



ANNUAL COMPREHENSIVE FINANCIAL REPORT

*FOR FISCAL YEAR ENDING
AUGUST 31, 2025*

Lake Dallas ISD
104 Swisher Road
Lake Dallas TX 75065

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

OF THE

**LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
LAKE DALLAS, TEXAS**

**FOR THE FISCAL YEAR ENDED
AUGUST 31, 2025**

PREPARED BY:

**ANNE HAEHN
CHIEF FINANCIAL OFFICER**

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2025

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CERTIFICATE OF BOARD

Lake Dallas Independent School District
Name of School District

Denton
County

061-912
Co. - Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) _____ approved _____ disapproved for the year ended August 31, 2025, at a meeting of the Board of Trustees of such school district on the _____ day of January, 2026.

Signature of Board Secretary

Signature of Board President



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**INTRODUCTORY SECTION
(UNAUDITED)**



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LAKE DALLAS INDEPENDENT SCHOOL DISTRICT

104 Swisher Road | Box 548
LAKE DALLAS, TEXAS 75065
940-497-4039
Fax 940-497-3737
www.ldisd.net

December 15, 2025

Board of Trustees
Lake Dallas Independent School District
P.O. Box 548
Lake Dallas, Texas 75065

To the Board of Trustees and the Citizens of the Lake Dallas Independent School District:

The Comprehensive Annual Financial Report of the Lake Dallas Independent School District (District) for the fiscal year ended August 31, 2025, is now submitted. Responsibility for the data's accuracy and the presentation's completeness and fairness, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of the District's various funds and account groups. All disclosures necessary to enable the reader to understand the District's financial activities have been included.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. In addition, the District's MD&A can be found immediately following the independent auditor's report.

The Lake Dallas Independent School District Board of Trustees (Board), a seven-member group, is the level of government that has responsibility for the District's overall activities related to public elementary and secondary school education within the jurisdiction of the District. The District receives funding from local, state, and federal funding sources. The District is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, since Board members are elected by the public and have decision-making authority, the power to designate management, the responsibility to influence operations, and primary accountability for fiscal matters.

Profile of the District

Lake Dallas ISD financial statements include all the funds of the District, as well as any component units for which the District is financially accountable.

Lake Dallas ISD is adjacent to Lewisville Lake in North Texas. The school district covers 9.8 square miles in Denton County, with the beauty of the lake as the backdrop. Lake Dallas, Shady Shores, Corinth, and Hickory Creek are the four towns within the boundaries of Lake Dallas ISD. With a focus on family and community, Lake Dallas ISD is excited about the achievement of its three elementary schools, one middle school, and one high school. Our mission is to inspire, educate, and empower our students.

Located approximately 30 miles from downtown Dallas on the growing I-35 corridor, the District has recorded an increased population over the past several decades. As a result, the character of the District has changed from a part-time recreational and retirement community to a year-round residential area. New home construction has been significant but has slowed in recent years.

Lake Dallas ISD is approximately twenty miles from the Dallas/Fort Worth metroplex and from DFW International Airport. The Dallas-Fort Worth area is an important center of trade, finance, and other major services. The quality of life and diversified economic base make this area one of the choice home, industrial, and manufacturing places to locate. This economic footing should allow for sustained growth in the future.

Lake Dallas ISD educates students on five campuses. The District offers programs and educational opportunities that are suited to the needs of a broad spectrum of students. Student attendance is commendable. Lake Dallas ISD schools, programs, staff, and students earn state and regional recognition regularly.

A challenging curriculum, dedicated staff, and supportive community ensure exceptional educational opportunities for all students. Lake Dallas schools continually strive for academic excellence in all areas. Lake Dallas ISD is dedicated to giving every student the best possible education through an intensive core curriculum based on the Texas Education Agency guidelines and an array of specialized, challenging instructional and career programs.

Lake Dallas ISD is committed to being one of the nation's best school systems, continually improving and refining instructional programs and organizational operations in the interest of effectiveness, productivity, and economy. Our standards for students and staff members are high, and we strive to raise them higher.

Major Initiatives

The District Curriculum is vertically aligned throughout all grade levels and based on the Texas Essential Knowledge and Skill (TEKS). The District has a vibrant, diverse student population, an excellent array of programs, a strong curriculum, access to various intellectual resources, and a progressive, innovative atmosphere. An educated School Board, a skilled administration, a professional, dedicated, and inventive staff, and an involved community make Lake Dallas ISD a leader in education.

In May 2019, Lake Dallas ISD voters approved a \$105 million bond package to update several campuses across the District. The bond package was created under the direction of a long-range planning committee led by community members.

The District has maintained its credit rating of 'AA-' as issued by Standards & Poor's. The ratings reflect that the District has very strong household income levels, a diverse and growing tax base, and a strong financial position, with management consistently maintaining strong revenues supported by conservative budgeting. The "AAA enhanced rating" assigned to the District's bonds reflects the credit enhancement provided by the Texas Permanent School Fund.

Financial Information

The Comprehensive Annual Financial Report for the year ended August 31, 2025, is prepared in accordance with generally accepted accounting principles (GAAP) and conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). This report covers all funds of the District. Presented funds are organized into three types dictated by the nature of the activities involved.

Governmental Fund Types:

- General Fund
- Debt Service Fund
- Capital Projects Fund
- Special Revenue Funds

Proprietary Fund Types:

Internal Service Funds
Enterprise Fund

Fiduciary Fund Type:

Custodial Fund

Financial Policies and Planning

The annual budget serves as the foundation for the District's financial planning and control. The objective of budgetary controls is to ensure compliance with legal provisions and provide a roadmap to meet state and local goals.

Most of the District's planning effort is focused on the District's Improvement Plan. Campus Improvement plans are analyzed to form a cohesive District Plan. This plan includes criteria for measuring and ultimately reaching success. The District Improvement Plan also has long-term goals that form the basis of long-term planning.

Budgetary Controls

The budgetary controls' objective is to ensure compliance with legal provisions in the annual appropriated budget approved by the Board of Trustees. Every school district in Texas is required by law to prepare and file a budget with the Texas Education Agency. Activities of the general fund, food service fund, and debt service fund are included in the District's budget.

Budgetary control (the level at which expenditures cannot legally exceed appropriations) is maintained at the functional category level within each fund. These functional categories are defined by the Texas Education Agency and identify the purpose of the transactions. A listing of these categories, as well as related financial information, is included herein. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control—encumbered amounts lapse at year-end.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

System of Internal Controls

The extent of internal controls a school district should establish is a judgment that management must make. Management's decision regarding the scope of internal control necessary is affected by circumstances such as the size of the organization and the number of personnel available. Consideration must be given to the relationship between costs and benefits. In addition, the nature of internal control is such that even appropriate internal control methods and systems will not guarantee that a school district's objectives will be achieved, nor will they ensure its success.

Internal control procedures are established to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Reliability of financial reporting
- Effectiveness and efficiency of operations
- Compliance with applicable laws and regulations

Relevant Financial Policy

The School Board has been instrumental in maintaining and increasing the reserves of the District. The Board recognizes that maintaining an appropriate fund balance is critical in the District's financial planning and budgeting processes. Although fund balance levels could be affected by legislative actions and the amount of available state and federal resources, the Board has been proactive in building the District's

reserves to fund unanticipated expenditures or offset future short-term revenue reductions. In addition, the Board has maintained an appropriate fund balance to avoid short-term borrowing and to demonstrate financial stability, therefore preserving or enhancing its bond rating.

State Funding

The state of Texas's current system provides public education funding via a financing formula that weighs student attendance levels, property value per student, and the District's tax effort.

Debt Administration

The District has deployed various debt management practices to lower its borrowing costs. These include refunding existing bonds at a lower rate and prepaying bonds before the scheduled maturity. Such actions have provided the District's taxpayers with over \$30 million of direct savings since 2012. These practices have helped the District maintain its credit rating of AA-.

Enrollment

The school district plans its budget based on estimated student enrollment and state aid earned based on student attendance. The district has experienced a decline in enrollment as the District matures. The lack of affordable housing also limits the number of young families moving into the area. Enrollment is projected to be stagnant over the next several years.

District Facilities

District facilities are in very good condition. The District maintains all of its facilities with internal staff. Lake Dallas Middle School and Corinth Elementary were built in the 1980s, with major additions and substantial renovations occurring in the 2000s. Lake Dallas High School was built in 1998, with additional classrooms and athletic spaces added in 2007. Shady Shores Elementary School was built in 2004. With the passing of a bond election in 2019, renovations and additions have occurred at Lake Dallas High School, Lake Dallas Middle School, Lake Dallas Elementary School, and Corinth Elementary School.

Campus	Year Built	Additions
Lake Dallas High School	1998	2007, 2024
Lake Dallas Middle School	1980	2003, 2024
Corinth Elementary School	1985	2001, 2024
Lake Dallas Elementary School	2009	
Shady Shores Elementary School	2004	

The community is one of unconditional support for the District. Lake Dallas ISD has had 5 bond elections since 1995. All five bond elections have passed with overwhelming support. The District also held a Tax Rate election in 2008 and won with an 84% passage rate. Residents continue to support the school and demand a quality education for their students.

Independent Audit

District policy and State law require an annual audit by an independent certified public accountant. Lake Dallas ISD's School Board has selected the accounting firm of Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC, to perform this audit. An audit report is generated, and the audit firm makes a presentation to the School Board each January. The audit, which is included in the financial section of this report, meets all state and federal reporting requirements.

Education

Lake Dallas ISD is a public school system whose District mission is to inspire, educate, and empower our students. Recognizing that the quality of life, both today and in the future, depends upon the quality of education provided by the public schools, the Lake Dallas Independent School District is dedicated to education and committed to meeting the needs of every individual. The District's vision is "small school atmosphere, big school opportunities."

The District is also proud to partner with North Central Texas College, enabling District students to receive college hours up to earning an associate degree while in high school.

The results of the State of Texas Assessment of Academic Readiness (STAAR) show Lake Dallas ISD students performing at or above regional and state averages in subjects of the state assessments. In addition, Lake Dallas High School students perform at state and regional averages in College Readiness Indicators.

Economic Condition and Outlook

Over the last several years, Lake Dallas ISD's local economy has experienced an upturn. The diversity of businesses located in the area and the range of housing available, combined with the transpiration grid of the metroplex and proximity to Dallas-Fort Worth and Alliance airports, provide a degree of protection from the economic cycle affecting many other school districts. The District's relationship with the local communities assures the development projects selected by the cities are also desirable for the community at large. With the expansion of I.H. 35, the community has seen economic growth and expansion of its commercial tax base.

Financial Awards Programs

This District has submitted its annual comprehensive financial report (ACFR) to the Association of School Business Officials (ASBO) for the purpose of participating in their awards program. The ASBO Certificate of Excellence in Financial Reporting recognizes school districts that have met the highest standards of excellence in school financial reporting.

The purpose of the program is to:

- A. Encourage school systems to adopt and use generally accepted accounting principles.
- B. Encourage school systems to adopt sound budgetary and financial reporting procedures
- C. Recognize excellence in school financial reporting.
- D. Contribute to enhancing the credibility of financial management of school systems by recognizing and publicizing excellence in school financial reporting.

The District has also submitted its ACFR to the Government Finance Officers Association (GFOA) for their review. The GFOA Certificate of Achievement for Excellence in Financial Reporting is awarded to easily readable and efficiently organized Annual Comprehensive Financial Reports. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. We believe that our current Annual Comprehensive Financial Report meets the GFOA's and ASBO's program requirements.

The District has received both of these prestigious awards for twenty-one consecutive years. We believe that our current report conforms to the Certificate of Excellence Program requirements.

Board of Trustees

The Board of Trustees holds its regular monthly meeting on the third Monday of each month in the Board Room in Lake Dallas ISD Central Services Building, 104 Swisher Road. Proper public notice is given for all meetings.

The Lake Dallas Board of Trustees welcomes public participation in its meetings and encourages citizens to express their views on matters affecting the students of our community.

Outstanding Staff

Highly competent, dedicated staff members work together at every level to promote high academic standards and to provide every student with educational opportunities to meet individual needs and interests. Teachers emphasize a strong curriculum, effective instructional techniques, and consistent student discipline.

Lake Dallas ISD staff members recognize the importance of personal attention. Both tutoring and enrichment programs are provided to enhance student development.

Many Lake Dallas ISD personnel pursue professional growth through university coursework, educational workshops, and staff development sessions. Many have advanced degrees. Staff commitment to personal growth ensures continuing academic excellence for Lake Dallas ISD.

Supportive Community

Community support and involvement are evident in Lake Dallas ISD. Strong PTA groups provide support for the schools and a strong link between home and school. Parent volunteers serve hundreds of hours in various capacities - from helping with extracurricular activities to assisting students and teachers in the classrooms. The community has continually shown the value it places on quality education through the financial and personal support it has given the District.

Comprehensive Safety Program

The District takes every reasonable precaution regarding the safety of students, employees, visitors, and all others with whom it conducts business. The District has developed, implemented, and promoted a comprehensive safety program. The program includes guidelines and procedures for responding to emergencies. See policy CK (Local).

Policies are in place related to:

- Use, possession, or exhibition of a firearm, an illegal knife, a club, or a prohibited weapon, as those terms are defined in the Penal Code,
- Conduct that contains the elements of the offense of aggravated assault, sexual assault, aggravated sexual assault, arson, murder, capital murder, criminal attempt to commit murder or capital murder, indecency with a child, or aggravated kidnapping, as those offenses are defined in the Penal Code;
- Drug- or alcohol-related offenses described in Education Code 37.006
- Criminal mischief
- Persistent misbehavior

Each school has effective emergency procedures that can be implemented on short notice and that will ensure optimum safety for students and school personnel. Lake Dallas ISD has five resource officers to assist with safety issues. The Superintendent has the authority to dismiss school for a part of a day or longer periods, if necessary, in case of unusual or emergencies. Campus principals have designed and implemented a

system to familiarize employees and students with evacuation procedures and ensure evacuation diagrams are appropriately posted. Principals also conduct fire, tornado, or other emergency drills to provide orderly movement to the safest areas available for students and personnel.

Acknowledgments

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

Kristin N. Brown, Ed.D. - Superintendent of Schools

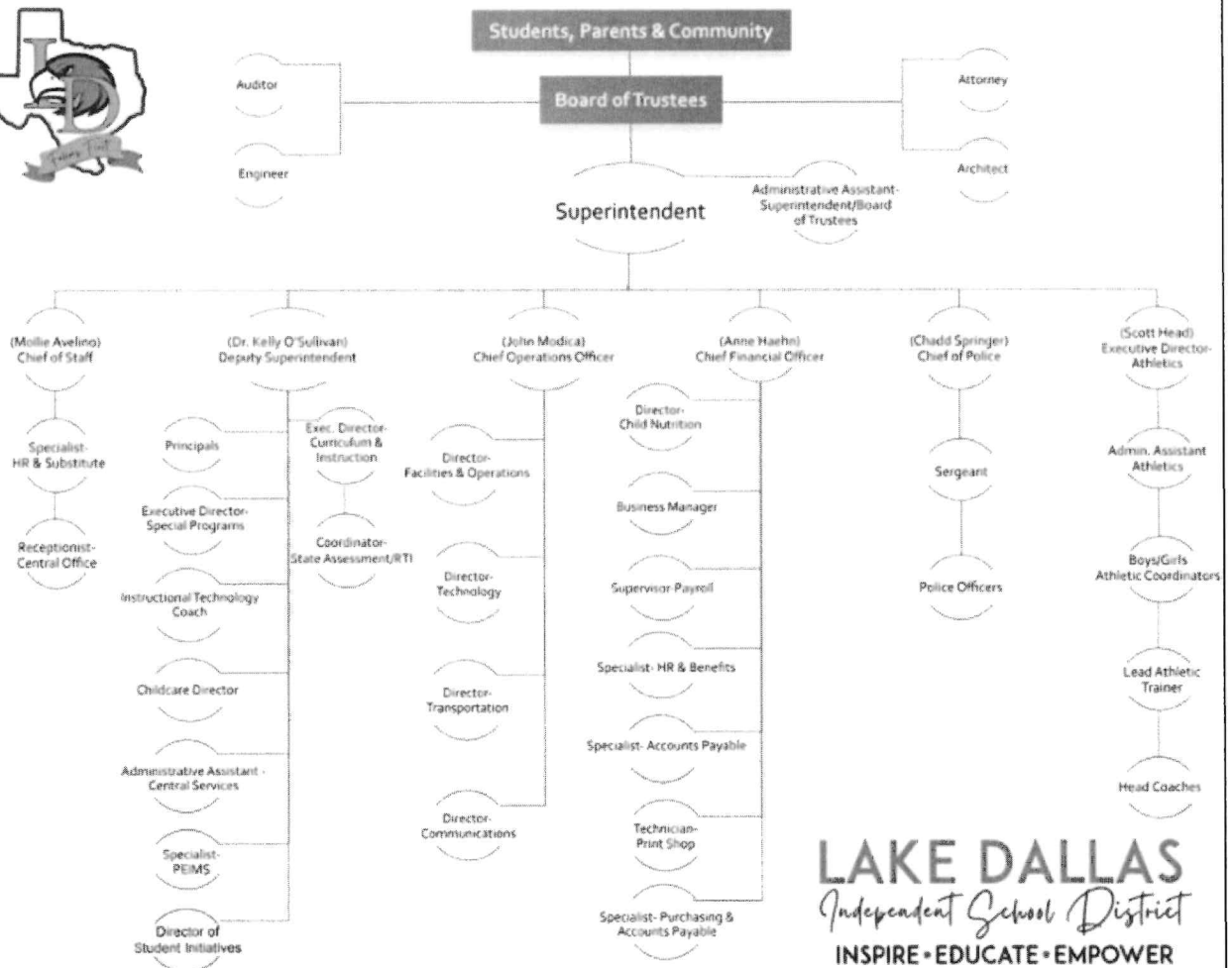
Anne Haehn - Chief Financial Officer



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Organizational Chart



LAKE DALLAS INDEPENDENT SCHOOL DISTRICT

Consultants and Advisors

Audit Firm

Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC
Certified Public Accountants
902 North Locust
Denton, Texas 76202-0977

Bond Attorneys

Fulbright & Jaworski L.L.P.
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201-2784

Fiscal Agents

The Bank of New York Trust Company
of Florida
10161 Centurion Parkway
2nd Floor
Jacksonville, Florida 32256

General Counsel

Leon/Alcala Attorneys at Law
1114 Lost Creek Blvd. Suite 420
Austin, Texas 78746

Tax Attorney

Sawko and Burroughs
1100 Dallas Drive, Ste. 100
Denton, Texas 76201

Financial Advisors

BOK Financial Securities, Inc.
333 West Campbell Road, Suite 350
Richardson, Texas 75080

Official Depository

Point Bank
3971 FM 2181
Corinth, Texas 76210

Tax Collector

Denton County Tax Collector Assessor
P.O. Box 1249
Denton, Texas 76201

Tax Appraisal

Denton Central Appraisal District
3911 Morse St.
Denton, Texas 76208

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT

PRINCIPAL OFFICIALS

Elected Officials:

Board of Trustees:

Lance Stacy	President
Ginger Collier	Vice President
Mark Tucker	Secretary
Scott Baird	Member
Greg Bartley	Member
Bruce Smith	Member
Aaron Appleby	Member

Appointed Officials:

Kristin N. Brown	Superintendent
Anne Haehn	Chief Financial Officer
Kelly O'Sullivan	Deputy Superintendent
Karla Landrum	Executive Director of Human Resources
Jay Widenbach	Executive Director of Special Education
Trent Stinson	Director of Maintenance & Transportation
David Marroquin	Director of Facilities
Corey Ray	Director of Food Service
Gerry Hamilton	Director of Technology
Scott Head	Executive Director of Athletics
Mollie Avelino	High School Principal
Nakendrick Johnson	Middle School Principal
Jennifer Bryant	Shady Shores Elementary School Principal
Kerri Blevins	Lake Dallas Elementary School Principal
Jessica Bovan	Corinth Elementary School Principal
John Modica	Chief Operations Officer
Barbara Pitt	Director of Curriculum and Instruction



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

**Lake Dallas
Independent School District
for its Annual Comprehensive Financial Report
for the Fiscal Year Ended August 31, 2024.**

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



**Ryan S. Stechschulte
President**

**James M. Rowan, CAE, SFO
CEO/Executive Director**



Government Finance Officers Association

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

Presented to

**Lake Dallas Independent School District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2024

Christopher P. Morill

Executive Director/CEO



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FINANCIAL SECTION



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

**HANKINS, EASTUP, DEATON,
TONN, SEAY & SCARBOROUGH**
A Limited Liability Company

CERTIFIED PUBLIC ACCOUNTANTS

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

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

Independent Auditor's Report

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

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Lake Dallas Independent School District (the "District") as of and for the year ended August 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the District as of August 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financials section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of a Matter – Change in Accounting Principle Pertaining to Compensated Absences

As discussed in Note 19 to the financial statements, the District has changed its accounting for compensated absences, which was required by Governmental Accounting Standards Board (GASB) Statement No. 101 that became effective for fiscal years beginning after December 15, 2023. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lake Dallas Independent School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 25 through 31 and the Teacher Retirement System schedules on page 82 through 90 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lake Dallas Independent School District's basic financial statements. The combining and individual nonmajor fund financial statements, the required TEA schedules listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the required TEA schedules, and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025, on our consideration of the District's internal control over financial reporting and on our tests of the compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lake Dallas Independent School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Hankins Eastup Deaton Tonn Seay & Scarborough

Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC
Denton, Texas
December 15, 2025

**LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2025
(UNAUDITED)**

As management of Lake Dallas Independent School District, we offer readers of the District's financial statement this narrative overview and analysis of the financial activities of the District for the year ended August 31, 2025. The District has implemented Government Accounting Standards Board Statement 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." Please read this narrative in conjunction with the independent auditor's report on page 23, and the District's Basic Financial Statements that begin on page 35.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of resources of Lake Dallas Independent School District exceeded its assets and deferred outflows of resources at the close of the most recent fiscal period by \$4,920,102 (negative net position). Of this amount, \$(30,828,588) (negative unrestricted net position) may be used to meet the District's ongoing obligations to citizens and creditors in accordance with the District's fiscal policies.
- The District's total net position increased by \$676,201 during the fiscal year from the results of current year operations.
- As of the close of the current fiscal period, the District's governmental funds reported combined ending fund balances of \$32,144,418. 42.6% of this total amount, \$13,688,072, is unassigned and available for use within the District's policies.
- At the end of the current fiscal period, unassigned fund balance for the general fund was \$13,688,072 or 29.9% of the total general fund expenditures, which is a decrease of \$604,440 from the prior year. Final general fund revenues were 1.0% more than final revenue estimates.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 35 through 37). These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (starting on page 38) report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how goods or services of the District were sold to departments within the District or to external customers and how the sales revenues covered the expenses of the goods or services. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the District.

