

Grand Prairie Independent School District

Comprehensive Annual Financial Report
For the Fiscal Year Ended August 31, 2016



2602 S. Belt Line Road
Grand Prairie, Texas 75052

www.gpisd.org



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Grand Prairie Independent School District

Grand Prairie, Texas



Comprehensive Annual Financial Report
For the Fiscal Year Ended August 31, 2016

Prepared By
Grand Prairie Independent School District
Business Operations Department

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GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2016

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Grand Prairie Independent School District
2602 S. Belt Line Road
Grand Prairie, TX 75052

January 19, 2017

Formal Transmittal of the Comprehensive Annual Financial Report (CAFR)

To the Citizens and Board of Trustees of the Grand Prairie Independent School District:

The Office of Business Operations is pleased to submit the Comprehensive Annual Financial Report for the Grand Prairie Independent School District for the fiscal year ended August 31, 2016.

Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation including all disclosures rests with the District. In our opinion, we believe the data, as presented, is accurate in all material aspects and 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 that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs are included in this report.

The MD&A (Management Discussion and Analysis) is a narrative introduction, overview and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditors' report. The Statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The Financial section is prepared in accordance with generally accepted accounting principles for governments, as prescribed by the Governmental Accounting Standards Board and other professional associations.

Profile of the District

The mission of the Grand Prairie Independent School District is to ensure student success through engaging learning experiences, collaborative leadership, and a focus on maximizing student achievement. To achieve this mission, the District has an overarching vision statement with four goals and five "plays" that drive every decision from academics to finance.

Vision Statement

We are a learning community vigorously pursuing student success.

GPISD Goals

- Maximization of Student Achievement
- Exercise Responsible Fiscal Oversight
- Develop Leadership Capacity
- Promote 21st Century Learners who are College and Career Ready

The 6 Plays of Grand Prairie Schools

- Vertically and Horizontally Aligned Curriculum
- 5E Model of Instruction
- Data-driven Decisions
- Relational Capacity
- Intentional Leadership
- Visit What We Value

Description of the Entity

Grand Prairie is the 7th largest city in the Dallas-Fort Worth metroplex and the 15th largest city in the state of Texas. Grand Prairie is conveniently located between Dallas and Fort Worth in the far western part of Dallas County. The city offers relaxation, family fun, friendly neighbors and a smart place to live and do business. More than 184,000 people live in Grand Prairie. Residents tend to be 30-something, dual-income homeowners. In Grand Prairie, families who have lived here for generations welcome newcomers who choose to move to Grand Prairie for the same reasons the natives don't leave—location and hometown atmosphere.

Schools

The Grand Prairie Independent School District is the largest employer in Grand Prairie with more than 3,700 full-time staff members. More than 2,100 of those are instructional staff. GPISD is a 58-square mile district serving approximately 29,300 students within the Dallas County portion of Grand Prairie. The District anticipates annual student growth of approximately 600 students. Through open enrollment, the District also expects to gain another 400-500 additional students annually. Facilities in GPISD range in construction dates of 1939 to as recently as 2014 (for detail information on age of buildings, refer to Table 18 in the Statistical Section).

A K-12 District, the Grand Prairie ISD now boasts 40 schools, including three in-district charter schools. GPISD is an open-enrollment portfolio district featuring numerous schools of choice. In addition to the regular curriculum, the District also offers several programs of choice.

ELEMENTARY SCHOOL OF CHOICE

- Bonham and Crockett Early Education Schools
- Global Leadership Academy at Barbara Bush Elementary
- David Daniels Elementary Academy of Science and Math
- Garner Fine Arts Academy
- Marshall Leadership Academy
- Ellen Ochoa STEM Academy at Ben Milam Elementary School
- Rayburn Elementary STEAM Academy
- School for the Highly Gifted (Charter, Grades 1-4)

- Travis World Language Academy
- Uplift Lee Preparatory
- Whitt Fine Arts Academy
- Lorenzo de Zavala Environmental Science Academy

SECONDARY SCHOOL OF CHOICE

- Young Men's Leadership Academy at John F. Kennedy Middle School
- Young Women's Leadership Academy at Bill Arnold Middle School (Grades 6-12)
- Grand Prairie Collegiate Institute (Charter, Grades 6-9)
- Grand Prairie Fine Arts Academy (Grades 6-12)
- HOPE Academy (Grade 8)
- Crosswinds High School
- Dubiski Career High School

PROGRAMS OF CHOICE

- Construction Management at Grand Prairie High School
- Construction Technology at Grand Prairie High School
- Early College High School at Grand Prairie High School and South Grand Prairie High School
- Education and Leadership Preparatory Academy at Grand Prairie High School and South Grand Prairie High School
- Environmental Science and Technology at South Grand Prairie High School
- Firefighting Program at Grand Prairie High School
- Government and Public Administration at Grand Prairie High School
- Junior Cadet Corps at Adams Middle School
- Biotechnology at Young Women's Leadership Academy
- Education and Leadership Preparatory Academy at Young Women's Leadership Academy
- Engineering at Young Women's Leadership Academy
- Marketing at Young Women's Leadership Academy
- Landscape Design at South Grand Prairie High School
- Law Enforcement at Grand Prairie High School
- Center for Sports Medicine at Grand Prairie High School and South Grand Prairie High School
- Tuition-based Pre-Kindergarten
- Veterinary Studies at South Grand Prairie High School and SGP 9th Grade Center
- Legal Studies at Grand Prairie High School

TRADITIONAL CAMPUSES

- Grand Prairie High School
- South Grand Prairie High
- South Grand Prairie 9th Grade
- Johnson DAEP
- Adams Middle School
- Fannin Middle School
- Jackson Middle School
- Reagan Middle School

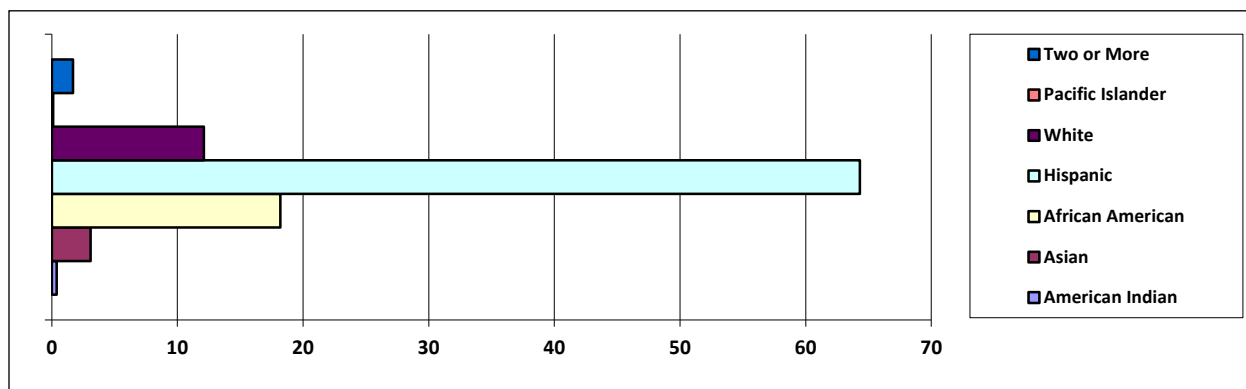
- Truman Middle School
- Austin Elementary
- Bowie Elementary
- Dickinson Elementary (applying for International Baccalaureate candidacy)
- Eisenhower Elementary
- Florence Hill Elementary
- Garcia Elementary
- Lee Elementary
- Moore Elementary (applying for International Baccalaureate candidacy)
- Moseley Elementary
- Powell Elementary
- Seguin Elementary
- Williams Elementary

At the secondary level, students have the opportunity to select from a variety of career pathways:

- Aerospace Academy
- Agricultural, Food & Natural Resources
- Architecture
- Auto Collision Repair
- Auto Tech
- Business, Marketing and Finance
- Cosmetology
- Culinary Arts
- Engineering
- Graphic Communication
- Health Science Technology
- Information Technology / Computer Maintenance
- Media Technology
- Science, Technology, Engineering, and Math (STEM)
- Dentistry
- Recreation, Parks and Tourism

Each GPISD school, traditional or choice, has a rigorous curriculum that is required by the State of Texas for the mastery of standards for each grade level. What makes our schools different is that we let parents consider their child's strengths and interests, and then customize his or her education.

The District has a diverse student population with 64.3 percent Hispanic students, 18.2 percent African American students, 12.1 percent white students, 3.1 percent Asian students, 1.7 percent "two or more" ethnicities, .1 percent Pacific Islander, and .4 percent American Indian students (2015-2016 Texas Academic Performance Report).



Voted into existence on July 5, 1902, the District had the distinction of acknowledging its 114-year anniversary in 2016.

The District has a robust Internet site that includes pages for all campuses and departments. Audiences both internal and external may access pertinent information about the District and its wide array of services at www.gpisd.org.

The District also maintains a social media presence on Facebook, Twitter and Instagram at:

- www.facebook.com/grandprairieisd
- @grandprairieisd
- grandprairieisd (Instagram)

Education Foundation

The Grand Prairie ISD Charitable Trust was originally established in 1970 to raise funds for innovative teaching grants, student scholarships, and educational equipment/program funding to help strengthen our public school system. The renamed GPISD Education Foundation has grown tremendously and today operates with an annual budget of approximately \$225,000.

The Foundation supports the District's 29,000+ students and approximately 2,000 teachers through "friend-raising" and fundraising. The group seeks out parents, business owners, alumni, community leaders, and Grand Prairie citizens who believe in public education and want to contribute to the success of GPISD. Through these partnerships, the group is able to support financially a wide variety of activities and initiatives that affect the lives of children.

Accomplishments:

- \$648,825 in Innovative Teaching Grants
- \$136,000 in scholarships for college-bound students
- \$186,600 in science field experiences for students
- \$16,600 towards fine arts programming

More detailed information about the GPISD Education Foundation can be found at <http://www.gpisd.org/edfoundation>

Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Grand Prairie operates.

Grand Prairie, Texas, is centrally located in the Dallas-Fort Worth-Arlington Metropolitan Statistical Area. The community stretches 26 miles long by about eight miles at its widest point. The city covers about 81 square miles (100 square miles including extraterritorial jurisdiction) and has an estimated population of 184,620 (City of Grand Prairie web site).

The city's northern border lies 5 to 10 minutes south of the Dallas/Fort Worth International Airport. The eastern boundary is 12 miles west of downtown Dallas and the western 15 miles east of Fort Worth. Passing east and west through Grand Prairie and linking the city with major markets are Interstate 30, a strong entertainment and business corridor, and Interstate 20, developing as a significant retail and corporate location.

Because of its central location and proximity to air and highway transportation infrastructure, Grand Prairie also is a well-established distribution center. Much of the Great Southwest Industrial District's approximately 80-million square feet lies in Grand Prairie. Quick access to the Dallas-Fort Worth International Airport, large local markets of Dallas and Fort Worth, rail and interstate highways continue to attract new construction of warehouse, distribution and manufacturing buildings.

Recent industrial, hotel and multifamily development has taken up large tracts in the north Great Southwest Industrial District, yet additional land remains there, nearby and southward. The southernmost section of the city, amid hill country-like vistas around Joe Pool Lake, is attracting high-end residential housing and plans for resort development.

Local Economy

The combined 2014 property tax rate of all taxing jurisdictions in the City of Grand Prairie varies because the city's boundaries overlap with six school districts and three counties. The two predominant taxing areas in Grand Prairie are Dallas County/Grand Prairie Independent School District and Tarrant County/Arlington Independent School District.

The combined local and state sales tax is 8.25 percent (6.25 percent state, 2 percent city - effective April 1, 2002). Sales tax is collected on rentals, sales, use of tangible property and services. It is not collected on grocery, prescription medicine, property consumed in manufacturing and processing.

In 2015, the average household income in Grand Prairie was estimated to be \$56,028 (ESRI).

With the completion of Lake Ridge Parkway from I-20 to Great Southwest Parkway in 2014, the major new corridor along SH 161 from the north end of town to the south becomes a complete and extremely valuable commodity.

Simultaneously, the frontage roads on I-30 and I-20 were being designed, constructed or breaking ground in 2014, giving the City the opportunity to market the available and soon-to-be-available frontage road property on SH 161, I-30 and I-20.

Major City Projects/Initiatives:

- Open Fire Station #10 at South Grand Peninsula and Balboa
- Continue redevelopment of Main Street
- Recruit a destination restaurant for the historic Fire Station #1 on Main Street
- Begin construction on The Epic life center. Open in 2017
- Continue planning, design and fundraising for the PlayGrand Adventures Playground Project
- Remodel the Grand Prairie Memorial Library
- Widen MacArthur Boulevard from I-30 to Hunter-Ferrell Rd. Open 2018
- Begin construction on I-20 frontage roads from SH 161 to Belt Line Rd. Open 2018
- Widen Camp Wisdom from Carrier to FM 1382. Open 2018
- Begin construction of I-30 frontage roads on south side from NW 7th Street to Belt Line Road

Financial Information

Internal Controls – The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, and to ensure that adequate accounting data is 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 from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management. Management believes the District's internal controls provide reasonable assurance errors or irregularities that could be material to the financial statements would be detected within a timely period by employees in the normal course of performing their assigned functions.

Budgetary Controls – In addition, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Board of Trustees. Activities in the General Fund, National School Breakfast and Lunch Program Fund, and Debt Service Fund are included in the District's formally adopted budget. Budgets for Special Revenue Funds (other than the National School Breakfast and Lunch Program Fund) and Capital Projects Fund are prepared on a project basis, based on grant regulations or applicable bond ordinances. Budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is maintained at the fund-function level as required by the Texas Education Agency. The Business Operations Department submits requests for budget transfers from one functional category to another functional category, on a monthly basis, to the Board of Trustees for their approval. Budget changes that would increase/decrease the overall fund are submitted to the Board of Trustees for their approval as well.

Independent Audit

The Texas Education Code requires an annual audit of all public schools. This audit must be on an organization-wide basis and include all fund types and account groups that are the accounting

responsibility of the District. The audit is performed by an independent certified public accountant firm selected by the District's Board of Trustees. The auditor's report has been included in this report.

Organization of the District

The Board of Trustees (the Board) of the Grand Prairie Independent School District (GPISD) is a seven-member body. The Board serves as the taxing authority, contracting body, policy maker, ensures that all other general compliance laws and rules applicable to the District are followed in the expenditure of the District's funds, and approves the annual budget resolution and tax adoption.

Financial Achievements

- GPISD passed a \$222 million bond election in 2007
- GPISD passed a \$70 million bond election in 2011 which required no tax rate increase
- GPISD issued refunding bonds in 2011 providing an interest cost savings of \$11,485,608
- GPISD issued refunding bonds in 2013 providing an interest cost savings of \$2,076,337
- GPISD passed a three proposition bond and tax ratification election in November 2015 providing \$13+ million in additional operating revenues, \$91 million in moneys for new construction, and a refunding authorization that will provide projected cash savings of over \$162 million for existing bonds.
- GPISD issued refunding bonds in 2016 providing an interest cost savings of \$16,976,009
- GPISD's most recent bond ratings:
 - AAA based on the Permanent School Fund Guarantee
 - AA underlying credit rating affirmed by Fitch Ratings
 - AA- underlying credit rating affirmed by Standard & Poor's Ratings Services

Awards

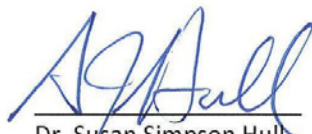
In 1999, the 76th Texas Legislature approved legislation requiring the commissioner of education in consultation with the comptroller of public accounts to develop a rating system for school district financial accountability. The 77th Texas Legislature in 2001 subsequently adopted rules for the implementation and administration of the financial accountability rating system known as School FIRST, Financial Integrity Rating System of Texas. The financial accountability rating system benefits the public by having a system in place to ensure that school districts will be held accountable for the quality of their financial management practices and achieve improved performance in the management of their financial resources. The Grand Prairie Independent School District received a Superior Achievement rating ten out of twelve years through the 2013-14 report, and received a "Passed" rating for the 2014-15 report which reflects the change of ratings issued to either "Passed" or "Substandard Achievement". For the 2015-16 report, the district received a Superior Achievement rating under the new criteria.

Acknowledgements

We respectfully acknowledge the responsible and sincere involvement of the Board of Trustees, principals, administrators, officers, program directors and coordinators in the financial affairs of the District.

Special appreciation is also expressed to the members of the Business Operations staff for their assistance and effort in maintaining the financial records of the District. Individual recognition is given to Becky Harris, Ray Wilks, Edie Ellis, Aida Arredondo, Zoraida Gonzalez, Adrian Kiser, Rosemary Cortez, Sara Armijo, Pam Bishop, Pat Wade, Dana Sparks, Dolores Jackson, Debbie Torres, and Susana Trujillo for their combined efforts in closing out the accounting records and assisting in preparing the various financial reports at year-end.

Sincerely,



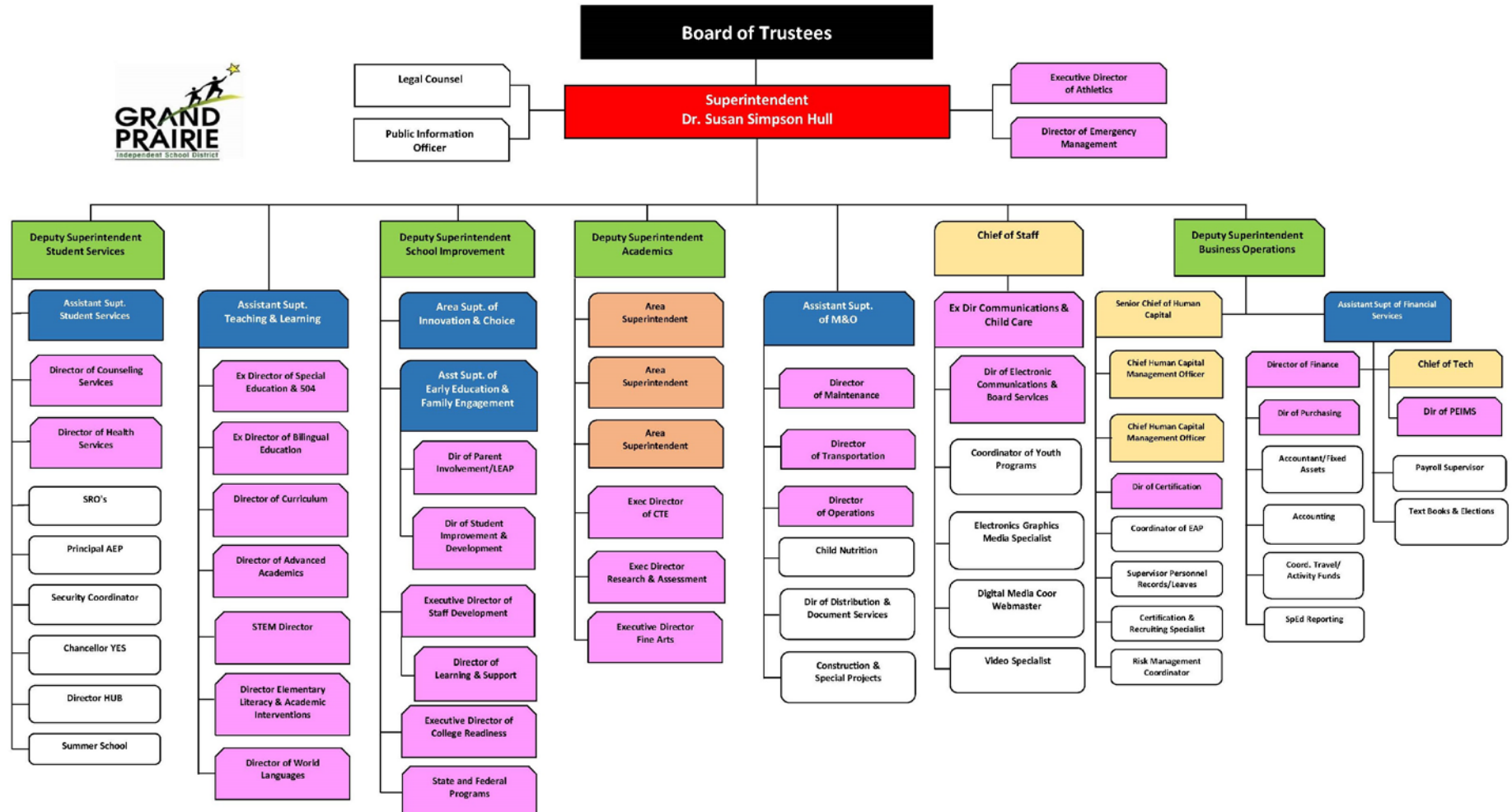
Dr. Susan Simpson Hull
Superintendent



Robb Welch
Assistant Superintendent of Business & Finance

GRAND PRAIRIE INDEPENDENT SCHOOL

Organization Chart



GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
PRINCIPAL OFFICIALS AND ADVISORS

BOARD OF TRUSTEES

Terry Brooks, President
Steve Pryor, Vice President
Katrina Jones, Secretary
David Espinosa
Burke Hall
Chester McCrary
J.D. Stewart

ADMINISTRATION

Dr. Susan Simpson Hull, Superintendent
Dr. Vern Alexander, Deputy Superintendent of Student Support Services
Nancy Bridges, Deputy Superintendent of Business Operations
Dr. Nugget Cunningham, Deputy Superintendent of Academics
Pat Lewis, Deputy Superintendent of Innovations and School Improvement
Vicki Bridges, Assistant Superintendent of Operations
Linda Ellis, Assistant Superintendent of Teaching and Learning
Calvin Harrison, Assistant Superintendent of Student Support
Susanna Ramirez, Assistant Superintendent of Early Education and Family Engagement
Robb Welch, Assistant Superintendent of Business and Finance

CONSULTANTS AND ADVISORS

Weaver and Tidwell, L.L.P.
Dallas, Texas – Independent Auditors

Norton Rose Fulbright US, L.L.P.
Dallas, Texas – Bond Counsel

SAMCO Capital Markets, Inc.
Plano, Texas – Financial Advisor

CERTIFICATE OF BOARD

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

Name of School

DALLAS

County

057-910

Co.-Dist Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and

[X] APPROVED --- [] DISAPPROVED
(Check One)

for the year ended August 31, 2016 at a meeting of the Board of Trustees of such school district on the 19th day of January, 2017.



SIGNATURE OF BOARD SECRETARY



SIGNATURE OF BOARD PRESIDENT

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



INDEPENDENT AUDITOR'S REPORT

The Board of Trustees of
Grand Prairie Independent School District
2602 S. Beltline Road
Grand Prairie, Texas 75052

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grand Prairie Independent School District (District) as of and for the year ended August 31, 2016, 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Grand Prairie Independent School District as of August 31, 2016, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

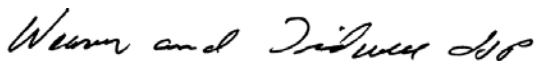
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Grand Prairie Independent School District's basic financial statements. The Introductory Section, Supplementary Information, and Statistical Section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the financial statements.

The Supplementary Information 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 Supplementary Information and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2017 on our consideration of the Grand Prairie Independent School 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 Grand Prairie Independent School District's internal control over financial reporting and compliance.



WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 19, 2017

Management's Discussion and Analysis

As management of the Grand Prairie Independent School District ("the District"), we offer readers of the accompanying report this narrative overview and analysis of the financial activities of the District for the fiscal year ended August 31, 2016. (In reviewing this report, readers should be mindful that it is often necessary for management to make and use estimates in the preparation of financial statements. Examples of the use of such estimates may be found in amounts reported for depreciation, net taxes receivable, claims payable of the District's self-insured workers' compensation program, and net pension liability.)

Financial Highlights

- Governmental Activities assets and deferred outflows of resources was less than liabilities and deferred inflows of resources at year-end by \$13,555,421.
- The District's total net position decreased by \$22,524,942 from current operations.
- As of the close of the year, the District's governmental funds had combined ending fund balances of \$130,153,764, an increase of \$60,269,188 as compared to the preceding year.
- At the end of the year, unassigned fund balance of the general fund was \$58,401,247, or 22 percent of the year's total general fund expenditures.
- The District refunded the Series 2009 Tax Refunding Bonds Series 2009 by issuing Series 2016 Unlimited Tax Refunding Bonds.

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 comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and supplementary information in addition to the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector enterprise.

The *Statement of Net Position* (Exhibit A-1) presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of how the financial position of the District is changing.

The *Statement of Activities* (Exhibit B-1) presents information showing how the District's net position changed during the year. Changes in net position are reported upon occurrence of the underlying event giving rise to the change, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some transactions that will not result in cash flows until future fiscal periods (e.g., uncollected taxes and incurred but unpaid workers' compensation benefits).

The government-wide financial statements of the District are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include *Instruction, Instructional Resources and Media Services, Curriculum and Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Extracurricular Activities, General Administration, Plant Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Interest on Long-term Debt, Issuance Costs and Fees, Payments Related to Shared Services Arrangements, Payments to Juvenile Justice Alternative Education Programs, Payments to Tax Increment Fund, and Other Intergovernmental Charges*.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, as do other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating near-term financing requirements.

Because the focus of governmental funds financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintained thirty-six individual governmental funds during the year. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and capital projects funds, which are considered to be major funds. Data from the other twenty-nine governmental funds are combined into a single, aggregated presentation titled *other governmental funds*.

The District adopts an annual revenue and appropriations budget for its general fund. Subsequent to adoption, amendments approved by the governing body are reflected in a revised budget. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as noted in the table of contents of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of students and student organizations. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs and activities. A statement of fiduciary assets and liabilities is presented as noted in the table of contents of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found as noted in the table of contents of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report presents required supplementary information and supplementary information, including schedules required by the Texas Education Agency. Such information can be found as noted in the table of contents of this report.

