

**Comprehensive  
Annual Financial Report  
of the**

**SAN ANGELO  
INDEPENDENT SCHOOL DISTRICT  
San Angelo, Texas**

**For The Year Ended August 31, 2015**

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**Comprehensive  
Annual Financial Report  
of the**

**SAN ANGELO  
INDEPENDENT SCHOOL DISTRICT  
San Angelo, Texas**

**For The Year Ended August 31, 2015**

**Prepared by  
FINANCE DEPARTMENT**

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SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED AUGUST, 31, 2015

TABLE OF CONTENTS

<b><u>Exhibit/ Table</u></b>	<b><u>Page</u></b>
Certificate of Board	5
<b><u>INTRODUCTORY SECTION</u></b>	
Letter of Transmittal	9
District Officials, Staff and Consultants	14
Administrative Organizational Chart	15
ASBO Certificate of Excellence in Financial Reporting	16
<b><u>FINANCIAL SECTION</u></b>	
Unmodified Opinion on Basic Financial Statements Accompanied by Required Supplementary Information and Other Supplementary Information Including the Supplementary Schedule of Expenditures of Federal Awards	19
Management's Discussion and Analysis	23
<b><u>Basic Financial Statements</u></b>	
Government Wide Statements:	
A-1 Statement of Net Position	35
B-1 Statement of Activities	36
Governmental Fund Financial Statements:	
C-1 Balance Sheet	38
C-2 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	39
C-3 Statement of Revenues, Expenditures, and Changes in Fund Balance	40
C-4 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	41
Proprietary Fund Financial Statements:	
D-1 Statement of Net Position	42
D-2 Statement of Revenues, Expenses, and Changes in Fund Net Position	43
D-3 Statement of Cash Flows	44
Fiduciary Fund Financial Statements:	
E-1 Statement of Fiduciary Net Position	45
E-2 Statement of Changes in Fiduciary Fund Net Position	46
Notes to the Financial Statements	47
<b><u>Required Supplementary Information</u></b>	
G-1 Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - General Fund	77
Notes to Required Supplementary Information	78
G-2 Schedule of the District's Proportionate Share of the Net Pension Liability	79
G-3 Schedule of District Contributions	80
<b><u>Combining and Other Statements</u></b>	
Nonmajor Governmental Funds:	
H-1 Combining Balance Sheet	82
H-2 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	88
Agency Funds:	
H-9 Statement of Changes in Assets and Liabilities	93

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED AUGUST, 31, 2015

TABLE OF CONTENTS (Continued)

<u>Exhibit/ Table</u>	<u>Page</u>
<b><u>Compliance Schedules (Required by Texas Education Agency)</u></b>	
J-1 Schedule of Delinquent Taxes Receivable	96
J-4 Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - Child Nutrition Program	98
J-5 Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - Debt Service Fund	99
<b><u>STATISTICAL SECTION (UNAUDITED)</u></b>	
<b><u>Financial Trends</u></b>	
Entity-Wide Information:	
1 Net Position by Component, Last Ten Fiscal Years	102
2 Changes in Net Position, Last Ten Fiscal Years	104
Governmental Funds Information:	
3 Fund Balances, Last Ten Fiscal Years	108
4 Changes in Fund Balances, Last Ten Fiscal Years	110
<b><u>Revenue Capacity</u></b>	
5 Assessed Value and Actual Value of Taxable Property, and Comptroller's Valuation of Standardized Base, Last Ten Fiscal Years; and Tax Base Distribution, Last Two Tax Years	112
6 Allocation of Property Tax Rates and Tax Levies, Last Ten Fiscal Years	113
7 Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years	114
8 Property Use Categories at Gross Appraised Market Value, Tax Year 2014	115
9 Principal Property Taxpayers, Current Year and Nine Years Ago	116
10 Property Tax Levies and Collections, Last Ten Fiscal Years	117
<b><u>Debt Capacity</u></b>	
11 Ratios of Outstanding Debt by Type, Last Ten Fiscal Years	118
12 Ratios of Net General Bonded Debt Outstanding, Last Ten Fiscal Years; and Statement of Legal Debt Margin	119
13 Direct and Overlapping Governmental Activities Debt as of August 31, 2014	120
14 Pledged Revenue Coverage, Last Ten Fiscal Years	121
<b><u>Demographic and Economic Information</u></b>	
15 Demographic and Economic Statistics, Last Ten Calendar Years	122
16 Principal Employers, Current Year and Nine Years Ago	123
<b><u>Operating Information</u></b>	
17 Staff Information, Last Ten Fiscal Years	124
18 Student Information, Last Ten Fiscal Years	125
19 Operating Statistics, Last Ten Fiscal Years	126
20 Capital Asset Information, Last Ten Fiscal Years	127
<b><u>SINGLE AUDIT SECTION</u></b>	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	131
Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	133

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED AUGUST, 31, 2015

TABLE OF CONTENTS (Concluded)

<b><u>Exhibit/ Table</u></b>	<b><u>Page</u></b>
Schedule of Findings and Questioned Costs	136
Summary Schedule of Prior Audit Findings	137
Corrective Action Plan	138
K-1 Schedule of Expenditures of Federal Awards	139
Notes on Accounting Policies for Federal Awards	141
Schools First Questionnaire	143

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### CERTIFICATE OF BOARD

San Angelo Independent School District  
Name of School District

Tom Green  
County

226903  
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, 2014 at a meeting of the Board of Trustees of such school district on the 18<sup>th</sup> day of January, 2015.

Gerard Gallegos  
Signature of Board Secretary  
(Signed copies on file with the District)

Lanny Layman  
Signature of Board President  
(Signed copies on file with the District)

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

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## **INTRODUCTORY SECTION**

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San Angelo Independent School District  
Business Services  
1621 University  
San Angelo, Texas 76904  
(325)947-3766 PHONE  
(325)949-1415 FAX

December 23, 2015

Members of the Board of Trustees and Citizens of  
San Angelo Independent School District

We are submitting this comprehensive annual financial report of the San Angelo Independent School District (the District) for the fiscal year ended August 31, 2015.

This report is presented in four sections as described below.