The notes to the financial statements (starting on page 51) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The combining statements for nonmajor funds contain even more information about the District's individual funds. These are not required by TEA. The sections labeled TEA Required Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

The analysis of the District's overall financial condition and operations begins on page 35. Its primary purpose is to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources at the end of the year while the Statement of Activities includes all revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting (the basis used by private sector companies).

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The District's revenues are divided into those provided by outside parties who share the costs of some programs, such as tuition received from students from outside the district and grants provided by the U.S. Department of Education to assist children with disabilities or from disadvantaged backgrounds (program revenues), and revenues provided by the taxpayers or by TEA in equalization funding processes (general revenues). All the District's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the District's net position and changes in them. The District's net position (the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources) provide one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well, such as changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

In the Statement of Net Position and the Statement of Activities, we divide the District into two kinds of activities:

- **Governmental activities.** Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.
- **Business-type activities.** The District charges a fee to "customers" to help it cover all or most of the cost of services it provides in the child care program.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 38 and provide detailed information about the most significant funds—not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received under the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities). The District's two kinds of funds—governmental and proprietary—use different accounting approaches.

- **Governmental funds.** Most of the District's basic services are reported in governmental funds. These funds use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.

- **Proprietary funds.** The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. In fact, the District's enterprise fund (one category of proprietary funds) are the business-type activities reported in the government-wide statements but containing more detail and additional information, such as cash flows. The internal service funds (the other category of proprietary funds) report activities that provide supplies and services for the District's other programs and activities—such as the District's print shop and computer operations.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or custodian, for money raised by student activities. The District's custodial activity is reported in a separate Statement of Custodial Net Position and Statement of Changes in Custodial Net Position on pages 48 and 49. We exclude these resources from the District's other financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in this fund are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

Net position of the District's governmental activities decreased from (\$1,447,054) to (\$5,000,531). Beginning net position of the District's governmental activities was restated by (\$4,229,678) due to the implementation of a new industry-wide accounting standard pertaining to accrued compensated absences. Unrestricted net position of the District's governmental activities – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – was (\$14,209,772) at August 31, 2025. Unrestricted net position of governmental activities improved during the fiscal year as compared to last year's amount, which was \$(20,619,985).

In 2025, the net position of the District business-type activities remained the same as compared to last year's amount. This activity is relatively insignificant to the overall operations of the District, but it represents significant services to the District through its Child Care program.

Table I
NET POSITION

	Governmental Activities		Business-type Activities		Total Government	
	2025	2024	2025	2024	2025	2024
Assets						
Cash and other assets	\$ 38,840,646	\$ 66,339,644	\$ 80,556	\$ 82,729	\$ 38,921,202	\$ 66,422,373
Capital assets	181,719,855	157,278,819	-	-	181,719,855	157,278,819
Total assets	220,560,501	223,618,463	80,556	82,729	220,641,057	223,701,192
Deferred outflows of resources	8,619,107	9,702,849	-	-	8,619,107	9,702,849
Total assets and deferred outflows of resources	229,179,608	233,321,312	80,556	82,729	229,260,164	233,404,041
Liabilities						
Long-term liabilities	218,265,115	214,478,095	-	-	218,265,115	214,478,095
Other liabilities	6,263,253	8,303,732	127	2,300	6,263,380	8,306,032
Total liabilities	224,528,368	222,781,827	127	2,300	224,528,495	222,784,127
Deferred inflows of resources	9,651,771	11,986,539	-	-	9,651,771	11,986,539
Total liabilities and deferred inflows of resources	234,180,139	234,768,366	127	2,300	234,180,266	234,770,666
Net Position						
Net investment in capital assets	22,622,296	15,268,953	-	-	22,622,296	15,268,953
Restricted	3,205,761	3,903,978	-	-	3,205,761	3,903,978
Unrestricted	(30,828,588)	(20,619,985)	80,429	80,429	(30,748,159)	(20,539,556)
Total net position	<u>\$ (5,000,531)</u>	<u>\$ (1,447,054)</u>	<u>\$ 80,429</u>	<u>\$ 80,429</u>	<u>\$ (4,920,102)</u>	<u>\$ (1,366,625)</u>

Table II
CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total Government	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for services	\$ 928,475	\$ 957,070	\$ 497,926	\$ 592,259	\$ 1,426,401	\$ 1,549,329
Operating grants and contributions	10,061,438	9,215,052	-	-	10,061,438	9,215,052
General Revenues:						
Property taxes - M&O	23,606,682	21,341,438	-	-	23,606,682	21,341,438
Property taxes - I&S	15,592,459	14,092,068	-	-	15,592,459	14,092,068
State aid	14,884,928	15,941,098	-	-	14,884,928	15,941,098
Investment earnings	2,781,641	4,011,560	-	-	2,781,641	4,011,560
Miscellaneous	597,387	716,364			597,387	716,364
Total Revenues	68,453,010	66,274,650	497,926	592,259	68,950,936	66,866,909
Expenses:						
Instruction, curriculum and media	30,116,203	29,077,000	-	-	30,116,203	29,077,000
Instructional and school leadership	3,357,607	3,282,470	-	-	3,357,607	3,282,470
Student support services	4,247,094	4,135,576	-	-	4,247,094	4,135,576
Child nutrition	2,482,825	2,157,536	-	-	2,482,825	2,157,536
Extracurricular activities	1,520,322	1,458,037	-	-	1,520,322	1,458,037
General administration	2,059,277	1,953,780	-	-	2,059,277	1,953,780
Plant maintenance, security, and EDP	9,692,861	8,905,963	-	-	9,692,861	8,905,963
Community services	16,245	-	406,100	550,821	422,345	550,821
Debt service	14,092,695	7,195,028	-	-	14,092,695	7,195,028
Payments for shared services	12,000	6,000	-	-	12,000	6,000
Intergovernmental charges	271,506	250,335			271,506	250,335
Total Expenses	67,868,635	58,421,725	406,100	550,821	68,274,735	58,972,546
Transfers in (out)	91,826	-	(91,826)			
Change in net position	676,201	7,852,925	-	41,438	676,201	7,894,363
Beginning net position	(1,447,054)	(9,299,979)	80,429	38,991	(1,366,625)	(9,260,988)
Restatement - new accounting standard	(4,229,678)		-	-	(4,229,678)	-
Ending net position	<u><u>\$(5,000,531)</u></u>	<u><u>\$(1,447,054)</u></u>	<u><u>\$ 80,429</u></u>	<u><u>\$ 80,429</u></u>	<u><u>\$(4,920,102)</u></u>	<u><u>\$(1,366,625)</u></u>

The cost of all governmental activities for the current fiscal year was \$67,868,635. However, as shown in the Statement of Activities on pages 36 and 37, the amount that our taxpayers ultimately financed for these activities through District taxes was only \$39,199,141 because some of the costs were paid by those who directly benefited from the programs, \$957,070, or by other governments and organizations that subsidized certain programs with operating grants and contributions, \$10,061,438, or by State equalization funding, which was \$14,884,928 during the fiscal year.

THE DISTRICT'S FUNDS

As the District completed the year, the governmental funds (as presented in the balance sheet on page 38) reported a combined fund balance of \$32,144,418, which is \$25,271,803 lower than last year's total of \$57,416,221. Included in this year's total change in fund balance is a decrease of \$604,440 in the District's General Fund, a \$173,916 increase in the Debt Service Fund, and a \$24,511,032 decrease in the Capital Projects Fund.

Although State funding was less than the previous year, increases in property tax revenues offset the State funding loss. The General Fund generated \$812,895 in investment revenue. Freeze-adjusted taxable values increased by 7.9% to over \$3.4 billion, driven by the increased property values and new construction. The adopted tax rate decreased by \$.0023 to \$1.2552 per \$100 valuation. Total maintenance tax collections increased from the previous year by \$1,798,545 to \$23,089,415. As per the State of Texas school funding formula, State aid decreased by \$1,056,170 to \$14,884,928. Total actual General Fund revenue was \$42,822,430, which was \$428,357 more than originally budgeted.

As of the end of the current fiscal year, the District's General Fund balance was \$13,688,072. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. The unassigned fund balance is 29.9% of this year's general fund expenditures, which totaled \$45,775,032.

The District's General Fund balance of \$13,688,072, reported on page 38, differs from the General Fund's budgetary fund balance of \$12,071,733 reported in the budgetary comparison schedule on page 81. This is principally due to cost savings in all functions except Instruction.

The Debt Service Fund also benefited from increased property tax collections. Last year's property tax collections for debt service were \$14,061,317. This year's collections were \$15,286,665. The Debt Service fund ended the year with a total fund balance of \$2,829,376, all of which is reserved for the payment of debt service.

THE DISTRICT'S BUDGET

Over the course of the year, the Board of Trustees revised the District's budget. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts we estimated in August 2024). The second category includes changes that the Board made during the year to reflect new information regarding revenue sources and expenditure needs. The third category involves amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At August 31, 2025, the District had \$181,719,855 (net of accumulated depreciation) invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents a net increase of \$24,441,036, or 15.5%, above last year, due primarily to capital projects funded with prior period bond proceeds.

This fiscal period's major additions consisted of furniture, equipment and building improvements paid for out of the Capital Projects Fund.

More detailed information about the District's capital assets is presented in Note 4 to the financial statements.

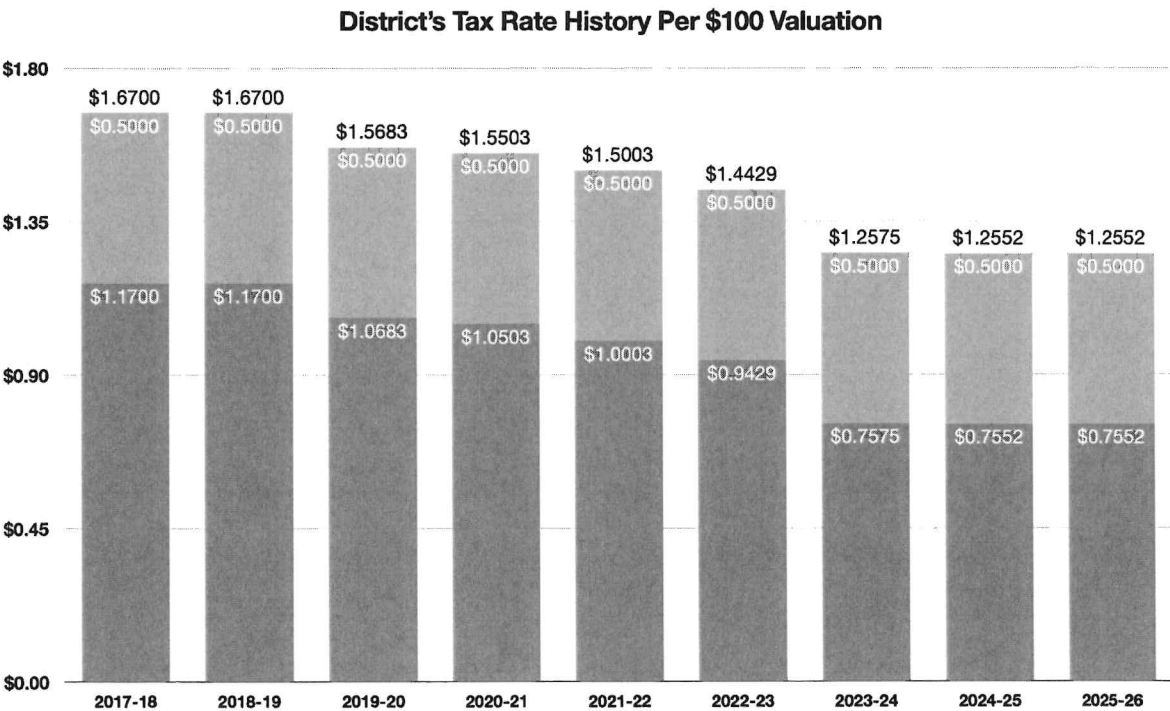
Debt Administration

At year-end, the District had \$193,079,740 in long-term debt (including bonds, accreted interest on bonds and discount/premium on debt issuance) versus \$194,303,803 last year—a decrease of 0.6%.

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

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

Federal, state, and local guidelines direct the budget development process. The Texas Education Agency (TEA) requires the General, Food Service, and Debt Service funds to be budgeted and adopted annually by the District's Board of Trustees. The tax rate has two components: the tax for maintenance and operations and the tax to service long-term debt. Maintenance and operations 2026 budget revenue is based on a tax rate of \$0.755/100 valuation, which is the same as the preceding year. The chart below reflects the district's tax rate history.



Budgetary issues addressed include a budget based on student attendance (the basis of state funding), striving to reach Federal, State, and local goals, maintaining current programs, and budgeting funds to adhere to all state and federal requirements.

The General Fund accounts for most of the district's day-to-day operations. Debt Service Fund expenditures account for voter-authorized debt payments. The Child Nutrition Fund supports the student food service program and is funded by user fees and reimbursements from the National School Breakfast and Lunch program.

The school district anticipates receiving 54.4% of its general fund revenue from taxes and other local sources. The District expects an increase in state funding of approximately \$2.3 million. The Texas Legislature passed a school finance and property tax reform bill (HB3) that increased public education funding and financed property tax compression. State funds account for 44.3% of the total budgeted general fund operating revenue. Federal funds account for the remaining 1.3% of operating revenue.

The Debt Service Fund accounts for the accumulation of resources and the payment of bonds approved by the voters. The debt service expenditure budget of \$18.3 million will be used to service debt liabilities during the 2024-25 school year.

The Child Nutrition budget is projected to be \$2.3 million and is financed from student/staff charges and federal funding. In addition, The National School Breakfast and Lunch Program will provide funding for students during the 2025-2026 school year.

The District has worked to maintain a competitive position in recruiting and retaining quality staff. Inflationary costs for goods and services, new program costs that result from requirements of the State and Federal accountability system, and other new requirements have all been incorporated into the 2025-26 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's business office at Lake Dallas Independent School District, 104 Swisher, Lake Dallas, Texas 75065, (940) 497-4039.

BASIC FINANCIAL STATEMENTS



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LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
AUGUST 31, 2025

EXHIBIT A-1

		1	2	3
Data		Primary Government		
Control			Business	
Codes		Governmental	Type	
		Activities	Activities	Total
ASSETS				
1110	Cash and Cash Equivalents	\$ 35,679,249	\$ 172,382	\$ 35,851,631
1220	Property Taxes - Delinquent	886,252	-	886,252
1230	Allowance for Uncollectible Taxes	(73,494)	-	(73,494)
1240	Due from Other Governments	2,248,603	-	2,248,603
1260	Internal Balances	91,826	(91,826)	-
1290	Other Receivables, Net	2,161	-	2,161
1300	Inventories	6,049	-	6,049
Capital Assets:				
1510	Land	7,295,038	-	7,295,038
1520	Buildings, Net	168,805,056	-	168,805,056
1530	Furniture and Equipment, Net	2,837,754	-	2,837,754
1550	Right-to-Use Leased Assets, Net	2,782,007	-	2,782,007
1000	Total Assets	220,560,501	80,556	220,641,057
DEFERRED OUTFLOWS OF RESOURCES				
1701	Deferred Charge for Refunding	2,796,654	-	2,796,654
1705	Deferred Outflow Related to TRS Pension	2,568,549	-	2,568,549
1706	Deferred Outflow Related to TRS OPEB	3,253,904	-	3,253,904
1700	Total Deferred Outflows of Resources	8,619,107	-	8,619,107
LIABILITIES				
2110	Accounts Payable	2,861,870	-	2,861,870
2140	Interest Payable	271,586	-	271,586
2150	Payroll Deductions and Withholdings	245,902	-	245,902
2160	Accrued Wages Payable	2,646,821	-	2,646,821
2180	Due to Other Governments	27,772	-	27,772
2200	Accrued Expenses	100,535	127	100,662
2300	Unearned Revenue	108,767	-	108,767
Noncurrent Liabilities:				
2501	Due Within One Year: Loans, Note, Leases, etc.	7,383,468	-	7,383,468
Due in More than One Year:				
2502	Bonds, Notes, Loans, Leases, etc.	190,631,542	-	190,631,542
2540	Net Pension Liability (District's Share)	12,143,868	-	12,143,868
2545	Net OPEB Liability (District's Share)	8,106,237	-	8,106,237
2000	Total Liabilities	224,528,368	127	224,528,495
DEFERRED INFLOWS OF RESOURCES				
2605	Deferred Inflow Related to TRS Pension	933,335	-	933,335
2606	Deferred Inflow Related to TRS OPEB	8,718,436	-	8,718,436
2600	Total Deferred Inflows of Resources	9,651,771	-	9,651,771
NET POSITION				
3200	Net Investment in Capital Assets and Right-to-Use Lease	22,622,296	-	22,622,296
Restricted:				
3820	Restricted for Federal and State Programs	881,116	-	881,116
3850	Restricted for Debt Service	2,324,645	-	2,324,645
3900	Unrestricted	(30,828,588)	80,429	(30,748,159)
3000	Total Net Position	\$ (5,000,531)	\$ 80,429	\$ (4,920,102)

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2025

Data Control Codes	1	Program Revenues	
		3	4
	Expenses	Charges for Services	Operating Grants and Contributions
Primary Government:			
GOVERNMENTAL ACTIVITIES:			
11 Instruction	\$ 28,459,277	\$ 5,400	\$ 3,466,186
12 Instructional Resources and Media Services	543,752	-	281,162
13 Curriculum and Instructional Staff Development	1,113,174	-	81,905
21 Instructional Leadership	751,749	-	55,023
23 School Leadership	2,605,858	-	196,450
31 Guidance, Counseling, and Evaluation Services	2,100,568	-	535,409
33 Health Services	439,749	-	123,703
34 Student (Pupil) Transportation	1,706,777	-	138,007
35 Food Services	2,482,688	768,833	1,687,614
36 Extracurricular Activities	1,520,459	98,491	167,465
41 General Administration	2,059,277	-	476,644
51 Facilities Maintenance and Operations	7,369,866	55,751	734,764
52 Security and Monitoring Services	1,151,429	-	70,596
53 Data Processing Services	1,171,566	-	98,974
61 Community Services	16,245	-	-
72 Debt Service - Interest on Long-Term Debt	13,709,482	-	1,947,536
73 Debt Service - Bond Issuance Cost and Fees	383,213	-	-
93 Payments Related to Shared Services Arrangements	12,000	-	-
99 Other Intergovernmental Charges	271,506	-	-
[TG] Total Governmental Activities:	67,868,635	928,475	10,061,438
BUSINESS-TYPE ACTIVITIES:			
01 Child Care	406,100	497,926	-
[TB] Total Business-Type Activities:	406,100	497,926	-
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 68,274,735	\$ 1,426,401	\$ 10,061,438

Data	
Control	General Revenues:
Codes	Taxes:
MT	Property Taxes, Levied for General Purposes
DT	Property Taxes, Levied for Debt Service
SF	State Aid - Formula Grants
IE	Investment Earnings
MI	Miscellaneous Local and Intermediate Revenue
SI	Miscellaneous Fed Revenue - Impact Aid
FR	Transfers In (Out)
TR	Total General Revenues, Special Items, & Transfers
CN	Change in Net Position
NB	Net Position - Beginning as Previously Reported
PA	Restatement - Change in Accounting Principle
	Net Position - Beginning as Restated and Adjusted
NE	Net Position - Ending