Government-wide Financial Analysis

As mentioned earlier, net position may, over time, serve as an indicator of a District's changing financial position. The following table shows the net position of the District for the current and prior year.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S NET POSITION

	Governmental Activities					
	2016		2015		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Current and Other Assets	\$ 149,766,194	25	\$ 90,212,609	17	\$ 59,553,585	66
Capital Assets, net of Depreciation	460,117,035	75	452,414,407	83	7,702,628	2
Total Assets	609,883,229	100	542,627,016	100	67,256,213	
Total Deferred Outflows of Resources	36,201,235	100	24,982,276	100	11,218,959	45
Long-Term Liabilities Outstanding	628,903,636	97	537,084,176	98	91,819,460	17
Other Liabilities	17,049,136	3	10,807,668	2	6,241,468	58
Total Liabilities	645,952,772	100	547,891,844	100	98,060,928	
Total Deferred Inflows of Resources	13,687,113	100	10,747,927	-	2,939,186	27
Net Position:						
Net Investment in Capital Assets	(43,859,490)	324	5,761,816	64	(49,621,306)	(861)
Restricted for Grants	3,669,961	(27)	-	-	3,669,961	
Restricted for Debt Service	9,712,070	(72)	3,260,265	36	6,451,805	198
Unrestricted	16,922,038	(125)	(52,560)	-	16,974,598	(32,296)
Total Net Position	\$ (13,555,421)	100	\$ 8,969,521	100	\$ (22,524,942)	

The deficiency of assets/deferred outflows of resources over liabilities/deferred inflows of resources reported on the government-wide *Statement of Net Position* of \$13,555,421 at August 31, 2016 results from several factors. The most significant items include a \$29,823,609 increase in the net pension liability, and the refunding of 2009 Tax Refunding Bonds Capital Appreciation Bonds.

The District's investment in capital assets (e.g., land, buildings and improvements, furniture and equipment and construction in progress), less any related debt used to acquire those assets that are still outstanding totaled \$(43,859,490) of net position. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net position that is restricted for debt service totals \$9,712,070 of net position, and net position restricted for grants is \$3,669,961. At the end of the current fiscal year, the District reports a negative balance in Unrestricted Net Position which is the result of the increase in net pension liability and the refunding of the 2009 bonds mentioned above.

Governmental activities. Governmental activities decreased the District's net position by \$22,524,942 from current operations. The elements giving rise to this change may be determined from the table below.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S CHANGES IN NET POSITION

	Governmental Activities					
	2016		2015		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Revenue:						
Program Revenues:						
Charges for Services	\$ 6,389,419	2	\$ 7,151,313	2	\$ (761,894)	(11)
Operating Grants and Contributions	67,373,027	19	61,694,455	20	5,678,572	9
General Revenues:						
Property Taxes, Levied for General Purpose	63,982,520	18	55,075,575	18	8,906,945	16
Property Taxes, Levied for Debt Service	23,176,206	7	22,423,210	7	752,996	3
Grants and Contributions Not Restricted to Specific Programs	185,913,528	53	166,168,009	54	19,745,519	12
Investment Earnings	1,002,702	-	157,395	-	845,307	537
Miscellaneous	2,046,066	1	1,050,417	-	995,649	95
Total Revenues	349,883,468	100	313,720,374	101	36,163,094	
Expenses:						
Instruction	178,734,140	48	159,349,591	53	19,384,549	12
Instructional Resources and Media Services	2,956,563	1	2,748,339	1	208,224	8
Curriculum and Staff Development	9,093,852	2	7,251,924	2	1,841,928	25
Instructional Leadership	4,238,073	1	3,692,536	1	545,537	15
School Leadership	19,861,973	5	16,682,609	6	3,179,364	19
Guidance, Counseling, and Evaluation Services	13,381,884	4	11,497,600	4	1,884,284	16
Social Work Services	755,299	-	685,524	-	69,775	10
Health Services	3,591,646	1	3,160,953	1	430,693	14
Student Transportation	6,162,824	2	5,110,552	2	1,052,272	21
Food Service	19,515,953	5	16,573,295	6	2,942,658	18
Extracurricular Activities	8,124,103	2	7,212,208	2	911,895	13
General Administration	7,723,242	2	6,996,019	2	727,223	10
Plant Maintenance and Operations	24,843,427	7	21,595,821	7	3,247,606	15
Security and Monitoring Services	3,040,684	1	1,891,217	1	1,149,467	61
Data Processing Services	8,993,087	2	4,970,385	2	4,022,702	81
Community Services	5,870,876	2	4,878,317	2	992,559	20
Interest on Long-term Debt	50,970,660	14	21,271,112	7	29,699,548	140
Issuance Costs and Fees	1,602,056	-	836,905	-	765,151	91
Payments Related to Shared Services Arrangements	323,418	-	213,775	-	109,643	51
Payments to Juvenile Justice Alternative Education Programs	31,500	-	124,902	-	(93,402)	(75)
Payments to Tax Increment Fund	2,292,984	1	3,326,887	1	(1,033,903)	(31)
Other Intergovernmental Charges	300,166	-	278,575	-	21,591	8
Total Expenses	372,408,410	100	300,349,046	100	72,059,364	
Change in Net Position	(22,524,942)		13,371,328		(35,896,270)	
Net Position - Beginning, as restated	15,169,833		(4,401,807)		19,571,640	
Net Position - Ending	\$ (7,355,109)		\$ 8,969,521		\$ (16,324,630)	

The decrease in governmental activities net position was primarily due to the increase in net pension liability and the refunding of 2009 Tax Refunding Bonds Capital Appreciation Bonds.

Revenues, aggregating \$349,883,468, were generated primarily from two sources. Property taxes in the amount of \$87,158,726 represent 25 percent of total revenues while grants and contributions (including those not restricted for program-specific use as well as for general operations, totaling \$253,286,555), represent 72 percent

of total revenues. The remaining 3 percent is generated from investment earnings, charges for services, and miscellaneous revenues.

The primary functional expenses of the District were Instruction in the amount of \$178,734,140 which represents 48 percent of total expenses, and interest on long-term debt in the amount of \$50,970,660 which represents 14 percent of total expenses. All remaining expense categories are 10 percent or less of total expenses.

Financial Analysis of the Government's Funds

As mentioned earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. At the end of the fiscal year, the District's governmental funds had combined ending fund balances of \$130,153,764, an increase of \$60,269,188 from the preceding year.

The general fund is the primary operating fund of the District. At year-end, unassigned fund balance of the general fund was \$58,401,247, while total fund balance was \$59,744,238. To evaluate the general fund's liquidity, it may be helpful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned and total fund balance represents 22.6 percent of total general fund expenditures. The fund balance of the general fund increased \$955,743 during the year from current activities, primarily due to increases in revenues.

The debt service fund ending fund balance of \$9,716,776 is restricted for the payment of principal and interest on debt. The debt service fund balance decreased \$2,510,058 during the year, primarily due to the payment made to the bond refunding escrow agent.

The capital projects fund ending fund balance of \$55,965,881 is restricted for capital expenditures. The net increase in fund balance during the current year in the capital projects fund was \$55,746,625. The increase was due to issuance of 2016 Tax School Building Bonds for capital projects.

Governmental funds financial statements may be found by referring to the table of contents.

General Fund Budgetary Highlights

Differences between the originally-adopted budget and the final amended budget of the general fund were to increase appropriations by \$29,549,946. The most significant change was to increase appropriations for instruction. Amendments were approved by the governing body.

There were no significant variations between the final appropriations and actual expenditures.

Capital Assets and Long-term Liabilities

Capital assets. The District's investment in capital assets for its governmental activities as of August 31, 2016 was \$460,117,035 (net of accumulated depreciation). This investment in capital assets includes land and improvements, buildings and improvements, furniture and equipment, and construction in progress. The increase in investment in capital assets for governmental activities for the current fiscal year was \$7,702,628.

Major capital asset activity during the year included the following:

- Additions of \$22,597,532 additions of construction in progress for construction projects.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S CAPITAL ASSETS (net of depreciation)

	Governmental Activities					
	2016		2015		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Land and Improvements	\$ 22,526,260	5	\$ 21,918,319	5	\$ 607,941	3
Buildings and Improvements	403,694,543	88	414,230,670	92	(10,536,127)	(3)
Furniture and Equipment	15,417,302	3	15,846,583	3	(429,281)	(3)
Construction in Progress	18,478,930	4	418,835	-	18,060,095	4,312
Totals	\$ 460,117,035	100	\$ 452,414,407	100	\$ 7,702,628	

Additional information on the District's capital assets can be found in Note III. D. Capital Assets of the notes to the financial statements per the table of contents of this report.

Long-term liabilities. At year-end, the District had the following long-term liabilities:

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S LONG-TERM LIABILITIES OUTSTANDING

	Governmental Activities					
	2016		2015		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
General Obligation Bonds (Net)	\$ 562,631,671	90	\$ 500,758,230	93	\$ 61,873,441	12
Workers' Compensation Claims	1,104,083	-	959,731	-	144,352	15
Compensated Absences	209,188	-	231,130	-	(21,942)	(9)
Net Pension Liability	64,958,694	10	35,135,085	7	29,823,609	85
Totals	\$ 628,903,636	100	\$ 537,084,176	100	\$ 91,819,460	

The District's total bonded debt increased by \$61,873,441 due to the refunding of the 2009 Tax Refunding Capital Appreciation bonds, and the issuance of 2016 Tax School Building Bonds.

The District's general obligation debt is backed by the full faith and credit of the District and is further guaranteed by the Texas Permanent School Fund Guarantee Program.

State statutes do not limit the tax rate or amount of local tax support of school districts' bonded indebtedness. However, approval of the Attorney General of the State of Texas is required prior to the sale of bonds.

Additional information on the District's long-term debt can be found as noted in Note III. E. Long-term Liabilities of the notes to the financial statements per the table of contents of this report.

The adoption of Statement No. 68 resulted in the District's reporting of net pension liabilities and deferred inflows of resources and deferred outflows of resources for each of its qualified pension plans and the recognition of pension expense in accordance with the provisions of the Statement. The increase in the District's net pension liability (NPL) to \$64,958,694 at August 31, 2016 from \$35,135,085 at August 31, 2015 was the result of a significant decrease in net investment income in the TRS plan during 2015.

The following table provides the District's key pension statistics related to the TRS plan as of and for the fiscal year ended August 31, 2016:

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S KEY PENSION STATISTICS

Net Pension Liability (NPL)	\$ 64,958,694
Pension Expense	\$ 12,155,449

Additional information on the District's net pension liability can be found in the notes to the financial statements as indicated in the table of contents of this report.

Economic and Other Factors and Fiscal Year 2015-16 Budgets and Rates

- School year (2016-17) student enrollment is 29,367.
- District staff totals 3,892 employees in 2016-17, excluding substitutes and other part-time employees, which includes 1,977 teachers and 359 teacher aides.
- The District maintains forty school campuses, including three in-district charter schools.
- The unemployment rate for the County is currently 3.8 percent, which is favorable compared to 4.1 percent a year ago. This compares favorably to the state's average unemployment rate of 4.5 percent, which was 5.1 percent a year ago.
- Property values of the District are projected to increase by 7 percent in the 2016-17 year.
- A maintenance and operations tax rate of \$1.17 and a debt service tax rate of \$0.425, a total rate of \$1.595 was adopted for 2016-17, resulting in no change from the prior year.

All of these factors and others were considered in preparing the District's budget for the 2016-17 fiscal year.

During the current fiscal year, fund balance in the general fund increased to \$59,744,238. The District plans to utilize a portion of the general fund balance for the 2016-2017 budget.

Requests for Information

This financial report is intended to provide a general overview of the District's finances for those with an interest in this information. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Grand Prairie Independent School District, 2602 S. Beltline Rd. Grand Prairie, Texas 75052.

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BASIC FINANCIAL STATEMENTS

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

EXHIBIT A-1

STATEMENT OF NET POSITION

AUGUST 31, 2016

1

Data Control Codes		Primary Government Governmental Activities
ASSETS:		
1110	Cash and Cash Equivalents	\$ 7,206,309
1120	Current Investments	118,719,319
1220	Property Taxes Receivables	3,547,000
1230	Allowance for Uncollectable Taxes	(71,000)
1240	Due from Other Governments	17,505,988
1290	Other Receivables	1,334,911
1300	Inventories	1,022,517
1410	Prepaid Items	501,150
	Capital Assets, Not Being Depreciation:	
1510	Land and Improvements	22,526,260
	Capital Assets, Net of Accumulated Depreciation:	
1520	Buildings and Improvements	403,694,543
1530	Furniture and Equipment	15,417,302
1580	Construction in Progress	18,478,930
1000	Total Assets	<u>609,883,229</u>
DEFERRED OUTFLOWS OF RESOURCES		
1705	Deferred Outflows - Pension	36,201,235
1700	Total Deferred Outflows of Resources	<u>36,201,235</u>
LIABILITIES:		
2110	Accounts Payable	2,237,183
2120	Other Liabilities	1,676,837
2140	Interest Payable	912,706
2150	Payroll Deductions and Withholdings	108
2160	Accrued Wages Payable	12,093,370
2180	Due to Other Governments	1,442
2300	Unearned Revenue	127,490
	Noncurrent Liabilities:	
2501	Due Within One Year	20,922,386
2502	Due in More Than One Year	543,022,556
2540	Net Pension Liabilities	64,958,694
2000	Total Liabilities	<u>645,952,772</u>
DEFERRED INFLOWS OF RESOURCES		
2605	Deferred Inflows - Pension	12,888,780
2610	Deferred Gain on Refunding	798,333
2600	Total Deferred Inflows of Resources	<u>13,687,113</u>
NET POSITION:		
3200	Net Investment in Capital Assets	(43,859,490)
3820	Restricted for Grants	3,669,961
3850	Restricted for Debt Service	9,712,070
3900	Unrestricted	16,922,038
3000	Total Net Position	<u>\$ (13,555,421)</u>

The accompanying notes are an integral part of this statement.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

EXHIBIT A-2

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2016

Data Control Codes	Functions/Programs	1	3	4	Net (Expense) Revenue and Changes in Net Position
		Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Governmental Activities
	Primary Government:				
	Governmental Activities:				
0011	Instruction	\$ 178,734,140	\$ 1,536,205	\$ 16,718,798	\$ (160,479,137)
0012	Instructional Resources and Media Services	2,956,563	27,703	202,290	(2,726,570)
0013	Curriculum and Staff Development	9,093,852	-	6,047,932	(3,045,920)
0021	Instructional Leadership	4,238,073	20,740	457,578	(3,759,755)
0023	School Leadership	19,861,973	578,848	1,355,246	(17,927,879)
0031	Guidance, Counseling, and Evaluation Services	13,381,884	-	3,188,070	(10,193,814)
0032	Social Work Services	755,299	-	549,067	(206,232)
0033	Health Services	3,591,646	-	243,856	(3,347,790)
0034	Student Transportation	6,162,824	-	729,370	(5,433,454)
0035	Food Service	19,515,953	3,231,437	15,903,646	(380,870)
0036	Extracurricular Activities	8,124,103	819,810	201,973	(7,102,320)
0041	General Administration	7,723,242	-	595,658	(7,127,584)
0051	Plant Maintenance and Operations	24,843,427	149,569	1,100,779	(23,593,079)
0052	Security and Monitoring Services	3,040,684	-	55,117	(2,985,567)
0053	Data Processing Services	8,993,087	-	204,673	(8,788,414)
0061	Community Services	5,870,876	25,107	1,060,218	(4,785,551)
0072	Interest on Long-term Debt	50,970,660	-	18,435,338	(32,535,322)
0073	Issuance Costs and Fees	1,602,056	-	-	(1,602,056)
0081	Facilities Repair and Maintenance	-	-	-	-
0093	Payments Related to Shared Services Arrangements	323,418	-	323,418	-
0095	Payments to Juvenile Justice Alternative Education Programs	31,500	-	-	(31,500)
0097	Payments to Tax Increment Fund	2,292,984	-	-	(2,292,984)
0099	Other Intergovernmental Charges	300,166	-	-	(300,166)
TG	Total Governmental Activities	<u>372,408,410</u>	<u>6,389,419</u>	<u>67,373,027</u>	<u>(298,645,964)</u>
TP	Total Primary Government	\$ <u>372,408,410</u>	\$ <u>6,389,419</u>	\$ <u>67,373,027</u>	<u>(298,645,964)</u>
General Revenues:					
MT	Property Taxes, Levied for General Purposes				63,982,520
DT	Property Taxes, Levied for Debt Services				23,176,206
GC	Grants and Contributions Not Restricted to Specific Programs				185,913,528
IE	Investment Earnings				1,002,702
MI	Miscellaneous				<u>2,046,066</u>
TR	Total General Revenues				<u>276,121,022</u>
CN	Change in Net Position				<u>(22,524,942)</u>
NB	Net Position - Beginning				2,769,209
PA	Prior Period Adjustment				<u>6,200,312</u>
	Net Position - Beginning, as Restated				<u>8,969,521</u>
NE	Net Position - Ending				\$ <u>(13,555,421)</u>

The accompanying notes are an integral part of this statement.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

AUGUST 31, 2016

Data Control Codes		199	599
		General Fund	Debt Service Fund
ASSETS:			
1110	Cash and Cash Equivalents	\$ 6,128,242	\$ 24,117
1120	Current Investments	31,243,583	9,197,520
1220	Property Taxes Receivable	2,620,000	927,000
1230	Allowance for Uncollectable Taxes	(52,000)	(19,000)
1240	Due from Other Governments	15,561,732	495,139
1260	Due from Other Funds	19,237,032	-
1290	Other Receivables	617,095	-
1300	Inventories	841,841	-
1410	Prepaid Items	501,150	-
1800	Restricted Assets	-	-
1000	Total Assets	\$ <u>76,698,675</u>	\$ <u>10,624,776</u>
LIABILITIES:			
2110	Accounts Payable	\$ 532,185	\$ -
2120	Other Liabilities	1,676,837	-
2150	Payroll Deductions and Withholdings	108	-
2160	Accrued Wages Payable	12,093,370	-
2170	Due to Other Funds	83,937	-
2180	Due to Other Governments	-	-
2300	Unearned Revenue	-	-
2000	Total Liabilities	<u>14,386,437</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
2600	Unavailable Revenue - Property Taxes	<u>2,568,000</u>	<u>908,000</u>
	Total Deferred Inflows of Resources	<u>2,568,000</u>	<u>908,000</u>
FUND BALANCES:			
Nonspendable:			
3410	Inventories	841,841	-
3430	Prepaid Items	501,150	-
Restricted:			
3450	Grant Funds	-	-
3470	Capital Acquisitions and Contractual Obligations	-	-
3480	Debt Service	-	9,716,776
Committed:			
3545	Other	-	-
3600	Unassigned	<u>58,401,247</u>	<u>-</u>
3000	Total Fund Balances	<u>59,744,238</u>	<u>9,716,776</u>
4000	Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ <u>76,698,675</u>	\$ <u>10,624,776</u>

The accompanying notes are an integral part of this statement.

699		98
Capital Projects	Total	Total
Fund	Nonmajor	Governmental
	Funds	Funds
\$ 628,429	\$ 425,521	\$ 7,206,309
56,206,774	22,071,442	118,719,319
-	-	3,547,000
-	-	(71,000)
-	1,449,117	17,505,988
-	83,937	19,320,969
-	709,757	1,326,852
-	180,676	1,022,517
-	-	501,150
-	-	-
\$ 56,835,203	\$ 24,920,450	\$ 169,079,104
\$ 869,322	\$ 835,676	\$ 2,237,183
-	-	1,676,837
-	-	108
-	-	12,093,370
-	19,228,973	19,312,910
-	1,442	1,442
-	127,490	127,490
<u>869,322</u>	<u>20,193,581</u>	<u>35,449,340</u>
<u>-</u>	<u>-</u>	<u>3,476,000</u>
<u>-</u>	<u>-</u>	<u>3,476,000</u>
-	180,676	1,022,517
-	-	501,150
-	3,489,285	3,489,285
55,965,881	-	55,965,881
-	-	9,716,776
-	1,056,908	1,056,908
-	-	58,401,247
<u>55,965,881</u>	<u>4,726,869</u>	<u>130,153,764</u>
\$ 56,835,203	\$ 24,920,450	\$ 169,079,104

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GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
AUGUST 31, 2016

EXHIBIT B-1R

Total Fund Balances - Governmental Funds (Exhibit B-1) \$ 130,153,764

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The governmental capital assets at year-end consist of:

Governmental Capital Assets Costs	\$ 712,054,434	
Accumulated Depreciation of Governmental Capital Assets	<u>(251,937,399)</u>	460,117,035

Property taxes receivable, which will be collected subsequent to year-end, but are not available soon enough to pay expenditures and, therefore, are deferred in the funds.	3,476,000
---	-----------

Long-term liabilities, including bonds payable, workers' compensation, compensated absences, and net pension liability, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Liabilities at year-end related to such items consist of:

Bonds Payable, at Original Par	\$ (519,343,613)	
Premium on Bonds Payable	(39,935,342)	
Discount on Bonds Payable	134,882	
Accreted Interest	(3,487,598)	
Accrued Interest on the Bonds	(912,706)	
Workers' Compensation	(1,104,083)	
Compensated Absences	(209,188)	
Net Pension Liability	<u>(64,958,694)</u>	(629,816,342)

Deferred charge on refunding is reported as deferred outflow in the statement of net position and is not reported in the funds due to it is not a current financial resource available to pay for current expenditures.	(798,333)
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Deferred outflows for pension are included in the statement of net position and are not reported in the funds due to they are not current financial resources available to pay for current expenditures.	36,201,235
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Deferred inflows for pension are included in the statement of net position and are not reported in the funds due to they are not current financial resources available to pay for current expenditures.	<u>(12,888,780)</u>
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Total Net Position - Governmental Activities (Exhibit A-1) \$ (13,555,421)

The accompanying notes are an integral part of this statement.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE YEAR ENDED AUGUST 31, 2016

Data Control Codes		199	599
		General Fund	Debt Service Fund
REVENUES:			
5700	Local and Intermediate Sources	\$ 68,415,796	\$ 23,821,790
5800	State Program Revenues	191,998,651	18,435,338
5900	Federal Program Revenues	5,144,997	-
5020	Total Revenues	265,559,444	42,257,128
EXPENDITURES:			
Current:			
0011	Instruction	151,976,172	-
0012	Instructional Resources and Media Services	2,818,536	-
0013	Curriculum and Staff Development	3,220,589	-
0021	Instructional Leadership	3,868,877	-
0023	School Leadership	17,984,526	-
0031	Guidance, Counseling, and Evaluation Services	10,523,293	-
0032	Social Work Services	221,258	-
0033	Health Services	3,447,642	-
0034	Student Transportation	6,579,476	-
0035	Food Service	-	-
0036	Extracurricular Activities	4,986,798	-
0041	General Administration	7,431,266	-
0051	Plant Maintenance and Operations	24,194,412	-
0052	Security and Monitoring Services	3,076,214	-
0053	Data Processing Services	9,029,870	-
0061	Community Services	4,888,825	-
Debt Service:			
0071	Principal on Long-term Debt	-	21,818,654
0072	Interest on Long-term Debt	-	22,380,053
0073	Issuance Costs and Fees	-	999,834
Capital Outlay:			
0081	Facilities Acquisition and Construction	8,285,441	-
Intergovernmental:			
0093	Payments to Shared Services Arrangements	-	-
0095	Payments to Juvenile Justice Alternative Education Programs	31,500	-
0097	Payments to Tax Increment Fund	1,738,840	554,144
0099	Other Intergovernmental Charges	300,166	-
6030	Total Expenditures	264,603,701	45,752,685
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	955,743	(3,495,557)
OTHER FINANCING SOURCES (USES):			
7901	Issuance of Refunding Bonds	-	94,640,000
7911	Issuance of Capital Related Debt	-	-
7912	Sale of Real or Personal Property	101,439	-
7916	Premium on Issuance of Bonds	-	9,933,848
8940	Payment to Bond Refunding Escrow Agent	-	(103,588,349)
7080	Total Other Financing Sources (Uses)	101,439	985,499
1200	Net Change in Fund Balances	1,057,182	(2,510,058)
0100	Fund Balances - Beginning	52,486,744	12,226,834
	Prior Period Adjustment	6,200,312	-
	Fund Balances - Beginning, as Restated	58,687,056	12,226,834
3000	Fund Balances - Ending	\$ 59,744,238	\$ 9,716,776

The accompanying notes are an integral part of this statement.

699		98
Capital Projects	Total	Total
Fund	Nonmajor	Governmental
Funds	Funds	Funds
\$ 220,425	\$ 4,664,083	\$ 97,122,094
-	2,776,017	213,210,006
-	29,750,739	34,895,736
<u>220,425</u>	<u>37,190,839</u>	<u>345,227,836</u>
-	6,477,399	158,453,571
-	40,248	2,858,784
-	5,626,085	8,846,674
-	229,669	4,098,546
-	675,673	18,660,199
-	2,382,758	12,906,051
-	504,890	726,148
-	-	3,447,642
-	428,199	7,007,675
-	19,134,928	19,134,928
-	476,526	5,463,324
-	6,209	7,437,475
138,805	298,957	24,632,174
-	-	3,076,214
-	20,876	9,050,746
-	789,877	5,678,702
-	-	21,818,654
-	-	22,380,053
602,222	-	1,602,056
15,334,995	-	23,620,436
-	323,418	323,418
-	-	31,500
-	-	2,292,984
-	-	300,166
<u>16,076,022</u>	<u>37,415,712</u>	<u>363,848,120</u>
<u>(15,855,597)</u>	<u>(224,873)</u>	<u>(18,620,284)</u>
-	-	94,640,000
61,895,000	-	61,895,000
-	-	101,439
9,707,222	-	19,641,070
-	-	(103,588,349)
<u>71,602,222</u>	<u>-</u>	<u>72,689,160</u>
<u>55,746,625</u>	<u>(224,873)</u>	<u>54,068,876</u>
219,256	4,951,742	69,884,576
-	-	6,200,312
<u>219,256</u>	<u>4,951,742</u>	<u>76,084,888</u>
<u>\$ 55,965,881</u>	<u>\$ 4,726,869</u>	<u>\$ 130,153,764</u>

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT**EXHIBIT B-2R****RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED AUGUST 31, 2016**

Total Net Changes in Fund Balances - Governmental Funds (Exhibit B-2) **\$ 54,068,876**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital Asset additions	\$ 26,626,983	
Depreciation Expense	<u>(18,849,248)</u>	7,777,735

The net effect of miscellaneous transactions involving capital assets (transfers, adjustments and dispositions) is a increase (decrease) to net position. (75,107)

Because some property taxes will not be collected for several months after the District's fiscal year end, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenues increased (decreased) by this amount this year. (506,937)

Issuance of bonds provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.

