-	7,977
-	-	-	-
-	-	(844)	-
<u>-</u>	<u>-</u>	<u>(844)</u>	<u>7,977</u>
<u>\$ -</u>	<u>\$ 10,527</u>	<u>\$ -</u>	<u>\$ 7,977</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

		410	429
Data Control Codes		State Instructional Materials	GR/AP Payments
	Assets		
1110	Cash and cash equivalents	\$ -	\$ 325
1240	Due from other governments	177,619	-
1260	Due from other funds	-	-
1290	Other receivables	-	-
1000	Total assets	<u>\$ 177,619</u>	<u>\$ 325</u>
	Liabilities		
2110	Accounts payable and accrued wages and benefits payable	\$ -	\$ -
2170	Due to other funds	177,619	-
2180	Due to other governments	-	-
2300	Unearned revenue	-	-
2000	Total liabilities	177,619	-
	Fund balances		
3450	Grant funds - restricted	-	325
3450	Grant funds - committed	-	-
3600	Grant funds - unassigned	-	-
3000	Total fund balances	<u>-</u>	<u>325</u>
4000	Total liabilities, deferred inflows of resources and fund balances	<u>\$ 177,619</u>	<u>\$ 325</u>

435	461	480	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
SSA Regional Day School For the Deaf	Campus Activity Funds	United Way	
\$ 204,339	\$ 456,699	\$ 21,943	\$ 2,533,739
41,027	-	6,603	731,224
-	21,273	-	30,001
-	7,112	-	31,291
<u>245,366</u>	<u>485,084</u>	<u>28,546</u>	<u>3,326,255</u>
\$ 2,388	\$ -	\$ -	\$ 218,945
-	6,645	116	693,047
-	-	-	144,165
-	-	-	36,614
<u>2,388</u>	<u>6,645</u>	<u>116</u>	<u>1,092,771</u>
242,978	-	28,430	1,755,889
-	478,439	-	478,439
-	-	-	(844)
<u>242,978</u>	<u>478,439</u>	<u>28,430</u>	<u>2,233,484</u>
<u>\$ 245,366</u>	<u>\$ 485,084</u>	<u>\$ 28,546</u>	<u>\$ 3,326,255</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

Data Control Codes		211 ESEA Title I Part A Imp. Basic Programs	224 IDEA Part B Formula	225 IDEA Part B Preschool
	Revenues			
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	2,060,706	2,553,934	53,482
5020	Total revenues	2,060,706	2,553,934	53,482
	Expenditures			
0011	Instruction	1,916,932	765,804	53,482
0013	Curriculum and staff development	60,996	4,002	-
0021	Instructional leadership	1,600	240	-
0031	Guidance, counseling, and evaluation services	2,460	1,416,217	-
0034	Student (pupil) transportation	35,473	-	-
0035	Food service	-	-	-
0036	Extracurricular activities	-	-	-
0051	Plant maintenance and operations	43,245	-	-
0053	Data processing services	-	-	-
0061	Community services	-	2,123	-
	Intergovernmental			
0099	Shared service arrangements	-	365,548	-
6030	Total expenditures	2,060,706	2,553,934	53,482
1200	Net change in fund balances	-	-	-
0100	Beginning fund balances	-	-	-
3000	Ending fund balances	\$ -	\$ -	\$ -

EXHIBIT H-2
PAGE 1 OF 3

240 National Sch. Breakfast/ Lunch Program	242 Summer Feeding Program	244 Career and Technical Basic Grant	255 ESEA Title II Part A Training and Recruiting	263 Title III Part A English Language Acquisition	265 Title IV Part B Community Learning
\$ 2,104,973	\$ -	\$ -	\$ -	\$ -	\$ -
41,010	-	-	-	-	-
5,730,021	204,830	173,101	167,657	168,769	1,165,000
7,876,004	204,830	173,101	167,657	168,769	1,165,000
-	-	170,054	37,499	161,324	951,643
-	-	3,047	130,158	7,445	1,476
-	-	-	-	-	211,881
-	-	-	-	-	-
-	-	-	-	-	-
7,202,781	191,300	-	-	-	-
-	-	-	-	-	-
451,815	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,654,596	191,300	173,101	167,657	168,769	1,165,000
221,408	13,530	-	-	-	-
1,218,995	-	-	-	-	-
\$ 1,440,403	\$ 13,530	\$ -	\$ -	\$ -	\$ -

**CROWLEY INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

Data Control Codes		289	315	316	317
		Summer School LEP	SSA IDEA Part B Discretionary	SSA IDEA Part B Deaf	SSA IDEA Part B Preschool Deaf
	Revenues				
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	7,746	77,889	22,745	3,573
5020	Total revenues	7,746	77,889	22,745	3,573
	Expenditures				
0011	Instruction	-	77,889	22,745	3,573
0013	Curriculum and staff development	-	-	-	-
0021	Instructional leadership	-	-	-	-
0031	Guidance, counseling, and evaluation services	-	-	-	-
0034	Student (pupil) transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0051	Plant maintenance and operations	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	-
	Intergovernmental				
0099	Shared service arrangements	-	-	-	-
6030	Total expenditures	-	77,889	22,745	3,573
1200	Net change in fund balances	7,746	-	-	-
0100	Beginning fund balances	14,500	-	-	-
3000	Ending fund balances	\$ 22,246	\$ -	\$ -	\$ -

385 State Supplemental Visually Impaired	392 Non-Ed Community Based Support	397 Advanced Placement Incentives
\$ -	\$ -	\$ -
10,527	-	24,450
-	-	-
10,527	-	24,450
10,527	844	-
-	-	35,176
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
10,527	844	35,176
-	(844)	(10,726)
-	-	18,703
\$ -	\$ (844)	\$ 7,977

**CROWLEY INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

Data Control Codes		410	429	435
		State Instructional Materials	GR/AP Payments	SSA Regional Day School For the Deaf
	Revenues			
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ 682,838
5800	State program revenues	1,487,591	106	332,085
5900	Federal program revenues	-	-	-
5020	Total revenues	1,487,591	106	1,014,923
	Expenditures			
0011	Instruction	582,903	-	884,827
0013	Curriculum and staff development	-	-	-
0021	Instructional leadership	-	-	63,455
0031	Guidance, counseling, and evaluation services	-	-	-
0034	Student (pupil) transportation	-	-	-
0035	Food service	-	-	-
0036	Extracurricular activities	-	-	-
0051	Plant maintenance and operations	-	-	-
0053	Data processing services	904,688	-	-
0061	Community services	-	-	-
	Intergovernmental			
0099	Shared service arrangements	-	-	-
6030	Total expenditures	1,487,591	-	948,282
1200	Net change in fund balances	-	106	66,641
0100	Beginning fund balances	-	219	176,337
3000	Ending fund balances	\$ -	\$ 325	\$ 242,978

461	480	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
Campus Activity Funds	United Way	
\$ 1,124,650	\$ 100,729	\$ 4,013,190
1,062	-	1,896,831
-	-	12,389,453
1,125,712	100,729	18,299,474
-	71,792	5,711,838
-	507	242,807
-	-	277,176
-	-	1,418,677
-	-	35,473
-	-	7,394,081
1,202,816	-	1,202,816
-	-	495,060
-	-	904,688
-	-	2,123
-	-	365,548
1,202,816	72,299	18,050,287
(77,104)	28,430	249,187
555,543	-	1,984,297
\$ 478,439	\$ 28,430	\$ 2,233,484