1. **Introductory Section** – This section includes this transmittal letter, a list of principal District officials, the District's organization chart, and the ASBO Certificate of Excellence in Financial Reporting for the prior fiscal year comprehensive annual financial report.
2. **Financial Section** – This section includes the independent auditor's report on the audit of the financial statements, management's discussion and analysis of the District's financial performance for the year, the District's financial statements, notes to the financial statements, and supplementary statements and schedules.
3. **Statistical Section** – This section is not audited. It includes selected financial and demographic information, primarily in table form for multiple years.
4. **Single Audit Section** – This section includes the independent auditor's reports on internal control and compliance with laws, regulations, and grant provisions. Related schedules and documents required by laws and regulations are also included as listed in the table of contents.

Management is fully responsible for the completeness and reliability of all the information included in this report. As a basis for making these representations, management of the District has established an internal control framework designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with generally accepted accounting principles in the United States of America (GAAP). Because the benefits of internal control should be more than their cost, the District's internal control framework has been designed to provide reasonable rather than absolute assurance that the financial statements will not contain material misstatements. In our capacity as management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Texas Education Code requires an annual audit of the District's financial statements. The Board of Trustees selected Webb & Webb, a firm of licensed certified public accountants to audit this year's financial statements. The goal of an independent audit is to provide reasonable

assurance that the financial statements of the District for fiscal year ended August 31, 2015, are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ended August 31, 2015, and are fairly stated in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. The independent audit of the District's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on the administration of federal awards. These reports are found in the fourth section of the report, the single audit section.

GAAP 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 transmittal letter is designed to complement MD&A and should be read in conjunction with it. The District's MD&A may be found in the financial section immediately following the independent auditor's report.

## **PROFILE OF THE DISTRICT**

The San Angelo Independent School District is located 210 miles west northwest of Austin, Texas in Tom Green County, Texas. The District is empowered to levy property taxes on all real and personal property within its boundaries.

The District is governed by a seven member Board of Trustees (the Board) elected by the registered voters of the District. The Board is responsible, among other things, for adopting and amending the annual budget, making policy, setting goals, approving contracts and personnel appointments, and hiring the superintendent. The superintendent is responsible for carrying out the policies of the Board and for overseeing the day-to-day operations of the District.

The mission of San Angelo Independent School District is to provide each student with a meaningful, challenging education, delivered in a safe learning environment that prepares him or her to graduate from high school as a lifelong learner who is a capable, productive, and contributing citizen. The District offers a state mandated, locally derived, standards-based curriculum to all of its students and is focused on high levels of student achievement. Through the District's pre-kindergarten through twelfth grade programs, students receive instruction in over seventy different areas; from reading and language arts in the lower grades to advanced calculus, physics, fine arts, and vocational programs in the District's secondary schools. In addition to regular education programs, the District offers additional services in programs such as special education, bilingual, gifted and talented, head start, early head start, and academic

alternative education. District enrollment has remained stable with slight increases over the last four years. In fiscal 2015 District enrollment was 14,626 students.

The annual budget is the foundation of the District's financial planning and control. After public hearings, the budget is legally enacted by Board resolution each year prior to September 1. Once it is approved, the budget can only be changed at the function and fund level by amendments approved by a majority of the members of the Board. Budget-to-actual comparisons are provided in this report for the General Fund, the Food Service special revenue fund, and the Debt Service Fund. The comparison for the General Fund is presented in Exhibit G-1, and the Child Nutrition and Debt Service funds in Exhibits J-4 and J-5, respectively. Most of the other special revenue funds are controlled by project-length budgets approved by State and Federal grantor agencies, for which budget-to-actual comparisons are not included in this report. A project-length spending plan, as outlined in the ordinances, which authorized the bond issues, is used for the Capital Project Fund.

## **FACTORS AFFECTING FINANCIAL CONDITION**

The financial statement information can be better understood when it is considered from the broad perspective of the specific environment within which the District operates.

**Local economy** – West Texas cities tend to be widely dispersed. San Angelo is one of the largest cities in West Central Texas and serves as the center of commerce, government, medicine, and religion for an expansive area. Three U. S. highways and one State highway serve San Angelo. The San Angelo Regional Airport (Mathis Field) also provides flights that link up with national and international airlines.

San Angelo continues to have a well-diversified economic base with major sectors that include manufacturing, medical care, education, trade, business services, and military. San Angelo is a regional service center for business and agriculture over a fourteen county area. Walmart, Inc./Sam's, AEP Texas North, The Ethicon division of Johnson and Johnson, Verizon Communications, San Angelo Community Medical Center, Shannon Medical Center, Goodfellow Air Force Base, and many other local businesses provide the economic potential of San Angelo. The District has seen increased tax values and enrollments in recent years resulting from growth in the oil and gas industry in the region.

There are two institutions of higher education in San Angelo. Angelo State University (ASU) offers more than 100 majors and concentrations that lead to 41 undergraduate degrees, 21 master's degrees and one doctoral degree. Howard College has an extension campus in San Angelo, which concentrates predominately in technical and occupational fields of study.

**Long-term financial planning** Applying conservative principles and proactive staffing guidelines and practices, San Angelo ISD has been able to maintain a strong financial position. Future budgets will be based on the same principles and the district should be able to meet all of its current needs. The District contracted a professional facility study to evaluate District

facilities after completion of 2008 Bond projects and determine facility needs to be addressed in the future.

**Major Initiatives** – The District has not taken on any new major initiatives that are expected to affect future financial position of the district. In fiscal 2015 the Board refinanced bond debt to obtain more favorable interest rates and State of Texas Permanent School Fund guarantee which was not available on the initial offering of portions of the refunded debt due to the State's capacity limitations.

**Pension benefits** – The District provides pension benefits for its employees through the Teacher Retirement System of Texas (TRS), a cost-sharing multiple employer-defined benefit pension plan. New accounting standards issued by the Governmental Accounting Standards Board (GASB) have changed pension accounting and financial reporting standards for state and local governments. The new standards (GASB 67 and 68) changed how pension plan liabilities are accounted for and disclosed in financial statements of public pensions and participating employers. San Angelo ISD is affected as a participating employer in the requirement to present its share of the net pension liability of the plan. This disclosure is presented in the District's government wide financial statements which are presented on the accrual basis of accounting. The new standards do not affect or alter how the plan is funded or how employer contributions are calculated. The District's fund financial statements present, as expenditures, the actual current year funding contributions required based on payrolls of the fiscal year. A new contribution requirement for employers in 2015 required the District to contribute 1.5% of all member compensation. For employees subject to statutory minimum salary the 1.5% is required only for salary up to the statutory minimum salary. Additional information is found in the notes to the financial statements, Note IV.L.