Par Value	\$ (156,535,000)	
(Premium) Discount	<u>(19,641,070)</u>	(176,176,070)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 21,818,654

Payments to escrow agent to refund bonds from refunding proceeds. 103,588,349

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The (increase) decrease in interest reported in the statement of activities consist of the following:

Accrued Interest on Current Interest Bonds Payable <i>(increased) decreased</i>	\$ (249,822)	
Accreted Interest Paid	6,049,137	
Interest Accreted on the Capital Appreciation Bonds	(35,686,913)	
Amortization of Bond Premium and Discount	2,049,959	
Amortization of Defeasance Costs	<u>(752,968)</u>	(28,590,607)

The (increase) decrease in workers' compensation is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. (144,352)

The (increase) decrease in compensated absences is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. 21,942

The net change in net pension liability, deferred outflows, and deferred inflows is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. The net change consists of the following:

Deferred Outflows Increased (Decreased)	\$ 27,657,037	
Deferred Inflows (Increased) Decreased	(2,140,853)	
Net Pension Liability (Increased) Decreased	<u>(29,823,609)</u>	<u>(4,307,425)</u>

Change in Net Position for Governmental Activities (Exhibit A-2) **\$ (22,524,942)**

The accompanying notes are an integral part of this statement.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

EXHIBIT D-1

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

FIDUCIARY FUND

AUGUST 31, 2016

Data Control Codes		Agency Fund
	ASSETS:	
1110	<i>Cash and Cash Equivalents</i>	\$ 282,991
1120	<i>Current Investments</i>	300,979
1290	<i>Other Receivables</i>	16,200
1000	Total Assets	\$ 600,170
	LIABILITIES:	
2170	<i>Due to Other Funds</i>	\$ 8,059
2190	<i>Due to Student Groups</i>	592,111
2000	Total Liabilities	\$ 600,170

The accompanying notes are an integral part of this statement.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

I. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government (District). All fiduciary activities are reported only in the fund financial statements. *Governmental activities* are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions.

B. Reporting Entity

The Grand Prairie Independent School District (District) is governed by a seven-member board of trustees (Board), which has governance responsibilities over all activities related to public, elementary and secondary, education within the District. Members of the Board are elected by the public; have authority to make decisions; appoint management and significantly influence operations; and have primary accountability for fiscal matters; the District is not included in any other governmental reporting entity. The accompanying financial statements present the District. Additionally, no other organizations are required to be included within the District's reporting entity.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category—governmental and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those accounted for in another fund.

The *debt service fund* is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

The *capital projects fund* accounts for the acquisition and construction of the District's major capital facilities, other than those financed by proprietary funds.

The District reports the following Non-Major funds:

The *special revenue funds* are used to account for Food Services activities, federal and state financed programs and other local programs where unused balances are returned to the grantor at the close of specified project periods. The budget for the Food Services Fund is adopted by the Board each fiscal year.

Additionally, the District reports the following fiduciary fund:

The *agency fund* accounts for assets held by the District for student organizations. The fund is custodial in nature (assets equal liabilities) and does not involve measurement or results of operations.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the governmental funds included

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

in the governmental activities (i.e., the governmental funds) column are eliminated.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Transfers between the governmental funds included in governmental activities are eliminated.

E. New Accounting Standards

GASB Statement No. 72, *Fair Value Measurement and Application*. Statement 72 was issued in February 2015. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This standard became effective for the District in fiscal year 2016. The impact of this implementation is discussed in Note 2.

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Statement 73 was issued in June 2015. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes. This standard becomes effective for the District in fiscal year 2017. The District has not yet determined the impact of this statement.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Statement 74 was issued in June 2015. This Statement replaces Statements No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, as amended, Statement 43, and Statement No. 50, Pension Disclosures. This standard becomes effective for the District in fiscal year 2017. The District has not yet determined the impact of this statement.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Statement 75 was issued in June 2015. This Statement replaces the requirements of Statements No. 45, Accounting and Financial Reporting by employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, establishes new accounting and financial reporting requirements for OPEB plans. This standard becomes effective for the District in fiscal year 2018. The District has not yet determined the impact of this statement.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. Statement 76 was issued in June 2015. This Statement supersedes Statement No. 55, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. The objective of this Statement is to identify – in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The "GAAP Hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This standard became effective for the District in fiscal year 2016. The implementation had no significant effect on the District's financial statements.

GASB Statement No. 77, *Tax Abatement Disclosures*. Statement 77 was issued in August 2015. This

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

1. Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients
2. The gross dollar amount of taxes abated during the period
3. Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement

This standard becomes effective for the District in fiscal year 2017. The District has not yet determined the impact of this statement.

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. Statement 78 was issued in December 2015. This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan. This statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. This standard becomes effective for the District in fiscal year 2017. The District has not yet determined the impact of this statement.

GASB Statement No. 79: *Certain External Investment Pools and Pool Participants*. Statement 79 was issued in December 2015. This Statement establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Those disclosures for both the qualifying external investment pools and their participants include information about any limitations or restrictions on participant withdrawals. The requirements of this Statement were effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. The implementation had no significant effect on the District's financial statements.

GASB Statement No. 80, *Blending Requirements for Certain Component Units - on amendment of GASB Statement No. 14*. Statement 80 was issued in January 2016. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations are Component Units*. This standard becomes effective for the District in fiscal year 2017. The District does not believe the implementation of the standard unit have a significant effect on the financial statements.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. Statement 81 was issued in March 2016. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. This standard becomes effective for the District in fiscal year 2018. The District has not yet determined the impact of this statement.

GASB Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73*. Statement 82 was issued in March 2016. This Statement addresses certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements*

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This standard becomes effective for the District in fiscal year 2017. The District has not yet determined the impact of this statement.

F. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as required under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items, including property taxes, are considered to be measurable and available only when cash is received by the District.

The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

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

2. Investments

Investments for the District are reported at fair value (generally based on quoted market prices) except for the position in investment pools. In accordance with state law, the pools operate in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the pools qualify as a 2a7-like pool and are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. The pools are subject to regulatory oversight by the State Treasurer, although it is not registered with the SEC.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

3. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital Assets

Capital assets, which include land and improvements, construction in progress, buildings and improvements, and furniture and equipment, are reported in the applicable governmental activities column in the government-wide financial statements. The District's infrastructure includes parking lots and sidewalks associated with various buildings. The cost of the infrastructure was initially capitalized with the building cost and is being depreciated over the same useful life as the building. 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 two years.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the District chose to include all such items regardless of their acquisition date or amount. The District was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the District constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated fair value at the date of donation.

Land and improvements and construction in progress are not depreciated. The buildings and improvements and furniture and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

Capital Asset Classes	Lives
Buildings and Improvements	7-50
Furniture and Equipment	3-25

5. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditures) until then. Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

The components of the deferred outflows of resources and deferred inflows of resources in the government-wide and fund level financial statements are as follows:

	Statement of Net Position	Balance Sheet - Governmental Funds	
	Governmental Activities	General Fund	Debt Service Fund
Deferred Outflows of Resources:			
Deferred Outflows from Pension Activities	\$ 36,201,235	\$ -	\$ -
Total Deferred Outflows of Resources	\$ 36,201,235	\$ -	\$ -
Deferred Inflows of Resources:			
Deferred Inflows from Pension Activities	\$ 12,888,780	\$ -	\$ -
Unavailable Property Taxes	-	2,568,000	908,000
Deferred Gain on Refunding	798,333	-	-
Total Deferred Inflows of Resources	\$ 13,687,113	\$ 2,568,000	\$ 908,000

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension activities are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan, except for projected and actual earnings differences on investments which are amortized on a closed basis over a 5-year period.
- Deferred charge/gain on refunding is amortized over the shorter of the life of the refunded or refunding debt.
- Property taxes are recognized in the period the amount becomes available.

6. Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

7. Fund Balance Flow Assumptions

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

8. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The board of trustees is the highest level of decision-making authority for the District that can, by board action or adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these amounts can only be used for the purpose intended, which requires formal Board action to establish (as noted in Board minutes or resolution), unless the Board modifies or removes the specified use by taking the same formal Board action.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The board of trustees (Board) has by resolution authorized the superintendent or his designee to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

9. Pension

In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting (see Note IV.C. and the RSI section immediately following the Notes to the Financial Statements), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The District recognizes a net pension liability for the qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, or the District's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the respective pensions' fiscal year-end. Changes in the net pension liability during the period are recorded as pension expense, or as deferred inflows of resources or deferred outflows of

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resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they are incurred. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

H. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property values are determined by the Appraisal District as of January 1 of each year. Prior to September 1 of each year, the District must adopt its annual budget and as soon thereafter as practicable, shall adopt a tax rate thus creating the tax levy. Property taxes for current calendar year are levied on approximately October 1 of each year and are payable by January 31 of the following year. Property tax receivables are recorded as of the date levied. Unpaid taxes become delinquent on February 1 and a tax lien on real property is created as of July 1 of each year.

3. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused sick leave benefits. Payment for unused state sick leave days accumulated locally will be made upon retirement (in accordance with guidelines established by the Teacher Retirement System of Texas). All sick pay is accrued when incurred (employee is eligible for retirement) in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, the result of employee terminations or retirement.

The District does not have a liability for unpaid local leave at year end due to the District's policy does not allow a payment for unused local leave not taken at upon retirement or termination.

4. Use of Estimates

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

5. Data Control Codes

The Data Control Codes refer to the account code structure prescribed by TEA in the *Financial Accountability System Resource Guide*. Texas Education Agency requires school districts to display these codes in the financial statements filed with the Agency in order to ensure accuracy in building a statewide data base for policy development and funding plans.

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, *National School Breakfast and Lunch Program* special revenue fund and, debt service fund. All other governmental funds adopt project length budgets. All annual appropriations lapse at fiscal year-end. The following procedures are followed in establishing the budgetary data reflected in the financial statements.

1. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding

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fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.

2. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
3. Prior to September 1, the budget is legally enacted through passage of a resolution by the Board.

The appropriated budget is prepared by fund, function, and campus/department. The District's campus/department heads may make transfers of appropriations within a campus/department. Transfers of appropriations between campus/departments require the approval of the District's management. Transfers of appropriations between functions require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level within a fund. The District made several supplemental budgetary appropriations throughout the year that were not significant to a function.

B. Encumbrances

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as restricted, committed, or assigned fund balances as appropriate. The encumbrances do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

The District did not have any outstanding encumbrances at August 31, 2016.

III. Detailed Notes on All Funds

A. Deposits and Investments

Cash Deposits. The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas School Depository Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the District's and the depository banks' agent bank. The pledged securities shall be in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

Investments. The District's investment policy is in accordance with the Public Funds Investment Act (PFIA), the Public Funds Collateral Act, and federal and state laws. State law and District policy limits credit risk by allowing investing in 1) Obligations of the United States or its agencies which are backed by the full faith and credit of the United States, obligations of the State of Texas or its agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm (NRIRF) not less than A or its equivalent; 2) Certificates of deposit issued by a depository located in Texas which is insured by the FDIC or purchased through a broker who has an office located in Texas; 3) Repurchase agreements secured by obligations of the United States or its agencies not to exceed 90 days to maturity from the date of purchase; 4) Securities lending program if the loan is secured by pledged securities, irrevocable letters of credit, or cash and the term of the loan is one year or less; 5) Bankers acceptances with a stated maturity of 270 days or fewer which are eligible for collateral for borrowing from a Federal Reserve Bank; 6) Commercial paper that has a stated maturity of 270 days or fewer from the date of issuance is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies; 7) No-load money market mutual funds which shall be registered with the Securities and Exchange Commission which have an average weighted maturity of less than two years, investments comply with the Public Funds Investment Act and are continuously rated not less than AAA by at least one NRIRF. 8) A guaranteed investment contract (for bond proceeds only) which meets the criteria and eligibility requirements established by the Public Funds Investment Act; 9) Public funds investment pools which meets the requirements of the Public Funds Investment Act.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, Fair Value Measurement and Application provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a

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government can access at the measurement date.

- Level 2 inputs are inputs-other than quoted prices included within Level 1- that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The District's investments are in investment pools and are not subject to fair value measurements as presented in the table below. The District's investment balances and weighted average maturity of such investments are as follows:

	August 31, 2016	Fair Value Measurements			Percent of Total Investments	Weighted Average Maturity (Days)	Credit Risk
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs			
Cash and Cash Equivalents							
Bank Deposits	\$ 7,489,300	\$ -	\$ -	\$ -			
Total Cash and Cash Equivalents	<u>7,489,300</u>	<u>-</u>	<u>-</u>	<u>-</u>			
Investments Measured at Amortized Cost:							
Investment Pools							
TexPool	\$ 5,943,968	\$ -	\$ -	\$ -	4.47%	0.12	AAAm
Investments measured at net asset value (NAV), fair value							
Investment Pools							
Texas Class	97,941,598	-	-	-	73.65%	0.18	AAAm
Lonestar	17,833	-	-	-	0.03%	0.06	AAAm
TexStar	1,116,899	-	-	-	0.84%	0.12	AAAm
Investments by fair value level							
U.S. Government Agency Securities							
Federal Home Loan Bank	2,472,971	2,472,971	-	-	1.86%	1.71	AA+
Federal Home Loan Mortgage Corp.	8,142,319	8,142,319	-	-	6.12%	1.65	AA+
Municipal Bonds	2,837,308	2,837,308	-	-	2.13%	1.55	AA
Certificates of Deposit	502,005	502,005	-	-	0.38%	1.70	NR
Money Market Mutual Fund	45,397	-	-	-	0.03%	-	NR
Total Investments	<u>119,020,298</u>	<u>13,954,603</u>	<u>-</u>	<u>-</u>			
Total Cash and Investments	<u>\$ 126,509,598</u>	<u>\$ 13,954,603</u>	<u>\$ -</u>	<u>\$ -</u>			
Portfolio Weighted Average Maturity						0.79	

Investment Pools are measured at amortized cost and are exempt for fair value reporting. The Texpool and Lone Star investment pools are external investment pools measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pools transact at a net asset value of \$1.00 per share, have weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. Texpool and Lone Star have a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

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Credit risk. For fiscal year 2016, the District invested in Texpool, Texas Class, Lone Star, and TexStar. Texpool is duly chartered and administered by the State Comptroller's Office. Texas Class is duly chartered by the State of Texas Interlocal Cooperation Act and is administered by Public Trust Advisors, LLC. Lone Star Investment Pool is duly chartered by the State of Texas Interlocal Cooperation Act and is administered by First Public, LLC., formerly the Texas Association of School Boards Financial Services. TexStar is duly chartered by the State of Texas Interlocal Cooperation Act and is administered by First Southwest Asset Management, Inc. and JPMorgan Chase. At year end, the District's investments were rated as noted in the table above. All credit ratings met acceptable levels required by legal guidelines prescribed in both the PFIA and the District's investment policy.

Interest rate risk. Interest rate risk is the risk that changes in interest rates may adversely affect the value of the investments. The District monitors interest rate risk utilizing weighted average maturity analysis. In accordance with its investment policy, the District reduces its exposure to declines in fair values by limiting the weighted average maturity of any internally created pool to no more than 180 days, and any other individual investment not to exceed one year from the time of purchase, unless specifically authorized by the Board of Trustees.

Concentration of credit risk. The District's investment policy does not limit an investment in any one issuer. The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over-concentration of assets in a specified class of investments, specific maturity, or specific issuer.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of August 31, 2016, District's bank balances of \$12,014,035 were not exposed to custodial credit risk because balances were insured and collateralized with securities held by the District's agent in the District's name.

B. Receivables

Tax revenues of the general and debt service fund are reported net of estimated uncollectible amounts based on collection history.

C. Interfund Receivables and Payables

1. Receivables/Payables

The composition of interfund balances as of August 31, 2016, is as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 19,320,969	\$ 83,937
Nonmajor Governmental Funds	-	19,228,973
Agency Fund		8,059
Totals	\$ 19,320,969	\$ 19,320,969

Interfund balances consist of short-term lending/borrowing arrangements that result primarily from payroll and other regularly occurring charges that are primarily paid by the general fund and then charged back to the appropriate other fund. Additionally, some lending/borrowing may occur between two or more nonmajor governmental funds.

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2. Transfers

There were no transfers for the year ended August 31, 2016.

D. Capital Assets

Capital asset activity for the year ended August 31, 2016 was as follows:

	Beginning Balance	Additions	Transfers	Retirements & Adjustments	Ending Balance
Governmental Activities:					
Capital Assets, not being Depreciated:					
Land and Improvements	\$ 21,918,319	\$ 607,941	\$ -	\$ -	\$ 22,526,260
Construction in Progress	418,835	22,597,532	(4,537,437)	-	18,478,930
Total Capital Assets, not being Depreciated	22,337,154	23,205,473	(4,537,437)	-	41,005,190
Capital Assets, being Depreciated:					
Buildings and Improvements	617,299,773	-	4,537,437	(25,614)	621,811,596
Furniture and Equipment	46,378,646	3,421,510	-	(562,508)	49,237,648
Total Capital Assets, being Depreciated	663,678,419	3,421,510	4,537,437	(588,122)	671,049,244
Less Accumulated Depreciation for:					
Buildings and Improvements	(203,069,103)	(15,047,950)	-	-	(218,117,053)
Furniture and Equipment	(30,532,063)	(3,801,298)	-	513,015	(33,820,346)
Total Accumulated Depreciation	(233,601,166)	(18,849,248)	-	513,015	(251,937,399)
Total Capital Assets, being Depreciated, net	430,077,253	(15,427,738)	4,537,437	(75,107)	419,111,845
Governmental Activities Capital Assets, net	\$ 452,414,407	\$ 7,777,735	\$ -	\$ (75,107)	\$ 460,117,035

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

Governmental Activities:	
11 Instruction	\$ 14,109,095
23 School Leadership	557,654
31 Instructional Leadership	2,763
34 Student Transportation	616,610
35 Food Service	340,705
36 Extracurricular Activities	2,632,188
41 General Administration	108,454
51 Facilities Maintenance and Operations	478,317
52 Security and Monitoring Services	3,462
Total Depreciation Expense-Governmental Activities	\$ 18,849,248

Construction Commitments

The District has active construction projects as of August 31, 2016. The projects include the construction and equipment of school facilities. At year-end, the District's active commitments with contractors are as follows:

Project	Remaining Commitment
GPHS Classroom Tower	\$ 14,754,523
Garner Fine Arts Academy	2,926,499
GPHS Bus Loop and Athletic Complex	4,238,107
Austin Elementary Multi-purpose Building Additions	50,716
GPHS Field House and Gym Addition	2,714,620
Total	\$ 24,684,465

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E. Long-term Liabilities

The District's long-term liabilities consist of bond indebtedness, workers' compensation claims, compensated absences, and net pension liability. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund. Other long-term liabilities are generally liquidated with resources of the general fund.

Changes in Long-term Liabilities

Long-term liability activity for the year ended August 31, 2016, was as follows:

	Beginning Balance	(Provision Adjustment)	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 441,586,279	\$ 156,535,000	\$ (78,777,666)	\$ 519,343,613	\$ 19,609,115
Deferred Amounts:					
For Issuance Premiums (CIB's)	22,358,245	19,641,070	(2,063,973)	39,935,342	-
For Issuance Discount (CIB's)	(634,599)	-	499,717	(134,882)	-
For Accreted Interest (CAB's)	37,448,305	35,686,913	(69,647,620)	3,487,598	-
Total Bonds Payable, net	500,758,230	211,862,983	(149,989,542)	562,631,671	19,609,115
Workers' Compensation	959,731	286,808	(142,456)	1,104,083	1,104,083
Compensated Absences	231,130	6,563	(28,505)	209,188	209,188
Net Pension Liability	35,135,085	35,264,988	(5,441,379)	64,958,694	-
Governmental Activity Long-term Liabilities	\$ 537,084,176	\$ 247,421,342	\$ (155,601,882)	\$ 628,903,636	\$ 20,922,386

General Obligation Bonds

The District issues general obligation bonds to provide funds for the construction and equipment of school buildings (BLDG) and to refund general obligation bonds (REF).

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued as 2-31 year current interest (CIB) or capital appreciation bonds (CAB) with various amounts of principal maturing each year. Rates may be fixed or variable.

The following is a summary of changes in the general obligation bonds for the fiscal year:

Series	Interest Rate	Original Issue	Maturity Date	Beginning Balance	Additions	Reductions	Ending Balance
2000A (REF)(CAB)	-	\$ 24,588,398	2018	\$ 4,157,267	\$ -	\$ (1,893,654)	\$ 2,263,613
2002 (REF)(CAB)	-	1,175,884	2017	40,000	-	(20,000)	20,000
2007 (REF)	4.00-4.50%	45,725,000	2031	42,450,000	-	-	42,450,000
2007 (REF)(CAB)	-	1,495,000	2016	415,000	-	(415,000)	-
2007A (BLDG)	4.00-5.00%	157,795,000	2037	4,165,000	-	(2,040,000)	2,125,000
2008 (BLDG)	2.00-4.77%	60,465,000	2037	55,680,000	-	(1,005,000)	54,675,000
2009 (REF)(CAB)	-	71,335,393	2040	61,959,012	-	(61,959,012)	-
2011 (BLDG)	2.00-4.00%	45,000,000	2029	29,525,000	-	(4,450,000)	25,075,000
2011 (REF)	2.00-5.00%	55,805,000	2026	54,670,000	-	-	54,670,000
2012 (BLDG)	2.00-3.00%	8,900,000	2029	7,990,000	-	(475,000)	7,515,000
2013 (BLDG)	2.00-4.00%	13,945,000	2030	12,665,000	-	(640,000)	12,025,000
2013 (REF)	0.23-2.04%	19,245,000	2020	18,120,000	-	(2,935,000)	15,185,000
2014 (REF)	2.00-4.00%	22,535,000	2024	21,930,000	-	(1,235,000)	20,695,000
2015 (REF)	3.00-5.25%	127,820,000	2037	127,820,000	-	(1,100,000)	126,720,000
2016 (REF)	2.00-4.00%	94,640,000	2033	-	94,640,000	(610,000)	94,030,000
2016 (BLDG)	2.00-5.00%	61,895,000	2041	-	61,895,000	-	61,895,000
Totals				\$ 441,586,279	\$ 156,535,000	\$ (78,777,666)	\$ 519,343,613

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Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending August 31	Principal Value	Interest	Total Requirements
2017	19,609,115	20,435,544	40,044,659
2018	21,754,498	19,857,060	41,611,558
2019	23,320,000	19,118,481	42,438,481
2020	24,140,000	18,297,452	42,437,452
2021	25,555,000	17,306,856	42,861,856
2022	24,580,000	16,284,688	40,864,688
2023	25,545,000	15,316,294	40,861,294
2024	26,605,000	14,253,956	40,858,956
2025	27,755,000	13,106,066	40,861,066
2026	28,895,000	11,965,825	40,860,825
2027	27,480,000	11,068,756	38,548,756
2028	28,610,000	9,937,306	38,547,306
2029	29,645,000	8,904,656	38,549,656
2030	30,865,000	7,686,869	38,551,869
2031	32,355,000	6,189,994	38,544,994
2032	21,075,000	4,957,113	26,032,113
2033	16,370,000	4,238,200	20,608,200
2034	17,140,000	3,462,500	20,602,500
2035	17,915,000	2,687,775	20,602,775
2036	18,730,000	1,873,925	20,603,925
2037	19,585,000	1,023,850	20,608,850
2038	2,735,000	522,375	3,257,375
2039	2,875,000	382,125	3,257,125
2040	3,025,000	234,625	3,259,625
2041	3,180,000	79,500	3,259,500
Totals	\$ 519,343,613	\$ 229,191,791	\$ 748,535,404

As of August 31, 2016, the District did not have any authorized, but unissued bonds.

In February 2016, the District issued \$94,640,000 of refunding bonds. The proceeds of the refunding bonds were used to legally defease \$104,460,178 of previously issued District bonds in order to lower its overall debt service requirements. The net carrying value of the old debt exceeded the reacquisition price by \$15,057,763. The refunding resulted in a debt service savings of \$93,223,511 and an economic gain of \$88,226,601.

The District defeased certain bonds through the issuance of new bonds and placed the proceeds in an irrevocable trust to provide for all future debt service payments of the old bonds. Securities being utilized to repay the refinanced debt as it becomes due consist solely of U.S. government obligations. Accordingly, the trust account securities and the liability for the defeased bonds are not included in the Districts basic financial statements. As of August 31, 2016, the outstanding defeased bonds are noted below:

2007A	General Obligation Bonds (maturing 2018-2037, callable February 15, 2017)	\$ 130,005,000
2009	Capital Appreciation Bonds (maturing 2017-2040, callable August 15, 2018)	60,055,553
		<u>\$ 190,060,553</u>

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of: (1) the amount earned on investments purchased with bond proceeds, or (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five-year anniversary date of the bond issue. The District has estimated that it has no arbitrage liability as of August 31, 2016.

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F. Fund Balance

Other committed fund balance includes the following commitments of funds:

Nonmajor and Other Funds

Other Governmental Funds - Campus Activity Funds	\$	1,044,234
Other Governmental Funds - Crime Stopper Funds		1,875
Other Governmental Funds - Scholarship Fund		10,000
Other Governmental Funds - Partners in Education		799
Total Other Committed Fund Balance	\$	<u>1,056,908</u>

G. Revenues from Local and Intermediate Sources

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

	General	Debt Service	Capital Projects	Other Governmental Funds	Totals
Property Taxes	\$ 64,330,399	\$ 23,335,264	\$ -	\$ -	\$ 87,665,663
Investment Income	2,329,393	486,526	209,847	2,284	3,028,050
Food Sales	-	-	-	3,281,924	3,281,924
Extracurricular Activities	293,719	-	-	-	293,719
Other	1,462,285	-	10,578	1,379,875	2,852,738
Totals	\$ <u>68,415,796</u>	\$ <u>23,821,790</u>	\$ <u>220,425</u>	\$ <u>4,664,083</u>	\$ <u>97,122,094</u>

IV. Other Information

A. Risk Management

Property/Liability

The District is exposed to various risks of loss related to property/liability losses for which the District participates in the Texas Association of Public Schools Property and Liability Fund (Fund) for property, liability, vehicle coverage, and crime. The Fund was created to formulate, develop and administer a program of modified self-funding for the Fund's membership, obtain competitive costs for coverages and develop a comprehensive loss control program. The District pays an annual premium to the Fund for its liability coverage and transfers the risk of loss to the Fund. The District's agreement with the Fund provides that the Fund will be self-sustaining through member premiums and may provide, through commercial companies, reinsurance contracts. In the event that the Fund was to discontinue operations, the member districts would be responsible for any eligible claims not funded by the Fund. In addition, there were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

Health Care Coverage

During the year ended August 31, 2016, employees of the District were covered by a health insurance plan. The District paid premiums of \$350 per month per employee to the plan and employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a licensed insurer. The contract between the District and the licensed insurer is renewable annually and terms of coverage and premium costs are included in the contractual provisions.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

Workers' Compensation

The District is self-insured for workers' compensation coverage and such transactions are accounted in a internal service fund. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities also include an estimated amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other nonincremental claims adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for subrogation, are another component of the claims liability estimate. An excess coverage insurance policy covers individual claims in excess of \$1,000,000. Settlements have not exceeded coverages for each of the past three fiscal years and there were no significant reductions in insurance coverage from the prior year. The workers' compensation claims liability is presented at a discounted rate of 3% in the amount of \$1,104,083. Changes in the balances of claims liabilities during the past two years are as follows:

	Year Ended 8/31/2016	Year Ended 8/31/2015
Unpaid Claims, Beginning of Fiscal Year	\$ 959,731	\$ 1,159,280
Incurred Claims, including incremental provision for IBNRs	286,808	336,459
Claim Payments	(142,456)	(536,008)
Unpaid Claims, End of Fiscal Year	<u>\$ 1,104,083</u>	<u>\$ 959,731</u>

B. Litigation and Contingencies

The District is a defendant in various lawsuits arising principally in the normal course of operations. In the opinion of the District's management, the potential losses, after insurance coverage, on all allegations, claims, and lawsuits will not have a material effect on the District's financial position, results of operations or liquidity.