**TEXAS EDUCATION AGENCY
REQUIRED SCHEDULES**

**CROWLEY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
YEAR ENDED JUNE 30, 2015**

	1	2	3	10
	Tax Rates		Net Assessed/ Appraised Value For School Tax Purposes	Beginning Balance 06/30/14
<u>Last Ten Years</u>	<u>Maintenance</u>	<u>Debt Service</u>		
2006 and prior	Various	Various	\$ Various	\$ 506,352
2007	1.5000	0.3010	3,916,375,107	80,782
2008	1.3700	0.3698	4,281,370,806	57,276
2009	1.0400	0.4950	4,559,083,130	229,837
2010	1.0400	0.4950	4,555,040,542	265,517
2011	1.0400	0.4950	4,432,783,770	265,749
2012	1.0400	0.4950	4,563,518,827	324,341
2013	1.0400	0.5000	4,649,374,123	430,009
2014	1.1700	0.5000	4,697,596,237	1,169,331
2015	1.1700	0.4800	4,953,008,170	-
				<u>\$ 3,329,194</u>

EXHIBIT J-1

20	31	32	40	50
Current Year's Total Levy	Maintenance Total Collected	Debt Service Total Collected	Entire Year's Adjustments	Ending Balance 06/30/15
\$ -	\$ 1,266	\$ 227	\$ (3,990)	\$ 500,869
-	996	219	(2,217)	77,350
-	2,125	756	(1,281)	53,114
-	3,800	1,809	(1,395)	222,833
-	17,920	8,529	18,598	257,666
-	24,840	11,823	17,975	247,061
-	35,961	17,116	17,683	288,947
-	65,081	27,813	8,035	345,150
-	295,281	126,188	(192,688)	555,174
<u>80,406,793</u>	<u>55,943,758</u>	<u>22,951,285</u>	<u>18,378</u>	<u>1,530,128</u>
<u><u>\$ 80,406,793</u></u>	<u><u>\$ 56,391,028</u></u>	<u><u>\$ 23,145,765</u></u>	<u><u>\$ (120,902)</u></u>	<u><u>\$ 4,078,292</u></u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM
YEAR ENDED JUNE 30, 2015**

EXHIBIT J-4

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
	Revenues				
5700	Local, intermediate, and out-of-state	\$ 2,602,517	\$ 2,602,517	\$ 2,104,973	\$ (497,544)
5800	State program revenues	46,855	46,855	41,010	(5,845)
5900	Federal program revenues	5,484,057	5,484,057	5,730,021	245,964
5020	Total revenues	8,133,429	8,133,429	7,876,004	(257,425)
	Expenditures				
0035	Food service	7,363,429	7,455,731	7,202,781	252,950
0051	Plant maintenance and operations	370,000	500,000	451,815	48,185
6030	Total expenditures	7,733,429	7,955,731	7,654,596	301,135
1100	Excess (deficiency) of revenues over (under) expenditures	400,000	177,698	221,408	43,710
1200	Net change in fund balances	400,000	177,698	221,408	43,710
0100	Beginning fund balances	1,218,995	1,218,995	1,218,995	-
3000	Ending fund balances	\$ 1,618,995	\$ 1,396,693	\$ 1,440,403	\$ 43,710

**CROWLEY INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2015**

EXHIBIT J-5

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
	Revenues				
5700	Local, intermediate, and out-of-state	\$ 24,055,106	\$ 23,247,617	\$ 23,259,131	\$ 11,514
5800	State program revenues	-	916,544	-	(916,544)
5020	Total revenues	24,055,106	24,164,161	23,259,131	(905,030)
	Expenditures				
	Debt service				
0071	Principal	4,652,405	4,652,405	4,652,405	-
0072	Interest	18,335,310	18,335,310	17,889,684	445,626
0073	Bond issuance costs and fees	10,000	840,531	593,942	246,589
6030	Total expenditures	22,997,715	23,828,246	23,136,031	692,215
1100	Excess (deficiency) of revenues over (under) expenditures	1,057,391	335,915	123,100	(212,815)
	Other financing sources (uses)				
7901	Issuance of bonds	30,004,983	47,635,000	47,635,000	-
7916	Premium/discounts on issuance of bonds	6,519,782	6,664,019	5,898,848	(765,171)
8940	Payment to escrow agent	(36,289,574)	(53,468,488)	(52,948,781)	519,707
7080	Total other financing sources (uses)	235,191	830,531	585,067	(245,464)
1200	Net change in fund balances	1,292,582	1,166,446	708,167	(458,279)
0100	Beginning fund balances	29,606,269	29,606,269	29,606,269	-
3000	Ending fund balances	\$ 30,898,851	\$ 30,772,715	\$ 30,314,436	\$ (458,279)

STATISTICAL SECTION

This part of the Crowley 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.

Contents	Page
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Financial Trends	72
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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	82
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These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property and sales taxes.

Debt Capacity	89
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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	96
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These schedules offer demographic and economic indicators to help the reader understand how the District's financial activities take place and to help make comparisons over time and with other governments.

Operating Information	99
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These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

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

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Year			
	2006	2007	2008	2009
Governmental activities				
Net investment in capital assets	\$ (14,382,536)	\$ 9,833,177	\$ 11,605,003	\$ (18,439,516)
Restricted	2,638,192	3,538,567	5,115,620	8,106,882
Unrestricted	20,173,187	3,494,275	1,979,637	28,365,086
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	\$ 8,428,843	\$ 16,866,019	\$ 18,700,260	\$ 18,032,452
Business-type activities				
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Unrestricted	-	1,083	-	20,062
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	\$ -	\$ 1,083	\$ -	\$ 20,062
Total government				
Net investment in capital assets	\$ (14,382,536)	\$ 9,833,177	\$ 11,605,003	\$ (18,439,516)
Restricted	2,638,192	3,538,567	5,115,620	8,106,882
Unrestricted	20,173,187	3,495,358	1,979,637	28,385,148
TOTAL GOVERNMENT NET POSITION	\$ 8,428,843	\$ 16,867,102	\$ 18,700,260	\$ 18,052,514

Fiscal year 2010 represents a ten month transitional year for the period September 1 through June 30. The years preceding 2010 are fiscal year ending August 31.