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

Net (Expense) Revenue and Changes in Net Position		
6	7	8
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (24,987,691)	\$ -	\$ (24,987,691)
(262,590)	-	(262,590)
(1,031,269)	-	(1,031,269)
(696,726)	-	(696,726)
(2,409,408)	-	(2,409,408)
(1,565,159)	-	(1,565,159)
(316,046)	-	(316,046)
(1,568,770)	-	(1,568,770)
(26,241)	-	(26,241)
(1,254,503)	-	(1,254,503)
(1,582,633)	-	(1,582,633)
(6,579,351)	-	(6,579,351)
(1,080,833)	-	(1,080,833)
(1,072,592)	-	(1,072,592)
(16,245)	-	(16,245)
(11,761,946)	-	(11,761,946)
(383,213)	-	(383,213)
(12,000)	-	(12,000)
(271,506)	-	(271,506)
(56,878,722)	-	(56,878,722)
-	91,826	91,826
-	91,826	91,826
(56,878,722)	91,826	(56,786,896)
23,606,682	-	23,606,682
15,592,459	-	15,592,459
14,884,928	-	14,884,928
2,781,641	-	2,781,641
122,796	-	122,796
474,591	-	474,591
91,826	(91,826)	-
57,554,923	(91,826)	57,463,097
676,201	-	676,201
(1,447,054)	80,429	(1,366,625)
(4,229,678)	-	(4,229,678)
(5,676,732)	80,429	(5,596,303)
\$ (5,000,531)	\$ 80,429	\$ (4,920,102)

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2025

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
ASSETS			
1110 Cash and Cash Equivalents	\$ 14,299,770	\$ 1,607,706	\$ 18,320,912
1220 Property Taxes - Delinquent	569,584	316,668	-
1230 Allowance for Uncollectible Taxes	(48,606)	(24,888)	-
1240 Due from Other Governments	475,619	6,532	-
1260 Due from Other Funds	3,289,106	1,131,778	-
1290 Other Receivables	2,123	38	-
1000 Total Assets	<u>\$ 18,587,596</u>	<u>\$ 3,037,834</u>	<u>\$ 18,320,912</u>
LIABILITIES			
2110 Accounts Payable	\$ 426,066	\$ -	\$ 2,251,431
2150 Payroll Deductions and Withholdings Payable	245,800	-	102
2160 Accrued Wages Payable	2,646,821	-	-
2170 Due to Other Funds	1,131,778	-	1,502,668
2180 Due to Other Governments	-	-	-
2200 Accrued Expenditures	72,194	-	-
2300 Unearned Revenue	-	-	-
2000 Total Liabilities	<u>4,522,659</u>	<u>-</u>	<u>3,754,201</u>
DEFERRED INFLOWS OF RESOURCES			
2601 Unavailable Revenue - Property Taxes	376,865	208,448	-
2600 Total Deferred Inflows of Resources	<u>376,865</u>	<u>208,448</u>	<u>-</u>
FUND BALANCES			
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	-	-	-
3470 Capital Acquisition and Contractual Obligation	-	-	14,566,711
3480 Retirement of Long-Term Debt	-	2,829,386	-
Committed Fund Balance:			
3545 Other Committed Fund Balance	-	-	-
3600 Unassigned Fund Balance	13,688,072	-	-
3000 Total Fund Balances	<u>13,688,072</u>	<u>2,829,386</u>	<u>14,566,711</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 18,587,596</u>	<u>\$ 3,037,834</u>	<u>\$ 18,320,912</u>

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

Other Funds		Total Governmental Funds	
\$	1,336,234	\$	35,564,622
	-		886,252
	-		(73,494)
	1,766,452		2,248,603
	-		4,420,884
	-		2,161
\$	3,102,686	\$	43,049,028
\$	183,033	\$	2,860,530
	-		245,902
	-		2,646,821
	1,694,612		4,329,058
	27,772		27,772
	28,253		100,447
	108,767		108,767
	2,042,437		10,319,297
	-		585,313
	-		585,313
	881,116		881,116
	-		14,566,711
	-		2,829,386
	179,133		179,133
	-		13,688,072
	1,060,249		32,144,418
\$	3,102,686	\$	43,049,028



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LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
AUGUST 31, 2025

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$ 32,144,418
1 The assets and liabilities of the Internal Service Funds are included in governmental activities, but are not reported in the fund financial statements.	119,248
2 Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund financial statements.	253,697,051
3 Accumulated depreciation has not been included in the fund financial statements.	(71,977,196)
4 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68 in the amount of \$12,143,868, a Deferred Resource Inflow related to TRS in the amount of \$933,335 and a Deferred Resource Outflow related to TRS in the amount of \$2,568,549. This amounted to a decrease in Net Position in the amount of \$10,508,654.	(10,508,654)
5 Bonds payable, finance leases, and accrued absences have not been included in the fund financial statements.	(165,964,139)
6 Accreted interest on capital appreciation bonds has not been included in the fund financial statements.	(16,618,816)
7 Bond discounts and premiums are not recognized in the fund financial statements.	(15,431,785)
8 Property tax revenue reported as unavailable revenue in the fund financial statements was recognized as revenue in the government-wide financial statements.	585,313
9 Deferred charge for refunding has not been included in the fund financial statements.	2,796,654
10 Interest on outstanding debt is accrued in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.	(271,856)
11 Included in the items related to government-wide long-term debt is the recognition of the District's proportionate share of the net Other Post-Employment Benefit (OPEB) liability required by GASB 75 in the amount of \$8,106,237, a Deferred Resource Inflow related to TRS OPEB in the amount of \$8,718,436, and a Deferred Resource Outflow related to TRS OPEB in the amount of \$3,253,904. This amounted to a net decrease in Net Position in the amount of \$13,570,769.	(13,570,769)
29 Net Position of Governmental Activities	\$ (5,000,531)

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 24,813,357	\$ 15,929,294	\$ 1,518,670
5800 State Program Revenues	17,506,887	1,947,536	-
5900 Federal Program Revenues	613,676	-	-
5020 Total Revenues	42,933,920	17,876,830	1,518,670
EXPENDITURES:			
Current:			
0011 Instruction	26,525,510	-	-
0012 Instructional Resources and Media Services	462,960	-	-
0013 Curriculum and Instructional Staff Development	915,790	-	-
0021 Instructional Leadership	618,990	-	-
0023 School Leadership	2,253,358	-	-
0031 Guidance, Counseling, and Evaluation Services	1,469,273	-	-
0033 Health Services	380,834	-	-
0034 Student (Pupil) Transportation	1,659,186	-	-
0035 Food Services	15,133	-	-
0036 Extracurricular Activities	1,305,389	-	-
0041 General Administration	1,784,807	-	-
0051 Facilities Maintenance and Operations	6,205,853	-	-
0052 Security and Monitoring Services	664,483	-	-
0053 Data Processing Services	1,207,439	-	-
0061 Community Services	4,921	-	-
Debt Service:			
0071 Principal on Long-Term Liabilities	-	5,949,599	-
0072 Interest on Long-Term Liabilities	-	11,751,175	-
0073 Bond Issuance Cost and Fees	-	383,213	-
Capital Outlay:			
0081 Facilities Acquisition and Construction	17,600	-	26,029,702
Intergovernmental:			
0093 Payments to Fiscal Agent/Member Districts of SSA	12,000	-	-
0099 Other Intergovernmental Charges	271,506	-	-
6030 Total Expenditures	45,775,032	18,083,987	26,029,702
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,841,112)	(207,157)	(24,511,032)
OTHER FINANCING SOURCES (USES):			
7901 Refunding Bonds Issued	-	38,005,000	-
7913 Right-to-Use Lease and SBITA Proceeds	2,029,098	-	-
7915 Transfers In	207,574	-	-
7916 Premium or Discount on Issuance of Bonds	-	5,929,424	-
8949 Other (Uses)	-	(43,553,351)	-
7080 Total Other Financing Sources (Uses)	2,236,672	381,073	-
1200 Net Change in Fund Balances	(604,440)	173,916	(24,511,032)
0100 Fund Balance - September 1 (Beginning)	14,292,512	2,655,470	39,077,743
3000 Fund Balance - August 31 (Ending)	\$ 13,688,072	\$ 2,829,386	\$ 14,566,711

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

		Total	
Other		Governmental	
Funds		Funds	
\$	932,443	\$	43,193,764
	850,532		20,304,955
	3,093,250		3,706,926
	4,876,225		67,205,645
	1,289,404		27,814,914
	4,632		467,592
	89,387		1,005,177
	6,177		625,167
	27,280		2,280,638
	384,368		1,853,641
	5,147		385,981
	34,486		1,693,672
	2,702,995		2,718,128
	60,312		1,365,701
	10,304		1,795,111
	371,549		6,577,402
	201,901		866,384
	7,206		1,214,645
	11,324		16,245
	-		5,949,599
	-		11,751,175
	-		383,213
	-		26,047,302
	-		12,000
	-		271,506
	5,206,472		95,095,193
	(330,247)		(27,889,548)
	-		38,005,000
	-		2,029,098
	-		207,574
	-		5,929,424
	-		(43,553,351)
	-		2,617,745
	(330,247)		(25,271,803)
	1,390,496		57,416,221
\$	1,060,249	\$	32,144,418

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2025

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$ (25,271,803)
Current year capital outlays are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The effect of reclassifying the 2024 capital outlays is to increase net position.	29,547,413
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position in the government-wide financial statements.	(5,106,377)
Current year long-term debt principal payments on bonds payable, loans and payments of accreted interest on capital appreciation bonds are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.	50,246,557
Current year issuances of new debt including the interest accretion on capital appreciation bonds and the accrual of compensated absences is not reflected in the fund financial statements, but is shown as an increase in long term liabilities in the government-wide financial statements.	(55,286,149)
Bond premiums and discounts are not amortized in the governmental funds but are amortized in the statement of net position.	5,623,743
The implementation of GASB 68 required that certain expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of 8/31/2024 caused the ending net position to increase in the amount of \$1,141,878. Contributions made before the measurement but during the 2024 FY were also de-expended and recorded as a reduction in the net pension liability for the District. These contributions were replaced with the District's pension expense for the year of \$1,610,782, which caused a net decrease in net position. The impact of all of these is to decrease net position by \$468,904.	(468,904)
Revenues from property taxes are shown as unavailable in the fund financial statements until they are considered available to finance current expenditures, but such revenues are recognized when assessed, net of an allowance for uncollectible amounts, in the government-wide financial statements.	254,051
Current year amortization of the deferred charge for refundings is not reflected in the fund financial statements, but is shown as a reduction of the deferred loss in the government-wide financial statements.	(168,678)
Interest on outstanding debt is accrued in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.	9,644
The implementation of GASB 75 required that certain expenditures be de-expended and recorded as deferred resource outflows. TRS OPEB contributions made after the measurement date of 8/31/2024 but during the current fiscal year caused the ending net position to decrease in the amount of \$235,400. These contributions were replaced with the District's OPEB expense for the year, which was a \$(1,061,304) expense and also caused a increase in net position. The impact of both of these is to increase the change in net position by \$1,296,704.	1,296,704
Change in Net Position of Governmental Activities	\$ 676,201

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AUGUST 31, 2025

EXHIBIT D-1

	Business-Type Activities -	Governmental Activities -
	Total Enterprise Funds	Total Internal Service Funds
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 172,382	\$ 114,627
Inventories	-	6,049
Total Assets	<u>172,382</u>	<u>120,676</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	-	1,340
Due to Other Funds	91,826	-
Accrued Expenses	127	88
Total Liabilities	<u>91,953</u>	<u>1,428</u>
NET POSITION		
Fiduciary Net Position	<u>80,429</u>	<u>119,248</u>
Total Net Position	<u><u>\$ 80,429</u></u>	<u><u>\$ 119,248</u></u>

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	Business-Type Activities -	Governmental Activities -
	Total Enterprise Funds	Total Internal Service Funds
OPERATING REVENUES:		
Local and Intermediate Sources	\$ 497,926	\$ 96,293
Total Operating Revenues	<u>497,926</u>	<u>96,293</u>
OPERATING EXPENSES:		
Payroll Costs	388,691	33,758
Professional and Contracted Services	12,856	68,194
Supplies and Materials	3,792	28,319
Other Operating Costs	761	-
Total Operating Expenses	<u>406,100</u>	<u>130,271</u>
Income (Loss) Before Transfers	91,826	(33,978)
Transfers Out	<u>(91,826)</u>	<u>(115,748)</u>
Change in Net Position	-	(149,726)
Total Net Position - September 1 (Beginning)	80,429	268,974
Total Net Position - August 31 (Ending)	<u><u>\$ 80,429</u></u>	<u><u>\$ 119,248</u></u>

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

EXHIBIT D-3

	Business-Type Activities	Governmental Activities -
	Total Enterprise Funds	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>		
Cash Received from District	\$ -	\$ 96,293
Cash Received from Employees	497,926	-
Cash Payments for Payroll Costs	(388,691)	(33,758)
Cash Payments for Supplies and Materials	(5,965)	(26,060)
Cash Payments for Purchased Services	(12,856)	(12,230)
Cash Payments for Other Operating Expenses	(761)	-
Net Cash Provided by (Used for) Operating Activities	<u>89,653</u>	<u>24,245</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>		
Transfers Out	-	(115,748)
Net Increase (Decrease) in Cash and Cash Equivalents	89,653	(139,993)
Cash and Cash Equivalents at Beginning of Year	82,729	254,620
Cash and Cash Equivalents at End of Year	<u>\$ 172,382</u>	<u>\$ 114,627</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>		
<u>Provided by (Used for) Operating Activities:</u>		
Operating Income (Loss):	\$ 91,826	\$ (33,978)
Effect of Increases and Decreases in Current Assets and Liabilities:		
Decrease (increase) in Due from Other Funds	-	7,474
Decrease (increase) in Inventories	-	2,496
Increase (decrease) in Accounts Payable	(2,173)	(237)
Net Cash Provided by (Used for) Operating Activities	<u>\$ 89,653</u>	<u>\$ (24,245)</u>

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2025

	Total Custodial Fund
<hr/>	
ASSETS	
Cash and Cash Equivalents	\$ 899,672
Other Receivables	<u>1,819</u>
Total Assets	<u>901,491</u>
LIABILITIES	
Accounts Payable	<u>56,734</u>
Total Liabilities	<u>56,734</u>
NET POSITION	
Fiduciary Net Position	<u>901,491</u>
Total Net Position	<u><u>\$ 901,491</u></u>

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	Total Custodial Fund
ADDITIONS:	
Received from Student Groups	\$ 581,895
Other Additions	112,919
Total Additions	<u>694,814</u>
DEDUCTIONS:	
Expenses of Student Groups	508,014
Total Deductions	<u>508,014</u>
Change in Fiduciary Net Position	186,800
Total Net Position - September 1 (Beginning)	<u>714,691</u>
Total Net Position - August 31 (Ending)	<u><u>\$ 901,491</u></u>

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



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LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

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

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

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

Based on the aforementioned criteria, the Lake Dallas Independent School District has no component units.

B. BASIS OF PRESENTATION

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements however interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements:

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

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

1. **General Fund** - This fund is established to account for resources financing the fundamental operations of the District, in partnership with the community, in enabling and motivating students to reach their full potential. All revenues and expenditures not required to be accounted for in other funds are included here. This is a budgeted fund and any fund balances are considered resources available for current operations. Fund balances may be appropriated by the Board of Trustees to implement its responsibilities.
2. **Debt Service Fund** - This fund is established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. This is a budgeted fund. Any unused sinking fund balances are transferred to the General Fund after all of the related debt obligations have been met.
3. **Capital Projects Fund** - This fund is established to account for proceeds, from the sale of bonds and other resources to be used for Board authorized acquisition, construction, or renovation, as well as furnishings and equipping of major capital facilities. Upon completion of a project, any unused bond proceeds are transferred to the Debt Service Fund and are used to retire related bond principal.

Additionally, the District reports the following fund types:

1. **Special Revenue Funds** - These funds are established to account for federally financed or expenditures legally restricted for specified purposes. In many special revenue funds, any unused balances are returned to the grantor at the close of specified project periods. For funds in this fund type, project accounting is employed to maintain integrity for the various sources of funds.
2. **Enterprise Fund** – The District utilizes an enterprise fund to account for the Districts' activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities. The District uses this fund to account for its childcare program, because the childcare program is generally self-supporting and does not normally require subsidies from the general fund.
3. **Internal Service Funds** – The District utilizes Internal Service Funds to account for revenues and expenses related to services provided to parties inside the District on a cost reimbursement basis. These funds facilitate distribution of support costs to the users of support services. The District has internal service funds for its print shop and computer operations.
4. **Fiduciary Funds** - The District reports the Custodial Fund as a Fiduciary Fund. The Custodial Fund is custodial in nature and account for activities of student groups.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

Custodial Fund uses the accrual basis of accounting to recognize assets, liabilities, revenues and expenses. The Custodial Fund exists with the explicit approval of, and are subject to revocation by, the Board.

The internal service funds are proprietary fund types. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

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

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

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

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

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

The revenue susceptible to accrual are property taxes, charges for services, interest income and intergovernmental revenues. No income from investments reported in one fund is assigned to another fund. All other Governmental Fund Type revenues are recognized when received.

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

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

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

D. BUDGETARY CONTROL

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

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

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

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

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	August 31, 2025
	<u>Fund Balance</u>
Appropriated Budget Funds - Food Service Special Revenue Fund	\$ 852,043
Nonappropriated Budget Funds	208,206
All Special Revenue Funds	<u>\$ 1,060,249</u>

E. ENCUMBRANCE ACCOUNTING

The District employs encumbrance accounting whereby encumbrances for goods or purchased services are documented by purchase orders and contracts. An encumbrance represents a commitment of Board appropriation related to unperformed contracts for goods and services. The issuance of a purchase order or the signing of a contract creates an encumbrance but does not represent an expenditure for the period (only a commitment to expend resources). Appropriations lapse at the end of the fiscal year and encumbrances outstanding at that time are either canceled or appropriately provided for in the subsequent year's budget. The District had no material encumbrances outstanding at the end of the fiscal year.

F. PREPAYMENTS

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded using the consumption method in both government-wide and fund financial statements. The prepaid items have been identified as a non-spendable fund balance since it is not available for other subsequent expenditures.

G. INVENTORIES

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

H. INTERFUND RECEIVABLES AND PAYABLES

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

I. CAPITAL ASSETS

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

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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Buildings and Improvements	50 Years
Furniture and Equipment	7-10 Years

J. COMPENSATED ABSENCES

A liability for compensated absences that employees have earned and carry-forward to future fiscal years has been accrued in the government-wide financial statements in accordance with GASB Statement No. 101, "Compensated Absences," which was effective for fiscal years beginning after December 15, 2023. The measurement of the liability includes salary-related payments that are directly and incrementally associated with the leave.

K. CASH EQUIVALENTS

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

L. NET POSITION

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

M. LONG-TERM OBLIGATIONS

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

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

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

N. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

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

Deferred outflows of resources for refunding - Reported in the government-wide statement of net position, the deferred charge on bond refundings results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amount of deferred outflows reported in the governmental activities for the deferred charge on bond refundings at August 31, 2025 was \$2,796,654.

Deferred outflows of resources for pensions - Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of differences between expected and actual actuarial experiences. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The other pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan which is currently approximately 5.6705 years.

The amount of deferred outflows reported in the governmental activities for deferred pension expenses at August 31, 2025 was \$2,568,549.

Deferred outflows of resources for OPEB- Reported in the government-wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of differences between expected and actual investment earnings and changes in proportionate share. The deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. The other OPEB related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB through the OPEB plan which is currently approximately 9.2215 years. The amount of deferred outflows reported for deferred OPEB expense at August 31, 2025 was \$3,253,904.

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

Deferred inflows of resources for unavailable revenues - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District reported property taxes that are unavailable as deferred inflows of resources in the fund financial statements. The amount of deferred inflows of resources reported in the governmental funds at August 31, 2025 was \$585,313.

Deferred inflows of resources for pensions - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between projected and actual earnings on pension plan investments and other actuarial and other assumption differences. These amounts will be amortized over a closed 5-year period. In fiscal year 2025, the District reported deferred inflows of resources for pensions in the governmental activities in the amount of \$933,335.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

Deferred inflows of resources for OPEB - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between expected and actual experience and from changes in assumptions. These amounts will be amortized over the average expected remaining service life (AERSL) of all members (9.2215 years for the 2024 measurement year). In fiscal year 2025, the District reported deferred inflows of resources for OPEB in the governmental activities in the amount of \$8,718,436.

O. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal 2025, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

During the year ended August 31, 2025, the District participated in the Texas Association of School Boards Risk Management Fund (the Fund). The Fund was created and is operated under provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The following are Funds the District participated in during the year ended August 31, 2025.