## **AWARDS AND ACKNOWLEDGMENTS**

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to San Angelo ISD for its comprehensive annual financial report for the fiscal year ended August 31, 2014. To be awarded a Certificate of Excellence, a school district must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Excellence is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Excellence Program's requirements and we are submitting it to the ASBO to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administrative departments. We express our appreciation to all of the staff members who assisted and contributed to the preparation of this



Board of Trustees and Citizens  
December 23, 2015

report. Credit must also be given to the members of the Board of Trustees for their support and leadership.

Respectfully submitted,

Jeff Bright

Assistant Superintendent Business and Operations  
Signed reports on file with the District

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
DISTRICT OFFICIALS, STAFF AND CONSULTANTS  
FOR THE YEAR ENDED AUGUST 31, 2015

**Elected Officials – Board of Trustees**

<u>Name and Title</u>	<u>Term Expires</u>	<u>Occupation</u>
Lanny Layman, President	May 2019	President / CEO – Standard Sales Company, LP
Max Parker, Vice President	May 2019	Attorney
Tim Archer, Treasurer	May 2017	Owner / Manager, Archer Floor Company
Gerard Gallegos, Secretary	May 2019	Access Billing Rep. / Verizon, Inc.
Art Hernandez, Trustee	May 2017	Funeral and Cemetery Family Service Counselor
Bill Dendle, Trustee	May 2017	Managing Partner, Angelo Plumbing Supply
Ami Mizell-Flint, Trustee	May 2017	Freelance Writer

**Selected Administrative Staff**

<u>Name</u>	<u>Position</u>	<u>Length of Service</u>	<u>Total School District Service</u>
Dr. Carol Ann Bonds	Superintendent of Schools	9 Years	36 Years
Shelly Hullihen	Assistant Superintendent, Educational Support Services	8 Years	35 Years
Dr. Jeff Bright	Assistant Superintendent, Business & Support Services	12 Years	28 Years
Dr. Carl Dethloff	Assistant Superintendent, Human Resources & Staff Development	6 Years	23 Years
Denise Huffman	Comptroller	13 Years	17 Years
Hope Flores	Director of Financial Services	17 Years	17 Years

**Consultants and Advisors**

Auditors.....	Webb and Webb Certified Public Accountants San Angelo, Texas
Bond Counsel.....	Fulbright & Jaworski, L.L.P. Dallas, Texas
Financial Advisor.....	First Southwest Company Dallas, Texas

[illegible]

# Association of School Business Officials International



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

## San Angelo Independent School District

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended August 31, 2014*

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



Mark C. Pepera, MBA, RSBO, SFO  
President

John D. Musso, CAE, RSBA  
Executive Director

## **FINANCIAL SECTION**

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**UNMODIFIED OPINION ON BASIC FINANCIAL STATEMENTS  
ACCOMPANIED BY REQUIRED SUPPLEMENTARY INFORMATION  
AND OTHER SUPPLEMENTARY INFORMATION INCLUDING THE  
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL  
AWARDS**

Independent Auditor's Report

Board of Trustees  
San Angelo Independent School District  
1621 University Avenue  
San Angelo, Texas 76904

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of San Angelo Independent School District (the District) as of and for the year ended August 31, 2015, and the notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the San Angelo Independent School District as of August 31, 2015, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note I.E. to the financial statements, in 2015, the District adopted new accounting guidance prescribed by GASB No. 68 – Accounting and Financial Reporting for Pensions for its pension plan, a multiple-employer, cost-sharing defined benefit pension plan that has a special funding situation. Because GASB No. 68 implements new measurement criteria and reporting provisions, significant information has been added to the Government Wide Statements. Exhibit A-1 discloses the District's Net Pension Liability and some deferred resource outflows and deferred resource inflows related to the District's pension plan. Exhibit B-1 discloses the adjustment to the District's Beginning Net Position. Our opinion is not modified with respect to this matter.

### **Other Matters**

#### **Required Supplementary Information**

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

#### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the San Angelo Independent School District's basic financial statements. The introductory section, combining and other statements, statistical tables, schedule of expenditures of federal awards, and information required by the Texas Education Agency (which is identified in the Table of Contents as Exhibits J-1 through J-5) are presented for purposes of additional analysis and are not a required part of the basic financial statements.



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

The introductory section and statistical tables 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 23, 2015 on our consideration San Angelo Independent School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering San Angelo Independent School District's internal control over financial reporting and compliance.

Webb & Webb

(Signed copies on file with the district)

San Angelo, TX

December 23, 2015

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## **Management's Discussion and Analysis San Angelo Independent School District**

In this section of the Annual Financial and Compliance Report, we, the managers of San Angelo Independent School District, discuss and analyze the District's financial performance for the fiscal year ended August 31, 2015. Please read it in conjunction with, the independent auditors' report immediately preceding this report, and the District's Basic Financial Statements, which begin with Exhibit A-1.

### **USING THIS ANNUAL REPORT**

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 (Exhibits A-1 and B-1). 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 with Exhibit C-1) 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 (immediately after Exhibit E-2) provide narrative explanation or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The combining and other statements for non-major funds contain even more information about the District's individual funds. These are not required by TEA. The sections labeled Compliance Schedules (Required by Texas Education Agency) and Single Audit 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 with Exhibit A-1. 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 and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies. During fiscal year 2015, the

District adopted Governmental Accounting Standards Board (GASB) Statement 68 for Accounting and Reporting for Pensions. To comply with GASB 68 the District must report its proportionate share of the Net Pension Liability of the Teacher Retirement System of Texas. Adoption of GASB 68 required a prior period adjustment to report the effect of GASB 68 retroactively in order to restate the beginning net position. The amount of the prior period adjustment is \$(14,749,242). The restated beginning net position for the Governmental Activities is \$ 106,249,203.

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, food service revenues, rents, and curriculum sales (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 to it. The District's net position (the difference between assets and liabilities) provides one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider non-financial 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 concessions activity. The District has transferred the rights to sell advertising on a jumbo-tron scoreboard at the District’s athletic stadium as payment for installation of the jumbo-tron.

## **REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS**

### ***Fund Financial Statements***

The fund financial statements begin with Exhibit C-1 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 Elementary and Secondary Education Act from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities) The District's two kinds of funds, governmental and proprietary, use different accounting approaches.

- Governmental funds – Most of the District's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.
- Proprietary funds – The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. The District's enterprise funds, one category of proprietary funds, are the business-type activities reported in the government-wide statements but contain more detail and additional information, such as cash flows. The internal service fund (the other category of proprietary funds) reports activities that provide services for the District's other programs and activities through the District's risk management program for worker's compensation.