EXHIBIT L-1

Year					
2010	2011	2012	2013	2014	2015
\$ 9,679,312	\$ 9,934,578	\$ 12,907,320	\$ 16,639,206	\$ 9,720,341	\$ 7,047,304
27,964,055	29,284,651	28,712,542	22,112,844	22,226,778	25,167,536
(8,282,363)	(13,876,125)	(16,005,650)	(12,254,283)	(11,578,516)	(24,401,000)
<u>\$ 29,361,004</u>	<u>\$ 25,343,104</u>	<u>\$ 25,614,212</u>	<u>\$ 26,497,767</u>	<u>\$ 20,368,603</u>	<u>\$ 7,813,840</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>11,887</u>	<u>31,888</u>	<u>28,784</u>	<u>37,369</u>	<u>14,610</u>	<u>45,377</u>
<u>\$ 11,887</u>	<u>\$ 31,888</u>	<u>\$ 28,784</u>	<u>\$ 37,369</u>	<u>\$ 14,610</u>	<u>\$ 45,377</u>
\$ 9,679,312	\$ 9,934,578	\$ 12,907,320	\$ 16,639,206	\$ 9,720,341	\$ 7,047,304
27,964,055	29,284,651	28,712,542	22,112,844	22,226,778	25,167,536
(8,270,476)	(13,844,237)	(15,976,866)	(12,216,914)	(11,563,906)	(24,355,623)
<u>\$ 29,372,891</u>	<u>\$ 25,374,992</u>	<u>\$ 25,642,996</u>	<u>\$ 26,535,136</u>	<u>\$ 20,383,213</u>	<u>\$ 7,859,217</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE) REVENUE
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Year			
	2006	2007	2008	2009
EXPENSES				
Governmental activities				
Instruction	\$ 55,801,140	\$ 63,717,308	\$ 69,543,338	\$ 77,624,292
Instruction resources & media services	1,218,910	1,195,321	1,289,071	1,290,365
Curriculum & staff development	460,421	706,083	786,926	626,521
Instructional leadership	526,122	702,908	977,335	1,658,270
School leadership	5,251,867	5,703,509	6,406,629	7,446,510
Guidance, counseling & evaluation services	1,656,821	1,830,147	1,933,504	2,225,227
Health services	797,386	928,748	1,020,872	1,084,368
Student transportation	2,821,890	2,439,811	3,278,890	4,123,449
Food service	4,894,593	4,194,876	5,004,761	5,568,067
Cocurriculum/extracurricular activities	2,975,065	3,134,639	2,769,786	3,246,364
General administration	3,277,419	3,743,436	4,011,528	3,306,058
Plant maintenance & operations	12,503,419	10,900,174	12,151,040	12,042,256
Security & monitoring services	369,465	520,661	747,327	938,445
Data processing services	119,992	817,624	796,880	901,359
Community services	135,025	66,348	3,910	500
Interest on long-term debt	10,006,299	10,943,533	13,638,806	17,221,709
Bond issuance cost & fees	-	-	-	-
Facilities acquisition and construction	43,927	44,792	65,416	91,577
Payments related to SSA's	149,764	284,497	197,644	183,224
Other intergovernmental charges	4,369,050	194,973	1,202,261	625,935
TOTAL GOVERNMENTAL ACTIVITIES EXPENSES	\$ 107,378,575	\$ 112,069,388	\$ 125,825,924	\$ 140,204,496
Business-type Activities				
Community Education	\$ -	\$ 119,806	\$ 28,383	\$ 93,995
Total Business-Type Activities Expenses	-	119,806	28,383	93,995
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 107,378,575	\$ 112,189,194	\$ 125,854,307	\$ 140,298,491
Program Revenues				
Governmental activities				
Charges for services				
Food services	\$ 2,773,248	\$ 2,727,910	\$ 2,840,481	\$ 2,686,130
Extracurricular	158,042	240,887	200,292	230,775
Other activities	188,879	71,540	55,690	74,780
Operating grants and contributions	13,306,597	16,483,298	15,350,387	17,132,942
TOTAL GOVERNMENTAL ACTIVITIES PROGRAM REVENUES	\$ 16,426,766	\$ 19,523,635	\$ 18,446,850	\$ 20,124,627
Business-type activities				
Charges for services				
Community Education	\$ -	\$ 120,889	\$ 27,300	\$ 93,995
Total Business-Type Activities Revenues	-	120,889	27,300	93,995
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 16,426,766	\$ 19,644,524	\$ 18,474,150	\$ 20,218,622
NET (EXPENSE)/REVENUE				
Governmental activities	\$ (90,951,809)	\$ (92,545,753)	\$ (107,379,074)	\$ (120,079,869)
Business-type activities	-	1,083	(1,083)	-
TOTAL PRIMARY GOVERNMENT NET EXPENSE	\$ (90,951,809)	\$ (92,544,670)	\$ (107,380,157)	\$ (120,079,869)

EXHIBIT L-2

Year					
2010	2011	2012	2013	2014	2015
\$ 74,345,073	\$ 78,987,591	\$ 71,123,827	\$ 77,043,615	\$ 80,191,218	\$ 84,186,905
1,076,313	1,246,180	751,731	654,900	615,450	636,562
298,529	407,767	247,910	351,011	303,288	354,643
1,513,324	1,649,147	1,606,572	1,351,887	1,884,186	3,021,111
6,260,458	8,044,162	6,090,638	7,718,589	8,213,570	8,688,269
1,809,360	3,353,496	3,484,542	3,702,969	3,855,069	4,115,215
1,129,345	1,345,512	994,528	1,061,641	1,209,218	1,295,523
3,992,429	5,248,671	5,584,902	5,189,433	5,324,829	5,253,263
5,548,272	6,825,651	7,147,100	7,108,976	6,814,958	6,974,891
2,767,108	3,319,432	3,351,753	4,029,521	3,868,884	5,554,913
2,927,927	2,701,141	2,713,309	3,414,093	3,861,845	4,283,914
9,332,425	13,194,397	11,969,199	11,537,962	12,704,966	13,093,030
653,059	796,197	785,648	870,221	1,116,826	1,577,138
1,074,268	1,332,937	2,299,803	1,758,717	2,224,301	2,785,651
400	200	805	3,145	9,491	1,986
14,499,894	17,206,025	16,039,805	17,003,334	25,823,454	14,420,164
-	-	-	111,214	777,864	593,942
88,407	120,633	2,297	190,717	216,514	604,189
172,074	148,677	215,176	277,679	308,013	342,004
502,111	455,239	461,432	2,939	-	-
<u>\$ 127,990,776</u>	<u>\$ 146,383,055</u>	<u>\$ 134,870,977</u>	<u>\$ 143,382,563</u>	<u>\$ 159,323,944</u>	<u>\$ 157,783,313</u>
<u>\$ 103,278</u>	<u>\$ 62,439</u>	<u>\$ 50,627</u>	<u>\$ 24,347</u>	<u>\$ 41,673</u>	<u>\$ 110,663</u>
<u>103,278</u>	<u>62,439</u>	<u>50,627</u>	<u>24,347</u>	<u>41,673</u>	<u>110,663</u>
<u>\$ 128,094,054</u>	<u>\$ 146,445,494</u>	<u>\$ 134,921,604</u>	<u>\$ 143,406,910</u>	<u>\$ 159,365,617</u>	<u>\$ 157,893,976</u>
\$ 2,426,582	\$ 2,488,832	\$ 2,504,121	\$ 2,321,236	\$ 2,375,300	\$ 2,018,620
186,286	199,345	1,199,434	218,851	198,167	218,508
49,549	2,312,976	40,967	168,326	152,862	158,637
22,499,261	22,626,824	14,289,244	19,194,802	20,348,020	22,409,321
<u>\$ 25,161,678</u>	<u>\$ 27,627,977</u>	<u>\$ 18,033,766</u>	<u>\$ 21,903,215</u>	<u>\$ 23,074,349</u>	<u>\$ 24,805,086</u>
\$ 95,103	\$ 82,440	\$ 47,523	\$ 32,932	\$ 18,914	\$ 141,430
<u>95,103</u>	<u>82,440</u>	<u>47,523</u>	<u>32,932</u>	<u>18,914</u>	<u>141,430</u>
<u>\$ 25,256,781</u>	<u>\$ 27,710,417</u>	<u>\$ 18,081,289</u>	<u>\$ 21,936,147</u>	<u>\$ 23,093,263</u>	<u>\$ 24,946,516</u>
\$ (102,829,098)	\$ (118,755,078)	\$ (116,837,211)	\$ (121,479,348)	\$ (136,249,595)	\$ (132,978,227)
(8,175)	20,001	(3,104)	8,585	(22,759)	30,767
<u>\$ (102,837,273)</u>	<u>\$ (118,735,077)</u>	<u>\$ (116,840,315)</u>	<u>\$ (121,470,763)</u>	<u>\$ (136,272,354)</u>	<u>\$ (132,947,460)</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
GENERAL REVENUE AND TOTAL CHANGE IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Year			
	2006	2007	2008	2009
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities				
Property taxes				
Levied for general purposes	\$ 52,900,645	\$ 53,430,571	\$ 44,506,715	\$ 49,071,545
Levied for debt service	10,046,899	11,857,701	15,837,393	23,338,692
Investment earnings	2,220,958	2,440,312	2,881,593	1,131,108
Unrestricted grants and contributions	22,922,107	31,780,377	43,556,284	42,790,895
Miscellaneous	2,033,257	1,473,968	2,431,330	3,099,883
Transfers	-	-	-	(20,062)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 90,123,866	\$ 100,982,929	\$ 109,213,315	\$ 119,412,061
Business-type activities				
Transfers	\$ -	\$ -	\$ -	\$ 20,062
Total Business-Type Activities	-	-	-	20,062
TOTAL PRIMARY GOVERNMENT	\$ 90,123,866	\$ 100,982,929	\$ 109,213,315	\$ 119,432,123
CHANGE IN NET POSITION				
Governmental activities	\$ (827,943)	\$ 8,437,176	\$ 1,834,241	\$ (667,808)
Business-type activities	-	1,083	(1,083)	20,062
TOTAL PRIMARY GOVERNMENT	\$ (827,943)	\$ 8,438,259	\$ 1,833,158	\$ (647,746)