The District participates in a number of federal and state financial assistance programs. Although the District's grant programs have been audited in accordance with the provisions of the Single Audit Act through August 31, 2016, these programs are subject to financial and compliance audits by the grantor agencies. The District is also subject to audit by the TEA of the attendance data upon which payments from the agency are based. These audits could result in questioned costs or refunds to be paid back to the granting agencies.

C. Defined Benefit Pension Plan

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 TRS's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report (CAFR) 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.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

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 services credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan Description above.

Contributions

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 thru 2017. The 83rd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2014 and 2015. The 84th Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2016 and 2017.

	<u>2016</u>	<u>2015</u>
Member	\$ 7.2%	\$ 6.7%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers/District	6.8%	6.8%

The contribution amounts for the District's fiscal year 2016 are as follows:

District Contributions	\$ 5,441,379
Member Contributions	13,148,731
NECE On-behalf Contributions (State)	8,027,241

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).

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

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, there are two additional surcharges an employer is subject to.

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.
- When a school district or charter school does not contribute to the Federal Old-Age, Survivors and Disability Insurance (OASDI) Program for certain employees, they must contribute 1.5% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

Actuarial Assumptions

The total pension liability in the August 31, 2015 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2015
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	8.00%
Long-term Expected Investment Rate of Return	8.00%
Inflation	2.50%
Salary Increases Including Inflation	3.50% to 9.50%
Payroll Growth Rate	2.50%
Benefit Changes During the Year	None
Ad hoc Post-employment Benefit Changes	None

The actuarial methods and assumptions are based primarily on a study of actual experience for the four year period ending August 31, 2014 and adopted on September 24, 2015.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

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-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, 2015 are summarized below:

Asset Class	Target Allocation	Real Return Geometric Basis	Long-Term Expected Portfolio Real Rate of Return*
Global Equity			
U.S.	18.0%	4.6%	1.0%
Non-U.S. Developed	13.0%	5.1%	0.8%
Emerging Markets	9.0%	5.9%	0.7%
Directional Hedge Funds	4.0%	3.2%	0.1%
Private Equity	13.0%	7.0%	1.1%
Stable Value			
U.S. Treasuries	11.0%	0.7%	0.1%
Absolute Return	0.0%	1.8%	0.0%
Stable Value Hedge Funds	4.0%	3.0%	0.1%
Cash	1.0%	0.2%	0.0%
Real Return			
Global Inflation Linked Bonds	3.0%	0.9%	0.0%
Real Assets	16.0%	5.1%	1.1%
Energy and Natural Resources	3.0%	6.6%	0.2%
Commodities	0.0%	1.2%	0.0%
Risk Parity			
Risk Parity	5.0%	6.7%	0.3%
Inflation Expectation			2.2%
Alpha			1.0%
Total	100.0%		8.7%

*The expected contribution to returns incorporates the volatility drag resulting from the conversion between arithmetic and geometric mean returns.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (8%) in measuring the 2015 Net Pension Liability.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Proportionate Share of the Net Pension Liability	\$ 101,778,029	\$ 64,958,694	\$ 34,290,475

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

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

At August 31, 2016, the District reported a liability of \$64,958,694 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:

District's Proportionate Share of the Net Pension Liability	\$	64,958,694
State's Proportionate Share of the Net Pension Liability Associated with the District		95,800,077
Total	\$	<u>160,758,771</u>

The net pension liability was measured as of August 31, 2015 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, 2014 through August 31, 2015.

At August 31, 2015, the employer's proportion of the net pension liability was 0.183766%, which was an increase of 0.05223% from its proportion measured as of August 31, 2014.

Changes Since the Prior Actuarial Valuation

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

Economic Assumptions

1. The inflation assumption was decreased from 3.00% to 2.50%.
2. The ultimate merit assumption for long-service employees was decreased from 1.25% to 1.00%.
3. In accordance with the observed experience, there were small adjustments in the service-based promotional/longevity component of the salary scale.
4. The payroll growth assumption was lowered from 3.50% to 2.50%.

Mortality Assumptions

1. The post-retirement mortality tables for non-disabled retirees were updated to reflect recent TRS member experience. Mortality rates will be assumed to continue to improve in the future using a fully generational approach and Scale BB.
2. The post-retirement mortality tables for disabled retirees were updated to reflect recent TRS member experience. Mortality rates will be assumed to continue to improve in the future using a fully generational approach and Scale BB.
3. The pre-retirement mortality tables for active employees were updated to use 90% of the recently published RP-2014 mortality table for active employees. Mortality rates will be assumed to continue to improve in the future using a fully generational approach and Scale BB.

Other Demographic Assumptions

1. Previously, it was assumed 10% of all members who had contributed in the past 5 years to be an active member. This was an implicit rehire assumption because teachers have historically had a high incidence of terminating employment for a time and then returning to the workforce at a later date. This methodology was modified to add a more explicit valuation of the rehire incidence in the termination liabilities, and therefore this 10% are no longer being counted as active members.
2. There were adjustments to the termination patterns for members consistent with experience and future expectations. The termination patterns were adjusted to reflect the rehire assumption. The timing of the termination decrement was also changed from the middle of the year to the beginning to match the actual pattern in the data.
3. Small adjustments were made to the retirement patterns for members consistent with experience and future expectations.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

4. Small adjustments to the disability patterns were made for members consistent with experience and future expectations. Two separate patterns were created based on whether the member has 10 years of service or more.
5. For members that become disabled in the future, it is assumed 20% of them will choose a 100% joint and survivor annuity option.

Actuarial Methods and Policies

1. The method of using celled data in the valuation process was changed to now using individual data records to allow for better reporting of some items, such as actuarial gains and losses by source.

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

For the year ended August 31, 2016, the District recognized pension expense of \$12,246,981 and revenue of \$13,649,969 for support provided by the state.

At August 31, 2016, 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 Actuarial Experience	\$ 451,907	\$ 2,496,421
Changes of Assumptions	1,899,377	2,317,442
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	15,997,880	8,054,037
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions (Cost-Sharing Plan)	11,938,742	20,880
District Contribution after Measurement Date	5,913,329	-
Totals	\$ 36,201,235	\$ 12,888,780

\$5,913,329 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2017. Other amounts reported as deferred outflows of resources (deferred inflows of resources) related to pensions will be recognized in pension expense as follows:

Year Ending August 31:

2016	\$ 2,933,924
2017	2,993,924
2018	2,993,924
2019	5,678,604
2020	1,650,956
Thereafter	1,087,794
Total	\$ 17,339,126

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

D. School District Retiree Health Plan

Plan Description. The Grand Prairie Independent School 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 at www.trs.state.tx.us 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 2016-2014.

Contribution Rates

Year	Active Member		State		School District	
	Rate	Amount	Rate	Amount	Rate	Amount
2016	0.65%	\$ 1,187,038	1.00%	\$ 1,695,570	0.55%	\$ 1,004,417
2015	0.65%	\$ 1,098,103	1.00%	\$ 1,558,833	0.55%	\$ 929,164
2014	0.65%	\$ 1,015,001	1.00%	\$ 1,428,201	0.55%	\$ 858,847

In addition, the State of Texas contributed \$536,126, \$495,223 and \$419,445 in 2016, 2015, and 2014, respectively, for on-behalf payments for Medicare Part D and Early Retiree Reinsurance Program.

For the current fiscal year and each of the past two years, the District's actual contributions were equal to 100 percent of the required contributions. The contributions made by the State are on behalf of the District and have been recorded in the governmental funds' financial statements of the District as both state revenues and expenditures. These contributions are the legal responsibility of the State.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2016

E. Joint Ventures – Shared Service Agreement

Irving Regional School Program for the Deaf:

The District participates in the Regional Day School for the Deaf with Irving Independent School District acting as the fiscal agent and the District as a member district. The District's portion of expenditures for the year ended August 31, 2016, totaled \$323,418. The District does not account for the revenues or expenditures for this program and does not disclose them in these financial statements. The District neither has a joint ownership interest in capital assets purchased by the fiscal agent, Irving Independent School District, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal contingencies that would give rise to a future additional benefit or burden to the District. The fiscal agent manager is responsible for all financial activities of the Shared Service Arrangements.

F. Nonmonetary Transactions

During 2016, the District received textbooks purchased by the State of Texas for the benefit of the District for a purchase price of \$1,729,232. The District received the textbooks as part of state funding for textbook allotment. The textbooks have been recorded in the amount of \$1,729,232 in a special revenue fund as both state revenues and expenditures, which represent the amount of consideration given by the State of Texas.

G. Prior Period Adjustment

The District changed its methodology, and procedures relating to the accrual of state funding. In order to reflect revenue consistently between years, the beginning fund balance of the general fund was increased by \$6,200,312.

	General Fund
Beginning Fund Balance, as Previously Reported	\$ 52,486,744
Recognize State Revenue Accrual	6,200,312
Beginning Fund Balance, Restated	\$ 58,687,056

H. Line of Credit

In 2016, the District maintains a \$1 million line of credit agreement with a bank vendor payment and payment card system. The line is unsecured and both the bank and the District can exit the agreement at any time.

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REQUIRED SUPPLEMENTARY INFORMATION

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

Exhibit E-1

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED AUGUST 31, 2016

Data Control Codes		1	2	3	Variance with Final Budget
		Budgeted Amounts		Actual	Positive (Negative)
		Original	Final		
	REVENUES:				
5700	Local and Intermediate Sources	\$ 61,488,730	\$ 67,736,422	\$ 68,415,796	\$ 679,374
5800	State Program Revenues	180,426,912	187,863,337	191,998,651	4,135,314
5900	Federal Program Revenues	515,000	4,550,990	5,144,997	594,007
5020	Total Revenues	242,430,642	260,150,749	265,559,444	5,408,695
	EXPENDITURES:				
	Current:				
0011	Instruction	143,085,498	152,464,418	151,976,172	488,246
0012	Instructional Resources and Media Services	2,585,532	2,852,156	2,818,536	33,620
0013	Curriculum and Staff Development	1,766,258	3,266,247	3,220,589	45,658
0021	Instructional Leadership	3,199,779	3,880,899	3,868,877	12,022
0023	School Leadership	14,693,016	18,015,530	17,984,526	31,004
0031	Guidance, Counseling, and Evaluation Services	9,011,138	10,659,043	10,523,293	135,750
0032	Social Work Services	197,885	255,125	221,258	33,867
0033	Health Services	2,813,708	3,490,652	3,447,642	43,010
0034	Student Transportation	4,143,963	7,842,610	6,579,476	1,263,134
0036	Extracurricular Activities	4,472,592	5,049,133	4,986,798	62,335
0041	General Administration	5,190,310	7,544,778	7,431,266	113,512
0051	Plant Maintenance and Operations	25,522,070	26,501,396	24,194,412	2,306,984
0052	Security and Monitoring Services	5,872,123	3,503,595	3,076,214	427,381
0053	Data Processing Services	6,230,118	9,083,154	9,029,870	53,284
0061	Community Services	3,131,096	5,383,474	4,888,825	494,649
	Capital Outlay:				
0081	Facilities Acquisition and Construction	8,000,000	9,547,822	8,285,441	1,262,381
	Intergovernmental:				
0095	Payments to Juvenile Justice Alternative Education Programs	200,000	200,000	31,500	168,500
0097	Payments to Tax Increment Fund	1,650,000	1,775,000	1,738,840	36,160
0099	Other Intergovernmental Charges	589,179	589,179	300,166	289,013
6030	Total Expenditures	242,354,265	271,904,211	264,603,701	7,300,510
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	76,377	(11,753,462)	955,743	12,709,205
	OTHER FINANCING SOURCES:				
7912	Sale of Real or Personal Property	-	-	101,439	101,439
7080	Total Other Financing Sources	-	-	101,439	101,439
1200	Net Change in Fund Balance	76,377	(11,753,462)	1,057,182	12,810,644
0100	Fund Balance - Beginning	52,486,744	52,486,744	52,486,744	-
	Prior Period Adjustment	-	-	6,200,312	6,200,312
	Fund Balance - Beginning, as Restated	52,486,744	52,486,744	58,687,056	6,200,312
3000	Fund Balance - Ending	\$ 52,563,121	\$ 40,733,282	\$ 59,744,238	\$ 19,010,956

See accompanying notes to the required supplementary information.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

Exhibit E-2

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OF A COST-SHARING MULTIPLE-EMPLOYER PENSION PLAN
TEACHER RETIREMENT SYSTEM OF TEXAS (TRS)
FOR THE YEARS ENDED AUGUST 31, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Pension Liability	0.18376600%	0.13153600%
District's Proportionate Share of the Net Pension Liability	\$ 64,958,694	\$ 35,135,085
State's Proportionate Share of the Net Pension Liability Associated with the District	95,800,077	78,026,611
Total	\$ 160,758,771	\$ 113,161,696
District's Covered-Employee Payroll	\$ 182,621,265	\$ 168,938,867
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	35.57%	20.80%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.25%	83.25%

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

See accompanying notes to the required supplementary information.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT**Exhibit E-3****REQUIRED SUPPLEMENTARY INFORMATION****SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS TO THE TEACHER RETIREMENT SYSTEM****PENSION PLAN (TRS)****FOR FISCAL YEARS ENDED AUGUST 31, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
TRS		
Contractually Required Contributions	\$ 5,441,379	\$ 5,717,003
Contributions in Relation to the Contractually Required Contributions	<u>(5,441,379)</u>	<u>(5,717,003)</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>
 District's Covered-Employee Payroll	 \$ 182,621,265	 \$ 168,938,867
 Contributions as a Percentage of Covered- Employee Payroll	 2.98%	 3.38%

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

See accompanying notes to the required supplementary information.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

AUGUST 31, 2016

I. Budget

A. Budgetary Information

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures for the general fund, debt service fund, and the National School Breakfast and Lunch Program special revenue fund. The Texas Education Code requires the budget to be prepared not later than August 20 and adopted by August 31 of each year. The budgets are prepared on a basis of accounting that is used for reporting in accordance with generally accepted accounting principles.

The following procedures are followed in establishing the budgetary data reflected in the fund financial schedules:

1. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
3. Prior to September 1, the budget is formally approved and adopted by the Board.

The appropriated budget is prepared by fund and function. The District's campus/department heads may make transfers of appropriations within a campus or department. Transfers of appropriations between campuses or departments require the approval of the District's management. Increasing any one of the functional spending categories, or revenues object accounts and other resources require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level within a fund. All annual appropriations lapse at fiscal year end.

B. Variances with Final Budget

The District's general fund budget differs from the original budget due to budget revisions that were made during the fiscal period:

- Amendments approved shortly after the beginning of the new fiscal year period for amounts restricted, committed, or assigned in the prior year,
- Amendments in early and late spring to revise estimates for local and state revenues based on the latest information on student attendance numbers and tax collections, and
- Amendments during the year for unexpected occurrences.

The significant increase in appropriations was primarily in instruction (\$9,378,920) due to an adjustment to the 2016-2017 instructional staff work schedule, thereby accruing more payroll expenditures in the current period. Other appropriation increases include payroll for additional staffing.

C. Excess of Expenditures Over Appropriations

For the year ended August 31, 2016 there were no expenditures that exceeded appropriations in the functions (the legal level of budgetary control) in the general fund.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

AUGUST 31, 2016

II. Pension Liability

Actuarial Assumptions – The information presented in the required supplementary schedules was used in the actuarial valuation for determining the actuarially determined contribution rate and the net pension liability in accordance with GASB 67. Actuarial methods and assumptions used for funding purposes can be found in the Actuarial Section. The GASB 67 assumptions are as follows:

Valuation Date	August 31, 2015
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	8.00%
Long-term Expected Investment Rate of Return	8.00%
Inflation	2.50%
Salary Increases Including Inflation	3.50% to 9.50%
Payroll growth rate	2.50%
Benefit Changes During the Year	None
Ad hoc Post-Employment Benefit Changes	None

Changes Since the Prior Actuarial Valuation

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

Economic Assumptions

- The inflation assumption was decreased from 3.00% to 2.50%
- The ultimate merit assumption for long-service employees was decreased from 1.25% to 1.00%.
- In accordance with the observed experience, there were small adjustments in the service-based promotional/longevity component of the salary scale.
- The payroll growth assumption was lowered from 3.50% to 2.50%.

SUPPLEMENTARY INFORMATION

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Combining and Individual Fund Financial Statements

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Nonmajor Governmental Funds

Special Revenue Funds

The Special Revenue Funds are used to account for financial resources restricted to or committed for specific purposes by a grantor. These funds may be locally, state, or federally funded.

Programs accounted for in the Special Revenue Funds include:

ESEA, Title X, Part C – Education for the Homeless Children and Youth

This fund classification is used to account, on a project basis, for funds granted for a variety of staff development and supplemental services, including in-service training, counseling, psychological services and tutoring.

ESEA, Title I, Part A – Improving Basic Programs

This fund classification is used to account, on a project basis, for funds to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children.

ESEA, Title I, Part C – Education of Migratory Children

This fund classification is used to account on a project basis for funds granted for programs benefiting children of migrant agriculture or agriculture-related workers and children of migrant fishermen.

IDEA – Part B, Formula

This fund classification is used to account, on a project basis, for funds granted to operate educational programs for children with disabilities.

IDEA – Part B, Preschool

This fund classification is used to account, on a project basis, for funds granted for preschool children with disabilities.

National School Breakfast and Lunch Program

This fund classification is used for programs using federal reimbursement revenues originating from the United States Department of Agriculture (USDA). The funds are used exclusively for allowable child nutrition program purposes.

Career and Technical – Basic Grant

This fund classification is used to account, on a project basis, for funds granted to provide Career and Technical education to develop new and/or improve Career and Technical education programs for paid and unpaid employment.

ESEA, Title II, Part A – Teacher and Principal Training and Recruiting

This fund classification is used to provide financial assistance to increase student academic achievement through improving teacher and principal quality and increase the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools; and, to hold schools accountable for improving student academic achievement.

Public Charter Schools – Start-Up

This fund classification is used to account on a project basis, for funds granted to public charter schools for planning, program design, implementation, assisting other schools and/or to disseminate information about the charter school.

ESEA, Title III, Part A – English Language Acquisition and Language Enhancement

This fund classification is used to account, on a project basis, for funds granted to improve the education of limited English proficient children, by assisting the children to learn English and meet challenging State academic content and student academic achievement standards.

Teacher Professional Development Partnerships Advanced Math/Science

This fund classification is used to implement programs that give high-need LEA's and their campuses opportunities to increase teacher content knowledge in advanced math and science courses such that teachers are highly qualified to teach a variety of advanced courses and therefore allowing the campuses to offer more endorsement areas to students.

Teacher Incentive Fund, Year 2

This fund classification is used to account, on a project basis, to improve student achievement in high need schools through a comprehensive strategy aimed at rewarding teachers and principals for effectiveness with performance-based differentiated compensations. Additional goals include recruiting and retaining high quality teachers and principals in high need schools.

National Institution for Excellence in Teaching

This fund classification is used to account, on a project basis, to unitize TAP evaluation and professional development content and processes using video capture and feedback by regional Master Teachers to TAP Leadership team. Also for participation in the Literacy, STEM, or Leadership Certificate Programs with Texas Tech University and for placement and support for students in completing their clinical field experience.

Improving Academic Achievement (Summer School LEP)

This fund classification is used to account for funds to provide summer school instruction for Limited English Proficient (LEP) students.

Indian Education Act Title V

This fund classification is used to account for funds on a project basis for funds granted for programs benefiting children of native Indians from the Office of Indian Education.

State Supplemental Visually Impaired (SSVI)

This fund classification is used to account for funds to support the education needs of students who have visual impairments.

Advanced Placement Incentives

This fund classification is used to account, on a project basis, for funds awarded to school districts under the Texas Advanced Placement Award Incentive Program, Chapter 28, Subchapter C, TEC, and is used to reward students, teachers, and campuses for high achievement. Campuses are awarded money for each student who scores three or above on an AP examination or four or above on an IB examination.

Texas High School Project

This fund classification is used to account, on a project basis, for funds granted for schools to implement programs to support the improvement of high school graduation rates and post-secondary readiness.

State Textbook Fund

This fund classification is used to account, on a project basis, for state funds awarded to school districts under the textbook allotment.

State Funded Grants

This fund classification is used to account for state funds received for various state grants not specified above.

Campus Activity Funds

This fund classification is used to account for transactions related to a campus or principals' activity funds.

Crime Stopper

This fund classification is used to account for funds received through donations which flow through the City of Grand Prairie and are used to reward students for any tips or information regarding criminal activity.

Scholarship Fund

This fund classification is used to account for funds received through donations for the purpose of college scholarships for graduating seniors of the district.

Meadows Foundation Grant

This fund classification is used to account, on a project basis, for campuses that submit and get approved charitable projects. The funds are donated from the Meadows Foundation.

Target Field Trip Grant

Target stores award Field Trips grants to K-12 schools nationwide. It's become increasingly difficult for schools to fund learning opportunities outside the classroom. To help them out, Target has launched the Field Trip Grants.

Camp Invention Program

This fund classification is used to account, on a project basis, for Camp Invention, a STEM summer camp to ensure student success through engaging learning experiences, collaborative leadership, and a focus on maximizing student achievement.

Foundation for the Education of Young Women

This fund classification is used to account, on a project basis, a college-preparatory academy for young women in grades six through twelve. These funds are to assist the school to nurture the intellectual curiosity and creativity of young women and to address their developmental needs. Its mission is to cultivate dynamic, participatory learning, enabling students to experience great academic success at many levels, especially in the fields of math, science and technology.

Gen YOUth Foundation

This fund classification is used to account, on a project basis, for local instructional initiatives at the campus level; each project unique in its own creation.

Early Head Start Program

This fund classification is used to account, on a project basis, for services to enhance and support early learning setting; provide new, full-day, center based comprehensive services that meet the needs of working families; and prepare children for the transition into preschool.

Dart Foundation

This fund classification is used to account for a project at the campus level involving a 3D printer allowing students to literally draw in the air as instructionally driven.

Project Lead The Way

This fund classification is used to account, on a project basis, for rigorous STEM and college readiness environment that promotes lifelong learning and success.

Partners in Education

This fund classification is used to account for donations received by the District to be used for various expenditures not covered by local funds including, but not limited to, students in need, items needed for the district, and various incentives for students and staff.