Workers' Compensation Aggregate Deductible

During the year ended August 31, 2025, the District met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund's Workers Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members and their injured employees.

The District participates in the Fund's reimbursable aggregate deductible program. As such, the member is responsible for a certain amount of claims liability as outlined on the member's Contribution and Coverage Summary document. After the member's deductible has been met, the Fund is responsible for additional claims liability.

The Fund and its members are protected against higher-than-expected claims cost through the purchase of stop loss coverage for any claim in excess of the Fund's self-insured retention of \$2.0 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. The fund carries a discounted reserve for future development on reported claims and claims that have been incurred but not yet reported. For the year-ended August 31, 2025, the Fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions and reimbursable aggregate deductibles.

The Fund engages the services of independent auditors to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2024, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

Unemployment Compensation Pool

During the year ended August 31, 2025, Lake Dallas ISD provided unemployment compensation coverage to its employees through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Unemployment Compensation Program is

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund meets its quarterly obligation to the Texas Workforce Commission. Expenses are accrued monthly until the quarterly payment has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop loss coverage for the Unemployment Compensation pool. For the year ended August 31, 2025, the Fund anticipates that Lake Dallas ISD has no additional liability beyond the contractual obligation for payment of contribution.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2024, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

Auto, Liability and Property Programs

During the year ended August 31, 2025, Lake Dallas ISD participated in the following TASB Risk Management Fund (the Fund) programs:

Auto Liability
Auto Physical Damage
Legal Liability
Privacy & Information Security
Property

The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund purchases stop-loss coverage for protection against catastrophic and larger than anticipated claims for its Auto, Liability and Property programs. The terms and limits of the stop-loss program vary by line of coverage. The Fund uses the services of an independent actuary to determine the adequacy of reserves and fully funds those reserves. For the year ended August 31, 2025, the Fund anticipates Lake Dallas ISD has no additional liability beyond the contractual obligations for payment of contributions.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2024, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

P. ESTIMATES

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 2. FUND BALANCE

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

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

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified prepaid items as being nonspendable as these items are not expected to be converted to cash.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the District's bonded debt and are restricted through debt covenants. Federal and State grant resources are being restricted because their use is restricted pursuant to the mandates of the Federal or State grants. Capital projects resources are restricted for future capital outlay.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board of Trustees. The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board of Trustees have committed resources as of August 31, 2025 for campus activities.
- Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or through the Board of Trustees delegating this responsibility to other individuals in the District by Board resolution. Under the Board's adopted policy, the Superintendent has been given the authority to assign amounts for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned: This classification includes all amounts not included in other spendable classifications, including the residual fund balance for the General Fund. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes. The General Fund is the only fund that reports a positive unassigned fund balance.

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The details of the fund balances are included in the Governmental Funds Balance Sheet (pages 38) and are described below:

General Fund

The General Fund has unassigned fund balance of \$13,688,072 at August 31, 2025.

Other Major Funds

The Debt Service Fund has restricted funds of \$2,829,386 at August 31, 2025, consisting primarily of property tax collections that are restricted for debt service payments on bonded debt. The Capital Projects Fund has restricted funds of \$14,566,711 at August 31, 2025 consisting primarily of unspent bond funds.

Other Funds

The fund balance of \$178,566 of the Campus Activity Fund (a special revenue fund) is shown as committed due to Board policy committing those funds to campus activities. The fund balance of \$852,043 in the Food Service Fund is shown as restricted for food service operations. The other fund balances of \$29,073 in the other special revenue funds are restricted due to grant agreements.

NOTE 3. DEPOSITS AND INVESTMENTS

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

1. Cash Deposits:

At August 31, 2025, the carrying amount of the District's deposits checking accounts and interest-bearing savings accounts was \$6,867,749 and the combined bank balance was \$7,175,136. The District's cash deposits at August 31, 2025 were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

2. Investments:

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

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

- a. Custodial Credit Risk – Deposits: In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. As of August 31, 2025, the District's cash balances totaled \$6,867,749. This entire amount was either collateralized with securities held by the District's financial institution's agent in the District's name or covered by FDIC insurance. Thus, the District's deposits are not exposed to custodial credit risk at August 31, 2025.
- b. Custodial Credit Risk - Investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At August 31, 2025, the District held all of its investments in four public funds investment pools (TexPool, Lone Star, LOGIC and Texas Daily). Investments in external investment pools are considered unclassified as to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.
- c. Credit Risk – This is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligations. The rating of securities by nationally recognized rating agencies is designed to give an indication of credit risk. Credit risk is monitored and controlled by purchasing quality related instruments that have been evaluated by agencies such as Standard and Poor's or Moody's Investment Services.

The District utilizes government investment pools as part of its investment strategy.

Board policy states that investment pools must:

1. Have an average weighted maturity of less than two years;
2. Are invested exclusively in obligations approved by Government Code Chapter 2256, Subchapter A, regarding authorized investments (Public Funds Investment Act);
3. Are continuously rated by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and
4. Conform to the requirements in Government Code Section 2256.016(b) and (c) relating to the eligibility of investment pools to receive and invest funds of investing entities.

The credit quality rating for the four investment pools range from AAA (Standard and Poor's) to AAAm (Standard and Poor's)

- d. Interest Rate Risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. The District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year from the time of purchase. The weighted average maturity for each of the four investment pools is less than 120 days. The District follows its investment policy to limit investments only in government investments pools with average maturities of less than 120 days.
- e. Foreign Currency Risk - This is the risk that exchange rates will adversely affect the fair value of an investment. At August 31, 2025, the District was not exposed to foreign currency risk.

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

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

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

The District's investments at August 31, 2025, are shown below:

Name	Carrying Amount	Fair Value	Maturity Date
TexPool	\$ 418,599	\$ 418,599	N/A
Texas Daily	19,985,366	19,985,366	N/A
LoneStar	9,329,383	9,329,383	N/A
LOGIC	150,206	150,206	N/A
Total	<u>\$29,883,554</u>	<u>\$29,883,554</u>	

Fair Value Measurements

The District categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The District's investment in Texpool, Texas Daily, Lone Star, and Logic (statewide 2a7-like external investment pools) are not required to be measured at fair value but are measured at amortized cost.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended August 31, 2025, was as follows:

	Beginning Balance	Additions	Deletions/ Transfers	Ending Balance
Governmental Activities:				
Land	\$ 7,295,038	-	-	\$ 7,295,038
Construction in progress	7,753,099	-	(7,753,099)	-
Capital assets not being depreciated	15,048,137	-	(7,753,099)	7,295,038
Buildings and improvements	196,665,830	26,616,370	7,753,099	231,035,299
Furniture and equipment	12,435,671	2,931,043	-	15,366,714
Capital assets being depreciated	209,101,501	29,547,413	7,753,099	246,402,013
Less accumulated depreciation:				
Buildings and improvements	(57,820,001)	(4,410,242)	-	(62,230,243)
Furniture and equipment	(9,050,818)	(696,135)	-	(9,746,953)
Accumulated depreciation	(66,870,819)	(5,106,377)	-	(71,977,196)
Total capital assets being depreciated, net	142,230,682	24,441,036	7,753,099	174,424,817
Total capital assets, net	\$ 157,278,819	\$ 24,441,036	\$ -	\$ 181,719,855

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

Instruction	\$ 2,811,041
Instructional resources and media services	67,774
Curriculum development and instructional staff	103,246
Instructional leadership	96,080
School leadership	265,364
Guidance, counseling, and evaluation services	195,206
Health services	45,476
Student transportation	174,725
Food services	996
Extracurricular activities	156,489
General administration	215,118
Facilities maintenance and operations	697,051
Security and monitoring services	277,123
Data processing services	688
Total	<u>\$ 5,106,377</u>

NOTE 5. LONG-TERM DEBT

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

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

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The following is a summary of the changes in the District's Long-term Debt for the year ended August 31, 2025:

	Original Issue	Interest Rate	Beginning Balance	Additions	Retired/ Refunded	Ending Balance	Due Within One Year
Bonded Indebtedness							
2001 Building and Refunding	\$ 13,264,891	4.00% - 5.70%	\$ 3,019,730	\$ -	\$ 789,690	\$ 2,230,040	\$ 746,670
2013 Refunding	8,955,000	2.00% - 4.00%	8,855,000	-	7,705,000	1,150,000	-
2014 Refunding	9,295,000	2.00% - 4.00%	4,310,000	-	4,310,000	-	-
2015 Refunding	19,063,027	0.47% - 5.00%	12,931,727	-	6,581,727	6,350,000	-
2016 Refunding	24,877,700	2.00% - 4.00%	21,552,700	-	21,552,700	-	-
2019 Building	16,130,000	4.00% - 5.00%	12,595,000	-	695,000	11,900,000	670,000
2019-A Building	63,900,000	3.00% - 5.00%	63,035,000	-	880,000	62,155,000	925,000
2021 Refunding	6,540,000	3.00%	4,565,000	-	105,000	4,460,000	110,000
2023 Building	34,875,000	4.00% - 5.00%	34,040,000	-	510,000	33,530,000	535,000
2025 Refunding	38,005,000	2.65% - 4.64%	-	38,005,000	780,000	37,225,000	3,760,000
Total bonded indebtedness			164,904,157	38,005,000	43,909,117	159,000,040	6,746,670
Bond Premiums			18,632,693	5,929,424	9,130,332	15,431,785	-
Accreted Interest			10,766,953	8,485,609	2,633,746	16,618,816	-
Finance Lease			-	2,789,529	760,430	2,029,099	636,798
Compensated Absences (after restatement)			4,229,678	705,592	-	4,935,270	-
Total			<u>\$ 198,533,481</u>	<u>\$ 55,915,154</u>	<u>\$ 56,433,625</u>	<u>\$ 198,015,010</u>	<u>\$ 7,383,468</u>

Note: The addition to compensated absences is presented as a net change.

The 2001, 2015, and 2016 bond series include outstanding capital appreciation bonds. The bonds mature variously through 2033. Interest accrues on these bonds each February 15 and August 15, even though the interest is not paid until maturity. The accreted interest of \$16,618,816 is accounted for as Accreted Interest payable.

General Obligation Bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the District. General Obligation Bonds require the District to compute, at the time taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) a fund to pay interest and principal at maturity. The District is in compliance with this requirement.

During the fiscal year, the District signed a finance lease with Wells Fargo Vendor Financial Services, LLC, to lease Apple computer equipment for instructional purposes.

There are a number of limitations and restrictions contained in the various general obligation bonds indentures. The District is in compliance with all significant limitations and restrictions at August 31, 2025.

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

Bonded Indebtedness

	Principal	Interest	Total
2026			
2027	\$ 6,746,670	\$ 11,586,399	\$ 18,333,069
2028	4,515,990	8,518,029	13,034,019
2029	4,518,944	8,516,875	13,035,819
2030	6,193,436	6,837,683	13,031,119
2031 - 2035	5,890,000	5,569,069	11,459,069
2036 - 2040	34,400,000	23,799,245	58,199,245
2041 - 2045	34,155,000	15,263,820	49,418,820
2046 - 2050	31,720,000	8,988,757	40,708,757
2046-2050	30,860,000	2,656,433	33,516,433
2051-2052	<u>\$ 159,000,040</u>	<u>\$ 91,736,310</u>	<u>\$ 250,736,350</u>

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 6. DEBT REFUNDING

In July 2025, the District issued \$38,005,000 of unlimited tax refunding bonds to fund the repayment of bond 2013, 2014, 2015, and 2016 outstanding bond principal. The redemption date on refunding bonds was September 9, 2025.

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

Balance - August 31, 2024	\$ 2,449,241
Refunding of unamortized losses	(563,325)
Deferred loss - current year refunding	1,079,416
Current year amortization	<u>(168,678)</u>
Balance - August 31, 2025	<u>\$ 2,796,654</u>

NOTE 7. PROPERTY TAXES

Property taxes are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The District levies its taxes on October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. The assessed value of the property tax roll upon which the levy for the 2023-24 fiscal year was based was \$3,358,559,201. Taxes are delinquent if not paid by August 31. Delinquent taxes are subject to both penalty and interest charges plus 15% delinquent collection fees for attorney costs.

The tax rates assessed for the year ended August 31, 2025, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$0.75520 and \$0.50 per \$100 valuation, respectively, for a total of \$1.25520 per \$ 100 valuation.

Current tax collections for the year ended August 31, 2025 were 99.17% of the year-end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of August 31, 2025, property taxes receivable, net of estimated uncollectible taxes, totaled \$376,865 and \$208,448 for the General and Debt Service Funds, respectively.

Property taxes are recorded as receivables and unavailable revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with Generally Accepted Accounting Principles have been recognized as revenue.

NOTE 8. DEFINED BENEFIT PENSION PLAN

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

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

Pension Plan Fiduciary Net Position. Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at <https://www.trs.texas.gov/learning-resources/publications>; by writing to TRS (Attention: Finance Division), P. O. Box 149676, Austin, TX, 78714-0185; or by calling (800) 223-8778.

Benefits Provided. TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered 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. Accordingly, the 2023 Texas Legislature passed Senate Bill (SB) 10 and House Joint Resolution (HJR) 2 to provide eligible retirees with a one-time stipend and an ad hoc cost-of-living-adjustment (COLA).

One-Time Stipends. Stipends, regardless of annuity amount, were paid in September 2023 to annuitants who met the qualifying age requirement on or before August 31, 2023:

- A one-time \$7,500 stipend to eligible annuitants who are 75 years of age and older.
- A one-time \$2,400 stipend to eligible annuitants age 70 to 74.

Cost-of-Living Adjustment. A cost-of-living adjustment (COLA) was dependent on Texas voters approving a constitutional amendment (Proposition 9) to authorize the COLA. Voters approved the amendment in the November 2023 election, and the following COLA was applied to eligible annuitants' payments beginning with their January 2024 payment:

- 2% COLA for eligible retirees who retired between September 1, 2013, through August 31, 2020.
- 4% COLA for eligible retirees who retired between September 1, 2001, through August 31, 2013.
- 6% COLA for eligible retirees who retired on or before August 31, 2001.

Texas Government Code section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in this manner are determined by the System's actuary.

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 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10 percent of the aggregate annual compensation paid to members of the system during the fiscal year.

**LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2019 thru 2025. Contribution Rates can be found in the TRS 2024 ACFR, Note 11, on page 87.

Contribution Rates

Member	8.25%
Non-Employer Contributing Entity (State)	8.25%
Employers	8.25%

Lake Dallas ISD FY 2025 Employer Contributions	\$ 1,142,332
Lake Dallas ISD FY 2025 Member Contributions	2,500,269
Lake Dallas ISD FY 2025 NECE On-Behalf	1,818,339

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

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

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all an employee's salary is paid by federal funding source or a privately sponsored source, from non-educational and general, or local funds.

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

- All public schools must contribute 1.9 percent of the member's salary beginning in fiscal year 2025, increasing to 2 percent in fiscal year 2026.
- 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.

Actuarial Assumptions. The total pension liability in the August 31, 2024, actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2023, rolled forward to August 31, 2024
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term expected Investment Rate of Return	7.00%
Municipal Bond Rate as of August 2023	3.87%
Inflation	2.30%
Salary Increases Including Inflation	2.95% to 8.95%
Ad hoc Post Employment Benefit Changes	None

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2023. For a full description of these assumptions please see the actuarial valuation report dated November 21, 2023.

Discount Rate. A single discount rate of 7.00 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.00 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 9.54 percent of payroll in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.00%. 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, 2024, (see page 56 of the 2024 TRS ACFR) are summarized below:

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Asset Class	Target Allocation ¹	Long-Term Expected Arithmetic Real Rate of Return ²	Expected Contribution To Long-Term Portfolio Returns
Global Equity			
U.S.	18%	4.0%	1.00%
Non-U.S. Developed	13%	4.5%	0.90%
Emerging Markets	9%	4.8%	0.70%
Private Equity	14%	7.0%	1.50%
Stable Value			
Government Bonds	16%	2.5%	0.50%
Absolute Return ⁴	0%	3.6%	0.00%
Stable Value Hedge Funds	5%	4.1%	0.20%
Real Return			
Real Estate	15%	4.9%	1.10%
Energy, Natural Resources	6%	4.8%	0.40%
Commodities	0%	4.4%	0.00%
Risk Parity			
Risk Parity	8%	4.5%	0.40%
Leverage			
Cash	2%	3.7%	0.00%
Asset Allocation Leverage	-6%	4.4%	-0.10%
Inflation Expectation	-		2.30%
Volatility Drag ³	-		-0.90%
Total	<u>100%</u>		<u>8.00%</u>

Discount Rate Sensitivity Analysis. The following schedule shows the impact on the net pension liability if the discount rate used was 1 percentage point lower than and 1 percentage point higher than the discount rate that was used (7.00%) in measuring the net pension liability:

	1% Decrease in Discount Rate 6.00%	Discount Rate 7.00%	1% Increase in Discount Rate 8.00%
Lake Dallas ISD's proportionate share of the net pension liability:	\$19,396,834	\$12,143,868	\$6,134,270

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. On August 31, 2025, the District reported a liability of \$13,041,690 for its proportionate share of the TRS's net pension liability (based on a measurement year ended August 31, 2024). 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 collective net pension liability	\$ 12,143,868
State's proportionate share that is associated with the District	<u>19,662,647</u>
Total	<u>\$ 31,806,515</u>

¹ Target allocations are based on the FY23 policy model.

² Capital Market Assumptions come from Aon Hewitt (as of 06/30/2023).

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

⁴ Absolute Return includes credit sensitive investments.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The net pension liability was measured as of August 31, 2023, and rolled forward to August 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2023, through August 31, 2024.

On August 31, 2024, the employer's proportion of the collective net pension liability was 0.0198805465%, a decrease of 3.12% from its proportionate share of 0.0205216660% as of August 31, 2023.

Changes in Assumptions and Benefits Since the Prior Actuarial Valuation.

The actuarial assumptions and methods are the same as used in the determination of the prior year's net pension liability.

The 2023 Texas Legislature passed Senate Bill 10 (SB 10), which provided a stipend payment to certain retirees and variable ad hoc cost-of-living adjustments (COLA) to certain retirees in early fiscal year 2024. Due to its timing, the legislation and payments were not reflected in the August 31, 2023, actuarial valuation. Under the roll forward method, an adjustment was made to reflect the legislation in the rolled forward liabilities for the current measurement year, August 31, 2024. SB 10 and House Joint Resolution 2 (HJR 2) of the 88th Regular Legislative Session appropriated payments of \$1.645 billion for one-time stipends and \$3.355 billion for COLAs. This appropriation is treated as a supplemental contribution and included in other additions. Since the Legislature appropriated funds for this one-time stipend and COLA, there was no impact on the Net Pension Liability of TRS.

The amount of pension expense recognized by the District in the reporting period was \$1,610,782.

For the year ended August 31, 2025, the District recognized pension expense of \$2,350,015 and revenue of \$2,350,015 for support by the State (based on a measurement year ended August 31, 2024).

On August 31, 2025, 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 (the amounts shown below will be the cumulative layers from the current and prior years combined):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 669,353	\$ 94,813
Changes in actuarial assumptions	627,014	84,061
Difference between projected and actual investment earnings	73,819	
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	56,031	754,461
Contributions paid to TRS subsequent to the measurement date	1,142,332	-
Total	\$ 2,568,549	\$ 933,335

The District recognized \$1,142,332 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the measurement year ended August 31, 2025. The other amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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Year ended August 31:	Pension Expense Amount	Balance of Deferred Deferred Outflows (Deferred Inflows)
2026	\$ (222,741)	\$ 715,624
2027	1,122,136	(406,512)
2028	7,830	(414,342)
2029	(417,025)	2,683
2030	2,683	-
Thereafter	-	-

NOTE 9. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

Plan Description. The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer cost-sharing defined Other Post-Employment Benefit (OPEB) plan with a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

OPEB Plan Fiduciary Net Position. Detail information about TRS-Care's fiduciary net position is available in the separately issued TRS Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at <https://www.trs.texas.gov/learning-resources/publications>; by writing to TRS at P. O. Box 149676, Austin, TX, 78714-0185; or by calling (800) 223-8778.

Benefits Provided. TRS-Care provides health insurance coverage to retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. There are no automatic post-employment benefit changes including automatic COLAs.

The premium rates for retirees are reflected in the following table:

	TRS-Care Monthly for Retirees	
	Medicare	Non-Medicare
Retiree*	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree* and Children	468	408
Retiree and Family	1,020	999
<i>*or surviving spouse</i>		

Contributions. Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding.

**LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and school districts based upon active employee compensation. The TRS Board of trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65% of salary. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act, which is 0.75 percent of each active employee's pay for fiscal year 2024. The following table shows contributions to the TRS-Care plan by type of contributor.

<u>Contribution Rates</u>	
Active Employee	0.65%
Non-Employer Contributing Entity (State)	1.25%
Employers	0.75%
Federal/private Funding remitted by Employers	1.25%
 Lake Dallas ISD FY 2025 Employer Contributions	 \$235,371
Lake Dallas ISD FY 2025 Member Contributions	196,557
Lake Dallas ISD FY 2025 NECE On-Behalf Contributions	582,651

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (regardless of whether or not they participate in the TRS Care OPEB program). When hiring a TRS retiree, employers are required to pay to TRS Care, a monthly surcharge of \$535 per retiree.