## **THE DISTRICT AS TRUSTEE**

### ***Reporting the District's Fiduciary Responsibilities***

The District is the trustee, or fiduciary, for money raised by student activities and alumnae scholarship programs. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets, Exhibits E-1 and E-2. 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 these funds are used for their intended purposes.

## **GOVERNMENT WIDE FINANCIAL ANALYSIS**

Our analysis focuses on the net position (Table I) and changes in net position (Table II) of the District's governmental and business-type activities.

**Table I**  
**Net Position (in thousands)**

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
<b>Assets:</b>						
Current and Other Assets	\$53,765	\$47,559	\$187	\$79	\$53,952	\$47,638
Capital Assets	202,701	203,648	856	49	203,557	198,972
Total Assets	256,466	251,207	1,043	128	257,509	\$246,610
Deferred Outflows	18,279	-	-	-	18,279	-
<b>Liabilities:</b>						
Current Liabilities	7,856	7,567	116	57	7,972	7,624
Long Term Liabilities	144,745	122,642	743	63	145,488	122,705
Total Liabilities	152,601	130,209	859	120	153,460	130,329
Deferred Inflows:	3,982	-	-	-	3,982	-
<b>Net Position:</b>						
Net Investment in						
capital assets	86,764	81,778	113	(14)	86,877	81,764
Restricted	6,283	5,350	-	-	6,283	5,350
Unrestricted	25,115	33,870	71	22	25,186	33,892
Total Net Position	\$118,162	\$120,998	\$184	\$8	\$118,346	\$121,006

**Table II**  
**Changes in Net Position (in thousands)**

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program Revenues:						
Charges for Services	\$ 3,827	\$ 3,482	\$ 195	\$ 191	\$ 4,022	\$ 3,673
Operating Grants & Contributions	23,709	23,897	-	-	23,709	23,897
General Revenues:					-	-
Maint & Oper Taxes	44,572	40,231	-	-	44,572	40,231
Debt Service Taxes	8,571	8,510	-	-	8,571	8,510
State Aid Formula Grants	63,736	63,225	-	-	63,736	63,225
Investment Earnings	199	219	-	-	199	219
Miscellaneous	746	894	-	-	746	894
Total Revenues	145,360	140,458	195	191	145,555	140,649
Expenses:						
Instruction, Curriculum, Media	76,743	74,243	-	-	76,743	74,243
Instructional/ School Leadership	9,314	8,751	-	-	9,314	8,751
Guidance, Social Work, Health			-	-	-	-
& Transportation	9,159	9,060	-	-	9,159	9,060
Child Nutrition	7,664	7,809	-	-	7,664	7,809
Co-curricular Activities	5,622	5,241	-	-	5,622	5,241
General Administration	3,522	2,750	-	-	3,522	2,750
Plant Maint, Security, Data Proc	16,445	15,822	-	-	16,445	15,822
Community Services	287	261	-	-	287	261
Debt Service	3,480	5,888	-	-	3,480	5,888
Other Intergovernmental Charges	954	827	-	-	954	827
Other: Business-type Activities	-	-	126	158	126	158
Total Expenses	133,190	130,652	126	158	133,316	130,810
Excess (Deficiency) before extraordinary items	12,170	9,806	69	33	12,239	9,839
Extraordinary Item (Use)	(150)				(150)	-
Transfer In (Out)	(107)	5	107	(5)	-	-
Change in Net Position	11,913	9,811	176	28	12,089	9,839
Prior Period Adjustment	(14,749)				(14,749)	-
Net Position at September 1	120,998	111,187	8	(20)	121,006	111,167
Ending Net Position at August 31	\$ 118,162	\$ 120,998	\$ 184	\$ 8	\$ 118,346	\$ 121,006

*Net Position.* Current year revenue gains outpaced expenses toward improvement of the District's net position in the governmental activities, however, the prior period adjustment required to recognize the proportionate share of pension liability resulted in \$2 million reduction in the net position. Enrollment gains translated into a modest increase of 0.72% in average daily attendance and brought increased formula revenues from the state. Local property taxes increased in response to city growth that was spurred by oil industry activity in the region. After the effect of the prior period adjustment for pension liability the District's total net position decreased 2% from \$121 million to \$119 million.

In the business-type activities, current operations of the Concession Fund were profitable and the Jumbotron Fund, advertising revenues exceeded current charges for interest and depreciation and a transfer from the Governmental Activity improved the net position in the business activities by approximately \$176 thousand. Net position of the business type activities is unrestricted.

The results of the governmental and business-type activities compared to the results from the prior year are summarized in Table II.

*Changes in Net Position.* Total revenues increased by \$4.9 million (3.5%) above fiscal 2014, as expenses increased by \$2.5 million (1.9%). Increased enrollment, state funding formula gains, and increased property values improved the District's net position \$12.2 million before the prior period adjustment of \$(14.7) million required by GASB 68 to recognize the proportionate share of Teacher Retirement System of Texas' net pension liability resulted in an overall decrease to net position of \$2.6 million.

## **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

*Governmental Funds.* The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of remaining resources. In particular, unassigned fund balance often serves as a useful measure of a governmental agency's net resources available for spending at the end of a fiscal year. The board maintains fund balances adequate for sound fiscal management and provide for the stewardship of public funds. Fund balances are primarily used for cash flow purposes, as financial strength indicators for debt rating agencies, in planned capital projects and one-time expenditures, and emergency situations that may arise from internal and external factors. The district maintains policy related to target levels of fund balances.

The District's General Fund reported an increase in fund balance from \$31.9 million to \$36.7 million. At the end of the fiscal year, the General Fund's unassigned fund balance stood at \$22.8 million. The remainder of the fund balance is non-spendable, restricted, committed, or assigned through board action as required by GASB 54.

The non-major governmental funds include special revenue funds, the Debt Service fund, and the 2008 Bond Fund. Most special revenue funds are budgeted to fully expend current year grants awarded from federal or state initiatives. A special revenue fund for revenues from an exclusive beverage contract holds funds committed by the board of trustees for use in maintaining district athletic facilities. \$113 thousand dollars was transferred from that fund to the Jumbotron Enterprise Fund to assist in purchase of a new Jumbotron. The remainder of the cost of the Jumbotron will be paid from future advertising revenues in the enterprise fund. \$19 thousand remaining from the District's former self-insured health is committed by the board for employee wellness programs. In the Debt Service Fund, although the debt tax was reduced from \$0.22 to \$0.20 per \$100 of property value, increased property values brought higher debt tax collections.