EXHIBIT L-3

Year					
2010	2011	2012	2013	2014	2015
\$ 50,755,545	\$ 46,597,828	\$ 47,527,300	\$ 53,725,546	\$ 54,258,721	\$ 57,176,859
24,112,326	22,157,988	22,574,374	22,949,841	23,178,093	23,446,701
97,374	78,479	53,962	51,332	32,342	47,420
37,336,022	42,116,298	46,390,016	44,520,285	53,427,592	56,187,355
1,856,383	3,786,585	562,667	1,115,899	1,536,873	2,826,724
-	-	-	-	-	-
<u>\$ 114,157,650</u>	<u>\$ 114,737,178</u>	<u>\$ 117,108,319</u>	<u>\$ 122,362,903</u>	<u>\$ 132,433,621</u>	<u>\$ 139,685,059</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>\$ 114,157,650</u>	<u>\$ 114,737,178</u>	<u>\$ 117,108,319</u>	<u>\$ 122,362,903</u>	<u>\$ 132,433,621</u>	<u>\$ 139,685,059</u>
\$ 11,328,552	\$ (4,017,900)	\$ 271,108	\$ 883,555	\$ (3,815,974)	\$ 6,706,832
(8,175)	20,001	(3,104)	8,585	(22,759)	30,767
<u>\$ 11,320,377</u>	<u>\$ (3,997,899)</u>	<u>\$ 268,004</u>	<u>\$ 892,140</u>	<u>\$ (3,838,733)</u>	<u>\$ 6,737,599</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Year			
	2006	2007	2008	2009
General Fund				
Nonspendable	\$ 701,555	\$ 177,659	\$ 524,106	\$ 500,398
Assigned	-	-	-	-
Unassigned	11,358,889	17,292,608	16,959,573	13,702,383
TOTAL GENERAL FUND	\$ 12,060,444	\$ 17,470,267	\$ 17,483,679	\$ 14,202,781
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	30,085,974	65,251,117	96,997,252	43,186,920
Committed	-	-	-	-
Unassigned	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 30,085,974	\$ 65,251,117	\$ 96,997,252	\$ 43,186,920

EXHIBIT L-4

Year					
2010	2011	2012	2013	2014	2015
\$ 151,908	\$ 79,456	\$ 552,672	\$ 795,673	\$ 632,571	\$ 159,506
-	3,872,338	-	-	1,500,000	1,500,000
19,109,638	13,956,756	18,901,811	20,146,309	24,781,594	28,660,073
<u>\$ 19,261,546</u>	<u>\$ 17,908,550</u>	<u>\$ 19,454,483</u>	<u>\$ 20,941,982</u>	<u>\$ 26,914,165</u>	<u>\$ 30,319,579</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38,894,124	36,387,847	35,452,918	35,813,794	53,831,903	54,038,572
-	-	-	539,894	555,543	478,439
-	-	-	(272)	-	(844)
<u>\$ 38,894,124</u>	<u>\$ 36,387,847</u>	<u>\$ 35,452,918</u>	<u>\$ 36,353,416</u>	<u>\$ 54,387,446</u>	<u>\$ 54,516,167</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

Year					
2010	2011	2012	2013	2014	2015
\$ 78,355,767	\$ 75,290,626	\$ 75,275,585	\$ 82,606,035	\$ 83,496,429	\$ 87,035,265
45,705,838	50,163,648	46,138,728	49,356,607	59,185,649	62,650,294
14,129,445	16,822,952	14,205,308	12,770,656	12,759,935	14,079,236
138,191,050	142,277,226	135,619,621	144,733,298	155,442,013	163,764,795
69,206,006	71,461,601	64,744,831	70,425,669	73,240,996	77,200,631
1,057,060	1,224,785	728,438	623,386	588,547	608,305
298,529	407,767	247,910	354,313	307,835	368,113
1,513,324	1,649,147	1,606,572	1,353,839	1,887,028	3,036,848
6,258,555	8,042,011	7,707,584	7,712,234	8,205,923	8,682,150
1,808,634	3,352,656	3,483,721	3,720,505	3,895,406	4,209,034
1,129,117	1,345,247	994,254	1,061,246	1,208,822	1,295,689
3,721,204	4,984,419	5,372,805	5,133,306	5,267,279	5,180,808
5,486,546	6,770,082	7,093,503	7,138,085	6,962,896	7,394,081
2,620,060	3,187,997	3,221,118	3,957,841	3,768,083	5,426,812
2,755,523	2,540,047	2,690,827	3,393,034	3,840,721	4,264,187
9,067,112	13,022,096	12,098,821	11,358,285	12,848,795	12,962,414
676,397	796,197	785,648	870,221	1,116,826	1,577,220
1,074,268	1,332,937	2,299,803	1,758,717	2,224,301	2,786,191
400	200	805	3,186	9,776	2,123
101,901	7,698,352	7,922,647	4,489,677	4,535,021	4,652,405
7,462,313	14,841,762	14,686,593	17,297,169	18,686,961	17,889,684
3,638	368,800	151,630	455,049	777,864	593,942
22,587,118	8,214,096	1,110,277	1,364,481	7,505,130	2,319,542
172,074	148,677	215,176	281,327	317,254	365,548
456,984	349,669	461,432	2,939	-	-
137,456,763	151,738,545	137,624,395	142,754,509	157,195,464	160,815,727
734,287	(9,461,319)	(2,004,774)	1,978,789	(1,753,451)	2,949,068
-	24,779,994	-	30,004,982	48,109,994	47,635,000
31,682	-	-	25,200	-	-
-	116,240	-	-	-	-
-	-	-	-	-	-
719,224	-	2,438,227	-	-	-
-	1,776,752	-	6,731,740	2,839,627	5,898,848
(719,224)	-	-	(63,141)	(12,200)	-
-	(21,070,940)	-	(36,289,573)	(25,177,757)	(52,948,781)
-	-	-	-	-	-
31,682	5,602,046	2,438,227	409,208	25,759,664	585,067
\$ 765,969	\$ (3,859,273)	\$ 433,453	\$ 2,387,997	\$ 24,006,213	\$ 3,534,135
6.59%	15.70%	16.56%	15.41%	15.51%	14.22%