Actuarial Assumptions. The actuarial valuation was performed as of August 31, 2023. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2024. Actuarial Assumptions can be found in the 2024 TRS ACFR, Note 9, page 78.

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2021. The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2023, TRS pension actuarial valuation that was rolled forward to August 31, 2024:

Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Rates of Disability

The active mortality rates were based on PUB (2010), Amount-Weighted, Below-Median Income, Teacher male and female tables (with a two-year set forward for males). The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioner Mortality Tables. The rates were projected on a fully generational basis using the ultimate improvement rates from the mortality projection scale MP-2021.

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2023, rolled forward to August 31, 2024
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.87%
Aging Factors	Based the Society of Actuaries' 2013 Study, Health Care

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
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Expenses	Costs – From Birth to Death”
Projected Salary Increases	Third-party administrative expenses related to the delivery care benefits are included in the age-adjusted claim costs
Election Rates	2.95% to 8.95%, including inflation
Ad hoc post-employment benefit changes	Normal Retirement: 62% participation prior to age 65 and 25% participation after age 65
	None

Discount Rate. A single discount rate of 3.87% was used to measure the total OPEB liability. There was a decrease of 0.26 percent in the discount rate since the previous year. Because the investments are held in cash and there is no intentional objective to advance fund the benefits, the single discount rate is equal to the prevailing municipal bond rate.

The source of the municipal bond rate is the Bond Buyer’s “20-Bond GO Index” as of August 31, 2024, using the Fixed Income Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% lower than and 1% higher than the discount rate that was used (3.87%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate 2.87%	Current Single Discount Rate 3.87%	1% Increase in Discount Rate 4.87%
Lake Dallas ISD’s proportionate share of the net OPEB liability:	\$9,630,588	\$8,106,237	\$6,874,538

Healthcare Cost Trend Rates Sensitivity Analysis - The following schedule shows the impact on the net OPEB liability if a healthcare trend rate that is 1% less than or 1% greater than the health trend rates assumed.

	1% Decrease in Discount Rate	Current Single Healthcare Trend Rate	1% Increase in Discount Rate
Lake Dallas ISD’s proportionate share of the net OPEB liability:	\$6,601,326	\$8,106,237	\$10,067,285

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. On August 31, 2025, the District reported a liability of \$8,656,398 for its proportionate share of the TRS’s Net OPEB Liability (based on a measurement year ended August 31, 2024). This liability reflects a reduction for State OPEB support provided to the District.

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

District's proportionate share of the collective net OPEB liability	\$ 8,106,237
State's proportionate share that is associated with the District	<u>10,157,005</u>
Total	<u>\$18,263,242</u>

The Net OPEB Liability was measured as of August 31, 2023, and rolled forward to August 31, 2024, and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer’s proportion of the Net OPEB Liability was based on the employer’s contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2023, through August 31, 2024.

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FOR THE YEAR ENDED AUGUST 31, 2025

On August 31, 2024, the employer's proportion of the collective Net OPEB Liability was 0.0267078340%, a decrease of 2.72% compared to the August 31, 2023, proportionate share of 0.0274541710%.

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

- The single discount rate changed from 4.13 percent as of August 31, 2023, to 3.87 percent as of August 31, 2024, accompanied by revised demographic and economic assumptions based on the TRS experience study.
- The tables used to model the impact of aging on the underlying claims were revised.

Changes of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

The amount of OPEB expense recognized by the District in the reporting period was \$(1,061,305).

For the year ended August 31, 2025, the District recognized OPEB expense of \$1,320,223 and revenue of \$1,320,223 for support provided by the State (based on a measurement year ended August 31, 2024).

On August 31, 2025, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits related to OPEB from the following sources (the amounts shown below will be the cumulative layers for the current and prior years combined):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,553,693	\$ 4,045,452
Changes in actuarial assumptions	1,037,503	2,644,971
Difference between projected and actual investment earnings	-	22,700
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	427,337	2,005,313
Contributions paid to TRS subsequent to the measurement date	235,371	-
Total	\$ 3,253,904	\$ 8,718,436

The District recognized \$235,371 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the measurement year ended August 31, 2025. The other amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended August 31:	Pension Expense Amount	Balance of Deferred Deferred Outflows (Deferred Inflows)
2026	\$ (1,272,302)	\$ (4,427,601)
2027	(905,162)	(3,522,439)
2028	(1,220,650)	(2,301,789)
2029	(1,048,221)	(1,253,568)
2030	(707,249)	(546,319)
Thereafter	(546,319)	-

**LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 10. SCHOOL DISTRICT RETIREE HEALTH PLAN

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments are recognized as equal revenues and expenditures/expenses by the District. For the year ended August 31, 2025, the contribution made on behalf of the District was \$216,080.

NOTE 11. HEALTH CARE

During the year ended August 31, 2025, employees of Lake Dallas Independent School District were covered by the TRS-Active Care health insurance plan (the Plan). The District contributed \$245 per month per employee to the Plan and employees, at their option, authorized payroll withholdings to pay any additional contribution and contributions for dependents. All contributions were paid to a self-funded pool. The Plan was authorized by Section 21.922, Texas Education Code and was documented by contractual agreement.

NOTE 12. INTERFUND TRANSFERS AND BALANCES

Virtually all of the interfund balances below are short-term loans due to the fact that checking account balances for most governmental funds are pooled into one demand account. There are no interfund balances that are not expected to be repaid within one year. Interfund balances at August 31, 2025, consisted of the following individual fund receivables and payables:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
<u>Major Funds:</u>		
General Fund	3,289,106	1,131,778
Debt Service Fund	1,131,778	-
Capital Projects Fund	-	1,502,668
Total Major Funds	<u>4,420,884</u>	<u>2,634,446</u>
<u>Non-Major Funds:</u>		
Special Revenue Funds:	-	1,694,612
Enterprise Fund:	-	91,826
Total Non-Major Funds	<u>-</u>	<u>1,786,438</u>
	<u>4,420,884</u>	<u>4,420,884</u>

NOTE 13. RECEIVABLES FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of August 31, 2024, are summarized below. All federal grants shown below are passed through the TEA and are reported on the combined financial statements as Due from Other Governments.

<u>Fund</u>	<u>Local</u>	<u>State Grants</u>	<u>Federal Grants</u>	<u>Total</u>
General Fund	\$ -	\$ 475,619	\$ -	\$ 475,619
Debt Service Fund	6,532	-	-	6,532
Special Revenue Fund	-	773,182	993,270	1,766,452
Total	<u>\$ 6,532</u>	<u>\$ 1,248,801</u>	<u>\$ 993,270</u>	<u>\$ 2,248,603</u>

**LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

Funds were transferred from enterprise and internal service funds in the amounts of \$91,826 and \$115,748, respectively, to the general fund at the end of the fiscal year to fund future general fund activities.

NOTE 14. CONTINGENT LIABILITIES

The Tax Reform Act of 1986 imposed regulations on tax-exempt bond issues. Governmental bonds issued after August 31, 1986 are subject to the rebate provisions of the Tax Reform Act of 1986. The rebate applies to earnings from bond issue proceeds investments which exceed bond issue stated interest rates. The exact amount of liability, if any, will not be known until as long as five years from the bond issuance date. At August 31, 2025, there was no estimated rebate liability.

NOTE 15. LITIGATION AND CONTINGENCIES

The District is not a party to any legal actions, accordingly, no provision for losses has been recorded in the accompanying combined financial statements for such contingencies.

The District participates in numerous state and Federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at August 31, 2025 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

NOTE 16. REVENUES FROM LOCAL AND INTERMEDIATE SOURCES

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

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total
Property Taxes	\$ 23,464,031	\$ -	\$ 15,406,276	\$ -	\$ 38,870,307
Food Sales	-	696,888	-	-	696,888
Investment Income	812,895	-	438,036	1,518,670	2,769,601
Penalties, interest and other tax related income	151,761	-	84,982	-	236,743
Co-curricular student activities	117,361	-	-	-	117,361
Tuition and fees	5,440	-	-	-	5,440
Rent	55,751	-	-	-	55,751
Gifts and bequests	58,883	-	-	-	58,883
Other	147,235	235,555	-	-	382,790
Total	<u>\$ 24,813,357</u>	<u>\$ 932,443</u>	<u>\$ 15,929,294</u>	<u>\$ 1,518,670</u>	<u>\$ 43,193,764</u>

NOTE 17. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

	General Fund	Special Revenue Funds	Total
Unearned grants	\$ -	\$ 108,767	\$ 108,767

NOTE 18. SUBSEQUENT EVENTS

Management evaluates subsequent events through the date of the report, which is the date the financial statements were available to be issued.

NOTE 19. CHANGE IN ACCOUNTING PRINCIPLE – COMPENSATED ABSENCES

In June 2022, GASB issued new accounting pronouncement, GASB Statement No. 101, “Compensated Absences,” which was effective for fiscal years beginning after December 15, 2023. In compliance with this new accounting pronouncement, a liability has been recognized in the District’s statements of net position for carry-forward compensated absences more likely than not (a likelihood of more than 50%) to be used by or paid to employees in future periods. The measurement of the liability includes salary-related payments that are directly and incrementally associated with the leave. Texas state law provides a state minimum personal leave program consisting of five days per year personal leave with no limit on accumulation and transferability among Texas school districts; school districts can provide additional personal leave beyond this minimum. The liability for compensated absences in governmental fund financial statements is the amount, if material, that is to be liquidated with expendable available financial resources. This new accounting pronouncement does not apply to holiday leave or projected effects on defined benefit postemployment liabilities. Under previous accounting rules, a liability for compensated absences would have been recorded only if accumulated benefits were to be paid upon employee termination or retirement.

The implementation of this new accounting standard resulted in restating beginning net position in the District’s governmental activities as follows:

Governmental Activities

Net Position as of 8/31/24 as previously reported	\$ (1,447,054)
Restatement due to change in accounting principle to record a liability for compensated absences	(4,229,678)
Net position as of 8/31/24 as restated	<u>(5,676,732)</u>

NOTE 20. EXCESS OF EXPENDITURES OVER APPROPRIATIONS BY FUNCTION

The District exceeded its general fund budget in one functional expenditure categories: instruction by \$2,695,013 due to the lease-purchase of Apple products during the fiscal year (see Note 5). Overall, there was an unfavorable expenditure variance of \$620,333.

REQUIRED SUPPLEMENTARY INFORMATION



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LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2025

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 24,476,483	\$ 24,476,483	\$ 24,813,357	\$ 336,874
5800 State Program Revenues	16,848,363	17,276,571	17,506,887	230,316
5900 Federal Program Revenues	641,019	641,019	613,676	(27,343)
5020 Total Revenues	41,965,865	42,394,073	42,933,920	539,847
EXPENDITURES:				
Current:				
0011 Instruction	23,426,370	23,830,497	26,525,510	(2,695,013)
0012 Instructional Resources and Media Services	464,550	473,232	462,960	10,272
0013 Curriculum and Instructional Staff Development	781,431	919,782	915,790	3,992
0021 Instructional Leadership	677,367	633,338	618,990	14,348
0023 School Leadership	2,269,025	2,295,558	2,253,358	42,200
0031 Guidance, Counseling, and Evaluation Services	1,344,332	1,506,900	1,469,273	37,627
0033 Health Services	366,863	382,238	380,834	1,404
0034 Student (Pupil) Transportation	1,714,191	1,766,325	1,659,186	107,139
0035 Food Services	-	15,134	15,133	1
0036 Extracurricular Activities	1,173,280	1,320,222	1,305,389	14,833
0041 General Administration	1,781,338	1,793,801	1,784,807	8,994
0051 Facilities Maintenance and Operations	5,737,573	6,267,265	6,205,853	61,412
0052 Security and Monitoring Services	977,325	1,077,168	664,483	412,685
0053 Data Processing Services	1,268,960	1,245,240	1,207,439	37,801
0061 Community Services	-	4,922	4,921	1
Debt Service:				
0071 Principal on Long-Term Liabilities	-	760,430	-	760,430
Capital Outlay:				
0081 Facilities Acquisition and Construction	14,000	18,600	17,600	1,000
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of SSA	4,500	12,000	12,000	-
0095 Payments to Juvenile Justice Alternative Ed. Prg.	2,000	2,000	-	2,000
0099 Other Intergovernmental Charges	320,000	290,200	271,506	18,694
6030 Total Expenditures	42,323,105	44,614,852	45,775,032	(1,160,180)
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	(357,240)	(2,220,779)	(2,841,112)	(620,333)
OTHER FINANCING SOURCES (USES):				
7913 Right-to-Use Lease and SBITA Proceeds	-	-	2,029,099	2,029,099
7915 Transfers In	-	-	207,573	207,573
7080 Total Other Financing Sources (Uses)	-	-	2,236,672	2,236,672
1200 Net Change in Fund Balances	(357,240)	(2,220,779)	(604,440)	1,616,339
0100 Fund Balance - September 1 (Beginning)	14,292,512	14,292,512	14,292,512	-
3000 Fund Balance - August 31 (Ending)	\$ 13,935,272	\$ 12,071,733	\$ 13,688,072	\$ 1,616,339

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2025

	FY 2025 Plan Year 2024	FY 2024 Plan Year 2023	FY 2023 Plan Year 2022
District's Proportion of the Net Pension Liability (Asset)	0.1988055%	0.020521666%	0.021377726%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 12,143,868	\$ 14,096,404	\$ 12,691,406
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	19,662,646	23,347,004	21,970,498
Total	<u>\$ 31,806,514</u>	<u>\$ 37,443,408</u>	<u>\$ 34,661,904</u>
District's Covered Payroll	\$ 30,810,544	\$ 30,193,286	\$ 30,329,867
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	39.41%	46.69%	41.80%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.51%	73.15%	75.62%

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2024 for year 2025, August 31, 2023 for year 2024, August 31, 2022 for year 2023, August 31, 2021 for year 2022, August 31, 2020 for year 2021, August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, and August 31, 2015 for year 2016.

<u>FY 2022</u> <u>Plan Year 2021</u>	<u>FY 2021</u> <u>Plan Year 2020</u>	<u>FY 2020</u> <u>Plan Year 2019</u>	<u>FY 2019</u> <u>Plan Year 2018</u>	<u>FY 2018</u> <u>Plan Year 2017</u>	<u>FY 2017</u> <u>Plan Year 2016</u>	<u>FY 2016</u> <u>Plan Year 2015</u>
0.021126608%	0.021292927%	0.0235027%	0.02334693%	0.018264875%	0.018637105%	0.0198897%
\$ 5,380,199	\$ 11,404,058	\$ 12,217,441	\$ 12,850,717	\$ 5,840,123	\$ 7,042,685	\$ 7,030,744
10,199,685	22,293,719	20,460,211	22,529,858	15,271,643	18,223,942	17,229,897
<u>\$ 15,579,884</u>	<u>\$ 33,697,777</u>	<u>\$ 32,677,652</u>	<u>\$ 35,380,575</u>	<u>\$ 21,111,766</u>	<u>\$ 25,266,627</u>	<u>\$ 24,260,641</u>
\$ 29,720,288	\$ 29,863,870	\$ 28,111,928	\$ 27,397,418	\$ 26,574,196	\$ 25,849,885	\$ 24,956,220
18.10%	38.19%	43.46%	46.90%	21.98%	27.24%	28.17%
88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2025

	2025	2024	2023
Contractually Required Contribution	\$ 1,142,332	\$ 1,120,793	\$ 1,034,494
Contribution in Relation to the Contractually Required Contribution	(1,142,332)	(1,120,793)	(1,034,494)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 30,306,295	\$ 30,810,544	\$ 30,193,286
Contributions as a Percentage of Covered Payroll	3.77%	3.64%	3.43%

Note: GASB Codification, Vol. 2, P20.183 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

2022	2021	2020	2019	2018	2017	2016
\$ 998,754	\$ 892,510	\$ 878,546	\$ 824,909	\$ 786,464	\$ 598,616	\$ 592,480
(998,754)	(892,510)	(878,546)	(824,909)	(786,464)	(598,616)	(592,480)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 30,329,867	\$ 29,720,288	\$ 29,863,870	\$ 28,111,928	\$ 27,397,418	\$ 26,574,196	\$ 25,849,885
3.29%	3.00%	2.94%	2.93%	2.87%	2.25%	2.29%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2025

	FY 2025 Plan Year 2024	FY 2024 Plan Year 2023	FY 2023 Plan Year 2022
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.026708%	0.027454171%	0.029813202%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 8,106,237	\$ 6,077,888	\$ 7,138,475
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	10,157,005	7,333,906	8,707,818
Total	<u>\$ 18,263,242</u>	<u>\$ 13,411,794</u>	<u>\$ 15,846,293</u>
District's Covered Payroll	\$ 30,810,544	\$ 30,193,286	\$ 30,329,867
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	26.31%	20.13%	23.54%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	13.70%	14.94%	11.52%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. For example, the amounts for FY 2025 are for the measurement date of August 31, 2024, etc.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

<u>FY 2022</u> <u>Plan Year 2021</u>	<u>FY 2021</u> <u>Plan Year 2020</u>	<u>FY 2020</u> <u>Plan Year 2019</u>	<u>FY 2019</u> <u>Plan Year 2018</u>	<u>FY 2018</u> <u>Plan Year 2017</u>
0.030265463%	0.031226603%	0.031504959%	0.031748606%	0.028767545%
\$ 11,674,741	\$ 11,870,642	\$ 14,899,080	\$ 15,852,369	\$ 12,469,879
15,641,552	15,951,297	19,797,546	23,874,982	21,870,140
<u>\$ 27,316,293</u>	<u>\$ 27,821,939</u>	<u>\$ 34,696,626</u>	<u>\$ 39,727,351</u>	<u>\$ 34,340,019</u>
\$ 29,720,288	\$ 29,863,870	\$ 28,111,928	\$ 27,397,418	\$ 26,574,196
39.29%	39.75%	53.00%	57.87%	46.92%
6.18%	4.99%	2.66%	1.57%	0.91%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2025

	2025	2024	2023
Contractually Required Contribution	\$ 235,371	\$ 242,572	\$ 239,420
Contribution in Relation to the Contractually Required Contribution	(235,371)	(242,572)	(239,420)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 30,306,295	\$ 30,810,544	\$ 30,193,286
Contributions as a Percentage of Covered Payroll	0.78%	0.79%	0.79%

Note: GASB Codification, Vol. 2, P50.238 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

Information in this schedule should be provided only for the years where data is available. Eventually 10 years of data should be presented.

2022		2021		2020		2019		2018	
\$	247,313	\$	236,442	\$	237,123	\$	223,600	\$	218,925
	(247,313)		(236,442)		(237,123)		(223,600)		(218,925)
\$	-	\$	-	\$	-	\$	-	\$	-
<hr/>		<hr/>		<hr/>		<hr/>		<hr/>	
\$	30,329,867	\$	29,720,288	\$	29,863,870	\$	28,111,928	\$	27,397,418
	0.82%		0.80%		0.79%		0.80%		0.80%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2025

PENSION LIABILITY:

Changes of benefit terms:

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

Changes of assumptions:

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

OPEB LIABILITY:

Changes of benefit terms:

There were no significant changes in benefit terms since the prior measurement date.

Changes of assumptions:

The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability since the prior measurement period:

- The discount rate changed from 4.13 percent as of August 31, 2023, to 3.87 percent as of August 31, 2024.
- Since the plan is a pay-as-you-go plan, the single discount rate is equal to the prevailing municipal bond rate.