Lowes Grant

This fund classification is used to account for school improvement projects to help improve the community. Each school campus that receives this grant will be funded to help the local community. There is a preference for funding that has a permanent impact such as facility enhancement as well as landscaping/clean up type projects. These projects are to encourage parent involvement and build stronger community spirit.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
AUGUST 31, 2016

		206	211	212
Data Control Codes		ESEA Title X Part C Homeless	ESEA Title I Part A Improving Basic Programs	ESEA Title I Part C Migratory Children
	ASSETS:			
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -
1120	Current Investments	-	4,227,856	23,134
1240	Due from Other Governments	96,751	438,920	1,185
1260	Due from Other Funds	-	-	-
1290	Other Receivables	-	25	-
1300	Inventories	-	-	-
1000	Total Assets	\$ 96,751	\$ 4,666,801	\$ 24,319
	LIABILITIES:			
2110	Accounts Payable	\$ -	\$ -	\$ -
2170	Due to Other Funds	96,751	4,666,801	24,319
2190	Due to Student Groups	-	-	-
2300	Unearned Revenue	-	-	-
2000	Total Liabilities	96,751	4,666,801	24,319
	FUND BALANCES:			
	Nonspendable:			
3410	Inventories	-	-	-
	Restricted:			
3450	Grant Funds	-	-	-
	Committed:			
3545	Other	-	-	-
3000	Total Fund Balances	-	-	-
4000	Total Liabilities and Fund Balances	\$ 96,751	\$ 4,666,801	\$ 24,319

224	225	240	244	255	258
IDEA Part B Formula	IDEA Part B Preschool	National School Breakfast and Lunch Program	Career and Technical Basic Grant	ESEA Title II Part A Teacher & Principal Training & Recruiting	Public Charter Schools Start- Up
\$ -	\$ -	\$ 7,310	\$ -	\$ -	\$ -
3,738,045	69,357	10,457,797	261,278	459,076	460,700
396,832	-	7,001	48,838	63,312	10,837
-	-	83,937	-	-	-
-	-	693,263	-	-	-
-	-	180,676	-	-	-
<u>\$ 4,134,877</u>	<u>\$ 69,357</u>	<u>\$ 11,429,984</u>	<u>\$ 310,116</u>	<u>\$ 522,388</u>	<u>\$ 471,537</u>
\$ -	\$ -	\$ 835,676	\$ -	\$ -	\$ -
4,134,877	69,357	6,924,347	310,116	522,388	471,537
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,134,877</u>	<u>69,357</u>	<u>7,760,023</u>	<u>310,116</u>	<u>522,388</u>	<u>471,537</u>
-	-	180,676	-	-	-
-	-	3,489,285	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>3,669,961</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 4,134,877</u>	<u>\$ 69,357</u>	<u>\$ 11,429,984</u>	<u>\$ 310,116</u>	<u>\$ 522,388</u>	<u>\$ 471,537</u>

Continued

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
AUGUST 31, 2016

Data Control Codes	263 ESEA Title III Part A English Language Acquisition and Enhancement	273 Teacher Professional Development Partnerships Advances Math/Science	485 Teacher Incentive Fund, Year 2
ASSETS:			
1110 <i>Cash and Cash Equivalents</i>	\$ -	\$ -	\$ -
1120 <i>Current Investments</i>	469,955	31,204	7,326
1240 <i>Due from Other Governments</i>	62,976	49,348	110,463
1260 <i>Due from Other Funds</i>	-	-	-
1290 <i>Other Receivables</i>	-	-	50
1300 <i>Inventories</i>	-	-	-
1000 Total Assets	\$ <u>532,931</u>	\$ <u>80,552</u>	\$ <u>117,839</u>
LIABILITIES:			
2110 <i>Accounts Payable</i>	\$ -	\$ -	\$ -
2170 <i>Due to Other Funds</i>	532,931	80,552	117,839
2180 <i>Due to Other Governments</i>	-	-	-
2300 <i>Unearned Revenue</i>	-	-	-
2000 Total Liabilities	<u>532,931</u>	<u>80,552</u>	<u>117,839</u>
FUND BALANCES:			
Nonspendable:			
3410 <i>Inventories</i>	-	-	-
Restricted:			
3450 <i>Grant Funds</i>	-	-	-
Committed:			
3545 <i>Other</i>	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities and Fund Balances	\$ <u>532,931</u>	\$ <u>80,552</u>	\$ <u>117,839</u>

488	288	289	385	397	409
National Institution for Excellence in Teaching	Improving Academic Achievement (Summer School LEP)	Indian Education Act Title V	Supplemental Visually Impaired	Advanced Placement Incentives	Texas High School Project
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,186
-	-	770	3,150	35,100	-
104,790	-	-	-	-	-
-	-	-	-	-	-
37	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 104,827</u>	<u>\$ -</u>	<u>\$ 770</u>	<u>\$ 3,150</u>	<u>\$ 35,100</u>	<u>\$ 1,186</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
104,827	-	770	3,150	27,570	-
-	-	-	-	-	-
-	-	-	-	7,530	1,186
<u>104,827</u>	<u>-</u>	<u>770</u>	<u>3,150</u>	<u>35,100</u>	<u>1,186</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 104,827</u>	<u>\$ -</u>	<u>\$ 770</u>	<u>\$ 3,150</u>	<u>\$ 35,100</u>	<u>\$ 1,186</u>

Continued

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
AUGUST 31, 2016

	410	429	461
Data Control Codes	State Textbook Fund	Educator Excellence Grants	Campus Activity Funds
ASSETS:			
1110 <i>Cash and Cash Equivalents</i>	\$ -	\$ -	\$ 345,358
1120 <i>Current Investments</i>	695,140	424,570	702,284
1240 <i>Due from Other Governments</i>	-	53,217	-
1260 <i>Due from Other Funds</i>	-	-	-
1290 <i>Other Receivables</i>	-	644	15,738
1300 <i>Inventories</i>	-	-	-
1000 Total Assets	\$ 695,140	\$ 478,431	\$ 1,063,380
LIABILITIES:			
2110 <i>Accounts Payable</i>	\$ -	\$ -	\$ -
2170 <i>Due to Other Funds</i>	640,018	478,346	17,704
2180 <i>Due to Other Governments</i>	-	-	1,442
2300 <i>Unearned Revenue</i>	55,122	85	-
2000 Total Liabilities	695,140	478,431	19,146
FUND BALANCES:			
Nonspendable:			
3410 <i>Inventories</i>	-	-	-
Restricted:			
3450 <i>Grant Funds</i>	-	-	-
Committed:			
3545 <i>Other</i>	-	-	1,044,234
3000 Total Fund Balances	-	-	1,044,234
4000 Total Liabilities and Fund Balances	\$ 695,140	478,431	1,063,380

477	478	480	483	484
<u>Crime Stopper</u>	<u>Scholarship Fund</u>	<u>Meadows Foundation Grant</u>	<u>Target Field Trip Grant</u>	<u>Camp Invention Program</u>
\$ 1,875	\$ 10,000	\$ 89	\$ 1	\$ -
-	-	-	-	125
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 1,875</u>	<u>\$ 10,000</u>	<u>\$ 89</u>	<u>\$ 1</u>	<u>\$ 125</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	1	125
-	-	-	-	-
-	-	89	-	-
<u>-</u>	<u>-</u>	<u>89</u>	<u>1</u>	<u>125</u>
-	-	-	-	-
-	-	-	-	-
1,875	10,000	-	-	-
<u>1,875</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,875</u>	<u>10,000</u>	<u>89</u>	<u>1</u>	<u>125</u>

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
AUGUST 31, 2016

		490	491	492
Data Control Codes		Foundation for the Education of Young Women	Gen YOUTH Foundation	Early Head Start Program
	ASSETS:			
1110	<i>Cash and Cash Equivalents</i>	\$ 20,785	\$ 1,500	\$ -
1120	<i>Current Investments</i>	4,575	-	-
1240	<i>Due from Other Governments</i>	-	-	4,647
1260	<i>Due from Other Funds</i>	-	-	-
1290	<i>Other Receivables</i>	-	-	-
1300	<i>Inventories</i>	-	-	-
1000	Total Assets	\$ 25,360	\$ 1,500	\$ 4,647
	LIABILITIES:			
2110	<i>Accounts Payable</i>	\$ -	\$ -	\$ -
2170	<i>Due to Other Funds</i>	-	-	4,647
2180	<i>Due to Other Governments</i>	-	-	-
2300	<i>Unearned Revenue</i>	25,360	1,500	-
2000	Total Liabilities	25,360	1,500	4,647
	FUND BALANCES:			
	Nonspendable:			
3410	<i>Inventories</i>	-	-	-
	Restricted:			
3450	<i>Grant Funds</i>	-	-	-
	Committed:			
3545	<i>Other</i>	-	-	-
3000	Total Fund Balances	-	-	-
4000	Total Liabilities and Fund Balances	\$ 25,360	\$ 1,500	\$ 4,647

493	494	497	498	
<u>Dart Foundation</u>	<u>Project Lead The Way</u>	<u>Partners in Education</u>	<u>Lowes Grant</u>	<u>Total Nonmajor Funds (See Exhibit B-1)</u>
\$ 3,804	\$ 28,499	\$ 799	\$ 4,315	\$ 425,521
-	-	-	-	22,071,442
-	-	-	-	1,449,117
-	-	-	-	83,937
-	-	-	-	709,757
-	-	-	-	180,676
<u>\$ 3,804</u>	<u>\$ 28,499</u>	<u>\$ 799</u>	<u>\$ 4,315</u>	<u>\$ 24,920,450</u>
\$ -	\$ -	\$ -	\$ -	\$ 835,676
-	-	-	-	19,228,973
-	-	-	-	1,442
3,804	28,499	-	4,315	127,490
<u>3,804</u>	<u>28,499</u>	<u>-</u>	<u>4,315</u>	<u>20,193,581</u>
-	-	-	-	180,676
-	-	-	-	3,489,285
-	-	799	-	1,056,908
-	-	<u>799</u>	<u>-</u>	<u>4,726,869</u>
<u>\$ 3,804</u>	<u>\$ 28,499</u>	<u>\$ 799</u>	<u>\$ 4,315</u>	<u>\$ 24,920,450</u>

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2016

		206	211	212
Data Control Codes		ESEA Title X Part C Homeless	ESEA Title I Part A Improving Basic Programs	ESEA Title I Part C Migratory Children
	REVENUES:			
5700	Local and Intermediate Sources	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-
5900	Federal Program Revenues	122,930	5,621,616	24,319
5020	Total Revenues	122,930	5,621,616	24,319
	EXPENDITURES:			
	Current:			
0011	Instruction	5,953	1,324,210	-
0012	Instructional Resources and Media Services	-	-	-
0013	Curriculum and Staff Development	-	2,862,866	-
0021	Instructional Leadership	-	196,686	-
0023	School Leadership	-	55,613	-
0031	Guidance, Counseling, and Evaluation Services	-	125	-
0032	Social Work Services	105,240	399,650	-
0034	Student Transportation	-	89,698	-
0035	Food Service	-	-	-
0036	Extracurricular Activities	-	-	-
0041	General Administration	-	5,192	-
0051	Plant Maintenance and Operations	-	-	-
0053	Data Processing Services	-	218	-
0061	Community Services	11,737	687,358	24,319
	Intergovernmental:			
0093	Payments to Shared Services Arrangements	-	-	-
6030	Total Expenditures	122,930	5,621,616	24,319
1200	Net Change in Fund Balances	-	-	-
0100	Fund Balances - Beginning	-	-	-
3000	Fund Balances - Ending	\$ -	\$ -	\$ -

224	225	240	244	255	258
IDEA Part B Formula	IDEA Part B Preschool	National School Breakfast and Lunch Program	Career and Technical Basic Grant	ESEA Title II Part A Teacher & Principal Training & Recruiting	Public Charter Schools Start- Up
\$ -	\$ -	\$ 3,281,924	\$ -	\$ -	\$ -
-	-	92,993	-	-	-
5,011,351	54,736	15,710,839	327,777	621,137	466,518
5,011,351	54,736	19,085,756	327,777	621,137	466,518
2,283,453	54,736	-	8,389	-	389,407
-	-	-	-	-	15,155
39,864	-	-	-	621,137	21,058
6,180	-	-	-	-	1,946
-	-	-	-	-	18,952
1,999,141	-	-	319,388	-	-
-	-	-	-	-	-
338,501	-	-	-	-	-
-	-	19,134,928	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	298,957	-	-	-
20,658	-	-	-	-	-
136	-	-	-	-	20,000
323,418	-	-	-	-	-
5,011,351	54,736	19,433,885	327,777	621,137	466,518
-	-	(348,129)	-	-	-
-	-	4,018,090	-	-	-
\$ -	\$ -	\$ 3,669,961	\$ -	\$ -	\$ -

Continued

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2016

Data Control Codes		263 ESEA Title III Part A English Language Acquisition and Enhancement	273 Teacher Professional Development Partnerships Advances Math/Science	485 Teacher Incentive Fund, Year 2
	REVENUES:			
5700	<i>Local and Intermediate Sources</i>	\$ -	\$ -	\$ -
5800	<i>State Program Revenues</i>	-	-	-
5900	<i>Federal Program Revenues</i>	674,958	80,552	720,898
5020	Total Revenues	<u>674,958</u>	<u>80,552</u>	<u>720,898</u>
	EXPENDITURES:			
	Current:			
0011	<i>Instruction</i>	116,323	-	369,957
0012	<i>Instructional Resources and Media Services</i>	-	-	-
0013	<i>Curriculum and Staff Development</i>	546,496	78,844	316,421
0021	<i>Instructional Leadership</i>	1,717	1,708	2,646
0023	<i>School Leadership</i>	7,876	-	31,874
0031	<i>Guidance, Counseling, and Evaluation Services</i>	-	-	-
0032	<i>Social Work Services</i>	-	-	-
0034	<i>Student Transportation</i>	-	-	-
0035	<i>Food Service</i>	-	-	-
0036	<i>Extracurricular Activities</i>	-	-	-
0041	<i>General Administration</i>	1,017	-	-
0051	<i>Plant Maintenance and Operations</i>	-	-	-
0053	<i>Data Processing Services</i>	-	-	-
0061	<i>Community Services</i>	1,529	-	-
	Intergovernmental:			
0093	<i>Payments to Shared Services Arrangements</i>	-	-	-
6030	Total Expenditures	<u>674,958</u>	<u>80,552</u>	<u>720,898</u>
1200	Net Change in Fund Balances	-	-	-
0100	Fund Balances - Beginning	-	-	-
3000	Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

488	288	289	385	397	409
National Institution for Excellence in Teaching	Improving Academic Achievement (Summer School LEP)	Indian Education Act Title V	Supplemental Visually Impaired	Advanced Placement Incentives	Texas High School Project
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	3,150	30,650	20,852
266,788	26,715	19,605	-	-	-
<u>266,788</u>	<u>26,715</u>	<u>19,605</u>	<u>3,150</u>	<u>30,650</u>	<u>20,852</u>
-	26,715	7,849	3,150	-	20,852
-	-	-	-	-	-
264,127	-	1,433	-	30,650	-
-	-	-	-	-	-
2,661	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	10,323	-	-	-
-	-	-	-	-	-
<u>266,788</u>	<u>26,715</u>	<u>19,605</u>	<u>3,150</u>	<u>30,650</u>	<u>20,852</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2016

		410	429	461
Data				
Control				
Codes				
	REVENUES:	State Textbook	Educator	Campus Activity
		Fund	Excellence	Funds
			Grants	
5700	<i>Local and Intermediate Sources</i>	\$ -	\$ -	\$ 1,277,826
5800	<i>State Program Revenues</i>	1,729,232	899,140	-
5900	<i>Federal Program Revenues</i>	-	-	-
5020	Total Revenues	<u>1,729,232</u>	<u>899,140</u>	<u>1,277,826</u>
	EXPENDITURES:			
	Current:			
0011	<i>Instruction</i>	1,729,232	24,502	87,909
0012	<i>Instructional Resources and Media Services</i>	-	-	25,093
0013	<i>Curriculum and Staff Development</i>	-	840,918	-
0021	<i>Instructional Leadership</i>	-	-	18,786
0023	<i>School Leadership</i>	-	33,720	524,313
0031	<i>Guidance, Counseling, and Evaluation Services</i>	-	-	-
0032	<i>Social Work Services</i>	-	-	-
0034	<i>Student Transportation</i>	-	-	-
0035	<i>Food Service</i>	-	-	-
0036	<i>Extracurricular Activities</i>	-	-	476,526
0041	<i>General Administration</i>	-	-	-
0051	<i>Plant Maintenance and Operations</i>	-	-	-
0053	<i>Data Processing Services</i>	-	-	-
0061	<i>Community Services</i>	-	-	22,742
	Intergovernmental:			
0093	<i>Payments to Shared Services Arrangements</i>	-	-	-
6030	Total Expenditures	<u>1,729,232</u>	<u>899,140</u>	<u>1,155,369</u>
1200	Net Change in Fund Balances	-	-	122,457
0100	Fund Balances - Beginning	-	-	921,777
3000	Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,044,234</u>

477	478	480	483	484
<u>Crime Stopper</u>	<u>Scholarship Fund</u>	<u>Meadows Foundation Grant</u>	<u>Target Field Trip Grant</u>	<u>Camp Invention Program</u>
\$ -	\$ -	\$ 2,385	\$ 700	\$ 7,500
-	-	-	-	-
-	-	-	-	-
-	-	2,385	700	7,500
-	-	-	-	-
-	-	-	700	7,500
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	2,385	-	-
-	-	-	-	-
-	-	2,385	700	7,500
-	-	-	-	-
1,875	10,000	-	-	-
\$ <u>1,875</u>	\$ <u>10,000</u>	\$ -	\$ -	\$ -

Continued

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2016

		490	491	492
Data				
Control				
Codes				
	REVENUES:	Foundation for the Education of Young Women	Gen YOUTH Foundation	Early Head Start Program
5700	Local and Intermediate Sources	\$ 70,769	\$ -	\$ 4,647
5800	State Program Revenues	-	-	-
5900	Federal Program Revenues	-	-	-
5020	Total Revenues	<u>70,769</u>	<u>-</u>	<u>4,647</u>
	EXPENDITURES:			
	Current:			
0011	Instruction	6,665	-	-
0012	Instructional Resources and Media Services	-	-	-
0013	Curriculum and Staff Development	-	-	-
0021	Instructional Leadership	-	-	-
0023	School Leadership	-	-	-
0031	Guidance, Counseling, and Evaluation Services	64,104	-	-
0032	Social Work Services	-	-	-
0034	Student Transportation	-	-	-
0035	Food Service	-	-	-
0036	Extracurricular Activities	-	-	-
0041	General Administration	-	-	-
0051	Plant Maintenance and Operations	-	-	-
0053	Data Processing Services	-	-	-
0061	Community Services	-	-	4,647
	Intergovernmental:			
0093	Payments to Shared Services Arrangements	-	-	-
6030	Total Expenditures	<u>70,769</u>	<u>-</u>	<u>4,647</u>
1200	Net Change in Fund Balances	-	-	-
0100	Fund Balances - Beginning	-	-	-
3000	Fund Balances - Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

493	494	497	498	
<u>Dart Foundation</u>	<u>Project Lead The Way</u>	<u>Partners in Education</u>	<u>Lowes Grant</u>	<u>Total Nonmajor Funds (See Exhibit B-2)</u>
\$ 3,446	\$ 4,501	\$ 5,500	\$ 4,885	\$ 4,664,083
-	-	-	-	2,776,017
-	-	-	-	29,750,739
<u>3,446</u>	<u>4,501</u>	<u>5,500</u>	<u>4,885</u>	<u>37,190,839</u>
3,446	1,566	-	4,885	6,477,399
-	-	-	-	40,248
-	2,271	-	-	5,626,085
-	-	-	-	229,669
-	664	-	-	675,673
-	-	-	-	2,382,758
-	-	-	-	504,890
-	-	-	-	428,199
-	-	-	-	19,134,928
-	-	-	-	476,526
-	-	-	-	6,209
-	-	-	-	298,957
-	-	-	-	20,876
-	-	4,701	-	789,877
-	-	-	-	323,418
<u>3,446</u>	<u>4,501</u>	<u>4,701</u>	<u>4,885</u>	<u>37,415,712</u>
-	-	799	-	(224,873)
-	-	-	-	4,951,742
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 799</u>	<u>\$ -</u>	<u>\$ 4,726,869</u>

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Fiduciary Fund

Agency Fund

The District's agency fund is used to account for assets held by the District as an agent for student organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

EXHIBIT H-1

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FIDUCIARY FUND

FOR THE YEAR ENDED AUGUST 31, 2016

AGENCY FUND:

Data Control Codes		Beginning Balance 9/1/2015	Additions	Deductions	Ending Balance 8/31/2016
ASSETS:					
1110	<i>Cash and Cash Equivalents</i>	\$ 587,015	\$ 679,821	\$ 983,845	\$ 282,991
1120	<i>Current Investments</i>	-	300,979	-	300,979
1290	<i>Other Receivables</i>	16,200	-	-	16,200
1000	Total Assets	\$ 603,215	\$ 980,800	\$ 983,845	\$ 600,170
LIABILITIES:					
2170	<i>Due to Other Funds</i>	\$ 5,279	\$ 2,780	\$ -	\$ 8,059
2190	<i>Due to Student Groups</i>	597,936	978,020	983,845	592,111
2000	Total Liabilities	\$ 603,215	\$ 980,800	\$ 983,845	\$ 600,170

Compliance Schedules

Compliance schedules are required by Texas Education Agency and are not required disclosures in the Comprehensive Annual Financial Report.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF DELINQUENT TAXES RECEIVABLE

FOR THE YEAR ENDED AUGUST 31, 2016

Year Ended August 31	1		2		3
	Tax Rates				Actual Taxable Value For School Tax Purposes
	Maintenance		Debt Service		
2007 and Prior Years	\$	Various	\$	Various	\$ Various
2008		1.0400		0.4250	4,741,559,318
2009		1.0400		0.4250	5,982,899,701
2010		1.0400		0.4250	4,797,819,113
2011		1.0400		0.4250	4,784,353,678
2012		1.0400		0.4250	4,734,829,420
2013		1.0400		0.4250	4,598,635,222
2014		1.0400		0.4250	4,801,502,799
2015		1.0400		0.4250	5,175,669,488
2016 (School Year Audit)		1.1700		0.4250	5,243,894,357
1000 Totals					
9000 - Portion of Row 1000 for Taxes Paid into Tax Increment Zone Under Chapter 311, Tax Code					

10 Beginning Balance 9/1/15	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance 8/31/16
663,413	-	24,783	4,790	(51,812)	582,028
100,466	-	7,072	2,890	(2,542)	87,962
154,717	-	7,999	3,269	(14,157)	129,292
192,520	-	16,421	6,710	(16,606)	152,783
268,764	-	53,613	21,909	(19,115)	174,127
310,405	-	69,524	28,411	27,585	240,055
745,935	-	115,720	47,289	(326,444)	256,482
552,317	-	320,161	130,835	195,183	296,504
1,076,400	-	543,282	222,015	87,337	398,440
-	83,640,115	60,445,425	21,956,680	(8,683)	1,229,327
\$ 4,064,937	\$ 83,640,115	\$ 61,604,000	\$ 22,424,798	\$ (129,254)	\$ 3,547,000
		\$ 1,738,840	\$ 554,144		

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

EXHIBIT I-2

NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED AUGUST 31, 2016

Data Control Codes		1	2	3	Variance with Final Budget
		Budgeted Amounts		Actual	Positive (Negative)
		Original	Final		
	REVENUES:				
5700	Local and Intermediate Sources	\$ 2,963,147	\$ 3,263,147	\$ 3,281,924	\$ 18,777
5800	State Program Revenues	1,137,133	92,993	92,993	-
5900	Federal Program Revenues	12,855,175	16,259,315	15,710,839	(548,476)
5020	Total Revenues	16,955,455	19,615,455	19,085,756	(529,699)
	EXPENDITURES:				
	Current:				
0035	Food Service	16,955,455	19,316,498	19,134,928	181,570
0051	Plant Maintenance and Operations	-	298,957	298,957	-
6030	Total Expenditures	16,955,455	19,615,455	19,433,885	181,570
1200	Net Change in Fund Balance	-	-	(348,129)	(348,129)
0100	Fund Balance - Beginning	4,018,090	4,018,090	4,018,090	-
3000	Fund Balance - Ending	\$ 4,018,090	\$ 4,018,090	\$ 3,669,961	\$ (348,129)

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

EXHIBIT I-3

DEBT SERVICE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED AUGUST 31, 2016

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts			
		Original	Final	Actual	
REVENUES:					
5700	Local and Intermediate Sources	\$ 20,828,262	\$ 23,566,232	\$ 23,821,790	\$ 255,558
5800	State Program Revenues	17,798,210	17,934,083	18,435,338	501,255
5020	Total Revenues	38,626,472	41,500,315	42,257,128	756,813
EXPENDITURES:					
Debt Service:					
0071	Principal on Long-term Debt	18,112,113	21,818,654	21,818,654	-
0072	Interest on Long-term Debt	19,596,897	22,380,057	22,380,053	4
0073	Issuance Costs and Fees	1,038,640	1,038,640	999,834	38,806
Intergovernmental:					
0097	Payments to Tax Increment Fund	903,023	554,144	554,144	-
6030	Total Expenditures	39,650,673	45,791,495	45,752,685	38,810
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,024,201)	(4,291,180)	(3,495,557)	795,623
OTHER FINANCING SOURCES (USES):					
7901	Issuance of Refunding Bonds	-	-	94,640,000	94,640,000
7916	Premium on Issuance of Bonds	-	-	9,933,848	9,933,848
8940	Payment to Bond Refunding Escrow Agent	-	-	(103,588,349)	(103,588,349)
	Total Other Financing Sources (Uses)	-	-	985,499	985,499
1200	Net Change in Fund Balance	(1,024,201)	(4,291,180)	(2,510,058)	1,781,122
0100	Fund Balance - Beginning	12,226,834	12,226,834	12,226,834	-
3000	Fund Balance - Ending	\$ 11,202,633	\$ 7,935,654	\$ 9,716,776	\$ 1,781,122

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STATISTICAL SECTION

The statistical section of the Grand Prairie 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 economic condition and overall financial health. To assist financial statement users, the information contained within this section is categorized as follows:

<u>Contents</u>	<u>Page</u>
Financial Trends	96-105
These schedules contain trend information to show how the District's financial performance and position have changed over time.	
Revenue Capacity	107-111
These schedules contain information to help assess the factors affecting the District's most significant local revenue source, the property tax.	
Debt Capacity	112-114
These schedules present information to help assess the affordability of the District's current debt burden and its ability to issue additional debt in the future.	
Demographic and Economic Information	115-119
These schedules provide demographic and economic indicators to help in understanding the environment in which the District operates and to facilitate in comparisons over time.	
Operating Information	120-137
These schedules provide information about the District's operations and resources to assist in using the financial statement information to better understand and assess the District's economic condition.	

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental Activities:					
Net Investment in Capital Assets	\$ (43,859,490)	\$ 5,761,816	\$ 3,311,636	\$ (1,477,387)	\$ (1,937,419)
Restricted	13,382,031	3,260,265	3,830,709	-	-
Unrestricted	16,922,038	(6,252,872)	35,316,746	27,322,658	29,626,071
Total Governmental Activities Net Position	\$ (13,555,421)	\$ 2,769,209	\$ 42,459,091	\$ 25,845,271	\$ 27,688,652
Business-type Activities:					
Net Investment in Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	-	-
Total Business-type Activities Net Position	\$ -	\$ -	\$ -	\$ -	\$ -
Primary Government:					
Net Investment in Capital Assets	\$ (43,859,490)	\$ 5,761,816	\$ 3,311,636	\$ (1,477,387)	\$ (1,937,419)
Restricted	13,382,031	3,260,265	3,830,709	-	-
Unrestricted	16,922,038	(6,252,872)	35,316,746	27,322,658	29,626,071
Total Primary Government Net Position	\$ (13,555,421)	\$ 2,769,209 (1)	\$ 42,459,091	\$ 25,845,271	\$ 27,688,652

Source: Grand Prairie ISD's Financial Records

(1) Beginning net position decreased as a result of the implementation of GASB 68 & 71 for Pensions as well as a correction to capital assets as discussed further in the management's discussion and analysis and notes to the financial statements.