At year-end, the Debt Service Fund had a \$3.7 million fund balance, an increase of \$0.4 million from the prior year.

*Proprietary Funds.* The District's risk management strategy used an internal service fund to report the accumulation of reserves for self-insurance of workers' compensation benefits. The reserves are accumulated through payroll charges to the governmental funds based on actuarial estimates of the relevant claims liabilities. The Worker's Compensation Fund remains stable and reported net assets of approximately \$660.5 thousand available to meet the ongoing claims liabilities. The internal service funds are consolidated into the governmental activities in the government-wide financial statements. Additional information about the internal service funds is found in note IV.J in this report.

*Enterprise Funds.* The funds reported in the government wide financial statements as business-type activities are the District's enterprise funds. The business-type activities are relatively insignificant to the overall operations of the District although the purchase of a new Jumbotron made the Jumbotron Fund a major fund for financial statement reporting in fiscal 2015. The Concession Fund reported net revenue on concession services. The Jumbotron Fund reported net revenues from Jumbotron advertising at the District's athletic stadium as well as a transfer of funds collected over several years in a special revenue fund used to purchase a Jumbotron for the stadium.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At the end of 2015 the District had \$202.7 million (net of accumulated depreciation) invested in a broad range of capital assets, including land, construction in progress, buildings and improvements, and furniture and equipment. This amount represents a decrease of \$0.9 million from the prior year. Increases and decreases to investment in capital assets in governmental activities are shown below (**in thousands**):

#### San Angelo ISD Capital Assets (Governmental Activities)

##### Increases:

Land (not depreciable)	\$	22	
Furniture and Equipment		1,162	
Vehicles		1,521	
Buildings and Site Improvements		3,246	
			\$5,951

##### Construction Work in Progress

Project costs incurred	\$4,662	
Projects completed-increasing other categories		
Lake View High School Turf Project	( 492)	
Glenn Middle School Restroom Renovations	( 1,158)	
Alta Loma Elementary HVAC	( 975)	
Belaire Elementary HVAC	( 900)	
Lincoln Middle School Parking Lot	( 171)	\$966

##### Decreases:

Equipment sold or abandoned as obsolete	(561)
---	-------

Less accumulated depreciation	561	
Vehicles Sold	(751)	
Less accumulated depreciation	747	
Current year depreciation	(7,859)	(7,863)

Net increase to capital assets (governmental activities) \$ (946)

In the business activity the old Jumbotron was fully depreciated and was replaced at year end by new equipment that will begin depreciation in fiscal 2016. The capital assets in the business type activity increased by \$807 thousand. Additional information regarding capital assets is presented in note IV.F. in this report.

## **Debt**

In January 2015, the District issued \$ 99,939,982 in refunding bonds and contributed \$2 million from the debt service fund balance to refund \$ 100,090,000 in bonds with maturities thru 2034. The refunding reduced total debt service payments over 20 years by \$7,628,502. At year end, District bonds payable totaling \$115.1 million have maturities scheduled into 2034 with fixed interest rates ranging from 3.0% to 5.0%. The District's bonds are rated AA- by Standard and Poor's and AA by Fitch. Other obligations of the district include a retirement benefit for unused vested sick leave and a debt to be satisfied by granting future advertising rights in the proprietary Jumbotron Fund. More information about debt can be found at Note IV.H. in this report.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The District's Board of Trustees adopts the general fund, debt service, and food service fund budgets annually. Over the course of the year, the Board of Trustees revised the District's general fund budget several times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year for items the board committed from prior year fund balance. The second category includes changes that the Board made during the year. The third category involved amendments that moved funds from programs that did not need all the resources originally appropriated to programs with resource needs. Revenues were amended for increased tax collections, to adjust state formula allotments and to increase federal revenues related to health services. The principal expenditure amendments were to budget capital expenditures. In the general fund, actual revenues reported were 100.8% of the amended budget and expenditures were 96.6 % of the amended budget. Actual revenues exceeded expenditures by \$4.7 million.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

As the 2015-2016 budget was prepared, the district maintained its maintenance and operating tax rate at \$1.04 and reduced the debt tax rate to \$0.195 per \$100 of property value. The District budgeted an increase in local property tax collections due to increased property values. Enrollment is a major factor in determining state revenues for the district as funding formulas are driven by average daily student attendance. Enrollment is forecast to remain stable or slightly increase. Budgeted revenues available for appropriation in the general fund budget are \$109.4 million and expenditures are budgeted at approximately \$105.2 million. Net budgeted revenue will be utilized for capital outlay requests to be considered if enrollment meets projections.

## **CONTACTING THE DISTRICT'S 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 San Angelo Independent School District, 1621 University, San Angelo, Texas 76904.

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## **BASIC FINANCIAL STATEMENTS**

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SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
AUGUST 31, 2015

EXHIBIT A-1

		1	2	3
		Primary Government		
Data				
Control			Business	
Codes		Governmental	Type	
		Activities	Activities	Total
<b>ASSETS</b>				
1110	Cash and Cash Equivalents	\$ 26,284,388	\$ 187,505	\$ 26,471,893
1120	Current Investments	5,889,307	-	5,889,307
1220	Property Taxes Receivable (Delinquent)	1,699,391	-	1,699,391
1230	Allowance for Uncollectible Taxes	(83,270)	-	(83,270)
1240	Due from Other Governments	9,052,402	-	9,052,402
1250	Accrued Interest	21,368	-	21,368
1290	Other Receivables, net	292,841	-	292,841
1300	Inventories	743,492	-	743,492
1410	Prepayments	763,670	-	763,670
	Capital Assets:			
1510	Land	6,864,962	-	6,864,962
1520	Buildings, Net	182,554,462	-	182,554,462
1530	Furniture and Equipment, Net	11,317,744	856,089	12,173,833
1580	Construction in Progress	1,963,976	-	1,963,976
1800	Restricted Assets	420,544	-	420,544
1910	Long Term Investments	8,680,784	-	8,680,784
1000	Total Assets	256,466,061	1,043,594	257,509,655
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
1701	Deferred Charge for Refunding	14,962,020	-	14,962,020
1705	Deferred Outflow Related to TRS	3,317,137	-	3,317,137
1700	Total Deferred Outflows of Resources	18,279,157	-	18,279,157
<b>LIABILITIES</b>				
2110	Accounts Payable	2,547,959	116,137	2,664,096
2140	Interest Payable	225,842	-	225,842
2150	Payroll Deductions & Withholdings	711,086	-	711,086
2160	Accrued Wages Payable	3,386,544	-	3,386,544
2180	Due to Other Governments	14,391	-	14,391
2190	Due to Student Groups	3,024	-	3,024
2200	Accrued Expenses	605,663	-	605,663
2300	Unearned Revenue	361,075	-	361,075
	Noncurrent Liabilities			
2501	Due Within One Year	4,890,000	106,228	4,996,228
2502	Due in More Than One Year	126,837,213	636,861	127,474,074
2540	Net Pension Liability (District's Share)	13,017,820	-	13,017,820
2000	Total Liabilities	152,600,617	859,226	153,459,843
<b>DEFERRED INFLOWS OF RESOURCES</b>				
2605	Deferred Inflow Related to TRS	3,982,189	-	3,982,189
2600	Total Deferred Inflows of Resources	3,982,189	-	3,982,189
<b>NET POSITION</b>				
3200	Net Investment in Capital Assets	86,764,060	113,000	86,877,060
	Restricted:			
3820	Restricted for Federal and State Programs	2,528,686	-	2,528,686
3850	Restricted for Debt Service	3,683,852	-	3,683,852
3890	Restricted for Other Purposes	70,869	-	70,869
3900	Unrestricted	25,114,945	71,368	25,186,313
3000	Total Net Position	\$ 118,162,412	\$ 184,368	\$ 118,346,780