OTHER SUPPLEMENTARY INFORMATION
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Activities accounted for in the Special Revenue Funds are:

Federal Programs:

ESEA Title I, Part A, Improving Basic Program
IDEA-Part B, Formula
IDEA-Part B, Preschool
National Breakfast and Lunch Program
Career and Technical - Basic Grant
ESEA, Title II, A Training and Recruiting
Title III, A English Lang. Acquisition
ESSER III ARP Act
Summer School LEP
Other Federal Special Revenue Funds

State Programs:

Advanced Placement Incentives
State Instructional Material
Other State Special Revenue Funds

Local Programs:

Campus Activity Funds
Athletic Camps

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2025

Data Control Codes		211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 1,014,503
1240	Due from Other Governments	173,329	533,533	6,954	104,327
1000	Total Assets	<u>\$ 173,329</u>	<u>\$ 533,533</u>	<u>\$ 6,954</u>	<u>\$ 1,118,830</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ 139,223
2170	Due to Other Funds	173,329	533,533	6,954	-
2180	Due to Other Governments	-	-	-	-
2200	Accrued Expenditures	-	-	-	28,253
2300	Unearned Revenue	-	-	-	99,311
2000	Total Liabilities	<u>173,329</u>	<u>533,533</u>	<u>6,954</u>	<u>266,787</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	852,043
Committed Fund Balance:					
3545	Other Committed Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>852,043</u>
4000	Total Liabilities and Fund Balances	<u>\$ 173,329</u>	<u>\$ 533,533</u>	<u>\$ 6,954</u>	<u>\$ 1,118,830</u>

EXHIBIT H-1 (Cont'd)

244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	282 ESSER III ARP Act	288 Summer School LEP	289 Other Federal Special Revenue Funds	397 Advanced Placement Incentives	410 State Instructional Materials
\$ - 3,200	\$ - 30,217	\$ - 8,687	\$ 27,772 -	\$ - -	\$ - 10,442	\$ 9,456 -	\$ - 122,581
<u>\$ 3,200</u>	<u>\$ 30,217</u>	<u>\$ 8,687</u>	<u>\$ 27,772</u>	<u>\$ -</u>	<u>\$ 10,442</u>	<u>\$ 9,456</u>	<u>\$ 122,581</u>
\$ - 3,200	\$ 16,346 13,871	\$ - 8,687	\$ - -	\$ - -	\$ - 10,442	\$ - -	\$ - 93,508
-	-	-	27,772	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	9,456	-
<u>3,200</u>	<u>30,217</u>	<u>8,687</u>	<u>27,772</u>	<u>-</u>	<u>10,442</u>	<u>9,456</u>	<u>93,508</u>
-	-	-	-	-	-	-	29,073
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	29,073
<u>\$ 3,200</u>	<u>\$ 30,217</u>	<u>\$ 8,687</u>	<u>\$ 27,772</u>	<u>\$ -</u>	<u>\$ 10,442</u>	<u>\$ 9,456</u>	<u>\$ 122,581</u>

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2025

Data Control Codes		429 Other State Special Revenue Funds	461 Campus Activity Funds	462 Athletic Camps	Total Nonmajor Governmental Funds
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ 188,379	\$ 96,124	\$ 1,336,234
1240	Due from Other Governments	773,182	-	-	1,766,452
1000	Total Assets	<u>\$ 773,182</u>	<u>\$ 188,379</u>	<u>\$ 96,124</u>	<u>\$ 3,102,686</u>
LIABILITIES					
2110	Accounts Payable	\$ 22,484	\$ 4,980	\$ -	\$ 183,033
2170	Due to Other Funds	750,698	4,833	95,557	1,694,612
2180	Due to Other Governments	-	-	-	27,772
2200	Accrued Expenditures	-	-	-	28,253
2300	Unearned Revenue	-	-	-	108,767
2000	Total Liabilities	<u>773,182</u>	<u>9,813</u>	<u>95,557</u>	<u>2,042,437</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	881,116
Committed Fund Balance:					
3545	Other Committed Fund Balance	-	178,566	567	179,133
3000	Total Fund Balances	<u>-</u>	<u>178,566</u>	<u>567</u>	<u>1,060,249</u>
4000	Total Liabilities and Fund Balances	<u>\$ 773,182</u>	<u>\$ 188,379</u>	<u>\$ 96,124</u>	<u>\$ 3,102,686</u>



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LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

Data Control Codes		211	224	225	240
		ESEA I, A Improving Basic Program	IDEA - Part B Formula	IDEA - Part B Preschool	National Breakfast and Lunch Program
REVENUES:					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 768,833
5800	State Program Revenues	-	-	-	50,735
5900	Federal Program Revenues	336,082	701,984	10,869	1,415,396
5020	Total Revenues	336,082	701,984	10,869	2,234,964
EXPENDITURES:					
Current:					
0011	Instruction	262,357	344,631	10,869	-
0012	Instructional Resources and Media Services	-	-	-	-
0013	Curriculum and Instructional Staff Development	64,725	-	-	-
0021	Instructional Leadership	-	-	-	-
0023	School Leadership	-	-	-	-
0031	Guidance, Counseling, and Evaluation Services	9,000	357,353	-	-
0033	Health Services	-	-	-	-
0034	Student (Pupil) Transportation	-	-	-	-
0035	Food Services	-	-	-	2,672,627
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-
0053	Data Processing Services	-	-	-	-
0061	Community Services	-	-	-	-
6030	Total Expenditures	336,082	701,984	10,869	2,672,627
1200	Net Change in Fund Balance	-	-	-	(437,663)
0100	Fund Balance - September 1 (Beginning)	-	-	-	1,289,706
3000	Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ 852,043

EXHIBIT H-2 (Cont'd)

244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	282 ESSER III ARP Act	288 Summer School LEP	289 Other Federal Special Revenue Funds	397 Advanced Placement Incentives	410 State Instructional Materials
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	243,061
17,129	31,356	49,647	494,058	2,727	34,002	-	-
17,129	31,356	49,647	494,058	2,727	34,002	-	243,061
16,534	15,010	49,647	283,015	2,727	34,002	-	243,061
-	-	-	4,632	-	-	-	-
595	16,346	-	7,721	-	-	-	-
-	-	-	6,177	-	-	-	-
-	-	-	27,280	-	-	-	-
-	-	-	18,015	-	-	-	-
-	-	-	5,147	-	-	-	-
-	-	-	34,486	-	-	-	-
-	-	-	30,368	-	-	-	-
-	-	-	4,118	-	-	-	-
-	-	-	10,304	-	-	-	-
-	-	-	41,177	-	-	-	-
-	-	-	3,088	-	-	-	-
-	-	-	7,206	-	-	-	-
-	-	-	11,324	-	-	-	-
17,129	31,356	49,647	494,058	2,727	34,002	-	243,061
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	29,073
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,073

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2025

Data Control Codes	429 Other State Special Revenue Funds	461 Campus Activity Funds	462 Athletic Camps	Total Nonmajor Governmental Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ 158,621	\$ 4,989	\$ 932,443
5800 State Program Revenues	556,736	-	-	850,532
5900 Federal Program Revenues	-	-	-	3,093,250
5020 Total Revenues	556,736	158,621	4,989	4,876,225
EXPENDITURES:				
Current:				
0011 Instruction	27,551	-	-	1,289,404
0012 Instructional Resources and Media Services	-	-	-	4,632
0013 Curriculum and Instructional Staff Development	-	-	-	89,387
0021 Instructional Leadership	-	-	-	6,177
0023 School Leadership	-	-	-	27,280
0031 Guidance, Counseling, and Evaluation Services	-	-	-	384,368
0033 Health Services	-	-	-	5,147
0034 Student (Pupil) Transportation	-	-	-	34,486
0035 Food Services	-	-	-	2,702,995
0036 Extracurricular Activities	-	51,290	4,904	60,312
0041 General Administration	-	-	-	10,304
0051 Facilities Maintenance and Operations	330,372	-	-	371,549
0052 Security and Monitoring Services	198,813	-	-	201,901
0053 Data Processing Services	-	-	-	7,206
0061 Community Services	-	-	-	11,324
6030 Total Expenditures	556,736	51,290	4,904	5,206,472
1200 Net Change in Fund Balance	-	107,331	85	(330,247)
0100 Fund Balance - September 1 (Beginning)	-	71,235	482	1,390,496
3000 Fund Balance - August 31 (Ending)	\$ -	\$ 178,566	\$ 567	\$ 1,060,249

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED AUGUST 31, 2025

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 610,067	\$ 610,067	\$ 768,833	\$ 158,766
5800 State Program Revenues	43,128	43,128	50,735	7,607
5900 Federal Program Revenues	1,814,446	1,814,446	1,415,396	(399,050)
5020 Total Revenues	2,467,641	2,467,641	2,234,964	(232,677)
EXPENDITURES:				
Current:				
0035 Food Services	2,947,833	2,947,833	2,672,627	275,206
6030 Total Expenditures	2,947,833	2,947,833	2,672,627	275,206
1200 Net Change in Fund Balances	(480,192)	(480,192)	(437,663)	42,529
0100 Fund Balance - September 1 (Beginning)	1,289,706	1,289,706	1,289,706	-
3000 Fund Balance - August 31 (Ending)	\$ 809,514	\$ 809,514	\$ 852,043	\$ 42,529

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2025

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 16,040,494	\$ 16,040,494	\$ 15,929,294	\$ (111,200)
5800	State Program Revenues	1,672,918	1,672,918	1,947,536	274,618
5020	Total Revenues	17,713,412	17,713,412	17,876,830	163,418
EXPENDITURES:					
Debt Service:					
0071	Principal on Long-Term Liabilities	5,119,600	5,899,601	5,949,599	(49,998)
0072	Interest on Long-Term Liabilities	12,568,956	11,801,178	11,751,175	50,003
0073	Bond Issuance Cost and Fees	8,000	21,000	383,213	(362,213)
6030	Total Expenditures	17,696,556	17,721,779	18,083,987	(362,208)
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	16,856	(8,367)	(207,157)	(198,790)
OTHER FINANCING SOURCES (USES):					
7911	Capital Related Debt Issued	-	-	38,005,000	38,005,000
7916	Premium or Discount on Issuance of Bonds	-	-	5,929,424	5,929,424
8949	Other (Uses)	-	-	(43,553,351)	(43,553,351)
7080	Total Other Financing Sources (Uses)	-	-	381,073	381,073
1200	Net Change in Fund Balances	16,856	(8,367)	173,916	182,283
0100	Fund Balance - September 1 (Beginning)	2,655,470	2,655,470	2,655,470	-
3000	Fund Balance - August 31 (Ending)	\$ 2,672,326	\$ 2,647,103	\$ 2,829,386	\$ 182,283

OTHER SUPPLEMENTARY INFORMATION:

INTERNAL SERVICE FUNDS



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INTERNAL SERVICE

FUNDS

Internal Service Funds are used to account for the financing of services provided by one department to other departments of the District on a cost reimbursement basis.

Print Shop - This fund accounts for printing services provided by the District Print Shop.

Computer Operations - This fund accounts for technology services provided to other departments.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 AUGUST 31, 2025

	752	754	Total
	Print Shop	Computer Operations	Internal Service Funds
<hr/>			
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 114,627	\$ -	\$ 114,627
Inventories	6,049	-	6,049
	<hr/>	<hr/>	<hr/>
Total Assets	120,676	-	120,676
<hr/>			
LIABILITIES			
Current Liabilities:			
Accounts Payable	1,340	-	1,340
Accrued Expenses	88	-	88
	<hr/>	<hr/>	<hr/>
Total Liabilities	1,428	-	1,428
<hr/>			
NET POSITION			
Fiduciary Net Position	119,248	-	119,248
	<hr/>	<hr/>	<hr/>
Total Net Position	\$ 119,248	\$ -	\$ 119,248
	<hr/>	<hr/>	<hr/>

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2025

	752	754	Total Internal Service Funds
	Print Shop	Computer Operations	
OPERATING REVENUES:			
Local and Intermediate Sources	\$ 96,293	\$ -	\$ 96,293
Total Operating Revenues	<u>96,293</u>	<u>-</u>	<u>96,293</u>
OPERATING EXPENSES:			
Payroll Costs	33,758	-	33,758
Professional and Contracted Services	68,194	-	68,194
Supplies and Materials	28,319	-	28,319
Total Operating Expenses	<u>130,271</u>	<u>-</u>	<u>130,271</u>
Income (Loss) Before Transfers	(33,978)	-	(33,978)
Transfers Out	<u>-</u>	<u>(115,748)</u>	<u>(115,748)</u>
Change in Net Position	(33,978)	(115,748)	(149,726)
Total Net Position - Sept. 1 (Beginning)	153,226	115,748	268,974
Total Net Position - August 31 (Ending)	<u>\$ 119,248</u>	<u>\$ -</u>	<u>\$ 119,248</u>

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

	752	754	Total
	Print Shop	Computer Operations	Internal Service Funds
<u>Cash Flows from Operating Activities:</u>			
Cash Received from District	\$ 96,293	\$ -	\$ 96,293
Cash Payments for Payroll Costs	(33,758)	-	(33,758)
Cash Payments for Supplies and Materials	(26,060)	-	(26,060)
Cash Payments for Purchased Services	(12,230)	-	(12,230)
Net Cash Provided by (Used for) Operating Activities	24,245	-	24,245
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Transfers Out	-	(115,748)	(115,748)
Net Decrease in Cash and Cash Equivalents	(29,469)	(110,524)	(139,993)
Cash and Cash Equivalents at Beginning of Year	144,096	110,524	254,620
Cash and Cash Equivalents at End of Year	\$ 114,627	\$ -	\$ 114,627
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided by (Used for) Operating Activities:</u>			
Operating Income (Loss):	\$ (33,978)	\$ -	\$ (33,978)
Effect of Increases and Decreases in Current			
Assets and Liabilities:			
Decrease (increase) in Due from Other Funds	3,222	4,252	7,474
Decrease (increase) in Inventories	1,524	972	2,496
Increase (decrease) in Accounts Payable	(237)	-	(237)
Net Cash Provided by (Used for)			
Operating Activities	\$ (29,469)	\$ 5,224	\$ (24,245)

OTHER SUPPLEMENTARY INFORMATION:
REQUIRED TEA SCHEDULES

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE YEAR ENDED AUGUST 31, 2025

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2016 and prior years	Various	Various	\$ 1,422,319,042
2017	1.170000	0.500000	1,601,010,736
2018	1.170000	0.500000	1,748,779,669
2019	1.170000	0.500000	1,953,569,778
2020	1.068300	0.500000	2,194,318,562
2021	1.050300	0.500000	2,269,182,443
2022	1.000300	0.500000	2,477,456,305
2023	0.942900	0.500000	2,887,504,774
2024	0.757500	0.500000	3,111,782,774
2025 (School year under audit)	0.755200	0.500000	3,358,559,201
1000 TOTALS			
8000 Total Taxes Refunded Under Section 26.1115, Tax Code			

EXHIBIT J-1

(10) Beginning Balance 9/1/2024	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2025	(99) Taxes Refunded Under Section 26.1115c
\$ 156,020	\$	\$ 8,603	\$ 3,676	\$ (5,809)	\$ 137,932	
32,622		1,227	524	-	30,871	
32,288		2,128	909	-	29,251	
35,363		2,807	1,199	-	31,357	
46,575		2,719	1,272	(157)	42,427	
51,311		4,338	2,065	(1,054)	43,854	
99,841		1,482	741	(55,679)	41,939	
60,011		(33,565)	(17,799)	(31,351)	80,024	
220,906		(164,684)	(108,702)	(370,160)	124,132	
-	39,671,649	23,264,360	15,402,780	(680,044)	324,465	
<u>\$ 734,937</u>	<u>\$ 39,671,649</u>	<u>\$ 23,089,415</u>	<u>\$ 15,286,665</u>	<u>\$ (1,144,254)</u>	<u>\$ 886,252</u>	
						<u>\$ 65,438</u>

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STATE COMPENSATORY EDUCATION AND BILINGUAL EDUCATION PROGRAM EXPENDITURES
FOR THE YEAR ENDED AUGUST 31, 2025

Section A: Compensatory Education Programs

AP1	Did your district expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the district have written policies and procedures for its state compensatory education program?	Yes
AP3	Total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$2,234,155
AP4	Actual direct program expenditures for state compensatory education programs during the district's fiscal year. (PICs 24,26,28,29,30)	\$1,328,688

Section B: Bilingual Education Programs

AP5	Did your district expend any bilingual education program state allotment funds during the district's fiscal year?	Yes
AP6	Does the district have written policies and procedures for its bilingual education program?	Yes
AP7	Total state allotment funds received for bilingual education programs during the district's fiscal year.	\$295,644
AP8	Actual direct program expenditures for bilingual education programs during the district's fiscal year. (PIC 25)	\$142,247

**STATISTICAL
SECTION
(UNAUDITED)**



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Statistical Section

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

Contents	Page
Financial Trends	114
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	123
These schedules contain information to help the reader assess the government's most significant local revenue source, property taxes.	
Debt Capacity	130
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Demographic and Economic Information	136
These schedules offer demographic and economic indicators to help the reader understand the environment within the government's financial activities take place.	
Operating Information	142
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

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

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

Fiscal Year	2016	2017	2018	2019
Governmental Activities:				
Net Investment in Capital Assets	\$ 10,532,295	\$ 999,254	\$ (1,011,015)	\$ 4,729,315
Restricted for Federal and State Programs	289,104	276,416	387,245	380,420
Restricted for Debt Service	552,093	548,129	1,016,462	1,458,801
Restricted for Campus Activities	-	-	-	-
Unrestricted Net Position	(18,901,486)	(7,925,164)	(20,469,736)	(25,263,626)
Total Governmental Activities Net Position (1,2)	<u>\$ (7,527,994)</u>	<u>\$ (6,101,365)</u>	<u>\$ (20,077,044)</u>	<u>\$ (18,695,090)</u>
Business-Type Activities:				
Unrestricted Net Position	\$ 2,019	\$ 2,019	\$ 2,019	\$ 2,019
Total Business-Type Activities	<u>\$ 2,019</u>	<u>\$ 2,019</u>	<u>\$ 2,019</u>	<u>\$ 2,019</u>
Primary Government:				
Net Investment in Capital Assets	\$ 10,532,295	\$ 999,254	\$ (1,011,015)	\$ 4,729,315
Restricted for Federal and State Programs	289,104	276,416	387,245	380,420
Restricted for Debt Service	552,093	548,129	1,016,462	1,458,801
Restricted for Campus Activities	-	-	-	-
Unrestricted Net Position	(18,899,467)	(7,923,145)	(20,467,717)	(25,261,607)
Total Primary Government Net Position (1,2)	<u>\$ (7,525,975)</u>	<u>\$ (6,099,346)</u>	<u>\$ (20,075,025)</u>	<u>\$ (18,693,071)</u>

Source: The Statement of Net Position for the Lake Dallas Independent School District.

Notes: (1) Effective for the fiscal year ended August 31, 2013, the District implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. With the implementation of this standard, balances previously reported as "Net Assets" are now reported as "Net Position".

(2) Fiscal years prior to 2013 included in this schedule are shown as adjusted for changes required by GASB Statement No. 65, Items Previously Reported as Assets and Liabilities.

2020	2021	2022	2023	2024	2025
\$ 6,731,610	\$ 6,077,517	\$ 7,008,559	\$ 9,892,553	\$ 15,268,953	\$ 6,003,480
422,779	548,830	1,353,083	1,350,996	1,318,779	881,116
1,655,330	2,086,514	2,066,817	2,638,116	2,585,199	2,324,645
-	-	-	-	-	-
(26,426,223)	(26,535,782)	(24,312,940)	(23,066,123)	(20,619,985)	(14,209,772)
<u>\$ (17,616,504)</u>	<u>\$ (17,822,921)</u>	<u>\$ (13,884,481)</u>	<u>\$ (9,184,458)</u>	<u>\$ (1,447,054)</u>	<u>\$ (5,000,531)</u>
\$ 2,019	\$ 17,348	\$ 38,991	\$ 38,991	\$ 80,429	\$ 80,429
<u>\$ 2,019</u>	<u>\$ 17,348</u>	<u>\$ 38,991</u>	<u>\$ 38,991</u>	<u>\$ 80,429</u>	<u>\$ 80,429</u>
\$ 6,731,610	\$ 6,077,517	\$ 7,008,559	\$ 9,892,553	\$ 15,268,953	\$ 6,003,480
422,779	548,830	1,353,083	1,350,996	1,318,779	881,116
1,655,330	2,086,514	2,066,817	2,638,116	2,585,199	2,585,199
-	-	-	-	-	-
(26,424,204)	(26,518,434)	(24,273,949)	(23,027,132)	(20,700,414)	(20,700,414)
<u>\$ (17,614,485)</u>	<u>\$ (17,805,573)</u>	<u>\$ (13,845,490)</u>	<u>\$ (9,145,467)</u>	<u>\$ (1,366,625)</u>	<u>\$ (4,920,102)</u>

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

Fiscal Year	2016	2017	2018	2019
Expenses				
Governmental Activities:				
Instruction	\$ 23,420,949	\$ 23,396,271	\$ 16,521,116	\$ 25,381,434
Instructional Resources & Media Services	615,380	608,202	435,713	648,672
Curriculum & Staff Development	1,062,067	1,146,177	824,663	1,195,322
Instructional Leadership	537,969	544,277	382,487	607,779
School Leadership	2,221,927	2,239,641	1,523,744	2,448,663
Guidance, Counseling & Evaluation Services	1,479,360	1,534,056	1,094,629	1,654,565
Social Work Services	19,264	21,085	11,942	21,759
Health Services	349,952	348,539	233,779	368,200
Student (Pupil) Transportation	1,027,448	1,131,794	716,565	1,185,733
Food Services	2,040,332	1,869,615	1,767,424	1,957,297
Cocurricular/Extracurricular Activities	1,650,080	1,484,754	1,215,238	1,705,455
General Administration	1,431,261	1,422,654	1,072,859	1,629,207
Plant Maintenance & Operations	4,641,156	4,860,641	3,956,372	5,948,185
Security Monitoring Services	142,798	157,201	226,556	215,223
Data Processing Services	1,169,096	804,769	602,488	863,888
Community Services	-	10,691	4,023	6,793
Debt Service - Interest and Fees	2,903,668	4,206,670	3,730,281	4,576,171
Facilities Furnishings - Noncapital	-	63,123	1,780,675	211,776
Shared Services Special Education	-	50,205	56,200	39,800
Juvenile Justice Alternative Education Program	-	-	2,403	-
Tax Appraisal Fees	154,181	172,488	179,701	198,865
Total Expenses	<u>44,866,888</u>	<u>46,072,853</u>	<u>36,338,858</u>	<u>50,864,787</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Instruction	9,285	151,386	10,680	11,315
Food Services	698,891	777,262	705,650	707,946
Cocurricular/Extracurricular Activities	137,602	88,174	92,362	109,408
Plant Maintenance & Operations	3,443	3,315	4,425	6,021
Operating Grants and Contributions	6,008,342	4,997,486	(1,901,848)	5,316,853
Total Governmental Program Revenues	<u>6,857,563</u>	<u>6,017,623</u>	<u>(1,088,731)</u>	<u>6,151,543</u>
Total Governmental Net (Expense) Revenue	<u>\$ (38,009,325)</u>	<u>\$ (40,055,230)</u>	<u>\$ (37,427,589)</u>	<u>\$ (44,713,244)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes - General Purposes	\$ 16,810,170	\$ 18,523,586	\$ 20,182,739	\$ 22,439,330
Property Taxes - Debt Service	7,182,779	7,903,046	8,622,478	9,577,335
State Aid-Formula Grants	15,552,620	14,292,335	13,456,486	12,850,386
Grants and Contributions not Restricted	606,466	388,692	388,721	433,858
Investment Earnings	77,326	163,067	339,170	678,764
Miscellaneous	221,434	227,052	2,348,060	118,352
Transfers Out	(18,680)	(15,919)	(19,861)	(2,827)
Gain on Sale of Assets	-	-	-	-
Total General Revenues and Other Changes	<u>40,432,115</u>	<u>41,481,859</u>	<u>45,317,793</u>	<u>46,095,198</u>
in Net Position Governmental Activities	<u>40,432,115</u>	<u>41,481,859</u>	<u>45,317,793</u>	<u>46,095,198</u>
Change in Net Position Governmental Activities	<u>2,422,790</u>	<u>1,426,629</u>	<u>7,890,204</u>	<u>1,381,954</u>
Business-Type Activities:				
Revenue-Charge for Service	340,628	303,073	336,824	387,544
Expense-Day Care Service	359,308	338,986	356,685	390,371
Operating Grants and Contributions	-	19,994	-	-
Transfer In	18,680	15,919	19,861	2,827
Change in Net Position-Business-Type Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government Change in Net Position	<u>\$ 2,422,790</u>	<u>\$ 1,426,629</u>	<u>\$ 7,890,204</u>	<u>\$ 1,381,954</u>

Source: The Statement of Activities for the Lake Dallas Independent School District.