EXHIBIT L-5

Year					
2010	2011	2012	2013	2014	2015
\$ 78,355,767	\$ 75,290,626	\$ 75,275,585	\$ 82,606,035	\$ 83,496,429	\$ 87,035,265
45,705,838	50,163,648	46,138,728	49,356,607	59,185,649	62,650,294
14,129,445	16,822,952	14,205,308	12,770,656	12,759,935	14,079,236
138,191,050	142,277,226	135,619,621	144,733,298	155,442,013	163,764,795
69,206,006	71,461,601	64,744,831	70,425,669	73,240,996	77,200,631
1,057,060	1,224,785	728,438	623,386	588,547	608,305
298,529	407,767	247,910	354,313	307,835	368,113
1,513,324	1,649,147	1,606,572	1,353,839	1,887,028	3,036,848
6,258,555	8,042,011	7,707,584	7,712,234	8,205,923	8,682,150
1,808,634	3,352,656	3,483,721	3,720,505	3,895,406	4,209,034
1,129,117	1,345,247	994,254	1,061,246	1,208,822	1,295,689
3,721,204	4,984,419	5,372,805	5,133,306	5,267,279	5,180,808
5,486,546	6,770,082	7,093,503	7,138,085	6,962,896	7,394,081
2,620,060	3,187,997	3,221,118	3,957,841	3,768,083	5,426,812
2,755,523	2,540,047	2,690,827	3,393,034	3,840,721	4,264,187
9,067,112	13,022,096	12,098,821	11,358,285	12,848,795	12,962,414
676,397	796,197	785,648	870,221	1,116,826	1,577,220
1,074,268	1,332,937	2,299,803	1,758,717	2,224,301	2,786,191
400	200	805	3,186	9,776	2,123
101,901	7,698,352	7,922,647	4,489,677	4,535,021	4,652,405
7,462,313	14,841,762	14,686,593	17,297,169	18,686,961	17,889,684
3,638	368,800	151,630	455,049	777,864	593,942
22,587,118	8,214,096	1,110,277	1,364,481	7,505,130	2,319,542
172,074	148,677	215,176	281,327	317,254	365,548
456,984	349,669	461,432	2,939	-	-
137,456,763	151,738,545	137,624,395	142,754,509	157,195,464	160,815,727
734,287	(9,461,319)	(2,004,774)	1,978,789	(1,753,451)	2,949,068
-	24,779,994	-	30,004,982	48,109,994	47,635,000
31,682	-	-	25,200	-	-
-	116,240	-	-	-	-
-	-	-	-	-	-
719,224	-	2,438,227	-	-	-
-	1,776,752	-	6,731,740	2,839,627	5,898,848
(719,224)	-	-	(63,141)	(12,200)	-
-	(21,070,940)	-	(36,289,573)	(25,177,757)	(52,948,781)
-	-	-	-	-	-
31,682	5,602,046	2,438,227	409,208	25,759,664	585,067
\$ 765,969	\$ (3,859,273)	\$ 433,453	\$ 2,387,997	\$ 24,006,213	\$ 3,534,135
6.59%	15.70%	16.56%	15.41%	15.51%	14.22%

**CROWLEY INDEPENDENT SCHOOL DISTRICT
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Residential or Real Property	\$ 3,692,989,134	\$ 4,328,653,183	\$ 4,939,814,558	\$ 5,281,085,382
Personal Property	364,152,821	400,880,796	444,400,167	385,271,304
Less Tax Exempt Property	<u>537,992,833</u>	<u>813,158,872</u>	<u>1,102,843,919</u>	<u>1,107,273,556</u>
TOTAL ASSESSED VALUE	<u>\$ 3,519,149,122</u>	<u>\$ 3,916,375,107</u>	<u>\$ 4,281,370,806</u>	<u>\$ 4,559,083,130</u>
Total Direct Tax Rate	1.78900	1.67100	1.41000	1.53500
Estimated Actual Taxable Value	\$ 3,519,149,122	\$ 3,916,375,107	\$ 4,281,370,806	\$ 4,559,083,130
Taxable Assessed Value as a Percentage of Actual Taxable Value	100.000%	100.000%	100.000%	100.000%

Source: Tarrant Appraisal District

EXHIBIT L-6

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 5,396,657,655	\$ 4,844,541,353	\$ 5,168,351,212	\$ 5,241,352,853	\$ 5,553,956,405	\$ 5,393,015,732
306,990,048	232,447,866	428,187,281	449,335,891	459,431,076	463,760,283
<u>1,148,607,161</u>	<u>758,901,199</u>	<u>1,157,604,482</u>	<u>1,150,351,152</u>	<u>1,183,584,095</u>	<u>1,183,584,095</u>
<u>\$ 4,555,040,542</u>	<u>\$ 4,318,088,020</u>	<u>\$ 4,438,934,011</u>	<u>\$ 4,540,337,592</u>	<u>\$ 4,829,803,386</u>	<u>\$ 4,673,191,920</u>
1.53500	1.53500	1.53500	1.67000	1.67000	1.65000
\$ 4,555,040,542	\$ 4,432,783,770	\$ 4,563,518,827	\$ 4,670,349,452	\$ 4,928,578,051	\$ 5,022,616,604
100.000%	97.413%	97.270%	97.216%	97.996%	93.043%

**CROWLEY INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Crowley Independent School District				
General Purposes	\$ 1.500000	\$ 1.370000	\$ 1.040100	\$ 1.040100
Capital Purposes	<u>0.289000</u>	<u>0.301000</u>	<u>0.369800</u>	<u>0.494950</u>
TOTAL DIRECT RATES	<u>\$ 1.789000</u>	<u>\$ 1.671000</u>	<u>\$ 1.409900</u>	<u>\$ 1.535050</u>
City of Crowley	\$ 0.615350	\$ 0.575500	\$ 0.575500	\$ 0.575500
City of Fort Worth	0.865000	0.860000	0.855000	0.855000
Johnson County	0.382090	0.369000	0.356960	0.300590
Tarrant County	0.272500	0.271500	0.266500	0.264000
Tarrant County Hospital District	0.235400	0.235400	0.230400	0.227897
Tarrant County Junior College District	<u>0.139380</u>	<u>0.139380</u>	<u>0.139380</u>	<u>0.137670</u>
TOTAL DIRECT AND OVERLAPPING RATES	<u>\$ 4.298720</u>	<u>\$ 4.121780</u>	<u>\$ 3.833640</u>	<u>\$ 3.895707</u>

Source: Tarrant County Property Appraiser

EXHIBIT L-7

2010	2011	2012	2013	2014	2015
\$ 1.040000 0.495000	\$ 1.040000 0.495000	\$ 1.040000 0.495000	\$ 1.170000 0.500000	\$ 1.170000 0.500000	\$ 1.170000 0.480000
<u>\$ 1.535000</u>	<u>\$ 1.535000</u>	<u>\$ 1.535000</u>	<u>\$ 1.670000</u>	<u>\$ 1.670000</u>	<u>\$ 1.650000</u>
\$ 0.640000 0.855000 0.327500 0.264000 0.227897 0.137640	\$ 0.640000 0.855000 0.330500 0.264000 0.227897 0.148970	\$ 0.669019 0.855000 0.330500 0.264000 0.227897 0.148970	\$ 0.669020 0.855000 0.333230 0.264000 0.227900 0.148970	\$ 0.696829 0.855000 0.371154 0.264000 0.227897 0.149500	\$ 0.696800 0.855000 0.371100 0.264000 0.227897 0.149500
<u>\$ 3.987037</u>	<u>\$ 4.001367</u>	<u>\$ 4.030386</u>	<u>\$ 4.168120</u>	<u>\$ 4.234380</u>	<u>\$ 4.214297</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

EXHIBIT L-8

Property Tax Payer	2015			2006		
	Taxable Value	Rank	% of Total Taxable Value	Taxable Value	Rank	% of Total Taxable Value
Hulen Owner LP	\$ 67,652,200	1	1.37%	\$ 55,515,824	1	1.58%
Oncor Electric Delivery Co LLC	57,104,330	2	1.16%	-		-
Wal-Mart Real Estate Business Trust	49,365,251	3	1.00%	-		-
Texas Midstream Gas Services	38,655,830	4	0.78%	-		-
Ventana Holdings LP	29,395,082	5	0.60%	-		-
Texas HCP REVX LCP	28,400,000	6	0.58%	21,847,000	5	0.62%
PBH Deer Creek LLC	26,500,000	7	0.54%	20,998,914	7	0.60%
XTO Energy Inc.	26,219,710	8	0.53%	-		-
Alliance We Lp	25,371,570	9	0.51%	-		-
BRE Park West Apartments	24,760,000	10	0.50%	-		-
TXU Electric Delivery	-		-	49,750,008	2	1.41%
Dilliard Tx Operating Ltd	-		-	29,298,910	3	0.83%
Independent Research	-		-	24,591,618	4	0.70%
EQR-Fancap	-		-	21,047,143	6	0.60%
Costco Wholesale Corp	-		-	20,525,834	8	0.58%
Alliance We Lp	-		-	19,914,658	9	0.57%
Citiview Twn Crs Ship	-		-	18,750,000	10	0.53%
Subtotal	\$ 373,423,973		7.58%	\$ 282,239,909		8.02%
Other Taxpayers	<u>4,555,154,078</u>		<u>92.42%</u>	<u>3,236,909,213</u>		<u>91.98%</u>
TOTAL	<u>\$ 4,928,578,051</u>		<u>100.00%</u>	<u>\$ 3,519,149,122</u>		<u>100.00%</u>