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED AUGUST 31, 2015

Data Control Codes	1	Program Revenues	
		3	4
	Expenses	Charges for Services	Operating Grants and Contributions
<b>Primary Government:</b>			
GOVERNMENTAL ACTIVITIES:			
11 Instruction	\$ 74,059,072	\$ 553,237	\$ 13,032,336
12 Instructional Resources and Media Services	1,577,545	-	61,275
13 Curriculum and Staff Development	1,106,285	-	423,277
21 Instructional Leadership	2,123,211	5,846	398,863
23 School Leadership	7,191,122	303,999	837,809
31 Guidance, Counseling and Evaluation Services	4,623,658	-	916,114
32 Social Work Services	690,344	-	264,407
33 Health Services	703,002	-	166,656
34 Student (Pupil) Transportation	3,141,761	-	151,322
35 Food Services	7,664,481	1,969,013	6,114,798
36 Extracurricular Activities	5,621,490	296,563	115,294
41 General Administration	3,522,185	-	115,076
51 Facilities Maintenance and Operations	12,917,386	691,442	869,418
52 Security and Monitoring Services	580,352	6,792	6,251
53 Data Processing Services	2,946,972	-	99,898
61 Community Services	286,510	-	136,749
72 Debt Service - Interest on Long Term Debt	3,480,046	-	-
99 Other Intergovernmental Charges	954,466	-	-
[TG] Total Governmental Activities:	133,189,888	3,826,892	23,709,543
BUSINESS-TYPE ACTIVITIES:			
01 Concession Fund	74,871	79,420	-
02 Jumbotron Fund	51,423	115,663	-
[TB] Total Business-Type Activities:	126,294	195,083	-
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 133,316,182	\$ 4,021,975	\$ 23,709,543
Data Control Codes	General Revenues:		
	Taxes:		
MT	Property Taxes, Levied for General Purposes		
DT	Property Taxes, Levied for Debt Service		
GC	Grants and Contributions not Restricted		
IE	Investment Earnings		
MI	Miscellaneous Local and Intermediate Revenue		
E2	Extraordinary Item - (Use)		
FR	Transfers In (Out)		
TR	Total General Revenues, Extraordinary Items & Transfers		
CN	Change in Net Position		
NB	Net Position - Beginning		
PA	Prior Period Adjustment		
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
\$ (60,473,499)	\$ -	\$ (60,473,499)
(1,516,270)	-	(1,516,270)
(683,008)	-	(683,008)
(1,718,502)	-	(1,718,502)
(6,049,314)	-	(6,049,314)
(3,707,544)	-	(3,707,544)
(425,937)	-	(425,937)
(536,346)	-	(536,346)
(2,990,439)	-	(2,990,439)
419,330	-	419,330
(5,209,633)	-	(5,209,633)
(3,407,109)	-	(3,407,109)
(11,356,526)	-	(11,356,526)
(567,309)	-	(567,309)
(2,847,074)	-	(2,847,074)
(149,761)	-	(149,761)
(3,480,046)	-	(3,480,046)
(954,466)	-	(954,466)
(105,653,453)	-	(105,653,453)
-	4,549	4,549
-	64,240	64,240
-	68,789	68,789
(105,653,453)	68,789	(105,584,664)
44,572,208	-	44,572,208
8,571,578	-	8,571,578
63,735,611	-	63,735,611
198,903	-	198,903
745,617	-	745,617
(150,000)	-	(150,000)
(107,255)	107,255	-
117,566,662	107,255	117,673,917
11,913,209	176,044	12,089,253
120,998,445	8,324	121,006,769
(14,749,242)	-	(14,749,242)
\$ 118,162,412	\$ 184,368	\$ 118,346,780