TABLE 1

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 68,895,551	\$ 60,274,523	\$ 11,130,616	\$ 7,748,905	\$ 4,954,716
-	-	9,534,847	5,847,209	4,292,704
<u>(58,057,733)</u>	<u>(60,537,925)</u>	<u>(66,855,956)</u>	<u>(50,136,570)</u>	<u>(39,599,020)</u>
\$ <u>10,837,818</u>	\$ <u>(263,402)</u>	\$ <u>(46,190,493)</u>	\$ <u>(36,540,456)</u>	\$ <u>(30,351,600)</u>
\$ -	\$ -	\$ 747,701	\$ 802,571	\$ 891,733
-	-	1,212,125	998,254	557,761
\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,959,826</u>	\$ <u>1,800,825</u>	\$ <u>1,449,494</u>
\$ 68,895,551	\$ 60,274,523	\$ 11,878,317	\$ 8,551,476	\$ 5,846,449
-	-	9,534,847	5,847,209	4,292,704
<u>(58,057,733)</u>	<u>(60,537,925)</u>	<u>(65,643,831)</u>	<u>(49,138,316)</u>	<u>(39,041,259)</u>
\$ <u>10,837,818</u>	\$ <u>(263,402)</u>	\$ <u>(44,230,667)</u>	\$ <u>(34,739,631)</u>	\$ <u>(28,902,106)</u>

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

	2016	2015	2014	2013	2012
Expenses:					
Governmental Activities:					
Instruction	\$ 178,734,140	\$ 159,349,591	\$ 144,213,958	\$ 136,758,543	\$ 126,213,019
Instructional Resources and Media Services	2,956,563	2,748,339	2,798,237	2,764,116	2,597,450
Curriculum and Staff Development	9,093,852	7,251,924	6,491,607	6,295,374	5,722,171
Instructional Leadership	4,238,073	3,692,536	3,775,342	3,641,954	3,177,293
School Leadership	19,861,973	16,682,609	15,298,020	14,118,138	14,284,628
Guidance, Counseling, and Evaluation Services	13,381,884	11,497,600	10,721,647	10,237,528	9,751,608
Social Work Services	755,299	685,524	744,198	715,752	681,870
Health Services	3,591,646	3,160,953	2,876,703	2,456,136	2,715,087
Student Transportation	6,162,824	5,110,552	4,599,538	4,267,183	3,780,221
Food Service	19,515,953	16,573,295	15,241,786	14,009,283	12,597,959
Extracurricular Activities	8,124,103	7,212,208	5,454,029	5,929,767	5,644,132
General Administration	7,723,242	6,996,019	5,868,930	6,452,388	4,652,733
Plant Maintenance and Operations	24,843,427	21,595,821	18,994,898	20,832,601	20,242,255
Security and Monitoring Services	3,040,684	1,891,217	1,691,952	886,040	892,431
Data Processing Services	8,993,087	4,970,385	3,404,841	2,767,977	2,532,381
Community Services	5,870,876	4,878,317	4,250,713	2,770,496	2,207,584
Interest on Long-Term Debt	50,970,660	21,271,112	23,531,684	24,778,170	23,480,781
Issuance Costs and Fees	1,602,056	836,905	26,680	595,460	623,575
Facilities Repair and Maintenance	-	-	7,081	375,343	-
Pymts. Related to Shared Serv. Arrngmnts.	323,418	213,775	198,250	223,125	215,000
Pymts. to Juvenile Justice Alt. Ed. Program	31,500	124,902	65,892	86,982	127,338
Pymts. to Tax Increment Fund	2,292,984	3,326,887	2,973,788	2,919,542	2,896,669
Other Intergovernmental Charges	300,166	278,575	273,248	280,162	283,765
Total Governmental Activities Expenses	372,408,410	300,349,046	273,503,022	264,162,060	245,319,950
Business-type Activities:					
Enterprise Fund - Nat'l. School Brkfst & Lunch	-	-	-	-	-
Total Primary Government Expenses	372,408,410	300,349,046	273,503,022	264,162,060	245,319,950
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Instruction	1,536,205	2,624,751	1,157,040	885,470	864,527
Instructional Resources and Media Services	27,703	38,044	12,078	-	-
Instructional Leadership	20,740	5,360	6,078	-	-
School Leadership	578,848	647,791	831,868	741,558	615,198
Food Service	3,231,437	2,937,519	2,838,802	3,017,766	2,684,836
Extracurricular Activities	819,810	663,582	289,505	358,871	-
General Administration	-	-	-	-	-
Plant Maintenance and Operations	149,569	218,883	153,437	-	-
Other Activities	25,107	15,383	1,646	155,089	622,251
Operating Grants and Contributions	67,373,027	61,694,455	61,056,172	53,440,159	54,298,985
Total Primary Government Governmental Activities Program Revenues	73,762,446	68,845,768	66,346,626	58,598,913	59,085,797
Business-type Activities:					
Charges for Services	-	-	-	-	-
Operating Grants and Contributions	-	-	-	-	-
Total Primary Government Program Revenues	73,762,446	68,845,768	66,346,626	58,598,913	59,085,797
Net (Expense)/Revenue					
Total Primary Government Net Expense	\$ (298,645,964)	\$ (231,503,278)	\$ (207,156,396)	\$ (205,563,147)	\$ (186,234,153)

TABLE 2
Page 1 of 2

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 131,540,831	\$ 132,063,162	\$ 134,734,094	\$ 124,663,439	\$ 113,016,795
3,495,058	4,052,836	4,381,340	3,906,975	3,777,742
3,930,432	3,451,203	2,910,124	2,632,100	2,392,268
3,924,656	3,754,669	3,471,206	3,242,408	3,120,413
12,862,024	13,747,275	13,504,474	11,995,583	10,236,169
10,430,569	9,890,663	9,971,390	9,865,270	8,749,722
795,430	612,305	537,522	679,750	532,402
2,681,263	2,382,305	2,415,797	2,212,821	1,863,512
3,639,838	3,212,320	3,440,411	3,284,195	2,635,942
12,948,004	12,331,511	25,743	16,391	9,315
6,618,071	5,076,928	4,071,809	3,809,660	3,836,268
5,507,453	6,572,359	5,250,739	3,881,661	3,988,249
23,116,198	21,689,248	20,972,863	32,225,486	17,595,860
1,001,951	1,488,218	2,036,584	1,618,934	934,642
2,558,252	4,483,140	5,164,942	5,599,063	3,358,426
2,144,967	1,731,904	1,183,476	1,265,468	1,023,937
24,840,682	25,176,706	20,271,769	20,889,048	13,323,028
202,620	367,297	228,976	548,957	383,403
206,047	3,610,961	340,185	405,952	68,629
118,500	-	-	-	-
78,318	138,600	147,847	190,584	284,864
3,046,048	2,956,298	2,792,439	2,245,987	1,467,880
275,696	141,420	-	-	-
<u>255,962,908</u>	<u>258,931,328</u>	<u>237,853,730</u>	<u>235,179,732</u>	<u>192,599,466</u>
-	747,701	11,803,138	10,671,741	9,309,751
<u>255,962,908</u>	<u>259,679,029</u>	<u>249,656,868</u>	<u>245,851,473</u>	<u>201,909,217</u>
496,801	283,940	102,812	167,727	129,198
-	-	-	-	-
-	-	-	-	-
691	-	-	-	-
2,619,226	3,146,005	-	-	-
285,393	793,723	789,188	834,616	834,959
76,523	-	125,121	129,480	203,451
-	-	-	-	-
125,687	111,436	100,658	85,676	79,515
<u>70,967,139</u>	<u>64,360,802</u>	<u>36,747,449</u>	<u>36,632,692</u>	<u>33,650,098</u>
<u>74,571,460</u>	<u>68,695,906</u>	<u>37,865,228</u>	<u>37,850,191</u>	<u>34,897,221</u>
-	-	3,645,902	3,438,214	3,173,415
-	-	8,316,237	7,584,858	6,751,806
<u>74,571,460</u>	<u>68,695,906</u>	<u>49,827,367</u>	<u>48,873,263</u>	<u>44,822,442</u>
\$ <u>(181,391,448)</u>	\$ <u>(190,983,123)</u>	\$ <u>(199,829,501)</u>	\$ <u>(196,978,210)</u>	\$ <u>(157,086,775)</u>

Continued

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

	2016	2015	2014	2013	2012
General Revenues and Other Changes in Net Position:					
Governmental Activities:					
Property Taxes, Levied for General Purposes \$	63,982,520	\$ 55,075,575	\$ 50,876,078	\$ 49,512,362	\$ 50,514,674
Property Taxes, Levied for Debt Service	23,176,206	22,423,210	20,725,531	20,185,207	20,549,988
Grants and Contributions Not Restricted	185,913,528	159,967,697	149,941,903	132,277,340	130,134,362
Investment Earnings	1,002,702	157,395	69,742	146,944	158,844
Miscellaneous	2,046,066	1,050,417	2,156,962	4,853,999	1,727,119
Transfers	-	-	-	-	-
Special Item - Insurance Proceeds	-	-	-	-	-
Total Governmental Activities General Revenues and Special Items	<u>276,121,022</u>	<u>238,674,294</u>	<u>223,770,216</u>	<u>206,975,852</u>	<u>203,084,987</u>
Business-type Activities:	-	-	-	-	-
Total Business-type Activities Gen. Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government General Revenues	<u>\$ 276,121,022</u>	<u>\$ 238,674,294</u>	<u>\$ 223,770,216</u>	<u>\$ 206,975,852</u>	<u>\$ 203,084,987</u>
Change in Net Position					
Governmental Activities	\$ (22,524,942)	\$ 7,171,016	\$ 16,613,820	\$ 1,412,705	\$ 16,850,834
Business-type Activities	-	-	-	-	-
Total Change in Net Position	<u>\$ (22,524,942)</u>	<u>\$ 7,171,016</u>	<u>\$ 16,613,820</u>	<u>\$ 1,412,705</u>	<u>\$ 16,850,834</u>

Source: Grand Prairie ISD's Financial Records

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 51,125,698	\$ 50,697,004	\$ 50,652,905	\$ 47,964,275	\$ 58,510,928
20,864,438	20,606,736	20,757,790	19,172,237	11,311,696
116,886,465	113,622,839	111,864,203	111,735,303	86,168,082
88,347	388,313	4,300,907	7,390,043	3,298,485
77,180	3,541,242	2,762,660	1,472,771	929,541
-	1,212,125	-	-	-
-	-	-	3,406,056	7,100,000
<u>189,042,128</u>	<u>190,068,259</u>	<u>190,338,465</u>	<u>191,140,685</u>	<u>167,318,732</u>
-	(1,212,125)	-	-	-
-	(1,212,125)	-	-	-
<u>\$ 189,042,128</u>	<u>\$ 188,856,134</u>	<u>\$ 190,338,465</u>	<u>\$ 191,140,685</u>	<u>\$ 167,318,732</u>
\$ 7,650,680	\$ (167,163)	\$ (9,650,037)	\$ (6,188,856)	\$ 9,616,487
-	(1,959,826)	159,001	351,331	615,470
<u>\$ 7,650,680</u>	<u>\$ (2,126,989)</u>	<u>\$ (9,491,036)</u>	<u>\$ (5,837,525)</u>	<u>\$ 10,231,957</u>

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2016	2015	2014	2013	2012
General Fund					
Nonspendable:					
Inventories	\$ 841,841	\$ 929,722	\$ 694,130	\$ 237,665	\$ 241,988
Prepaid items	501,150	512,443	711,219	517,701	1,992,658
Assigned - Technology Operating Leases	-	-	705,741	3,189,721	-
Unassigned	58,401,247	51,044,579	54,102,352	43,887,721	41,947,868
Total General Fund	59,744,238	52,486,744	56,213,442	47,832,808	44,182,514
All Other Governmental Funds					
Nonspendable:					
Inventories	180,676	71,770	564,189	106,181	-
Prepaid items	-	686,055	-	686,055	686,055
Restricted for:					
Capital Acquisition and Contractual Obligations	55,965,881	219,256	828,403	1,484,443	7,488,765
Debt Service	9,716,776	12,226,834	13,187,125	12,790,510	14,275,272
Other	3,489,285	3,260,265	3,830,709	-	10,000
Committed - Other	1,056,908	933,652	942,151	3,642,611	3,023,064
Total All Other Governmental Funds	70,409,526	17,397,832	19,352,577	18,709,800	25,483,156
Total All Government Funds	\$ 130,153,764	\$ 69,884,576	\$ 75,566,019	\$ 66,542,608	\$ 69,665,670

General Fund
Reserved for:
Investments in Inventory
Prepaid Items
Encumbrances
Designated for:
Construction
Capital expenditures for equipment
Unreserved and Undesignated
Total General Fund
All Other Governmental Funds
Reserved for:
Investments in Inventory
Debt Service
Prepaid Items
Encumbrances
Food Service
Other
Unreserved and Undesignated, Reported In
Special Revenue Fund
Capital Projects Fund
Total All Other Governmental Funds
Total All Government Funds

Source: Grand Prairie ISD's Financial Records

Note: The District adopted the provisions of GASB 54 in 2011 which changed the fund balance classifications to Nonspendable, Restricted, Committed, Assigned and Unassigned. GASB 54 provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

TABLE 3

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 446,733				
269,290				
-				
<u>27,929,235</u>				
<u>28,645,258</u>				
323,124				
686,055				
44,536,168				
17,069,556				
10,000				
<u>1,994,278</u>				
<u>64,619,181</u>				
<u>\$ 93,264,439</u>				
	\$ 439,701	\$ 57,741	\$ 569,444	\$ 934,468
	271,457	398,109	388,189	565,877
	-	1,236,225	-	-
	-	2,137,500	3,406,056	-
	-	-	4,221,720	4,221,720
	<u>18,298,896</u>	<u>21,674,495</u>	<u>22,937,123</u>	<u>19,257,073</u>
	<u>19,010,054</u>	<u>25,504,070</u>	<u>31,522,532</u>	<u>24,979,138</u>
	175,578	-	-	-
	14,130,623	12,355,936	10,018,777	8,955,506
	-	-	-	-
	-	22,723,405	69,380,743	480,258
	2,555,819	-	-	-
	3,005,643	10,000	10,000	10,000
	-	347,547	364,885	267,363
	-	17,262,234	62,079,771	166,466,545
	<u>19,867,663</u>	<u>52,699,122</u>	<u>141,854,176</u>	<u>176,179,672</u>
	<u>\$ 38,877,717</u>	<u>\$ 78,203,192</u>	<u>\$ 173,376,708</u>	<u>\$ 201,158,810</u>

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2016	2015	2014	2013	2012
REVENUES:					
Local and Intermediate Sources	\$ 97,122,094	\$ 85,623,781	\$ 79,262,934	\$ 79,667,635	\$ 76,255,277
State Program Revenues	213,210,006	190,143,148	177,967,483	153,349,013	151,805,179
Federal Program Revenues	34,895,736	32,150,131	32,989,483	32,326,956	32,628,168
Total Revenues	<u>345,227,836</u>	<u>307,917,060</u>	<u>290,219,900</u>	<u>265,343,604</u>	<u>260,688,624</u>
EXPENDITURES:					
Current:					
Instruction	158,453,571	147,871,404	136,110,989	125,532,582	115,976,881
Instructional Resources and Media Services	2,858,784	2,796,766	2,814,794	2,769,321	2,604,235
Curriculum and Staff Development	8,846,674	7,359,537	6,533,122	6,305,970	5,737,931
Instructional Leadership	4,098,546	3,738,302	3,798,374	3,649,122	3,185,903
School Leadership	18,660,199	16,428,276	15,035,594	13,662,190	13,872,022
Guidance, Counseling, and Evaluation Services	12,906,051	11,692,274	10,781,604	10,254,573	9,862,860
Social Work Services	726,148	699,721	749,453	717,300	683,793
Health Services	3,447,642	3,215,703	2,894,461	2,461,565	2,722,555
Student Transportation	7,007,675	5,418,443	4,790,592	5,537,652	4,787,490
Food Services	19,134,928	16,960,782	15,471,847	14,555,202	12,692,872
Extracurricular Activities	5,463,324	4,710,039	3,771,946	3,654,050	3,530,390
General Administration	7,437,475	6,959,510	5,828,997	6,366,400	4,579,195
Plant Maintenance and Operations	24,632,174	21,772,205	19,344,244	21,408,924	20,467,437
Security and Monitoring Services	3,076,214	1,921,904	1,693,733	903,846	889,700
Data Processing Services	9,050,746	6,130,371	3,615,806	3,166,484	4,074,741
Community Services	5,678,702	4,902,611	4,265,723	2,774,231	2,222,389
Debt Service:					
Principal on Long-term Debt	21,818,654	15,478,490	13,195,438	13,730,934	16,248,526
Interest on Long-term Debt	22,380,053	21,161,815	24,810,549	23,073,713	22,168,502
Issuance Costs and Fees	1,602,056	836,905	26,680	595,460	611,271
Capital Outlay:					
Facilities Acquisition and Construction	23,620,436	6,759,707	2,151,365	29,534,199	34,434,711
Intergovernmental:					
Payments to Shared Services Arrangements	323,418	213,775	198,250	223,125	215,000
Payments to Juvenile Justice Alternative Education Programs	31,500	124,902	65,892	86,982	127,338
Payments to Tax Increment Fund	2,292,984	3,326,887	2,973,788	2,919,542	2,896,669
Other Intergovernmental Charges	300,166	278,575	273,248	280,162	283,765
Total Expenditures	<u>363,848,120</u>	<u>310,758,904</u>	<u>281,196,489</u>	<u>294,163,529</u>	<u>284,876,176</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(18,620,284)</u>	<u>(2,841,844)</u>	<u>9,023,411</u>	<u>(28,819,925)</u>	<u>(24,187,552)</u>
OTHER FINANCE SOURCES (USES):					
Capital-related Debt Issued (Regular Bonds)	61,895,000	-	-	22,845,000	55,805,000
Issuance of Refunding Bonds	94,640,000	150,355,000	-	19,440,000	-
Sale of Real and Personal Property	101,439	-	-	-	-
Insurance Recovery	-	-	-	-	-
Amounts Paid to Bond Refunding Escrow Agent	(103,588,349)	(168,324,921)	-	(20,403,037)	(61,078,769)
Transfers In	-	581,304	-	-	289,147
Premium or Discount on Issuance of Bonds	19,641,070	15,130,322	-	3,214,294	5,862,552
Proceeds from Legal Settlement	-	-	-	600,606	-
Special Item	-	-	-	-	-
Transfers Out	-	(581,304)	-	-	(289,147)
Total Other Financing Sources (Uses)	<u>72,689,160</u>	<u>(2,839,599)</u>	<u>-</u>	<u>25,696,863</u>	<u>588,783</u>
Net Change in Fund Balances	<u>\$ 54,068,876</u>	<u>\$ (5,681,443)</u>	<u>\$ 9,023,411</u>	<u>\$ (3,123,062)</u>	<u>\$ (23,598,769)</u>
Debt Service (Principal and Interest) Expenditures as a Percentage of Noncapital Expenditures	14.93%	12.18%	13.72%	14.16%	15.58%

Source: Grand Prairie ISD's Financial Records

TABLE 4

2011	2010	2009	2008	2007
\$ 76,389,375	\$ 78,958,747	\$ 81,113,920	\$ 78,681,636	\$ 75,480,063
140,345,160	134,986,317	135,998,542	134,455,087	105,316,069
47,508,444	42,997,322	11,477,160	11,980,004	14,206,702
<u>264,242,979</u>	<u>256,942,386</u>	<u>228,589,622</u>	<u>225,116,727</u>	<u>195,002,834</u>
125,809,927	126,825,652	125,404,810	118,512,838	107,740,102
3,501,867	3,763,575	3,975,225	3,599,066	3,501,908
3,941,644	3,452,484	2,900,497	2,629,960	2,393,696
3,940,508	3,749,017	3,440,911	3,236,498	3,122,688
12,666,625	13,539,466	13,069,575	11,745,381	10,046,355
10,675,599	10,037,183	9,843,100	9,836,471	8,763,095
795,795	611,779	527,156	677,139	533,670
2,682,562	2,381,489	2,379,067	2,205,264	1,867,627
4,527,835	3,991,736	3,229,619	3,174,910	2,945,544
12,989,220	12,349,020	25,743	16,391	9,315
3,534,349	4,431,199	3,830,264	3,166,124	3,218,871
5,456,916	6,577,136	5,216,140	3,867,913	3,987,761
19,413,094	20,290,656	20,583,135	32,197,828	17,596,302
1,028,425	1,468,764	2,117,720	1,562,825	931,977
3,174,118	4,477,913	5,416,901	6,266,408	3,472,355
2,145,755	1,737,792	1,167,501	1,261,543	1,025,433
10,109,679	15,590,000	6,410,874	7,858,642	6,446,344
22,128,019	17,765,532	21,940,440	22,292,544	14,211,898
219,472	185,868	3,162,474	855,210	2,093,358
4,870,577	34,332,332	85,426,952	79,700,990	7,419,035
118,500	-	-	-	-
78,318	138,600	147,847	190,584	284,864
3,046,048	2,956,298	2,792,439	2,245,987	1,467,880
275,696	141,420	-	-	-
<u>257,130,548</u>	<u>290,794,911</u>	<u>323,008,390</u>	<u>317,100,516</u>	<u>203,080,078</u>
<u>7,112,431</u>	<u>(33,852,525)</u>	<u>(94,418,768)</u>	<u>(91,983,789)</u>	<u>(8,077,244)</u>
45,000,000	-	-	61,205,000	157,795,000
-	-	71,335,393	-	59,625,176
-	22,452	-	-	-
-	-	-	-	-
-	-	(70,484,630)	-	(58,710,179)
227,946	1,424,197	-	111,045	315,387
499,950	-	(605,509)	590,631	4,206,469
-	-	-	3,406,056	7,100,000
<u>(1,742,609)</u>	<u>(212,072)</u>	<u>(1,000,000)</u>	<u>(1,111,045)</u>	<u>(1,687,740)</u>
<u>43,985,287</u>	<u>1,234,577</u>	<u>(754,746)</u>	<u>64,201,687</u>	<u>168,644,113</u>
<u>\$ 51,097,718</u>	<u>\$ (32,617,948)</u>	<u>\$ (95,173,514)</u>	<u>\$ (27,782,102)</u>	<u>\$ 160,566,869</u>
12.87%	13.08%	13.26%	13.06%	11.63%

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GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

TABLE 5

Fiscal year Ended August 31,	Assessed Value			Actual Taxable Value	Total Direct Rate (1)
	Real Property Value	Personal Property Value	Less Exemptions		
2016	\$ 5,631,793,010	\$ 1,457,530,650	\$ 1,773,156,223	\$ 5,316,167,437	1.5950
2015	5,299,686,220	1,371,131,700	1,475,424,413	5,195,393,507	1.4650
2014	5,001,853,460	1,346,293,940	1,546,644,601	4,801,502,799	1.4650
2013	4,911,893,540	1,188,289,180	1,501,547,498	4,598,635,222	1.4650
2012	4,949,770,340	1,156,857,030	1,371,797,950	4,734,829,420	1.4650
2011	5,008,898,030	1,163,239,511	1,387,783,863	4,784,353,678	1.4650
2010	5,069,144,440	1,124,957,720	1,396,283,047	4,797,819,113	1.4650
2009	5,139,773,470	1,022,573,950	179,447,719	5,982,899,701	1.4650
2008	4,901,558,150	952,462,690	1,112,461,522	4,741,559,318	1.4650 (2)
2007	4,561,978,470	825,655,500	1,056,843,413	4,330,790,557	1.6297 (2)

Source: Dallas Central Appraisal District provides the District's tax office with appraised values for properties within the District's tax authority. Appraised value equals assessed value. Assessed value less exemptions equals actual taxable value. Actual taxable value times the tax rate set by the District's Board of Trustees each fall equals the tax levy.

- (1) Tax Rates are per \$100 of actual taxable value.
(2) Tax Rate reduces as a results of State Legislative Reform.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS

(PER \$100 ASSESSED VALUE)

LAST TEN FISCAL YEARS

<u>Taxing Authority</u>	<u>2016</u>	<u>2015 (3)</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Overlapping Rates:					
Dallas County	\$ 0.243100	\$ 0.243100	\$ 0.243100	\$ 0.243100	\$ 0.243100
Dallas County CCD	0.123650	0.124775	0.124700	0.119375	0.099670
Dallas Co FCD #1	2.650000	2.750000	2.750000 (4)	3.050000	2.900000
Dallas County Hospital District	0.286000	0.286000	0.276000	0.271000	0.271000
Dallas County Schools	0.010000	0.010000	0.010000	0.009937	0.010000
City of Dallas	0.797000	0.797000	0.797000	0.797000	0.797000
City of Grand Prairie	0.669998	0.669998	0.669998	0.669998	0.669998
City of Irving	0.594100	0.594100	0.598600	0.598600	0.598600
Total Overlapping Rates	\$ 5.373848	\$ 5.474973	\$ 5.469398	\$ 5.759010	\$ 5.589368
District Direct Rates: (2)					
Grand Prairie ISD					
Maintenance and Operations	\$ 1.170000	\$ 1.040000	\$ 1.040000	\$ 1.040000	\$ 1.040000
Debt Service	0.425000	0.425000	0.425000	0.425000	0.425000
Total District Direct Rates	\$ 1.595000	\$ 1.465000	\$ 1.465000	\$ 1.465000	\$ 1.465000

Source: Dallas Central Appraisal District

(1) Tax rate was reduced as a result of State Legislative Reform.

(2) The District is not subject to a legal debt margin.

(3) Year represents school year beginning with the 2014-15 CAFR;
tax rates were previously reported by Tax Year and not School Year

(4) Tax rate inadvertently left off of 2013-2014 report

TABLE 6

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$	0.243100	\$ 0.228100	\$ 0.228100	\$ 0.228100	\$ 0.213900
	0.099230	0.094900	0.089400	0.080400	0.081000
	2.835540	2.835540	2.835540	2.835540	2.835540
	0.271000	0.274000	0.254000	0.254000	0.254000
	0.010000	0.005212	0.004928	0.004714	0.005034
	0.797000	0.747900	0.747900	0.747900	0.729200
	0.669998	0.669998	0.669998	0.669998	0.669998
	0.576100	0.540600	0.540600	0.540600	0.547900
\$	<u>5.501968</u>	<u>\$ 5.396250</u>	<u>\$ 5.370466</u>	<u>\$ 5.361252</u>	<u>\$ 5.336572</u>
\$	1.040000	\$ 1.040000	\$ 1.040000	\$ 1.040000 (1)	\$ 1.361100 (1)
	0.425000	0.425000	0.425000	0.425000	0.268600
\$	<u>1.465000</u>	<u>\$ 1.465000</u>	<u>\$ 1.465000</u>	<u>\$ 1.465000</u>	<u>\$ 1.629700</u>

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

TABLE 7

PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND NINE YEARS AGO

Taxpayer	2016			2007 (2)		
	Actual Taxable Value (1)	Rank	Percentage of Actual Taxable Value	Actual Taxable Value (1)	Rank	Percentage of Actual Taxable Value
Poly America LP	\$ 129,187,240	1	2.43%	\$		
Oncor Electric Delivery	97,008,510	2	1.82%			
Duke Realty Ltd PS	82,571,507	3	1.55%			
Lockheed Martin Corp	68,946,780	4	1.30%	38,461,810	7	0.89%
Mars Partners Ltd	45,427,400	5	0.85%			0.00%
Catellus Development Corp	45,196,560	6	0.85%			
Hanson Pipe & Precast Inc	41,880,299	7	0.79%			
WR Pioneer Parkway LLC	32,485,330	8	0.61%			
Airloeb Company	30,783,560	9	0.58%			
Mid America Apartments LP	30,750,000	10	0.58%			
Bell Helicopter				125,754,130	1	2.90%
Prologis				122,925,950	2	2.84%
Texas Utilities Electric Co.				82,528,390	3	1.91%
Republic Beverage				52,513,090	4	1.21%
Southwestern Bell/Cingular				48,141,330	5	1.11%
Vought Aircraft Industries				41,590,660	6	0.96%
Poly America/MARS Partners				35,512,880	8	
Hanson Pipe & Products				31,800,200	9	
PASSCO Town Riverside				31,017,940	10	0.72%
TOTALS	\$ 604,237,186		11.36%	\$ 610,246,380		12.54%
TOTAL ACTUAL TAXABLE VALUE	\$ 5,316,167,437			\$ 4,330,790,557		

Source: Dallas County Tax Office

(1) Actual taxable value equals appraised/assessed value after exemptions.