Source: Tarrant County Property Appraiser

**CROWLEY INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Tax Levy for Fiscal Year</u>	<u>Amount</u>	<u>Percent of Levy</u>
2006	2005	1.789000	\$ 62,468,706	\$ 61,304,012	98.14%
2007	2006	1.671000	64,960,841	63,844,523	98.28%
2008	2007	1.409900	60,260,238	59,458,464	98.67%
2009	2008	1.535050	72,108,330	70,944,153	98.39%
2010	2009	1.535000	74,463,966	72,374,875	97.19%
2011	2010	1.535000	68,275,034	66,601,919	97.55%
2012	2011	1.535000	70,050,014	68,263,420	97.45%
2013	2012	1.670000	75,260,221	74,892,085	99.51%
2014	2013	1.670000	77,808,734	76,581,898	98.42%
2015	2014	1.650000	81,914,156	79,257,028	96.76%

Source: District Records

EXHIBIT L-9

Collections in Subsequent Years	Total Collections to Date	
Amount	Amount	Percent of Levy
\$ 1,080,045	\$ 62,384,057	99.86%
1,021,682	64,866,205	99.85%
725,752	60,184,216	99.87%
886,317	71,830,470	99.61%
1,615,546	73,990,421	99.36%
1,381,489	67,983,408	99.57%
1,680,503	69,943,923	99.85%
363,021	75,255,106	99.99%
208,565	76,790,463	98.69%
-	79,257,028	96.76%

**CROWLEY INDEPENDENT SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
PRIMARY GOVERNMENT				
Governmental Activities				
General obligation bonds	\$ 187,234,180	\$ 242,431,622	\$ 316,773,144	\$ 309,934,531
Loans payable	1,429,164	928,343	120,000	-
Capital leases	138,156	72,302	595,862	464,698
Accreted interest on bonds	<u>22,502,763</u>	<u>24,657,928</u>	<u>26,780,525</u>	<u>28,765,974</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 211,304,263</u>	<u>\$ 268,090,195</u>	<u>\$ 344,269,531</u>	<u>\$ 339,165,203</u>

Source: District Records

EXHIBIT L-10

2010	2011	2012	2013	2014	2015
\$ 309,934,531	\$ 307,404,381	\$ 299,666,505	\$ 291,762,504	\$ 311,622,838	\$ 304,095,433
-	-	-	-	-	-
362,797	310,829	126,055	10,361	-	-
31,294,862	34,053,561	35,839,412	38,782,143	42,268,081	40,536,548
<u>\$ 341,592,190</u>	<u>\$ 341,768,771</u>	<u>\$ 335,631,972</u>	<u>\$ 330,555,008</u>	<u>\$ 353,890,919</u>	<u>\$ 344,631,981</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
NET ASSESSED VALUE				
All property	\$ 3,519,149,122	\$ 3,916,375,107	\$ 4,281,370,806	\$ 4,559,083,130
NET BONDED DEBT				
Gross bonded debt	\$ 187,234,180	\$ 242,431,622	\$ 316,773,144	\$ 309,934,531
Less debt service funds	<u>2,638,192</u>	<u>3,538,567</u>	<u>5,115,620</u>	<u>7,261,324</u>
TOTAL NET BONDED DEBT	<u>\$ 184,595,988</u>	<u>\$ 238,893,055</u>	<u>\$ 311,657,524</u>	<u>\$ 302,673,207</u>
Ratio of Net Bonded Debt To Assessed Value	5.25%	6.10%	7.28%	6.64%
Population	66,798	72,498	73,533	73,188
Net Bonded Debt Per Capita	\$ 2,763	\$ 3,295	\$ 4,238	\$ 4,136

Source: Tarrant County Property Appraiser, National Center for Education Statistics.

EXHIBIT L-11

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 4,555,040,542	\$ 4,318,088,020	\$ 4,563,518,827	\$ 4,670,349,452	\$ 4,928,578,051	\$ 5,022,616,604
\$ 309,934,531 27,078,784	\$ 307,404,381 28,549,244	\$ 299,666,505 27,286,545	\$ 291,762,504 21,214,391	\$ 311,622,838 20,839,445	\$ 304,095,433 32,197,650
<u>\$ 282,855,747</u>	<u>\$ 278,855,137</u>	<u>\$ 272,379,960</u>	<u>\$ 270,548,113</u>	<u>\$ 290,783,393</u>	<u>\$ 271,897,783</u>
6.21%	6.46%	5.97%	5.79%	5.90%	5.41%
73,277	73,866	73,436	73,089	73,089	73,253
\$ 3,860	\$ 3,775	\$ 3,709	\$ 3,702	\$ 3,978	\$ 3,712

**CROWLEY INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2015**

EXHIBIT L-12

	<u>Debt Outstanding</u>	<u>Percentage Applicable</u>	<u>Share of Overlapping Debt</u>
GOVERNMENTAL UNIT			
City of Crowley	\$ 25,915,000	99.310%	\$ 25,736,187
City of Fort Worth	786,030,000	7.100%	55,808,130
Johnson County	14,404,579	0.540%	77,785
Tarrant County	317,820,000	3.690%	11,727,558
Tarrant County Hospital District	24,425,000	3.690%	901,283
Tarrant County Junior College District	<u>7,935,000</u>	3.690%	<u>292,802</u>
Subtotal, overlapping debt			94,543,745
District direct debt	328,626,535	100.000%	<u>328,626,535</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u><u>\$ 423,170,280</u></u>

Source: Municipal Advisory Council and each governmental unit

The applicable percentage is based on the net taxable value of the respective entities.

**CROWLEY INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS**

	Year				
	2005	2006	2007	2008	2009
Debt limit	\$ 314,862,222	\$ 351,914,912	\$ 391,637,511	\$ 428,137,081	\$ 455,908,313
Total net debt applicable to limit	<u>162,412,544</u>	<u>184,299,947</u>	<u>238,409,979</u>	<u>310,832,630</u>	<u>301,979,374</u>
LEGAL DEBT MARGIN	<u>\$ 152,449,678</u>	<u>\$ 167,614,965</u>	<u>\$ 153,227,532</u>	<u>\$ 117,304,451</u>	<u>\$ 153,928,939</u>
Total net debt applicable to the limit as a percentage of debt limit	51.58%	52.37%	60.88%	72.60%	66.24%

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed value	\$ 5,022,616,604
Debt limit (10% of assessed value)	502,261,660
Debt applicable to limit	
General obligation bonds	304,095,433
Less amount set aside for repayment of general obligation debt	<u>(30,314,436)</u>
Total net debt applicable to limit	<u>273,780,997</u>
LEGAL DEBT MARGIN	<u>\$ 228,480,663</u>