Note: Fiscal years prior to 2013 are restated for GASB No. 63 and No. 65.

2020	2021	2022	2023	2024	2025
\$ 27,443,101	\$ 27,316,287	\$ 27,114,439	\$ 27,008,133	\$ 27,419,422	\$ 28,459,277
663,803	592,635	519,935	614,718	614,893	543,752
1,183,979	1,068,238	1,009,634	1,099,107	1,042,685	1,113,174
613,427	598,999	889,696	917,845	873,007	751,749
2,632,845	2,591,801	2,477,642	2,323,988	2,409,463	2,605,858
1,741,491	1,682,408	1,841,017	1,834,932	2,014,628	2,100,568
23,649	12,471	12,544	13,550	-	-
385,271	384,265	374,742	412,528	416,441	439,749
1,432,506	1,493,553	1,644,028	1,620,709	1,704,507	1,706,777
1,833,588	1,727,723	2,136,561	2,036,938	2,157,536	2,482,825
1,050,970	1,377,404	1,229,861	1,320,439	1,458,037	1,520,322
1,691,746	1,784,756	1,586,015	1,760,755	1,953,780	2,059,277
5,239,630	7,066,864	6,445,037	6,603,992	6,514,883	7,369,866
263,154	285,525	320,666	330,079	1,051,698	1,151,429
886,554	1,321,858	1,090,872	1,253,260	1,339,382	1,171,566
21,310	11,685	-	-	-	16,245
7,214,780	6,749,811	6,121,330	7,251,497	7,195,028	14,092,695
-	-	-	-	-	-
22,400	6,000	22,400	4,500	6,000	12,000
-	6,237	1,089	-	-	-
215,144	220,394	210,275	234,042	250,335	271,506
<u>54,559,348</u>	<u>56,298,914</u>	<u>55,047,783</u>	<u>56,641,012</u>	<u>58,421,725</u>	<u>67,868,635</u>
40	10,490	7,080	5,920	6,960	5,400
590,316	161,380	291,461	800,521	821,436	768,833
88,483	98,518	116,346	99,504	128,674	98,491
1,580	547,146	248,986	445,682	-	55,751
5,641,076	7,362,414	8,708,015	6,918,635	9,215,052	10,061,438
6,321,495	8,179,948	9,371,888	8,270,262	10,172,122	10,989,913
<u>\$ (48,237,853)</u>	<u>\$ (48,118,966)</u>	<u>\$ (45,675,895)</u>	<u>\$ (48,370,750)</u>	<u>\$ (48,249,603)</u>	<u>\$ (56,878,722)</u>
\$ 22,787,658	\$ 23,370,110	\$ 24,258,808	\$ 26,533,312	\$ 21,341,438	\$ 23,606,682
10,656,269	11,121,847	12,092,099	14,071,908	14,092,068	15,592,459
14,070,295	12,555,449	12,799,484	9,264,664	15,941,098	14,884,928
423,744	439,879	-	-	-	-
1,216,971	291,576	264,559	2,667,606	4,011,560	2,781,641
238,138	133,688	199,385	437,410	716,364	597,387
(76,636)	-	-	(19,648)	-	-
-	-	-	-	-	-
49,316,439	47,912,549	49,614,335	52,955,252	56,102,528	57,463,097
<u>1,078,586</u>	<u>(206,417)</u>	<u>3,938,440</u>	<u>4,584,502</u>	<u>7,852,925</u>	<u>584,375</u>
311,086	477,683	528,569	537,192	592,259	497,926
387,722	462,354	506,926	556,840	550,821	406,100
-	-	-	-	-	-
76,636	-	-	(19,648)	-	-
-	15,329	21,643	(39,296)	41,438	91,826
<u>\$ 1,078,586</u>	<u>\$ (191,088)</u>	<u>\$ 3,960,083</u>	<u>\$ 4,545,206</u>	<u>\$ 7,894,363</u>	<u>\$ 676,201</u>

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

Fiscal Year	2016	2017	2018	2019	2020
General Fund					
Nonspendable Fund Balance:					
Prepayments	\$ 3,042	\$ 3,782	\$ 11,272	\$ 24,286	\$ 45,113
Assigned Fund Balance:					
Future Fiscal Year Budget Deficit	-	169,826	-	-	-
Unassigned	10,055,011	10,148,627	10,455,894	11,339,328	12,121,614
Total General Fund	<u>\$ 10,058,053</u>	<u>\$ 10,322,235</u>	<u>\$ 10,467,166</u>	<u>\$ 11,363,614</u>	<u>\$ 12,166,727</u>
All Other Governmental Funds					
Restricted Fund Balance:					
Retirement of Long-Term Debt	\$ 588,223	\$ 860,722	\$ 980,605	\$ 1,604,558	\$ 1,900,470
Federal or State Grants	289,104	276,416	387,245	380,420	422,779
Capital Acquisition and					
Contractual Obligation	842,019	848,353	663,394	8,184,344	63,553,302
Committed Fund Balance:					
Campus Activities	91,739	88,063	73,977	89,646	74,864
Total All Other Governmental Funds	<u>\$ 1,811,085</u>	<u>\$ 2,073,554</u>	<u>\$ 2,105,221</u>	<u>\$ 10,258,968</u>	<u>\$ 65,951,415</u>

<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 672	\$ 46,679	\$ 24,145	\$ 343	\$ -
298,263	712,879	211,354	357,440	-
<u>12,377,665</u>	<u>12,653,576</u>	<u>13,369,921</u>	<u>13,934,729</u>	<u>13,688,072</u>
<u>\$ 12,676,600</u>	<u>\$ 13,413,134</u>	<u>\$ 13,605,420</u>	<u>\$ 14,292,512</u>	<u>\$ 13,688,072</u>
\$ 2,086,514	\$ 2,103,773	\$ 2,638,116	\$ 2,655,470	\$ 2,829,386
548,830	1,353,083	1,350,996	1,318,779	881,116
21,457,858	11,621,007	44,976,800	39,077,743	14,566,711
<u>61,949</u>	<u>58,627</u>	<u>58,402</u>	<u>71,717</u>	<u>179,133</u>
<u>\$ 24,155,151</u>	<u>\$ 15,136,490</u>	<u>\$ 49,024,314</u>	<u>\$ 43,123,709</u>	<u>\$ 18,456,346</u>

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

Fiscal Year	2016	2017	2018	2019
REVENUES:				
Total Local and Intermediate Sources	\$ 25,277,027	\$ 27,807,379	\$ 31,912,030	\$ 33,683,573
State Program Revenues	18,247,506	16,783,305	16,041,408	15,315,210
Federal Program Revenues	2,967,718	2,672,292	3,045,203	3,334,167
Total Revenues	<u>46,492,251</u>	<u>47,262,976</u>	<u>50,998,641</u>	<u>52,332,950</u>
EXPENDITURES:				
Current:				
Instruction	21,148,185	21,377,389	22,130,354	24,204,385
Instructional Resources & Media Services	546,198	551,588	575,768	579,452
Curriculum & Instructional Staff Development	959,912	1,042,807	1,097,393	1,112,733
Instructional Leadership	482,176	493,726	520,584	562,148
School Leadership	1,940,524	2,025,767	2,117,988	2,153,750
Guidance, Counseling & Evaluation Services	1,316,630	1,386,036	1,476,687	1,495,284
Social Work Services	18,518	18,948	19,625	20,124
Health Services	303,370	315,015	319,824	320,673
Student (Pupil) Transportation	1,084,652	1,110,579	1,243,785	1,148,052
Food Services	1,845,766	1,869,405	1,767,424	1,906,464
Cocurricular/Extracurricular Activities	1,491,906	1,359,900	1,498,981	1,509,780
General Administration	1,240,379	1,292,688	1,342,275	1,402,526
Plant Maintenance and Operations	4,201,445	4,490,946	4,498,155	4,895,183
Security and Monitoring Services	132,113	146,372	211,013	618,408
Data Processing Services	1,093,345	805,850	768,398	1,716,417
Community Services	-	-	250	6,793
Debt Service:				
Debt Service - Principal on long-term debt	2,541,705	2,555,323	2,027,213	4,521,360
Debt Service - Interest on long-term debt	4,680,862	4,979,100	5,068,512	5,218,593
Debt Service - Bond Issuance Cost and Fees	316,954	10,345	3,511	211,776
Capital Outlay:				
Facilities Acquisition and Construction	395,440	215,652	2,239,637	7,532,315
Intergovernmental:				
Payments to Fiscal Agent/Member Districts of SSA	-	-	56,200	-
Payments to Juvenile Justice Alternative Ed. Prg.	-	50,205	2,403	39,800
Other Intergovernmental Charges	154,181	160,658	166,646	183,921
Total Expenditures	<u>45,894,261</u>	<u>46,258,299</u>	<u>49,152,626</u>	<u>61,359,937</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>597,990</u>	<u>1,004,677</u>	<u>1,846,015</u>	<u>(9,026,987)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	100,000	-	299,698	-
Transfers Out	(118,680)	(15,919)	(319,559)	(2,827)
Bonds Issued	24,877,700	-	-	16,130,000
Premium or discount on Issuance of Bonds	6,013,881	-	-	1,950,010
Capital Related Debt Issued	-	-	-	-
Other (uses)	-	-	-	-
Non-current Loan	-	-	-	-
Payments to Bond Refunding Escrow Agent	(30,578,534)	(462,105)	(1,649,558)	-
Right-to-Use Lease and SBITA Proceeds	-	-	-	-
Total Other Financing Sources (Uses)	<u>294,367</u>	<u>(478,024)</u>	<u>(1,669,419)</u>	<u>18,077,183</u>
Net Change in Fund Balances	<u>\$ 892,357</u>	<u>\$ 526,653</u>	<u>\$ 176,596</u>	<u>\$ 9,050,196</u>
Debt service as a percentage of noncapital expenditures	15.87%	16.36%	15.13%	18.09%

2020	2021	2022	2023	2024	2025
\$ 35,566,555	\$ 35,592,391	\$ 37,464,806	\$ 45,160,999	\$ 41,040,983	\$ 41,193,764
17,235,191	15,125,145	15,320,568	12,108,945	21,439,426	20,304,955
3,309,816	5,275,271	6,212,805	4,221,268	3,927,869	3,706,926
56,111,562	55,992,807	58,998,179	61,491,212	66,408,278	65,205,645
24,371,058	24,919,947	25,701,485	24,591,168	24,904,140	27,814,914
589,331	533,246	488,727	564,228	554,331	467,592
1,050,896	968,105	961,199	1,016,915	950,486	1,005,177
540,208	540,040	837,575	828,555	785,845	625,167
2,330,747	2,328,104	2,336,042	2,079,346	2,174,191	2,280,638
1,583,845	1,549,680	1,771,500	1,694,676	1,839,156	1,853,641
20,605	11,099	11,854	12,390	-	-
342,147	346,065	353,786	376,220	375,690	385,981
1,377,204	1,452,572	1,538,997	1,457,849	1,547,726	1,693,672
1,823,640	1,753,177	2,238,010	2,364,236	2,448,966	2,718,128
1,260,749	1,265,188	1,159,818	1,207,750	1,315,438	1,365,701
1,518,179	1,614,031	1,491,900	1,598,581	1,759,465	1,795,111
5,099,588	4,836,418	4,998,216	5,287,485	5,672,709	6,577,402
247,019	277,631	295,523	293,264	1,320,477	866,384
794,668	1,227,779	1,019,262	1,181,332	1,202,898	1,214,645
-	-	8,008	6,599	5,627	16,245
3,167,988	3,205,324	4,553,244	3,271,825	4,792,640	5,949,599
7,601,141	7,963,710	7,732,806	8,245,038	11,393,298	11,751,175
591,455	6,350	14,980	363,208	5,975	383,213
15,748,286	42,391,664	9,533,610	3,270,589	8,316,397	26,047,302
-	6,000	22,400	4,500	6,000	12,000
22,400	6,237	1,089	-	-	-
200,200	202,684	210,275	234,042	250,335	271,506
70,281,354	97,405,051	67,280,306	59,949,796	71,621,790	95,095,193
(14,169,792)	(41,412,244)	(8,282,127)	1,541,416	(5,213,512)	(29,889,548)
65,226	-	-	-	-	207,573
(141,862)	-	-	(19,648)	-	-
63,900,000	6,540,000	-	34,875,000	-	-
6,841,988	733,242	-	1,103,342	-	5,929,424
-	-	-	-	-	38,005,000
-	(7,147,389)	-	(3,420,000)	-	(43,553,351)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,029,099
70,665,352	125,853	-	32,538,694	-	2,617,745
\$ 56,495,560	\$ (41,286,391)	\$ (8,282,127)	\$ 34,080,110	\$ (5,213,512)	\$ (27,271,803)
20.07%	19.77%	20.92%	20.22%	25.77%	23.48%



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

ASSESSED VALUE					
Fiscal Year	Residential or Real Property	Personal Property	Less Exemptions	Total Estimated Taxable Value	Total Direct Rate
2016	\$ 1,873,062,576	\$ 80,632,887	\$ 531,376,421	\$ 1,422,319,042	1.670
2017	1,901,567,473	67,846,198	368,402,935	1,601,010,736	1.670
2018	2,116,051,150	69,116,832	436,388,313	1,748,779,669	1.670
2019	2,351,916,735	89,156,031	487,502,988	1,953,569,778	1.670
2020	2,426,406,345	89,722,983	321,810,766	2,194,318,562	1.568
2021	2,804,734,991	92,189,425	627,741,973	2,269,182,443	1.5503
2022	3,360,486,931	94,240,568	977,271,194	2,477,456,305	1.5003
2023	3,892,086,144	142,671,168	1,147,252,538	2,887,504,774	1.4429
2024	4,293,350,995	131,258,315	1,312,826,536	3,111,782,774	1.2575
2025	4,683,352,461	143,666,951	1,204,568,956	3,358,559,201	1.2552

Source: Denton County Tax Collector

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS (UNAUDITED)

Lake Dallas Independent School District Direct Rates				
Fiscal Year	Maintenance and Operations	Debt Service	Total	
2016	\$ 1.170	\$ 0.500	\$	1.670
2017	1.170	0.500		1.670
2018	1.170	0.500		1.670
2019	1.170	0.500		1.670
2020	1.068	0.500		1.568
2021	1.0503	0.500		1.5503
2022	1.0003	0.500		1.5003
2023	0.9429	0.500		1.4429
2024	0.7575	0.500		1.2575
2025	0.7552	0.500		1.2552

Source: Appropriate government entities' tax departments.

Notes:

(1) Includes levies for operating and debt service costs.

 Overlapping Rates (1)

County of Denton	City of Lake Dallas	City of Corinth	Town of Hickory Creek	Corinth MUD #1
\$ 0.24841	\$ 0.668068	\$ 0.58193	\$ 0.387319	\$ -
0.23781	0.661750	0.53686	0.366933	-
0.22557	0.661750	0.53000	0.347535	-
0.22528	0.644970	0.54500	0.330402	-
0.22499	0.642060	0.57817	0.319943	-
0.233086	0.614123	0.56700	0.307280	-
0.217543	0.567252	0.54000	0.270317	-
0.189485	0.528023	0.52000	0.236686	-
0.187869	0.518852	0.51400	0.223060	-
0.185938	0.559711	0.53709	0.211205	-

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

Taxpayer	Description	2025		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
LG Hickory Creek LLC	Real Estate	\$ 60,000,000	1	17.55%
Oxford 2181 Inc.	Real Estate	43,500,000	2	12.72%
Mansions at Hickory Creek LP	Real Estate	40,400,000	2	11.81%
Millennium Place LP	Real Estate	35,503,859	3	10.38%
Denton County Electric Coop	Utility	31,877,123	4	9.32%
Oxford Boulevard II MF LLC	Real Estate	29,584,693	5	8.65%
Pecos Housing Finance	Real Estate	25,341,594	6	7.41%
IRBY Company	Utility	23,931,530	7	7.00%
AV Ashleye Village LP	Real Estate	21,000,000	8	6.14%
Oncor Electric Delivery Co.	Utility	18,888,145	9	5.52%
Blue Door 3701 FM RD 2181	Real Estate	11,950,000	10	3.49%
Boulevard 2010 LLC	Real Estate			
Anixter, Inc.	Wholesale Ind. Supplies			
Wal-mart Stores Real Estate	Real Estate			
T Hickory Creek LLC	Real Estate			
CTMGT Turbeville, LLC	Real Estate			
Tower Ridge Corinth I, Ltd.	Real Estate			
TOTAL		<u>\$ 341,976,944</u>		<u>100.00%</u>

The 2025 taxable valuation is based on the 2024-2025 tax roll with a total assessed value of
\$ 341,976,944

Source of information: Denton Central Appraisal District

2016		
Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
<hr/>		<hr/>
\$ 23,030,000	1	1.62%
21,030,718	3	1.48%
9,084,700	9	0.64%
9,807,730	7	0.69%
22,426,418	2	1.58%
15,192,324	4	1.07%
13,227,219	5	0.93%
11,410,322	6	0.80%
9,592,016	8	0.67%
8,401,782	10	0.59%
<hr/>		<hr/>
<u>\$ 143,203,229</u>		<u>10.07%</u>

The 2016 taxable valuation is based on the 2015-2016 tax roll with a total assessed value of \$1,422,319,042

Source of information: Denton Central Appraisal District

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Tax Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections
		Amount	Percentage of Levy		Amount
2016	\$ 23,682,610	\$ 23,532,301	99.37%	\$ 155,916	\$ 23,688,217
2017	26,042,409	25,842,333	99.23%	191,345	26,033,678
2018	28,577,451	28,415,273	99.23%	117,771	28,533,044
2019	31,698,749	31,523,220	99.45%	101,071	31,624,291
2020	33,137,389	33,152,643	98.93%	7,527	33,160,170
2021	34,521,381	34,162,724	98.96%	164,940	34,327,664
2022	36,525,967	36,297,237	99.37%	117,741	36,414,978
2023	40,426,247	40,367,556	99.90%	(195,793)	40,171,763
2024	35,702,832	35,481,926	99.38%	(129,739)	35,352,187
2025	39,671,649	38,667,140	97.47%	(291,060)	38,376,080

Source of information: Annual Financial Report.