(2) Source: City of Grand Prairie Department of Economic Development

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

TABLE 8

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Net Tax Levy For The Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 83,631,257	\$ 82,402,105	98.53%	\$ -	\$ 82,402,105	98.53%
2015	75,522,374	765,297	1.01%	74,358,637	75,123,934	99.47%
2014	70,428,198	450,996	0.64%	69,680,698	70,131,694	99.58%
2013	68,218,132	163,009	0.24%	67,798,641	67,961,650	99.62%
2012	69,039,823	97,935	0.14%	68,701,833	68,799,768	99.65%
2011	70,031,880	75,522	0.11%	69,782,231	69,857,753	99.75%
2010	69,949,145	23,131	0.03%	69,773,231	69,796,362	99.78%
2009	70,861,407	11,268	0.02%	70,720,847	70,732,115	99.82%
2008	68,170,346	9,962	0.01%	67,281,422	67,291,384	98.71%
2007	69,287,395	29,573	0.04%	68,675,794	68,705,367	99.16%

Source: Grand Prairie ISD's Financial Records and Dallas County Tax Office

(1) Appraised/assessed value less exemptions equal actual taxable value. The beginning actual taxable value net of adjustments times the tax rate set by the District's Board of Trustees each fall equals the total net tax levy. The net tax levy for current and prior years reflects ongoing adjustments applied to that year's tax levy.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT**TABLE 9****RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities		Total Primary Government	Ratio of Debt to Actual Taxable Value (2)	Debt Per Student (3)
	General Obligation Bonds (1)	Capital Leases (1)			
2016	\$ 562,631,671	\$ -	\$ 562,631,671	10.58%	\$ 20,764
2015	500,758,230	-	500,758,230	9.64%	18,953
2014	511,017,110	-	511,017,110	10.64%	19,772
2013	526,133,798	-	526,133,798	11.44%	21,079
2012	513,426,519	-	513,426,519	10.84%	20,671
2011	525,964,115	-	525,964,115	10.99%	21,397
2010	488,401,464	-	488,401,464	10.18%	20,148
2009	496,954,107	-	496,954,107	8.31%	20,758
2008	506,166,885	-	506,166,885	10.68%	21,624
2007	453,890,973	-	453,890,973	10.48%	19,909

(1) Details regarding the District's outstanding debt, net of premiums, discounts, and adjustments can be found in the Notes to the Financial Statements.

(2) See Table 5 for actual taxable value data.

(3) See Table 16 for student average daily attendance data.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

TABLE 10

Fiscal Year	General Obligation Bonds (1)	Less Amount Available in Debt Service Fund (4)	Net Bonded Debt	Ratio of Net Bonded Debt To Actual Taxable Value (2)	Net Bonded Debt Per Student (3)
2016	\$ 500,758,230	\$ 9,716,776	\$ 491,041,454	9.24%	\$ 18,122
2015	500,758,230	12,226,834	488,531,396	9.40%	18,490
2014	511,017,110	13,187,125	497,829,985	10.37%	19,262
2013	526,133,798	12,790,510	513,343,288	11.16%	20,566
2012	513,426,519	14,275,272	499,151,247	10.54%	20,096
2011	525,964,115	17,069,556	508,894,559	10.64%	20,703
2010	488,401,464	14,130,623	474,270,841	9.89%	19,565
2009	496,954,107	12,355,936	484,598,171	8.10%	20,242
2008	506,166,885	10,018,777	496,148,108	10.46%	21,196
2007	453,890,973	8,955,506	444,935,467	10.27%	19,516

(1) Details regarding the District's outstanding debt, net of premiums, discounts, and adjustments can be found in the Notes to the Financial Statements.

(2) See Table 5 for actual taxable value data.

(3) See Table 16 for student average daily attendance data.

(4) This is the amount restricted for debt service payments on general obligation bonds at the fund level.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT
AUGUST 31, 2016

TABLE 11

<u>Taxing Body</u>	<u>Gross Debt Amount (2)</u>	<u>Percent Overlapping (1)</u>	<u>Share of Debt</u>
Overlapping:			
Dallas County	\$ 60,080,000	2.95%	\$ 1,772,360
Dallas County CCD	294,050,000	2.95%	8,674,475
Dallas Co FCD #1	26,905,000	66.57%	17,910,659
Dallas County Hospital District	718,480,000	2.95%	21,195,160
Dallas County Schools	50,405,000	2.95%	1,486,948
City of Dallas	1,774,890,086	0.09%	1,597,401
City of Grand Prairie	225,450,000	47.51%	107,111,294
City of Irving	392,080,000	1.25%	4,901,000
Total Net Overlapping Debt			<u>164,649,297</u>
Direct:			
Grand Prairie ISD	519,343,613	100.00%	<u>519,343,613</u>
TOTAL NET OVERLAPPING AND DIRECT DEBT			<u>\$ 683,992,910</u>

Source: Municipal Advisory of Texas

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. The percentage of overlapping debt is estimated using actual taxable property values. Percentages were estimated by determining the portion of the overlapping taxing authorities actual taxable value that is within the District's boundaries and dividing it by the overlapping taxing authorities' total actual taxable value.
- (2) The District's debt is reported gross for comparability due to premiums and discounts of overlapping entities not being readily available.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

TABLE 12

<u>Fiscal Year</u>	<u>Residential Units (1)</u>	<u>Actual Taxable Value of Residential Units (2)</u>	<u>Average Actual Taxable Value Per Residential Unit</u>	<u>Average Daily Attendance (3)</u>	<u>Unemployment Rate (4)</u>
2016	31,327	\$ 2,750,120,639	\$ 87,788	27,097	4.1%
2015	31,224	2,810,733,315	90,018	26,421	3.9%
2014	31,144	2,686,234,632	86,252	25,845	5.6%
2013	31,112	2,685,705,531	86,324	24,961	6.0%
2012	31,050	2,741,257,296	88,285	24,839	7.2%
2011	31,013	2,782,992,922	89,736	24,581	8.1%
2010	30,861	2,894,927,732	93,805	24,240	8.6%
2009	30,653	3,041,360,450	99,219	23,941	8.9%
2008	30,114	2,929,526,082	97,281	23,407	5.6%
2007	29,240	2,739,361,049	93,685	22,798	4.8%

(1) Source: Dallas Central Appraisal District - Residential Units include: Single Family Residences, Multifamily Residences, and Mobile Homes

(2) Source: Dallas Central Appraisal District

(3) Source: Texas Education Agency

(4) Source: Texas Workforce Commission, July, Not Seasonally Adjusted

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GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

TABLE 13

Employer	2016			2007		
	Employees	Rank	Percentage of Top Ten Employers	Employees	Rank	Percentage of Top Ten Employers
Grand Prairie Independent School District	4,100	1	26.44%	2,900	1	17.10%
Lockheed Martin Missiles and Fire Control	2,500	2	16.13%	2,600	2	15.33%
Poly-America Inc.	2,000	3	12.90%	1,300	4	7.67%
Bell Helicopter-Textron	1,200	4	7.74%	1,100	6	6.49%
City of Grand Prairie	1,300	5	8.39%	1,160	5	6.84%
Lone Star Park at Grand Prairie	950	6	6.14%	1,400	3	8.25%
Triumph Aerostructures - Vought Aircraft Div.	900	7	5.81%			
Republic National Distributing	700	8	4.52%			
Bureau of Prisons, U.S. Dept. of Justice	650	9	4.19%			
Wal-Mart	600	10	3.87%			
Airbus Helicopter	600	10	3.87%			
Renaissance Hospital of Grand Prairie				600	7	3.54%
Siemens Energy & Automation Inc.				600	7	3.54%
Vought Aircraft Industries				500	8	2.95%
Hanson Pipe & Products, Inc.				500	8	2.95%
Wal-Mart				500	8	2.95%
American Eurocopter				500	8	2.95%
Pollock Paper Distributors				500	8	2.95%
Arnold Transportation				500	8	2.95%
SAIA Motor Freight Line Inc.				500	8	2.95%
Office Depot Sales & Distribution Center				400	9	2.35%
VIP Printing Inc.				400	9	2.35%
Turbomeca Engine Corp.				400	9	2.35%
Vecta Contract				300	10	1.77%
Cardinal Health 200, Inc.				300	10	1.77%
Total Employed	15,500		100.00%	16,960		100.00%

Source: City of Grand Prairie

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

DEMOGRAPHIC STATISTICS

LAST TEN FISCAL YEARS

Calendar Year	City Population (1)	Area Population (2)	Total Personal Income (2)	Per Capita Personal Income (2)	Labor Force (3)	Employment (3)
2016	184,620	n/a	\$ n/a	\$ n/a	3,727,133	3,574,150
2015	183,816	7,102,796	\$ 362,947,715,000	\$ 51,099	3,566,441	3,426,583
2014	181,230	6,954,330	\$ 344,279,922,000	\$ 49,506	3,481,290	3,290,801
2013	179,630	6,823,113	\$ 325,011,065,000	\$ 47,634	3,433,713	3,228,094
2012	181,824	6,700,991	\$ 318,533,833,000	\$ 47,535	3,339,582	3,116,834
2011	178,779	6,526,548	\$ 285,259,943,000	\$ 43,708	3,301,924	3,044,247
2010	175,396	6,400,511	\$ 268,491,633,000	\$ 41,948	3,245,275	2,978,923
2009	168,500	6,287,664	\$ 253,558,777,000	\$ 40,326	3,174,185	2,928,618
2008	166,650	6,158,022	\$ 271,345,036,000	\$ 44,064	3,115,901	2,959,551
2007	161,550	6,030,240	\$ 255,311,694,000	\$ 42,339	3,076,261	2,943,190

(1) Source: City of Grand Prairie.

(2) Area population and personal income is for the Dallas-Fort Worth-Arlington, TX. Metropolitan Statistical Area. Data for 2006-2014 provided by Bureau of Economics Analysis.

(3) Data from Texas Workforce Commission for the Dallas-Fort Worth-Arlington, TX. Metropolitan Statistical Area (annual averages except for 2013-2015 which are actual for August).

n/a = data not available

TABLE 14

<u>Unemployment (3)</u>	<u>Percent Unemployment (3)</u>	<u>Construction (3)</u>	<u>Manufacturing (3)</u>	<u>Trade (3)</u>	<u>Government (3)</u>
152,983	4.1%	203,700	262,100	762,300	406,000
139,858	3.9%	195,000	258,500	709,900	392,500
190,489	5.5%	193,300	258,500	666,600	387,900
205,619	6.0%	183,000	261,100	501,500	377,400
222,748	6.7%	169,300	257,200	479,100	386,200
257,677	7.8%	158,600	254,600	466,500	391,600
266,352	8.2%	156,300	251,200	456,000	394,300
245,567	7.7%	168,000	260,800	459,000	388,700
156,350	5.0%	193,900	287,300	483,800	382,200
133,071	4.3%	187,900	296,500	481,600	370,400

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY POSITION

LAST TEN FISCAL YEARS

POSITION	2016	2015	2014	2013	2012
Teachers:					
Pre-Kindergarten	53.26	31.61	29.20	29.83	28.20
Kindergarten	105.02	137.72	103.09	101.17	102.66
Elementary (Grades 1-6)	804.39	768.00	641.79	758.08	698.43
Middle School (Grades 6-8)	288.29	16.83	20.15	0.47	8.73
Secondary (Grades 7-12)	605.54	783.20	858.02	707.93	658.14
All Grade Levels	78.90	109.14	99.08	61.72	99.52
Other	7.50	7.67	5.00	1.00	2.75
Teacher Totals	<u>1,942.90</u>	<u>1,854.17</u>	<u>1,756.33</u>	<u>1,660.20</u>	<u>1,598.43</u>
Professional Support:					
Athletic Trainer	0.00	0.00	0.00	0.00	0.00
Corrective Therapist	0.00	0.00	1.81	1.00	1.81
Counselor	68.47	69.68	61.00	62.00	54.45
Department Head	0.00	0.00	0.00	0.00	0.00
Educational Diagnostician	33.28	28.30	30.00	32.00	31.00
Librarian	4.36	7.02	0.30	0.77	15.01
LSSP/Psychologist	12.79	10.89	18.00	13.00	13.00
Occupational Therapist	6.00	6.00	6.00	5.90	6.00
Orientation/Mobility Spec	1.00	1.00	1.00	1.00	1.00
Other Campus Prof. Personnel	58.62	52.64	47.00	40.37	44.30
Other Non-Instr. Personnel	59.05	56.07	51.00	48.59	61.93
Physical Therapist	1.00	1.00	1.00	1.00	1.00
Psychological Associate	0.00	0.00	0.00	0.00	0.00
School Nurse	40.33	40.97	40.00	39.00	38.32
Social Worker	6.95	9.00	11.00	10.00	8.00
Speech Therapist/Speech-Lang Pathologist	30.29	30.22	23.94	25.00	28.00
Visiting Teacher	0.00	0.00	0.00	0.00	0.00
Work-Based Learning Site Coordinator	0.00	0.00	0.00	0.00	0.00
Teacher Facilitator	49.00	27.00	52.00	54.25	38.80
Total Support Staff	<u>371.14</u>	<u>339.79</u>	<u>344.05</u>	<u>333.88</u>	<u>342.62</u>
Administrative Staff:					
Assistant Principal	78.05	63.83	58.05	60.89	58.92
Asst/Assoc/Deputy Superintendent	8.94	7.00	3.00	2.00	3.00
Athletic Director	1.00	1.00	1.00	1.00	1.00
Business Manager	0.00	1.00	1.00	1.00	1.00
Director - Human Resources	3.00	3.00	4.00	1.00	1.00
Dist Instr. Pgm. Dir. or Exc. Director	11.15	11.86	20.69	24.02	2.97
Principal	36.17	38.12	39.96	38.62	36.69
Superintendent	1.00	1.00	1.00	1.00	1.00
Teacher Supervisor	54.95	41.46	25.00	14.09	24.89
Total Administrative Staff	<u>194.26</u>	<u>168.27</u>	<u>153.70</u>	<u>143.62</u>	<u>130.47</u>
Support Staff					
Educational Aides	308.28	256.65	267.00	306.00	234.26
Auxiliary Staff:	945.78	912.87	774.81	793.50	821.14
Total Support Staff	<u>1,254.06</u>	<u>1,169.52</u>	<u>1,041.81</u>	<u>1,099.50</u>	<u>1,055.40</u>
Total Employees	<u>3,762.36</u>	<u>3,531.75</u>	<u>3,295.89</u>	<u>3,237.20</u>	<u>3,126.92</u>

Source: PEIMS Standards Reports and District records

TABLE 15

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
29.00	27.87	39.35	19.87	20.59
105.28	109.77	102.37	114.82	126.68
723.65	725.76	789.69	748.23	682.99
12.56	18.35	20.56	11.37	13.98
625.31	621.53	594.81	579.16	536.80
149.90	108.79	170.63	175.61	198.39
2.70	0.00	1.00	0.00	0.00
<u>1,648.40</u>	<u>1,612.07</u>	<u>1,718.41</u>	<u>1,649.06</u>	<u>1,579.43</u>
0.00	0.00	1.00	0.00	0.00
2.53	2.00	0.00	0.00	0.00
56.01	58.11	60.42	56.25	50.87
0.00	0.00	0.00	0.00	0.00
30.98	32.48	28.96	29.40	23.66
30.17	31.29	31.83	33.21	33.93
14.43	12.00	1.00	1.00	0.00
4.00	4.96	0.00	2.67	3.00
1.00	0.00	0.00	1.00	1.00
51.96	47.00	4.00	2.00	1.50
56.73	52.63	85.54	38.39	36.68
1.00	0.00	0.00	1.00	2.00
0.00	0.00	10.82	11.87	13.00
37.61	38.85	38.17	36.12	34.68
10.00	7.00	9.00	9.00	11.00
23.86	62.97	10.00	16.00	17.00
0.00	0.00	1.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
49.58	37.28	25.00	36.87	39.00
<u>369.86</u>	<u>386.57</u>	<u>306.74</u>	<u>274.78</u>	<u>267.32</u>
63.44	66.49	58.00	53.17	49.50
4.00	4.00	4.00	5.00	5.00
1.00	1.00	0.00	1.00	1.00
1.00	1.00	0.00	0.00	0.00
1.00	1.00	1.00	2.00	2.00
1.11	3.13	3.00	16.00	13.41
36.56	36.00	38.00	37.00	36.00
1.00	1.00	1.00	1.00	0.55
32.40	47.16	1.36	0.97	0.00
<u>141.51</u>	<u>160.78</u>	<u>106.36</u>	<u>116.14</u>	<u>107.46</u>
268.13	288.97	19.73	265.02	255.25
859.97	849.43	1,042.96	744.16	687.87
<u>1,128.10</u>	<u>1,138.40</u>	<u>1,062.69</u>	<u>1,009.18</u>	<u>943.12</u>
<u>3,287.87</u>	<u>3,297.82</u>	<u>3,194.19</u>	<u>3,049.16</u>	<u>2,897.33</u>

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT**OPERATING STATISTICS****LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Average Daily Attendance</u>	<u>Operating Expenditures (1)</u>	<u>Cost Per Student</u>	<u>Percentage Change</u>
2016	27,097	\$ 291,478,853	\$ 10,757	8.24%
2015	26,421	262,577,848	9,938	8.15%
2014	25,845	237,501,279	9,189	2.53%
2013	24,961	223,719,412	8,963	7.09%
2012	24,839	207,890,394	8,370	-4.88%
2011	24,581	216,284,239	8,799	-2.91%
2010	24,240	219,684,861	9,063	6.81%
2009	23,941	203,127,364	8,485	-2.62%
2008	23,407	203,956,559	8,713	16.06%
2007	22,798	171,156,699	7,507	5.98%
2006	22,149	156,903,851	7,084	-1.32%

Source: Grand Prairie ISD records

(1) Total Governmental Fund expenditures less capital outlay, debt service, and intergovernmental expenditures per Exhibit B-2.

TABLE 16

	Government Wide Expenses	Cost Per Student	Percentage Change	Teaching Staff	Student to Teacher Ratio	Percentage of Students in Free/Reduced Lunch Program
\$	372,408,410	\$ 13,744	20.90%	2,137	12.68	73.29%
	300,349,046	11,368	7.42%	2,023	13.06	73.00%
	273,503,022	10,582	0.00%	1,756	14.72	71.62%
	264,162,060	10,583	7.15%	1,660	15.04	73.18%
	245,319,950	9,877	-5.15%	1,598	15.54	72.60%
	255,962,908	10,413	-2.80%	1,648	14.92	72.10%
	259,679,029	10,713	2.73%	1,612	15.04	69.80%
	249,656,868	10,428	-0.71%	1,718	13.94	66.00%
	245,851,473	10,503	18.59%	1,649	14.19	64.90%
	201,909,217	8,856	3.57%	1,579	14.44	62.50%
	189,405,593	8,551	-2.09%	1,522	14.55	59.80%

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GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT**TEACHER BASE SALARIES****LAST TEN FISCAL YEARS****TABLE 17**

Fiscal Year	District			Region Average Salary (2)	Statewide Average Salary (2)
	Minimum Salary (1)	Maximum Salary (1)	Average Salary (1)		
2016	\$ 50,500	\$ 67,962	\$ 54,061	\$ 52,945	\$ 51,892
2015	50,000	67,462	53,684	51,757	50,715
2014	47,500	66,715	51,884	50,851	49,692
2013	47,000	66,715	50,939	50,249	48,821
2012	46,500	66,538	50,125	46,327	48,375
2011	47,000	66,538	50,693	46,612	48,638
2010	46,500	66,038	49,976	46,500	48,263
2009	45,500	65,038	50,098	46,416	47,159
2008	43,500	63,144	48,663	44,969	46,179
2007	42,000	61,305	47,625	47,733	44,897

(1) Source: District records

(2) Source: PEIMS Standards reports - Staff Salaries and FTE Counts

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS

<u>Building:</u>	<u>Year Built</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>HIGH SCHOOLS</u>				
<i>Dubiski Career High School</i>	<i>2009</i>			
<i>Square Footage</i>		247,880	247,880	247,880
<i>Capacity</i>		1,800	1,800	1,800
<i>Enrollment</i>		1,598	1,486	1,512
<i>Grand Prairie Collegiate (at Houston) (10)</i>	<i>2014</i>			
<i>Square Footage</i>		48,417	48,417	5,600
<i>Capacity</i>		682	682	180
<i>Enrollment</i>		182	121	88
<i>Grand Prairie Fine Arts Academy (6)</i>	<i>2002</i>			
<i>Square Footage</i>		157,046	157,046	157,046
<i>Capacity</i>		1,300	1,300	1,300
<i>Enrollment</i>		654	529	387
<i>Grand Prairie High School</i>	<i>1951</i>			
<i>Additions: 1955/1957/1960/1963/1964/1965/1969, 1971/1979/1986/1989/1998/2003/2004/2008</i>				
<i>Square Footage</i>		481,325	481,325	481,325
<i>Capacity</i>		2,938	2,938	2,938
<i>Enrollment</i>		2,543	2,553	2,502
<i>South Grand Prairie High School</i>	<i>1970</i>			
<i>Additions: 1979/1986/1990/1992/1996/2001/2003, 2008/2010/2012</i>				
<i>Square Footage</i>		516,047	516,047	516,047
<i>Capacity</i>		2,730	2,730	2,730
<i>Enrollment</i>		2,417	2,368	2,322
<i>South Grand Prairie 9th Grade Center</i>	<i>1968</i>			
<i>Additions: 2002/2008</i>				
<i>Square Footage</i>		126,743	126,743	126,743
<i>Capacity</i>		1,248	1,248	1,248
<i>Enrollment</i>		920	889	849
<i>Young Women's Leadership Academy at Arnold (Grades 6-12) (7)</i>	<i>2002</i>			
<i>Square Footage</i>		143,962	143,962	143,962
<i>Capacity</i>		1,222	1,000	1,222
<i>Enrollment</i>		1,226	1,169	1,104
<u>MIDDLE SCHOOLS</u>				
<i>Adams Middle School</i>	<i>1963</i>			
<i>Additions: 1971/1979/1986/1998/2008/2009</i>				
<i>Square Footage</i>		99,977	99,977	99,977
<i>Capacity</i>		1,000	1,000	1,000
<i>Enrollment</i>		668	653	623
<i>Fannin Middle School (1)</i>	<i>1984</i>			
<i>Additions: 1986/2000/2008/2010</i>				
<i>Square Footage</i>		100,945	100,945	100,945
<i>Capacity</i>		750	750	750
<i>Enrollment</i>		749	776	763

TABLE 18
Page 1 of 6

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
247,880	247,880	247,880	247,880	-	-	-
1,800	1,800	1,800	1,800	-	-	-
1,521	1,513	1,082	781	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
157,046	157,046	157,046	157,046	157,046	157,046	157,046
1,300	975	975	975	975	975	975
664	674	745	808	918	890	979
481,325	481,325	481,325	481,325	481,325	394,173	394,173
2,938	2,673	2,673	2,673	2,673	2,673	2,673
1,910	1,851	1,975	2,006	2,100	2,157	1,988
505,779	505,779	505,779	480,523	480,523	393,410	393,410
2,730	2,600	2,600	2,502	2,502	2,502	2,502
2,314	2,307	2,334	2,409	2,499	2,569	2,410
126,743	126,743	126,743	126,743	126,743	125,417	125,417
1,248	1,000	1,000	1,000	1,000	1,000	1,000
800	828	882	849	990	1,040	1,078
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
99,977	99,977	99,977	99,977	97,852	89,782	89,782
1,000	1,000	1,000	1,000	740	740	740
715	767	812	768	789	793	771
100,945	100,945	100,945	-	-	-	-
700	700	700	-	-	-	-
746	728	659	-	-	-	-

Continued

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS

<u>Building:</u>	<u>Year Built</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>MIDDLE SCHOOLS (continued)</u>				
<i>HOPE Academy</i>	<i>2014</i>			
<i>Square Footage</i>		9,100	9,100	9,100
<i>Capacity</i>		312	312	312
<i>Enrollment</i>		99	97	113
<i>Jackson Middle School</i>	<i>2002</i>			
<i>Square Footage</i>		137,690	137,690	137,690
<i>Capacity</i>		1,200	1,200	1,200
<i>Enrollment</i>		1,146	1,128	1,031
<i>Lee Middle School (2)</i>	<i>1942</i>			
<i>Additions: 1947/1954/1986/1987/1993/2001</i>				
<i>Square Footage</i>		-	-	-
<i>Capacity</i>		-	-	-
<i>Enrollment</i>		-	-	-
<i>Reagan Middle School</i>	<i>2004</i>			
<i>Square Footage</i>		138,925	138,925	138,925
<i>Capacity</i>		1,175	1,175	1,175
<i>Enrollment</i>		884	770	714
<i>Truman Middle School</i>	<i>1979</i>			
<i>Additions: 1987/1993/1997/2004/2008</i>				
<i>Square Footage</i>		115,364	115,364	115,364
<i>Capacity</i>		806	806	806
<i>Enrollment</i>		565	600	583
<i>Young Men's Leadership Academy at Kennedy Middle School</i>	<i>1986</i>			
<i>Additions: 1993/1997/2008/2013</i>				
<i>Square Footage</i>		127,019	127,019	127,019
<i>Capacity</i>		1,118	1,118	1,118
<i>Enrollment</i>		875	895	1,003
<i>Young Women's Leadership Academy at Arnold Middle School (7)</i>	<i>2002</i>			
<i>Square Footage</i>		-	-	-
<i>Capacity</i>		-	-	-
<i>Enrollment</i>		-	-	-
<u>ELEMENTARY SCHOOLS</u>				
<i>Austin Elementary</i>	<i>1954</i>			
<i>Additions: 1958/1963/1967/1986/1988/2001/2008</i>				
<i>Square Footage</i>		67,566	67,566	67,566
<i>Capacity</i>		540	540	540
<i>Enrollment</i>		518	531	544
<i>Bonham EES</i>	<i>1967</i>			
<i>Additions: 1971/1996/2008</i>				
<i>Square Footage</i>		68,082	68,082	68,082
<i>Capacity</i>		680	680	680
<i>Enrollment</i>		296	408	409