Source: District Records

EXHIBIT L-13

Year					
2010	2011	2012	2013	2014	2015
\$ 455,504,054	\$ 443,278,377	\$ 456,351,883	\$ 467,034,945	\$ 492,857,805	\$ 502,261,660
283,225,206	279,814,449	271,883,024	262,132,663	282,016,569	273,780,997
<u>\$ 172,278,848</u>	<u>\$ 163,463,928</u>	<u>\$ 184,468,859</u>	<u>\$ 204,902,282</u>	<u>\$ 210,841,236</u>	<u>\$ 228,480,663</u>
62.18%	63.12%	59.58%	56.13%	57.22%	54.51%

**CROWLEY INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS**

EXHIBIT L-14

Fiscal Year Ended June 30	Fort Worth Metropolitan Division Population	Fort Worth Metropolitan Division Personal Income (1)	Fort Worth Metropolitan Division Per Capita Personal Income	Median Age	School Enrollment (2)	Unemployment Rate (3)	Educational Attainment
2006	2,022,267	\$ 74,415,358,000	\$ 36,798	N/A	13,367	4.7%	N/A
2007	2,075,801	78,750,924,000	37,938	N/A	14,031	4.3%	N/A
2008	2,123,674	85,593,338,000	40,304	N/A	14,742	4.8%	N/A
2009	2,168,853	81,453,322,000	37,556	N/A	14,695	7.7%	N/A
2010	2,203,904	85,213,120,000	38,665	N/A	14,725	8.2%	N/A
2011	2,237,268	92,115,479,000	41,173	N/A	15,009	7.8%	N/A
2012	2,274,380	96,371,508,000	42,373	N/A	14,652	7.0%	N/A
2013	2,310,168	101,339,077,000	43,867	N/A	15,060	6.5%	N/A
2014	N/A	N/A	N/A	N/A	15,080	6.3%	N/A
2015	N/A	N/A	N/A	N/A	14,985	4.2%	N/A

Source:

1. Bureau of Economic Analysis. Personal income and Per Capita for Fort Worth Metropolitan Division updated through 2012.
2. District records
3. US Department of Labor

**CROWLEY INDEPENDENT SCHOOL DISTRICT
ENROLLMENT AND ATTENDANCE DATA
JUNE 30, 2015**

EXHIBIT L-15

Fiscal Year	Average Daily Enrollment	Average Daily Attendance		
		Average Daily Attendance	Percent Increase/ (Decrease)	Percent of Enrollment
2004	11,813	11,180	11.78%	94.64%
2005	12,575	11,995	7.29%	95.39%
2006	13,367	12,766	6.43%	95.50%
2007	14,031	13,385	4.85%	95.40%
2008	14,742	14,057	5.02%	95.35%
2009	14,695	13,991	-0.47%	95.21%
2010	14,725	14,040	0.35%	95.35%
2011	15,009	14,176	0.97%	94.45%
2012	14,652	14,039	-0.97%	95.82%
2013	15,060	13,966	-0.52%	92.74%
2014	15,080	13,986	0.14%	92.75%
2015	14,985	13,953	-0.24%	93.11%

Source: District Records

**CROWLEY INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

EXHIBIT L-16

Employer	2015		2006	
	Employees	Rank	Employees	Rank
Crowley ISD	1,630	1		
Harris Methodist Southwest	925	2		
First Command Financial Planning	550	3		
Wal-Mart Supercenter	425	4		
Dillard's	400	5		
Harbison-Fischer Manufacturing	550	6		
Super Target	400	7		
The Broadway Plaza at Cityview	350	8		
Power House Retail	340	9		
Macy's	175	10		
	<u>5,745</u>			-

Note: Comparative Information for 2006 was not available.

Source: District Records

**CROWLEY INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN YEARS**

	Year			
	2006	2007	2008	2009
AVERAGE DAILY MEMBERSHIP	15,083	14,160	14,905	14,986
OPERATING EXPENDITURES	\$ 78,747,584	\$ 86,011,653	\$ 94,971,457	\$ 102,188,916
Cost per pupil	5,221	6,074	6,372	6,819
Percentage change	-10.13%	16.34%	4.90%	7.02%
TEACHING STAFF	828	889	901	1012
Pupil-teacher ratio	18.2	15.9	16.5	14.8
NUMBER OF STUDENTS				
Economically Disadvantaged	1,687	5,440	6,752	6,448
LIMITED ENGLISH PROFICIENCY	1,074	1,154	1,367	1,455

Source: District Records

EXHIBIT L-17

Year					
2010	2011	2012	2013	2014	2015
15,126	15,009	14,639	15,012	14,326	14,918
\$ 89,185,975	\$ 100,892,102	\$ 96,129,073	\$ 102,788,822	\$ 109,470,365	\$ 117,309,867
5,896	6,722	6,567	6,847	7,641	7,864
-13.53%	14.01%	-0.52%	4.47%	11.16%	2.91%
967	928	940	906	941	964
15.6	16.2	15.6	16.57	15.22	15.48
7,439	8,099	8,068	8,926	9,284	9,559
1,510	1,562	1,548	1,733	1,800	1,944

**CROWLEY INDEPENDENT SCHOOL DISTRICT
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS**

District Positions	2006	2007	2008	2009
Teachers	828	889	901	1,012
Professional support	97	122	118	130
Campus administration	45	48	52	62
Central administration	18	11	8	8
TOTAL PROFESSIONAL STAFF	987	1,070	1,079	1,212
Educational aides	224	156	146	255
Auxiliary staff	418	730	104	475
TOTAL DISTRICT POSITIONS	1,629	1,955	1,329	1,942
Percentage Change	7.44%	20.01%	-32.02%	46.13%

Source: District Records

EXHIBIT L-18

2010	2011	2012	2013	2014	2015
967	928	900	906	941	964
132	138	125	118	145	168
61	61	58	58	61	61
7	6	10	10	10	12
<u>1,166</u>	<u>1,133</u>	<u>1,093</u>	<u>1,091</u>	<u>1,157</u>	<u>1,204</u>
217	232	169	203	197	214
464	318	257	200	216	213
<u>1,848</u>	<u>1,682</u>	<u>1,519</u>	<u>1,494</u>	<u>1,570</u>	<u>1,630</u>
-4.85%	-8.96%	-8.10%	-1.62%	5.09%	3.16%

**CROWLEY INDEPENDENT SCHOOL DISTRICT
TEACHER BASE SALARIES
LAST SEVEN YEARS (1)**

EXHIBIT L-19

	Year							
	2008	2009	2010	2011	2012	2013	2014	2015
MINIMUM SALARY								
Bachelor's Degree	\$ 44,010	\$ 45,500	\$ 45,500	\$ 47,308	\$ 47,308	\$ 48,727	\$ 50,000	\$ 51,400
Master's Degree	45,555	47,045	47,045	48,853	48,853	50,319	51,600	53,000
MAXIMUM SALARY								
Bachelor's Degree	63,746	65,346	58,606	60,170	60,170	60,009	65,379	65,749
Master's Degree	65,291	66,891	60,151	61,715	61,715	61,600	66,924	67,438
DISTRICT AVERAGE ACTUAL TEACHER SALARY	48,819	50,323	51,312	52,646	52,646	51,424	54,153	55,447
STATEWIDE AVERAGE ACTUAL TEACHER SALARY	46,178	47,158	48,263	48,639	48,375	48,375	48,110	48,819

Source: District Records and the Texas Education Agency

(1) The requirement for statistical data is ten years; only eight years are available at this time.