<u>to Date</u>		Outstanding Delinquent Taxes as % of Tax Levy
<u>Percentage of Levy</u>	<u>Outstanding Delinquent Taxes</u>	
100.02%	\$ 34,048	0.14%
99.97%	32,622	0.13%
99.84%	32,288	0.11%
99.77%	35,363	0.11%
100.07%	46,575	0.14%
99.44%	51,311	0.15%
99.70%	99,841	0.27%
99.37%	60,011	0.15%
99.02%	220,906	0.62%
96.73%	324,465	0.82%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Accreted Interest on Bonds	Finance Leases	Unamortized Bond Premium	Loan	Total Primary Government	Percentage of Personal Income *	Total Outstanding Debt Per Capita *
2016	\$ 82,931,615	\$ 26,180,674	\$ -	\$ 7,379,975	\$326,377	\$116,818,641	14.09%	\$ 4,810
2017	80,182,514	25,875,328	-	6,371,993	251,121	112,680,956	13.37%	4,627
2018	77,342,787	14,273,805	-	15,791,678	173,753	107,582,023	12.55%	4,348
2019	89,125,180	14,099,203	-	17,093,490	-	120,317,873	13.81%	4,812
2020	149,857,191	13,804,995	-	23,001,646	-	186,663,832	21.07%	7,437
2021	146,066,867	13,406,230	-	22,531,200	-	182,004,297	19.77%	7,040
2022	141,513,623	12,857,372	-	21,322,333	-	175,693,328	18.76%	6,543
2023	169,696,798	12,285,025	-	21,447,903	-	203,429,726	21.44%	7,573
2024	164,904,157	10,766,953	-	18,632,693	-	194,303,803	19.96%	7,459
2025	159,000,040	16,618,816	2,029,099	15,431,785	-	193,079,740	19.64%	7,346

Source: District Records

* See Exhibit S-13 for personal income and population data

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF AUGUST 31, 2025
(UNAUDITED)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Corinth, City of	\$ 58,240,000	48.56%	\$ 28,281,344
Denton, City of	1,534,630,000	0.00%	-
Denton County	734,040,000	1.98%	14,533,992
Hickory Creek, Town of	7,135,000	99.41%	7,092,904
Lake Dallas, City of	11,350,000	98.90%	11,225,150
Shady Shores, Town of	1,290,000	18.31%	236,199
Lewisville, City of	333,040,000	0.00%	-
Subtotal, overlapping bonded debt			61,369,589
Lake Dallas ISD	159,000,040	100.000%	159,000,040
Total direct and overlapping debt			<u>\$ 220,369,629</u>

Source: Taxable value data used to estimate applicable percentages provided by the Municipal Advisory Council.
Debt outstanding data provided by each governmental unit.

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

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of each entity's taxable assessed value that is within the District's boundaries and dividing it by each entity's total taxable assessed value.



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LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
 RATIO OF NET BONDED DEBT TO ASSESSED VALUE AND NET BONDED
 DEBT PER CAPITA
 LAST TEN FISCAL YEARS
 (UNAUDITED)

Fiscal Year	Population	Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2016	24,289	\$ 1,422,319,042	\$ 116,818,641	\$ 588,223	\$ 116,230,418	8.17%	\$ 4,785
2017	24,352	1,601,010,736	112,680,956	860,722	111,573,113	6.97%	4,582
2018	24,743	1,748,779,669	107,582,023	980,605	106,427,665	6.09%	4,301
2019	25,002	1,953,569,778	120,317,873	1,604,558	118,713,315	6.08%	4,748
2020	25,100	2,194,318,562	186,663,832	1,655,330	185,008,502	8.43%	7,371
2021	25,253	2,269,182,443	182,004,297	2,086,514	179,917,783	7.93%	7,125
2022	25,305	2,477,456,305	175,693,328	2,066,817	173,626,511	7.00%	6,861
2023	25,416	2,887,504,774	203,429,726	2,522,595	200,907,131	6.96%	7,905
2024	26,049	3,111,782,774	194,303,803	2,585,199	191,718,604	6.16%	7,360
2025	26,284	3,358,559,201	193,079,740	2,324,645	190,755,095	5.68%	7,346

and Denton Central Appraisal District.

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	2016	2017	2018	2019
Total Assessed Value	\$ 1,422,319,042	\$ 1,601,010,736	\$ 1,748,779,669	\$ 1,953,569,778
Debt Limit (10% of Total Assessed Value)	\$ 142,231,904	\$ 160,101,073	\$ 174,877,967	\$ 195,359,978
Debt Applicable to Limit:				
General Obligation Bonds	\$ 82,931,615	\$ 80,182,514	\$ 77,342,787	\$ 89,125,180
Less Net Position in Debt Service Fund	588,223	860,722	1,016,462	1,458,801
Total Amount of Debt Applicable to Debt Limit	82,343,392	79,321,792	76,326,325	87,666,379
Legal Debt Margin	\$ 59,888,512	\$ 80,779,281	\$ 98,551,642	\$ 107,693,599
Total Net Debt Applicable to the Limit as a percentage of Debt Limit	57.89%	50.46%	43.65%	44.87%

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

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

2020	2021	2022	2023	2024	2025
\$ 2,194,318,562	\$ 2,269,182,443	\$ 2,477,456,305	\$ 2,887,504,774	\$ 3,111,782,774	\$ 3,358,559,201
\$ 219,431,856	\$ 226,918,244	\$ 247,745,631	\$ 288,750,477	\$ 311,178,277	\$ 335,855,920
\$ 149,857,191	\$ 146,066,867	\$ 141,513,623	\$ 169,696,798	\$ 164,904,157	\$ 159,000,040
1,655,330	1,849,214	1,834,830	2,522,595	2,585,199	2,829,368
148,201,861	144,217,653	139,678,793	167,174,203	162,318,958	156,170,672
\$ 71,229,995	\$ 82,700,591	\$ 108,066,838	\$ 121,576,274	\$ 148,859,319	\$ 179,685,248
67.54%	63.55%	56.38%	57.90%	52.16%	53.50%

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

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate *</u>
2016	24,289	\$ 829,267,538	\$ 34,142	3.4%
2017	24,352	842,978,647	34,616	3.5%
2018	24,743	857,000,458	34,636	3.3%
2019	25,002	871,078,962	34,840	2.8%
2020	25,100	885,962,431	35,297	5.7%
2021	25,253	920,712,000	36,460	4.1%
2022	25,305	936,219,653	36,997	3.0%
2023	25,416	949,018,653	37,339	3.7%
2024	26,049	973,529,279	37,373	4.0%
2025	26,284	983,047,884	37,401	4.2%

Source: North Central Texas Council of Governments

* Texas Workforce Commission

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHIC STATISTICS
 (UNAUDITED)
 AUGUST 31, 2025

Student Data

Student Ethnicity:	
White	42.91%
Hispanic	37.96%
Black	12.83%
Other	6.29%
Attendance Rate:	94.5%
Dropout Rate:	0.1%
Number of Students per Campus:	
Lake Dallas	
Elementary	500
Middle School	843
High School	1,283
Corinth	
Elementary	537
Shady Shores	
Elementary	554
Total Students	3,717

Faculty Data

Teachers	267.8
Counselors	10.0
Administrators	17.0
Educational Aides	56.2
Advance Degrees/Certifications:	
Master Degrees	66.9
Doctoral Degrees	3
Average Experience of Teachers	12.6 Years
Student/Teacher Ratio	13.9 to 1
Cost per Student based on expenses reported in the governmental financial statements	
Percentage of Student population who received free or reduced meals	40.41%

Source of Information: District enrollment and financial records



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

	<u>Enrollment</u>	<u>Average Daily Attendance</u>		
		<u>Average Daily Attendance</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Percent of Enrollment</u>
2015/16	3,978	3,768	-1.00%	94.72%
2016/17	3,963	3,751	-0.50%	94.65%
2017/18	3,964	3,752	0.03%	94.65%
2018/19	4,031	3,802	1.33%	94.32%
2019/20	3,986	3,770	-0.85%	94.58%
2020/21	3,871	3,648	-3.24%	94.24%
2021/22	4,004	3,679	0.84%	91.88%
2022/23	3,900	3,610	-1.91%	92.56%
2023/24	3,811	3,525	-2.41%	92.50%
2024/25	3,717	3,450	-2.17%	92.82%

Source of information: Superintendent's Annual Report.

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

Employer	Description	2025		Percentage of Total City Employment
		Employees	Rank	
Lake Dallas ISD	School District	537	1	23.36%
Coserve	Electric Utility	612	2	26.62%
Wal-Mart	Retail	294	3	12.79%
North Central Texas College	College	230	4	10.00%
DDM Construction	Construction	178	5	7.74%
City of Corinth	Government	136	5	5.92%
Albertsons	Grocery	120	6	5.22%
Huffines Kia/Suburu	Car Dealership	110	7	4.78%
Lake Cities Fire Dept.	Fire Protection	57	8	2.48%
United Rentals	Rental Equipment	25	10	1.09%
Success Partners	Media/Marketing Comm			
Anixter, Inc.	Wholesale Distribution			
City of Lake Dallas	Utility			
Best Western Motel	Motel			
TOTAL		2,299		100.00%

Source of Information: Lake Cities Chamber of Commerce

Note: Total employment of 4,220 gathered from third party accumulation of Federal government information.

2016		
Employees	Rank	Percentage of Total City Employment
566	1	30.56%
480	2	25.92%
300	3	16.20%
152	4	8.21%
115	5	6.21%
40	8	2.16%
85	6	4.59%
60	7	3.24%
39	9	2.11%
15	10	0.80%
<u>1,852</u>		<u>100.00%</u>

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/ Teacher Ratio</u>
2015-2016	3,978	\$ 34,634,615	\$ 8,707	5.62%	275	14.5
2016-2017	3,963	35,487,172	8,955	2.77%	277	14.2
2017-2018	3,964	36,482,451	9,203	2.77%	282	14.0
2018-2019	4,031	37,885,546	9,399	1.03%	284	14.2
2019-2020	3,986	39,356,588	9,873	5.04%	296	13.4
2020-2021	3,871	38,573,107	9,965	0.93%	291	13.3
2021-2022	4,004	39,855,410	9,954	-0.11%	290	13.8
2022-2023	3,900	40,347,372	10,345	3.93%	289	13.5
2023-2024	3,811	41,785,647	10,964	5.98%	278	13.7
2024-2025	3,717	45,775,032	12,315	12.32%	267	13.9

Source of Information: AEIS Report

<u>Economically Disadvantaged</u>	<u>Limited English Proficient</u>
1514	338
1572	362
1786	362
1798	380
1620	381
1783	396
1763	470
1675	498
1635	544
1502	554

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
STAFF INFORMATION
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Teachers</u>	<u>Professional Support</u>	<u>Campus Administration</u>	<u>Central Administration</u>	<u>Total Professional Staff</u>	<u>Educational Aides</u>
2015-2016	274.9	63.7	16.0	4.0	358.6	64.5
2016-2017	278.2	64.4	16.0	4.0	362.6	67.3
2017-2018	282.4	58.4	17.0	5.0	362.8	71.9
2018-2019	284.2	58.4	18.0	5.0	365.6	68.9
2019-2020	296.4	56.1	19.8	5.0	377.3	74.4
2020-2021	291.6	55.1	20.5	5.0	372.2	72.7
2021-2022	289.9	63.1	18.5	5.0	376.5	67.2
2022-2023	288.7	55.5	18.0	6.0	368.2	61.5
2023-2024	278.9	52.7	19.0	5.0	355.6	61.9
2024-2025	267.8	47.8	17.0	6.0	338.6	56.2

Source of Information: AEIS Report

Auxiliary Staff	Total Staff	% Change
142.9	566.0	-1.03%
146.9	576.8	1.91%
155.0	589.7	2.24%
140.8	575.3	-2.44%
143.3	595.1	3.44%
137.3	582.3	-2.15%
137.8	581.5	-0.14%
138.7	568.4	-2.30%
141.0	558.5	-1.77%
141.9	536.6	-4.08%

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
TEACHERS SALARY DATA
2024-25 SCHOOL YEAR

<u>Years of Experience</u>	<u>Bachelor's Degree</u>	<u>Master's Degree</u>	<u>Doctorate Degree</u>
0	\$ 59,190	\$ 60,690	\$ 61,690
1	59,490	60,990	61,990
2	59,805	61,305	62,305
3	60,105	61,605	62,605
4	60,405	61,905	62,905
5	60,705	62,205	63,205
6	61,005	62,505	63,505
7	61,305	62,805	63,805
8	61,605	63,105	64,105
9	61,905	63,405	64,405
10	62,205	63,705	64,705
11	62,505	64,005	65,005
12	62,805	64,305	65,305
13	63,105	64,605	65,605
14	63,405	64,905	65,905
15	63,705	65,205	66,205
16	64,005	65,505	66,505
17	64,305	65,805	66,805
18	64,605	66,105	67,105
19	64,905	66,405	67,405
20	65,205	66,705	67,705
21	65,505	67,005	68,005
22	65,805	67,305	68,305
23	66,105	67,605	68,605
24	66,405	67,905	68,905
25	66,705	68,205	69,205
26	67,005	68,505	69,505
27	67,370	68,870	69,870
28	68,370	69,870	70,870
29	69,370	70,870	71,870
30	70,370	71,870	72,870
31	71,370	72,870	73,870
32	72,370	73,870	74,870
33	73,370	74,870	75,870
34	74,370	75,870	76,870
35	75,370	76,870	77,870
36	76,370	77,870	78,870
37	77,370	78,870	79,870
38	78,070	79,570	80,570
39	78,570	80,070	81,070
40	78,920	80,420	81,420

Average Salary by Years of Experience

Beginning Teachers	\$ 61,594
1-5 Years of Experience	\$ 61,213
6-10 Years of Experience	\$ 64,080
11-20 Years of Experience	\$ 66,384
Over -20 Years of Experience	\$ 72,019

Average Actual Salaries

Teachers	\$ 65,880
Professional Staff	\$ 72,591
Campus Administration	\$ 91,194
Central Administration	\$ 142,889
Educational Aides	\$ 26,587
Auxiliary Staff	\$ 30,545



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

Schools	2016	2017	2018	2019	2020
Elementary *					
Buildings	3	3	3	3	3
Square Feet	351,486	351,486	351,486	351,486	351,486
Capacity	2,100	2,100	2,100	2,100	2,100
Enrollment	1,750	1,761	1,797	1,798	1,789
Middle **					
Buildings	1	1	1	1	1
Square Feet	205,360	205,360	205,360	205,360	205,360
Capacity	1,150	1,150	1,150	1,150	1,150
Enrollment	940	902	907	919	893
High ***					
Buildings	1	1	1	1	1
Square Feet	272,048	272,048	272,048	272,048	272,048
Capacity	1,300	1,300	1,300	1,300	1,300
Enrollment	1,288	1,300	1,260	1,314	1,303
Non - instructional					
Buildings	5	5	5	5	5
Square Feet	116,246	116,246	116,246	116,246	116,246
Portable Buildings					
Buildings	2	2	2	2	2
Square Feet	2,400	2,400	2,400	2,400	2,400
Total Square Feet	947,540	947,540	947,540	947,540	947,540
Athletics					
Stadiums	1	1	1	1	1
Football/Soccer Practice Fields	4	4	4	4	4
Running Tracks	2	2	2	2	2
Baseball/Softball Fields	2	2	2	2	2
Playgrounds	4	4	4	4	4
Concession Stands	3	3	3	3	3
Multipurpose Indoor Practice Fac					

Source: District Records

* Elementary Grades K-6 for year 2005 K-5 years 2006-2017

** Middle School Grades 7-8 for year 2005 6-8 years 2006-2017

*** High School Grades 9-12

2021	2022	2023	2024	2025
3	3	3	3	3
351,486	351,486	351,486	351,486	351,486
2,100	2,100	2,100	2,100	2,100
1,706	1,737	1,705	1,649	1,591
1	1	1	1	1
205,360	205,360	205,360	205,360	205,360
1,150	1,150	1,150	1,150	1,150
915	950	902	879	843
1	1	1	1	1
272,048	272,048	272,048	272,048	272,048
1,300	1,300	1,300	1,300	1,300
1,250	1,317	1,293	1,285	1,283
10	10	10	10	10
144,919	144,919	144,919	144,919	144,919
1	1	1	1	1
1,200	1,200	1,200	1,200	1,200
975,013	975,013	975,013	975,013	975,013
1	1	1	1	1
4	4	4	4	4
2	2	2	2	2
2	2	2	2	2
4	4	4	4	4
3	3	3	3	3
		1	1	1



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**COMPLIANCE AND
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*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lake Dallas Independent School District, as of and for the year ended August 31, 2025, and the related notes to the financial statements, which collectively comprise Lake Dallas Independent School District's basic financial statements, and have issued our report dated December 15, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Hankins Eastup Deaton Tonn Seay & Scarborough". The signature is written in a cursive, flowing style.

Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC
Denton, Texas

December 15, 2025

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

**HANKINS, EASTUP, DEATON,
TONN, SEAY & SCARBOROUGH**
A Limited Liability Company

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lake Dallas Independent School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Lake Dallas Independent School District's major federal programs for the year ended August 31, 2025. Lake Dallas Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Lake Dallas Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Lake Dallas Independent School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Lake Dallas Independent School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Lake Dallas Independent School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Lake Dallas Independent School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report.

on compliance about Lake Dallas Independent School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Lake Dallas Independent School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Lake Dallas Independent School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Lake Dallas Independent School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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



Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC
Denton, Texas

December 15, 2025

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2025

I. Summary of Auditor's Results

- | | | |
|----|--|------------|
| 1. | Type of auditor's report issued on the financial statements: | Unmodified |
| 2. | Internal control over financial reporting: | |
| | Material weaknesses identified: | None |
| | Significant deficiencies identified: | None |
| 3. | Noncompliance that is material to the financial statements: | None |
| 4. | Internal controls over major federal programs: | |
| | Material weaknesses identified: | None |
| | Significant deficiencies identified: | None |
| 5. | Type of auditor's report on compliance for each major federal program: | Unmodified |
| 6. | Findings that are required to be reported in accordance with 2 CFR 200.516(a): | None |
| 7. | Major programs: | |
| | Child Nutrition Cluster: | |
| | School Breakfast Program (ALN 10.553) | |
| | National School Lunch Program (ALN 10.555) | |
| 8. | Dollar threshold used to distinguish between Type A and Type B programs: | \$750,000 |
| 9. | Low risk auditee: | Yes |

II. Findings Relating to the Financial Statements

None

III. Findings and Questioned Costs for Federal Award Programs

None

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2025

PRIOR YEAR FINDING/NONCOMPLIANCE

None

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2025

(1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal Assistance Listing No.	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Direct Programs</u>			
Impact Aid - P.L.81.874 (Note A)	84.041	S041A-201-5019	\$ 474,591
Total Direct Programs			474,591
<u>Passed Through Texas Education Agency</u>			
*IDEA - Part B, Formula	84.027	256600010619126600	735,083
*IDEA - Part B, Preschool	84.173	256610010619126610	11,381
Total Special Education Cluster (IDEA)			746,464
ESEA, Title I, Part A - Improving Basic Programs	84.010A	25610139061912	349,494
Career and Technical - Basic Grant	84.048	25420006061912	17,129
Title III, Part A - English Language Acquisition	84.365A	25671001061912	49,647
ESEA, Title II, Part A, Teacher Principal Training	84.367A	25694501061912	32,834
Summer School LEP	84.369A	69552402	2,727
ESEA, Title IV, Part A	84.424A	25680101061912	34,002
COVID 19 - ESSER III - School Emergency Relief	84.425D	21528001061912	494,058
Total Passed Through Texas Education Agency			1,726,355
TOTAL U.S. DEPARTMENT OF EDUCATION			2,200,946
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the Texas Department of Agriculture</u>			
*School Breakfast Program	10.553	71402501	328,891
*National School Lunch Program - Cash Assistance	10.555	71302501	971,348
*National School Lunch Prog. - Non-Cash Assistance	10.555	71302501	115,157
Total Assistance Listing Number 10.555			1,086,505
Total Child Nutrition Cluster			1,415,396
Watershed Protection & Flood Prevention	10.904	9K200811	55,846
Total Passed Through the Texas Department of Agriculture			1,471,242
TOTAL U.S. DEPARTMENT OF AGRICULTURE			1,471,242
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 3,672,188
*Clustered Programs			

LAKE DALLAS INDEPENDENT SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2025

1. The District uses the fund types specified in Texas Education Agency's Financial Accountability System Resource Guide. Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.
2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in a Special Revenue Fund which is a Governmental Fund type. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

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

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

3. The District participates in numerous state and Federal grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at August 31, 2025, may be impaired. In the opinion of the District, there are not significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions has been recorded in the accompanying combined financial statements for such contingencies.
4. The period of availability for federal grant funds for the purposes of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provisions in the Uniform Guidance.
5. During the current year, the District received the following funds which are not included in the Schedule of Expenditures of Federal Awards.

Total Expenditures of Federal Awards	\$3,198,966
Impact Aid	474,591
Medicaid Reimbursement (SHARS)	<u>33,369</u>
Federal Revenues per Financial Statements	<u>\$3,706,926</u>