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AUGUST 31, 2015

Data Control Codes	10 General Fund	Other Funds	Total Governmental Funds
<b>ASSETS</b>			
1110 Cash and Cash Equivalents	\$ 19,864,021	\$ 5,772,772	\$ 25,636,793
1120 Investments - Current	5,644,193	245,114	5,889,307
1220 Property Taxes - Delinquent	1,447,243	252,148	1,699,391
1230 Allowance for Uncollectible Taxes (Credit)	(70,915)	(12,355)	(83,270)
1240 Receivables from Other Governments	6,690,192	2,362,210	9,052,402
1250 Accrued Interest	20,693	675	21,368
1260 Due from Other Funds	1,919,664	-	1,919,664
1290 Other Receivables	231,134	45,100	276,234
1300 Inventories	-	743,492	743,492
1410 Prepayments	539,955	223,715	763,670
1900 Other Assets	8,185,115	495,669	8,680,784
1000 Total Assets	<u>\$ 44,471,295</u>	<u>\$ 10,128,540</u>	<u>\$ 54,599,835</u>
<b>LIABILITIES</b>			
2110 Accounts Payable	\$ 2,169,325	\$ 378,634	\$ 2,547,959
2150 Payroll Deductions and Withholdings Payable	711,086	-	711,086
2160 Accrued Wages Payable	3,386,544	-	3,386,544
2170 Due to Other Funds	-	1,919,664	1,919,664
2180 Due to Other Governments	14,391	-	14,391
2190 Due to Student Groups	-	3,024	3,024
2200 Accrued Expenditures	181,432	-	181,432
2300 Unearned Revenues	120,234	240,841	361,075
2000 Total Liabilities	<u>6,583,012</u>	<u>2,542,163</u>	<u>9,125,175</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
2601 Unavailable Revenue - Property Taxes	1,233,120	210,837	1,443,957
2600 Total Deferred Inflows of Resources	<u>1,233,120</u>	<u>210,837</u>	<u>1,443,957</u>
<b>FUND BALANCES</b>			
Nonspendable Fund Balance:			
3410 Inventories	-	743,492	743,492
3430 Prepaid Items	539,955	-	539,955
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	-	2,528,686	2,528,686
3470 Capital Acquisition and Contractual Obligation	-	1,765	1,765
3480 Retirement of Long-Term Debt	1,052,186	3,683,852	4,736,038
3490 Other Restricted Fund Balance	70,869	-	70,869
Committed Fund Balance:			
3510 Construction	7,000,000	-	7,000,000
3530 Capital Expenditures for Equipment	4,700,000	-	4,700,000
3545 Other Committed Fund Balance	500,000	417,745	917,745
3600 Unassigned Fund Balance	22,792,153	-	22,792,153
3000 Total Fund Balances	<u>36,655,163</u>	<u>7,375,540</u>	<u>44,030,703</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 44,471,295</u>	<u>\$ 10,128,540</u>	<u>\$ 54,599,835</u>

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
AUGUST 31, 2015

<b>Total Fund Balances - Governmental Funds</b>	\$ 44,030,703
1 The District uses internal service funds to charge the costs of certain activities, such as self-insurance to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position.	660,515
2 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$275,609,214 and the accumulated depreciation was \$(71,961,112). In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. At the beginning of the year the balance for long term debt was \$(122,641,370) and the accrued interest payable was \$(274,904). The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase (decrease) net position.	80,758,828
3 Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. Current year capital asset and long term debt adjustments were: Capital outlay - \$6,423,162, Write off capital asset disposition - \$(3,582), new debt issued - \$(99,939,982), Debt retired and principle payments - \$105,000,000, Amortization of premium, discount and refund differences - \$(84,081), Decrease in accrued interest - \$22,062, Difference on refunding - \$15,705,640, Premium/discount on new debt - \$(14,770,863), Increase in compensated absences - \$(34,537) The net effect of including the 2015 capital outlays and debt principal payments is to increase/(decrease) net position.	12,810,183
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 \$(13,017,820), a Deferred Resource Inflow related to TRS in the amount of \$(3,982,189) and a Deferred Resource Outflow related to TRS in the amount of \$3,317,137. This amounted to a decrease in Net Position.	(13,682,872)
5 The 2015 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.	(7,858,902)
6 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue of \$631,738, reclassifying unavailable delinquent roll property tax to beginning net position - \$812,220, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest, and eliminating interfund transaction. The net effect of these reclassifications and recognitions is to increase net position.	1,443,957
<b>19 Net Position of Governmental Activities</b>	\$ 118,162,412

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2015

EXHIBIT C-3

Data Control Codes	10 General Fund	Other Funds	Total Governmental Funds
<b>REVENUES:</b>			
5700 Total Local and Intermediate Sources	\$ 46,430,265	\$ 11,260,344	\$ 57,690,609
5800 State Program Revenues	64,521,597	4,058,864	68,580,461
5900 Federal Program Revenues	2,000,394	16,863,845	18,864,239
5020 Total Revenues	<u>112,952,256</u>	<u>32,183,053</u>	<u>145,135,309</u>
<b>EXPENDITURES:</b>			
Current:			
0011 Instruction	59,917,706	10,155,708	70,073,414
0012 Instructional Resources and Media Services	1,454,945	800	1,455,745
0013 Curriculum and Instructional Staff Development	682,856	392,346	1,075,202
0021 Instructional Leadership	1,621,746	324,172	1,945,918
0023 School Leadership	6,270,537	831,173	7,101,710
0031 Guidance, Counseling and Evaluation Services	3,905,751	697,678	4,603,429
0032 Social Work Services	422,583	240,196	662,779
0033 Health Services	566,836	137,153	703,989
0034 Student (Pupil) Transportation	3,130,283	2,450	3,132,733
0035 Food Services	144,131	7,482,676	7,626,807
0036 Extracurricular Activities	5,759,136	-	5,759,136
0041 General Administration	2,609,070	460	2,609,530
0051 Facilities Maintenance and Operations	12,333,304	521,181	12,854,485
0052 Security and Monitoring Services	528,403	1,440	529,843
0053 Data Processing Services	2,753,712	-	2,753,712
0061 Community Services	155,463	131,907	287,370
Debt Service:			
0071 Principal on Long Term Debt	-	4,910,000	4,910,000
0072 Interest on Long Term Debt	-	3,418,027	3,418,027
0073 Bond Issuance Cost and Fees	-	2,907,760	2,907,760
Capital Outlay:			
0081 Facilities Acquisition and Construction	4,898,029	-	4,898,029
Intergovernmental:			
0099 Other Intergovernmental Charges	954,466	-	954,466
6030 Total Expenditures	<u>108,108,957</u>	<u>32,155,127</u>	<u>140,264,084</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,843,299</u>	<u>27,926</u>	<u>4,871,225</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
7911 Capital Related Debt Issued (Regular Bonds)	-	99,939,982	99,939,982
7912 Sale of Real and Personal Property	92,276	-	92,276
7915 Transfers In	-	5,745	5,745
7916 Premium or Discount on Issuance of Bonds	-	14,770,863	14,770,863
8911 Transfers Out (Use)	-	(113,000)	(113,000)
8949 Payment to Refunded Bond Escrow Agent	-	(113,795,640)	(113,795,640)
7080 Total Other Financing Sources (Uses)	<u>92,276</u>	<u>807,950</u>	<u>900,226</u>
<b>EXTRAORDINARY ITEMS:</b>			
8913 Extraordinary Item - (Use)	(150,000)	-	(150,000)
1200 Net Change in Fund Balances	<u>4,785,575</u>	<u>835,876</u>	<u>5,621,451</u>
0100 Fund Balance - September 1 (Beginning)	<u>31,869,588</u>	<u>6,539,664</u>	<u>38,409,252</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 36,655,163</u>	<u>\$ 7,375,540</u>	<u>\$ 44,030,703</u>