CROWLEY INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION (Page 1 of 2)
LAST TEN YEARS

			Year									
			2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
ELEMENTARY												
Bess Race												
Square feet	81,630											
Capacity	726											
Enrollment		779	811	886	895	909	668	665	697	677	673	
Sycamore												
Square feet	72,640											
Capacity	704											
Enrollment		709	653	755	751	787	553	559	564	610	575	
Deer Creek												
Square feet	73,116											
Capacity	682											
Enrollment		617	600	597	677	671	457	414	458	492	535	
Meadowcreek												
Square feet	76,788											
Capacity	858											
Enrollment		991	822	799	624	652	664	694	709	725	695	
Jackie Carden												
Square feet	75,014											
Capacity	770											
Enrollment		858	791	771	554	562	564	556	536	525	485	
Parkway												
Square feet	75,547											
Capacity	902											
Enrollment		990	854	857	697	693	749	739	768	755	704	
Oakmont												
Square feet	75,700											
Capacity	748											
Enrollment		979	613	648	600	568	584	567	531	592	561	
Dallas Park												
Square feet	77,550											
Capacity	880											
Enrollment		1,090	874	805	821	820	797	767	743	681	644	
J.A. Hargrave												
Square feet	81,630											
Capacity	638											
Enrollment		697	742	602	652	668	639	574	548	555	530	
Sidney H. Poynter												
Square feet	81,630											
Capacity	704											
Enrollment		644	646	798	731	762	582	563	520	496	532	
Sue Crouch Intermediate												
Square feet	81,630											
Capacity	850											
Enrollment			530	801	793	776	540	531	512	515	501	

EXHIBIT L-20

		Year									
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
S.H. Crowley Intermediate											
Square feet	81,630										
Capacity	850										
Enrollment					667	694	508	494	465	445	456
David L. Walker Intermediate											
Square feet	81,630										
Capacity	850						678	694	645	647	643
Enrollment											
Mary Harris											
Square feet	81,630										
Capacity	850										
Enrollment							631	679	648	640	668
MIDDLE SCHOOL											
Crowley											
Square feet	159,626										
Capacity	1,675										
Enrollment		1,323	1,257	1,269	632	648	669	644	615	656	615
H.F. Stevens											
Square feet	159,626										
Capacity	1,675										
Enrollment		1,080	946	1,018	859	793	884	874	902	931	912
Summer Creek											
Square feet	184,824										
Capacity	1,650										
Enrollment					782	834	785	786	841	833	779
HIGH SCHOOL											
Crowley High School											
Square feet	267,023										
Capacity	2,150										
Enrollment		1,363	1,274	1,377	1,375	1,303	1,347	1,374	1,320	1,490	1,502
North Crowley High School											
Square feet	313,706										
Capacity	2,875										
Enrollment		1,799	1,624	1,765	1,774	1,793	1,738	1,646	1,635	1,762	1,783
Crowley 9th Grade											
Square feet	99,678										
Capacity	925										
Enrollment		493	512	485	441	488	480	516	538	480	531
North Crowley 9th Grade											
Square feet	119,630										
Capacity	1,050										
Enrollment		671	611	672	651	640	624	675	614	649	659

Source: District Records

COMPLIANCE SECTION

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

To the Board of Trustees
Crowley Independent School District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Crowley Independent School District (the District), as of and for the year ended June 30, 2015 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 30, 2015.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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.

To the Board of Trustees
Crowley Independent School District

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
October 30, 2015

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

To the Board of Trustees
Crowley Independent School District

Report on Compliance for Each Major Federal Program

We have audited Crowley Independent School District's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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, the 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, 2015.

To the Board of Trustees
Crowley Independent School District

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 of compliance, 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 an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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 consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
October 30, 2015

**CROWLEY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015**

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiencies identified that are not considered to be material weakness(es)? ☐ Yes ☒ None Reported
- Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiencies identified that are not considered to be material weakness(es)? ☐ Yes ☒ None reported

An unmodified opinion was issued on compliance for all major programs.

- Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? ☐ Yes ☒ No

Identification of major programs:

84.010A	Title I, Part A – Improving Basic Programs
84.287	Title IV, Part B – 21 st CCLC

- Dollar threshold used to distinguish between type A and type B programs? \$374,265

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

**CROWLEY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2015**

**SECTION II Findings Relating to the Financial Statements Which Are Required To Be
Reported in Accordance with *Generally Accepted Government Auditing
Standards*:**

NONE

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

**CROWLEY INDEPENDENT SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2015**

A. SUMMARY OF PRIOR YEAR AUDIT FINDINGS

NONE

**CROWLEY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015**

EXHIBIT K-1

(1) FEDERAL GRANTOR PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal CFDA Number	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Passed Through State Department of Education</u>			
Title I, Part A Cluster			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	14610101220912	\$ 232,082
ESEA, Title I, Part A - Improving Basic Programs	84.010A	15610101220912	1,828,622
Total CFDA Number 84.010A			<u>2,060,704</u>
Special Education Cluster			
IDEA - Part B, Formula	84.027A	146600012209126000	676,307
IDEA - Part B, Formula	84.027A	156600012209126000	1,877,627
IDEA - Part B, Discretionary	84.027A	156600112209126000	11,472
SSA IDEA - Part B, Deaf	84.027A	156600012209126000	22,745
IDEA - Part B, High Cost Risk Pool	84.027A	156600062209126000	66,417
Total CFDA Number 84.027			<u>2,654,568</u>
IDEA - Part B, Preschool	84.173A	146610012209126000	6,192
IDEA - Part B, Preschool	84.173A	156610012209126000	47,291
SSA IDEA - Part B, Preschool Deaf	84.173A	156610012209126000	3,573
Total CFDA Number 84.173			<u>57,056</u>
Career and Technical - Basic Grant	84.048A	15420006220912	173,101
Title IV, Part B - 21st CCLC	84.287C	136950147110019	18,399
Title IV, Part B - 21st CCLC	84.287C	146950217110001	1,168,635
Total CFDA Number 84.287			<u>1,187,034</u>
Title III, Part A - English Language Acquisition	84.365A	14671001220912	16,807
Title III, Part A - English Language Acquisition	84.365A	15671001220912	151,962
Total CFDA Number 84.365A			<u>168,769</u>
ESEA, Title II, Part A - Teacher/Principal Training	84.367A	15694501220912	167,657
Title VI, Part A, Summer School	84.369A	69551102	7,746
TOTAL DEPARTMENT OF EDUCATION			<u>6,476,635</u>

**CROWLEY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2015**

EXHIBIT K-1

(1) FEDERAL GRANTOR PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal CFDA Number	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through State Department of Agriculture</u>			
Child Nutrition Cluster			
School Breakfast Program	10.553	71401201	\$ 1,384,218
National School Program Lunch	10.555	71301201	3,909,315
Child and Adult Care Food Program	10.558		204,830
USDA Commodities (noncash)	10.555	220-912	<u>436,488</u>
TOTAL DEPARTMENT OF AGRICULTURE			<u>5,934,851</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<u>Passed Through State Department</u>			
<u>of Health and Human Services</u>			
Medicaid Administrative Claiming Program	93.778	220-912	<u>64,009</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>64,009</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>12,475,495</u>
School Health & Related Services (SHARS)*			<u>1,602,388</u>
TOTAL FEDERAL REVENUES, RECONCILED TO EXHIBIT C-2			<u>\$ 14,077,883</u>

* Not considered federal financial assistance subject to requirements in accordance with OMB Circular A-133

**CROWLEY INDEPENDENT SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2015**

EXHIBIT K-2

NOTE 1. BASIS OF PRESENTATION

The District uses the fund types specified in Texas Education Agency's Financial Accountability System Resource Guide. Special revenue funds are used to account for resources restricted to specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a special revenue fund.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government fund types are accounted for using a current financial resources measurement focus. All federal grants were accounted for in a special revenue fund which is a governmental fund type. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used for the governmental fund types and agency funds. This basis of accounting recognizes revenues on the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due, and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

NOTE 2. BASIS OF FUNDING

The District participates in numerous state and federal grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at June 30, 2015 may be impaired. In the opinion of the District, there are not significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions has been recorded in the accompanying combined financial statements for such contingencies. Generally, unused balances are returned to the grantor at the close of specified project periods.