TABLE 18
Page 2 of 6

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
137,690	137,690	137,690	137,690	137,690	137,690	137,478
1,200	1,000	1,000	1,000	1,000	1,000	1,000
1,023	1,052	1,065	1,074	1,127	1,075	1,040
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
138,970	138,970	138,970	138,970	138,970	138,970	138,970
1,175	1,175	1,175	1,000	1,000	1,000	1,000
902	718	749	768	797	800	673
115,364	115,364	115,364	115,364	115,364	107,294	107,294
806	806	806	806	977	977	977
569	568	550	697	750	694	692
114,762	114,762	114,762	114,762	114,762	110,478	110,478
1,118	844	844	844	844	844	844
967	982	997	912	895	823	851
143,962	143,962	143,962	143,962	143,962	143,962	143,962
1,000	1,000	1,000	1,000	1,000	1,000	1,000
1,024	1,068	989	793	795	750	764
67,566	67,566	67,566	67,566	67,566	63,422	63,422
540	540	540	520	520	520	520
579	569	536	535	522	481	449
68,082	68,082	68,082	68,082	68,082	67,521	67,521
680	680	680	760	760	760	760
373	330	280	475	494	639	592

Continued

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS

<u>Building:</u>	<u>Year Built</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>ELEMENTARY SCHOOLS (continued)</u>				
<i>Bowie Elementary</i>	<i>1951</i>			
<i>Additions: 1954/1986/1998/2004/2008</i>				
<i>Square Footage</i>		48,655	48,655	48,655
<i>Capacity</i>		580	580	580
<i>Enrollment</i>		515	435	439
<i>Bush Elementary</i>	<i>1997</i>			
<i>Square Footage</i>		65,710	65,710	65,710
<i>Capacity</i>		680	680	680
<i>Enrollment</i>		591	603	570
<i>Crockett EES (11)</i>	<i>2000</i>			
<i>Square Footage</i>		72,231	72,231	72,231
<i>Capacity</i>		560	660	660
<i>Enrollment</i>		477	504	513
<i>Daniels Elementary Academy of Science and Math</i>	<i>1955</i>			
<i>Additions: 1995/2011</i>				
<i>Square Footage</i>		83,927	83,927	83,927
<i>Capacity</i>		660	660	660
<i>Enrollment</i>		626	649	694
<i>Dickinson Elementary</i>	<i>1981</i>			
<i>Additions: 1986/2002/2009</i>				
<i>Square Footage</i>		65,685	65,685	65,685
<i>Capacity</i>		590	640	640
<i>Enrollment</i>		424	441	471
<i>Eisenhower Elementary</i>	<i>1968</i>			
<i>Additions/Renovations: 1986/1991/2000/2009</i>				
<i>Square Footage</i>		81,501	81,501	81,501
<i>Capacity</i>		800	800	800
<i>Enrollment</i>		766	753	713
<i>Fannin Elementary (1)</i>	<i>1984</i>			
<i>Additions/Renovations: 1986/2002/2008</i>				
<i>Square Footage</i>		-	-	-
<i>Capacity</i>		-	-	-
<i>Enrollment</i>		-	-	-
<i>Florence Hill Elementary</i>	<i>1990</i>			
<i>Square Footage</i>		63,205	62,000	62,000
<i>Capacity</i>		580	600	600
<i>Enrollment</i>		521	525	514
<i>Garcia Elementary</i>	<i>1998</i>			
<i>Square Footage</i>		68,185	68,185	68,185
<i>Capacity</i>		680	680	680
<i>Enrollment</i>		647	546	614
<i>Garner Fine Arts Academy</i>	<i>1986</i>			
<i>Additions: 1987/1993/2008/2011</i>				
<i>Square Footage</i>		63,851	63,851	63,851
<i>Capacity</i>		660	660	660
<i>Enrollment</i>		856	761	641

TABLE 18
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<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
48,655	48,655	48,655	48,655	48,655	44,829	44,829
580	580	580	620	620	620	620
443	454	440	517	529	523	525
65,710	65,710	65,710	65,710	65,710	65,710	65,710
680	680	680	640	640	640	640
568	576	609	549	565	475	510
72,231	72,231	72,231	72,231	72,231	72,231	72,231
660	660	660	660	660	660	660
487	521	539	454	583	608	575
83,927	83,927	83,927	75,231	75,231	75,231	75,231
660	660	660	660	660	660	660
610	606	526	528	544	605	573
65,685	65,685	65,685	61,524	61,524	61,524	61,524
640	640	640	640	640	640	640
431	448	460	463	459	468	662
81,501	81,501	81,501	81,501	47,101	47,101	47,101
800	800	800	800	500	500	500
703	657	766	536	537	481	430
-	-	-	52,932	52,932	52,932	52,932
-	-	-	620	620	620	620
-	-	-	433	420	388	406
62,000	62,000	62,000	62,000	62,000	62,000	62,000
600	600	600	600	600	600	600
484	466	468	530	529	538	562
68,185	68,185	68,185	68,185	68,185	68,185	68,185
680	680	680	680	680	680	680
604	547	570	558	523	566	540
63,851	63,851	60,963	60,963	60,963	60,059	60,059
660	660	660	660	660	660	660
564	552	375	387	416	452	472

Continued

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS

<u>Building:</u>	<u>Year Built</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>ELEMENTARY SCHOOLS (continued)</u>				
Houston Elementary (3)	1952			
Additions: 1954/1958/1969/1986/1988/1996/2004				
Square Footage		-	-	-
Capacity		-	-	-
Enrollment		-	-	-
Johnson Elementary (8)	1969			
Additions: 1986				
Square Footage		-	-	-
Capacity		-	-	-
Enrollment		-	-	-
Lee Elementary (2)	1942			
Additions: 1947/1954/1986/1987/1993/2001				
Square Footage		139,942	139,942	134,342
Capacity		900	900	720
Enrollment		671	734	773
Marshall Leadership Academy	2004			
Square Footage		73,525	73,525	73,525
Capacity		700	700	700
Enrollment		624	591	591
Ellen Ochoa STEM Academy at Milam Elementary	1955			
Additions: 1986/2008				
Square Footage		91,864	91,864	91,864
Capacity		900	900	900
Enrollment		871	873	844
Moore Elementary	2001			
Square Footage		72,872	72,872	72,872
Capacity		700	700	700
Enrollment		494	518	555
Moseley Elementary	2007			
Square Footage		77,980	77,980	77,980
Capacity		720	720	720
Enrollment		628	619	633
Powell Elementary	1997			
Square Footage		65,710	65,710	65,710
Capacity		540	540	540
Enrollment		559	546	484
Rayburn Elementary	1973			
Additions: 1986/1998/2009				
Square Footage		83,550	83,550	83,550
Capacity		720	720	720
Enrollment		567	492	512

TABLE 18
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<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
-	-	-	62,947	62,947	62,947	62,947
-	-	-	620	620	620	620
-	-	-	516	577	564	557
54,708	54,708	54,708	54,708	54,708	54,708	54,708
580	580	580	560	560	560	560
518	506	531	500	546	519	525
139,942	139,942	139,942	-	-	-	-
900	900	900	-	-	-	-
768	750	693	-	-	-	-
73,525	73,525	73,525	73,525	73,525	73,525	73,525
700	700	700	700	700	700	700
556	530	533	587	535	505	429
56,831	56,831	56,831	56,831	52,670	52,670	52,670
560	560	560	560	560	560	560
603	581	582	584	574	473	488
72,872	72,872	72,872	72,872	72,872	72,872	72,872
700	700	700	700	700	700	700
574	569	607	629	599	591	565
77,980	77,980	77,980	77,980	77,980	77,980	-
720	720	720	832	832	832	-
587	552	549	562	545	453	-
65,710	65,710	65,710	65,710	65,710	65,710	65,710
540	540	540	540	540	540	540
500	466	471	505	523	524	599
83,550	83,550	83,550	83,550	49,350	49,350	49,350
720	720	720	720	460	460	460
559	580	603	499	455	534	521

Continued

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS

<u>Building:</u>	<u>Year Built</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>ELEMENTARY SCHOOLS (continued)</u>				
Seguin Elementary	2004			
Square Footage		73,525	73,525	73,525
Capacity		700	700	700
Enrollment		532	546	538
School for the Highly Gifted (at Dubiski High School)				
Square Footage (included in Dubiski's totals)		-	-	-
Capacity (included in Dubiski's totals)		-	-	-
Enrollment		87	46	-
William B. Travis World Language Academy	1939			
Additions: 1942/1950/1954/1958/1960/1971/1979, 1986/1989/2001				
Square Footage		112,121	112,121	112,121
Capacity		800	700	700
Enrollment		692	611	603
Whitt Fine Arts Academy	2001			
Additions: 2009				
Square Footage		74,649	74,649	74,649
Capacity		700	700	700
Enrollment		628	635	620
Williams Elementary	2008			
Square Footage		77,980	77,980	77,980
Capacity		720	720	720
Enrollment		703	612	609
De Zavala Environmental Science Academy	1977			
Additions: 1986/2008				
Square Footage		95,637	95,637	95,637
Capacity		900	900	900
Enrollment		944	887	832
<u>ALTERNATIVE CAMPUSES</u>				
Crosswinds High School	2008			
Additions: 2009				
Square Footage		49,755	49,755	49,755
Capacity		360	360	360
Enrollment		330	299	272
Boze Learning Center (4)	1930			
Square Footage		-	-	-
Capacity		-	-	-
Enrollment		-	-	-
Johnson DAEP (8)(9)	1969			
Additions: 1986				
Square Footage		54,708	54,708	54,708
Capacity		580	580	580
Enrollment		104	121	119

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<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
73,525	73,525	73,525	73,525	73,525	73,525	73,525
700	700	700	700	700	700	700
523	557	577	653	569	655	660
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
112,121	112,121	112,121	112,121	112,121	112,121	112,121
700	700	700	700	700	700	700
592	630	624	483	473	499	478
74,649	74,649	74,649	74,649	72,872	72,872	72,872
700	700	700	700	700	700	700
599	566	598	577	619	592	581
77,980	77,980	77,980	77,980	77,980	-	-
720	720	720	832	832	-	-
622	585	614	468	369	-	-
57,013	57,013	57,013	57,013	52,852	52,852	52,852
620	620	620	620	620	620	620
469	458	532	577	552	513	522
49,755	49,755	49,755	49,755	46,795	-	-
360	360	360	360	320	-	-
326	286	363	359	288	-	-
-	-	-	-	-	18,632	18,632
-	-	-	-	-	360	360
-	-	-	-	-	-	104
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

Continued

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS

<u>Building:</u>	<u>Year Built</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>ALTERNATIVE CAMPUSES (continued)</u>				
Lamar AEP (9)	1952			
Additions/Renovations: 1979/1986/2000				
Square Footage		-	-	-
Capacity		-	-	-
Enrollment		-	-	-
<u>OTHER BUILDINGS</u>				
Annex A&B (CEC)	1950			
Demo and Torn Down: 2010				
Square Footage		-	-	-
Annex C, D, & E	1956			
Square Footage		3,672	3,672	3,672
Boze Center (4)	1930			
Additions:1952/1956/1968/1986				
Square Footage		18,632	18,632	18,632
Daniels Book Depository	1951			
Additions:1991				
Square Footage		10,159	10,159	10,159
Education Center	1997			
Additions:2003				
Square Footage		77,921	77,921	77,921
Gentry Long Service Center	1975			
Additions:1985/1986/1987/2002				
Square Footage		77,447	77,447	77,447
Houston Staff Development Center (3), (10)	1952			
Additions:1954/1958/1969/1986/1988/1996/2004				
Square Footage		14,530	14,530	53,847
Lamar (9)	1952			
Square Footage		27,174	27,174	27,174
Textbook Depository (5)	2013			
Square Footage		11,000	11,000	11,000

Source: District records

- (1) Fannin Elementary became Fannin Middle School at the beginning of the 2011 fiscal year.
- (2) Lee Middle School became Lee Elementary at the beginning of the 2011 fiscal year.
- (3) Houston Elementary became Houston Staff Development Center at the beginning of the 2011 fiscal year.
- (4) Boze Learning Center (Alternative Ed.) became the Boze Center at the beginning of the 2009 fiscal year.
- (5) Year built of 2013 is actually the year the Textbook Depository building was purchased.
- (6) Grand Prairie 9th Grade Center became Grand Prairie Fine Arts Academy at the beginning of the 2014 fiscal year.
- (7) Young Women's Leadership Academy at Arnold Middle School became a High School to include grades 6-8 at the beginning of the 2014 fiscal year.
- (8) Johnson Elementary became Johnson DAEP at the beginning of the 2014 fiscal year.
- (9) Lamar AEP students moved to Johnson DAEP in 2014. The Lamar building was reclassified to Other Buildings.
- (10) The Grand Prairie Collegiate program was moved from Lee Elementary to Houston Staff Dvlpmt. Ctr. in 2015.
- (11) Crockett 5th Grade Center became Crockett Early Education School at the beginning of the 2016 fiscal year.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
27,174	27,174	27,174	27,174	27,174	27,174	27,174
225	225	225	225	225	225	225
93	107	143	111	161	107	138
-	-	-	15,654	15,654	15,654	15,654
3,672	3,672	3,672	3,672	3,672	3,672	3,672
18,632	18,632	18,632	18,632	18,632	-	-
10,159	10,159	10,159	10,159	10,159	10,159	10,159
77,921	77,921	77,921	77,921	77,921	77,921	77,921
77,447	77,447	77,447	77,447	77,447	77,447	77,447
62,947	62,947	62,947	-	-	-	-
-	-	-	-	-	-	-
11,000	-	-	-	-	-	-

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FEDERAL AWARDS SECTION

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**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**

The Board of Trustees of
Grand Prairie Independent School District
2602 S. Beltline Road
Grand Prairie, Texas 75052

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grand Prairie Independent School District (District), as of and for the year ended August 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 19, 2017.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control described in the accompanying schedule of findings and questioned costs (2016-001) that we consider to be a material weakness.

Compliance and Other Matters

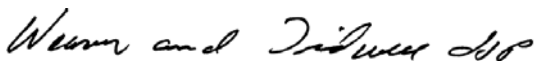
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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*.

District's Response to Findings

The District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 19, 2017



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

The Board of Trustees of
Grand Prairie Independent School District
2602 S. Beltline Road
Grand Prairie, Texas 75052

Report on Compliance for Each Major Federal Program

We have audited Grand Prairie Independent School District's (District) compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2016. 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 the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Grand Prairie Independent School District complied in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2016.

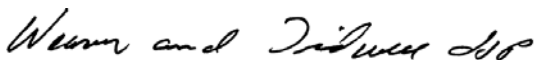
Report on Internal Control Over Compliance

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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 19, 2017

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT**SCHEDULE OF FINDINGS AND QUESTIONED COSTS****FOR THE YEAR ENDED AUGUST 31, 2016**

SECTION I – SUMMARY OF AUDITORS’ RESULTS	
FINANCIAL STATEMENTS	
1. Type of auditors’ report issued	Unmodified
2. Internal Control over Financial Reporting:	
a. Material Weakness(es) identified?	Yes
b. Significant Deficiency(ies) identified that are not considered to be material weaknesses?	None Reported
3. Noncompliance material to the Financial Statements noted?	No
FEDERAL AWARDS	
4. Internal control over major programs:	
a. Material Weakness(es) identified?	No
b. Significant Deficiency(ies) identified that are not considered to be material weaknesses?	None reported
5. Type of auditors’ report issued on compliance with major programs?	Unmodified
6. Any Audit Findings Disclosed that are Required to be Reported in Accordance with Uniform Guidance?	No
7. Identification of Major Programs	84.010A ESEA Title I 84.367A ESEA Title II
8. Dollar Threshold Used to Distinguish Between Type A and Type B Federal Programs	\$890,842
9. Auditee Qualified as a Low-Risk Auditee?	Yes

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED AUGUST 31, 2016

SECTION II – FINANCIAL STATEMENT FINDINGS

2016-001 UNRECONCILABLE DIFFERENCES BETWEEN GENERAL LEDGER AND BANK CASH BALANCE

Material Weakness in Internal Controls

Criteria:

The District did not timely reconcile each month's General Ledger cash balance to the Bank cash balance for their Local Maintenance account throughout the year.

Condition:

During the current audit, it was noted that the District's General Ledger cash balance was different than the District's Bank reconciliation balance, and that the District had not identified the reconciling items within the audit year.

Cause:

The District's believes that the unreconcilable items are timing differences from payments made to vendors through a payment processing vendor in current and prior years.

Effect:

Not timely reconciling the District's General Ledger to the Bank balance each month effects the District's ability to detect and correct errors.

Recommendation:

We recommend that the District review internal control policies and procedures to ensure all balance sheet accounts are being properly and timely reconciled each month along with proper review of the reconciliations by appropriate District personnel. We also recommend that the District suspend the use of their payment processing vendor account until processes and procedures are established to enable the District to reconcile its cash accounts

Corrective Action:

Contact Person:

Rob Welch

Assistant Superintendent of Business and Finance

Response:

New administration in the Finance Department began reviewing policies, procedures, and staffing responsibilities to ensure all bank reconciliations are being properly and timely reconciled. An initial review of the process prompted a more in-depth review by a consultant. Additional staffing resources have been devoted to breakdown and account for the complex and voluminous interactions of the past and current transactions in a detailed reconciliation during the audit year. While requiring more time, the detailed reconciliations allowed for the analysis necessary to resolve any processing issues. New procedures for supporting accounting processes are continually being implemented for the 2016-2017 fiscal year based on this review.

Estimated Date of Completion:

The District has developed a timely bank reconciliation process. New procedures for supporting processes are continuing to be implemented with training of new staff.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

*SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2016*

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED AUGUST 31, 2016

SECTION IV - PRIOR YEAR FINDINGS

2015-001 SUPPLY STIPEND PAID IN CASH

Significant Deficiency in Internal Controls

Condition:

The following control weaknesses were noted in the District's controls over the ordering and use of cash beyond the normal game change funds:

- no written procedures for administering the payments of cash;
- amounts were not included in the employees' W-2;
- employment taxes may have been underpaid;
- appears to not comply with the District's stipend policy;
- dual control of the large sum of cash was not implemented; and
- segregation of duties were not modified for handling and accounting for large sums of cash.

Corrective Action:

The Finance Department began reviewing and changing procedures and practices before this report was received, and will continue:

- 1) Reviewing stipend-related policies and procedures and adjusting accordingly,
- 2) Documenting proposed and existing procedures administering the payments of stipends, including the Supply Stipend,
- 3) Documenting proposed and existing procedures for handling of cash, including dual-person controls and segregation of duties, and
- 4) Processing the Supply Stipend through the payroll accounting system to reflect correctly on employees' 2015 W-2.

Status:

Corrected.

2015-002 ADJUSTING JOURNAL ENTRIES

Significant Deficiency in Internal Controls

Condition:

The following control weaknesses were noted in the District's controls over the posting of adjusting journal entries:

- no written procedures;
- entries posted without proper support; and
- entries posted without proper evidence of review and authorization of a second District employee.

Corrective Action:

The Finance Department administration began reviewing current internal control policies, and making adjustments before receipt of this report. The Department will continue making needed adjustments, and verify their implementation and operation under the policies. Procedures are or will be documented and responsible staff will be trained on the documented procedures. The procedures will specifically require that all journal entries shall have reasonable documentation to appropriately support said journal entry as well as approval by appropriate personnel.

Status:

Corrected.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED AUGUST 31, 2016

SECTION IV - PRIOR YEAR FINDINGS

2015-003 PAYROLL LIABILITY CLEAR ACCOUNTS

Significant Deficiency in Internal Controls

Condition:

District general ledger and payroll accountants did not work together to properly reconcile the payroll liability clear accounts. During the prior audit, this was discussed with the CFO and she indicated that she would hire a consultant to help the District get this processes completed and procedures in place for the District's monthly closeout.

Corrective Action:

The Finance Department began reviewing and updating the documentation of internal control policies and procedures for reconciling the balance sheet accounts properly and timely before receiving this report. The Department will continue to strengthen procedures, including proper review by appropriate personnel. The Finance Department has implemented an interim process to avoid double posting to the asset and liability accounts until documented procedures are finalized.

Status:

Corrected.

2015-004 TIMELY BANK RECONCILIATIONS

Significant Deficiency in Internal Controls

Condition:

During the current audit, it was noted that the bank reconciliations were not being completed timely since the accountant was waiting on support from a trusted employee of management prior to posting adjusting journal entries.

Corrective Action:

Before receiving this report, new administration in the Finance Department began reviewing internal control policies and procedures and staffing responsibilities to ensure all bank reconciliations are being properly and timely reconciled along with proper review of the reconciliations by appropriate personnel

Status:

Not corrected, see current year finding 2016-001.

2015-005 INTERNAL CONTROLS – INTERNAL AUDITOR

Significant Deficiency in Internal Controls

Condition:

The significant deficiencies referred to in the above findings are a result of a weakened control environment that is not supported by thoroughly documented and consistently enforced policies and procedures as well as an atmosphere within the District with fosters an open line of communication between departments.

Corrective Action:

With new leadership in the Finance Department, a review of staffing responsibilities and department needs is being conducted and recommendations will be made as part of the 2016-17 budget process. The internal auditor function is part of that evaluation and the District intends to incorporate such duties into the plan.

Status:

Corrected.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

EXHIBIT J-1

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED AUGUST 31, 2016

(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Federal CFDA Number	(2A) Pass-Through Entity Identifying Number	(3) Total Federal Expenditures
<u>U.S. DEPARTMENT OF EDUCATION</u>			
Direct:			
<i>Indian Education Act, Title V</i>	84.060A	S060A151185	\$ 19,605
<i>Texas SEED Grant</i>	84.367D	U367D130024	266,788
Passed Through State Department of Education:			
<i>ESEA Title I, Part A - Improving Basic Programs</i>	84.010A	16610101057910	5,572,784
<i>ESEA Title I, Part A - Improving Basic Programs</i>	84.010A	17610101057910	41,331
<i>ESEA Title I Priority and Focus School Grant</i>	84.010A	16610112057910000	131,737
Total Program 84.010A			5,745,852
Special Education Cluster (IDEA):			
<i>IDEA - Part B, Formula</i>	84.027A	166600010579106600	5,125,067
<i>IDEA - Part B, Preschool</i>	84.173A	166610010579106610	54,736
Total Special Education Cluster (IDEA)			5,179,803
<i>Career and Technical - Basic Grant</i>	84.048A	16420006057910	278,938
<i>Career and Technical - Basic Grant</i>	84.048A	17420006057910	48,838
Total Program 84.048A			327,776
<i>Tchr PD Partnerships Advanced Math/Science</i>	84.366B	156944187110008	80,552
<i>Public Charter Schools-PCS Start-Up</i>	84.282A	155900077110003	169,055
<i>Public Charter Schools-PCS Start-Up</i>	84.282A	155900077110004	297,462
Total Program 84.282A			466,517
<i>Title III, Part A - English Language Acquisition and Language Enhancement</i>	84.365A	16671001057910	688,053
<i>Title III, Part A - English Language Acquisition and Language Enhancement</i>	84.365A	17671001057910	2,333
Total Program 84.365A			690,386
<i>ESEA Title II, Part A - Teacher and Principal Training and Recruiting</i>	84.367A	16694501057910	624,884
<i>ESEA Title II, Part A - Teacher and Principal Training and Recruiting</i>	84.367A	17694501057910	9,704
Total Program 84.367A			634,588
<i>Improving Academic Achievement, Summer School LEP</i>	84.369A	S369A130045	26,715
Passed Through Region X Education Service Center:			
<i>Title I, Part C - Migrant Education Program</i>	84.011A	16615001057950	24,319
<i>McKinney-Vento Homeless Education</i>	84.196A	16-058	122,930
Passed Through Region XVIII Education Service Center:			
<i>Teacher Incentive Fund TIF/TAP Grant</i>	84.374A	S374A110176	720,898
TOTAL U.S. DEPARTMENT OF EDUCATION			14,306,729
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Child Nutrition Cluster:			
Passed Through State Department of Agriculture - Non-Cash Assistance:			
<i>National School Lunch Program</i>	10.555	00280	1,199,523
Passed Through State Department of Education - Cash Assistance:			
<i>National School Lunch Program</i>	10.555	71301601	4,345,320
<i>School Breakfast Program</i>	10.553	71401601	9,822,542
Total Child Nutrition Cluster			15,367,385
Passed Through State Department of Agriculture:			
<i>NSLP Equipment Assistance Grant</i>	10.579	00280	15,605
<i>NSLP Training Assistance Grant</i>	10.560	00280	5,000
TOTAL U.S. DEPARTMENT OF AGRICULTURE			15,387,990
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 29,694,719

The accompanying notes are an integral part of this schedule.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED AUGUST 31, 2016

Basis of Presentation:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Grand Prairie Independent School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Single Audit Amendments of 1996 and *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. Presented below is a reconciliation of federal revenues:

Total Expenditures of Federal Awards per Exhibit H-1	\$ 29,694,719
General Fund - Federal Revenue	
SHARS	3,358,357
E-Rate	1,158,691
Medical Assistance Program	115,538
ROTC	245,582
Total Federal Revenues per Exhibit B-2	\$ <u>34,572,887</u>