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

SAN ANGELO 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, 2015

<b>Total Net Change in Fund Balances - Governmental Funds</b>	\$ 5,621,451
The District uses internal service funds to charge the costs of certain activities, such as self-insurance and printing, to appropriate functions in other funds. The net income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase net position.	141,591
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. Current year capital asset and long term debt adjustments were: Capital outlay - \$6,915,526, Write off capital asset disposition - \$(3,582), new debt issued - \$(99,939,982), Debt retired and principle payments - \$105,000,000, Amortization of premium, discount and refund differences - \$(84,081), Decrease in accrued interest - \$22,062, Difference on refunding - \$15,705,640, Premium/discount on new debt - \$(14,770,863), Increase in compensated absences - \$(34,537) The net effect of including the 2015 capital outlays and debt principal payments is to increase/(decrease) net position.	12,810,183
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.	(7,858,902)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue - \$631,738, reclassifying current year collections of adjustments to prior years' property tax rolls to beginning net assets - \$(499,221), and eliminating interfund transactions. The net effect of these reclassifications and recognitions is to decrease net position.	132,516
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 8/31/2014 caused the change in the ending net position to increase in the amount of \$3,088,578. The District recorded their proportionate share of the pension expense during the measurement period as part of the net pension liability. The amounts expensed for FY2015 were \$(2,022,208) for pension expense columns 6 - 12 from TRS data and the amounts de-expended for the net deferred resource inflow recognized by TRS in the measurement period were \$818,939. This caused a net increase in the change in net position.	1,066,370
<b>Change in Net Position of Governmental Activities</b>	\$ 11,913,209

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
AUGUST 31, 2015

	Business-Type Activities - Enterprise Funds			Governmental Activities -
	Jumbotron Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 113,000	\$ 74,505	\$ 187,505	\$ 647,595
Other Receivables	-	-	-	16,607
Total Current Assets	<u>113,000</u>	<u>74,505</u>	<u>187,505</u>	<u>664,202</u>
Noncurrent Assets:				
Capital Assets:				
Furniture and Equipment	856,089	-	856,089	-
Restricted Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>420,544</u>
Total Noncurrent Assets	<u>856,089</u>	<u>-</u>	<u>856,089</u>	<u>420,544</u>
Total Assets	<u>969,089</u>	<u>74,505</u>	<u>1,043,594</u>	<u>1,084,746</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	113,000	3,137	116,137	-
Short Term Debt Payable	106,228	-	106,228	-
Accrued Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>424,231</u>
Total Current Liabilities	<u>219,228</u>	<u>3,137</u>	<u>222,365</u>	<u>424,231</u>
NonCurrent Liabilities:				
Loans Payable - Due in More than One Year	<u>636,861</u>	<u>-</u>	<u>636,861</u>	<u>-</u>
Total Noncurrent Liabilities	<u>636,861</u>	<u>-</u>	<u>636,861</u>	<u>-</u>
Total Liabilities	<u>856,089</u>	<u>3,137</u>	<u>859,226</u>	<u>424,231</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	113,000	-	113,000	-
Unrestricted Net Position	<u>-</u>	<u>71,368</u>	<u>71,368</u>	<u>660,515</u>
Total Net Position	<u>\$ 113,000</u>	<u>\$ 71,368</u>	<u>\$ 184,368</u>	<u>\$ 660,515</u>

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2015

	Business-Type Activities - Enterprise Funds			Governmental Activities -
	Jumbotron Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
OPERATING REVENUES:				
Local and Intermediate Sources	\$ 115,663	\$ 79,420	\$ 195,083	\$ 506,589
Total Operating Revenues	115,663	79,420	195,083	506,589
OPERATING EXPENSES:				
Payroll Costs	-	37,296	37,296	3,055
Professional and Contracted Services	-	906	906	278,652
Supplies and Materials	-	36,669	36,669	-
Other Operating Costs	-	-	-	83,542
Depreciation Expense	49,042	-	49,042	-
Total Operating Expenses	49,042	74,871	123,913	365,249
Operating Income	66,621	4,549	71,170	141,340
NONOPERATING REVENUES (EXPENSES):				
Earnings from Temporary Deposits & Investments	-	-	-	251
Non-operating Expenses	(2,381)	-	(2,381)	-
Total Nonoperating Revenues (Expenses)	(2,381)	-	(2,381)	251
Income Before Transfers	64,240	4,549	68,789	141,591
Transfer In	113,000	-	113,000	-
Transfers Out	-	(5,745)	(5,745)	-
Change in Net Position	177,240	(1,196)	176,044	141,591
Total Net Position - September 1 (Beginning)	(64,240)	72,564	8,324	518,924
Total Net Position August 31 (Ending)	\$ 113,000	\$ 71,368	\$ 184,368	\$ 660,515

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2015

EXHIBIT D-3

	Business-Type Activities			Governmental Activities -
	Jumbotron Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
<u>Cash Flows from Operating Activities:</u>				
Cash Received from User Charges	\$ 65,166	\$ 86,886	\$ 152,052	\$ -
Cash Received from Assessments - Other Funds	-	-	-	493,170
Cash Payments to Employees for Services	-	(37,296)	(37,296)	(3,055)
Cash Payments for Insurance Claims	-	-	-	(118,664)
Cash Payments for Suppliers	-	(40,714)	(40,714)	(278,651)
Cash Payments for Claims Loss Fund	-	-	-	(15,260)
Net Cash Provided by Operating Activities	65,166	8,876	74,042	77,540
<u>Cash Flows from Non-Capital Financing Activities:</u>				
Operating Transfer Out	-	(5,745)	(5,745)	-
Transfers In	113,000	-	113,000	-
Net Cash Provided by (Used for) Non-Capital Financing Activities	113,000	(5,745)	107,255	-
<u>Cash Flows from Capital &amp; Related Financing Activities:</u>				
Retirement of Long-term Debt	(62,785)	-	(62,785)	-
Interest Paid on Long-term Debt	(2,381)	-	(2,381)	-
Net Cash Provided by (Used for) Capital & Related Financing Activities	(65,166)	-	(65,166)	-
<u>Cash Flows from Investing Activities:</u>				
Interest and Dividends on Investments	-	-	-	251
Net Increase in Cash and Cash Equivalents	113,000	3,131	116,131	77,791
Cash and Cash Equivalents at Beginning of Year	-	71,374	71,374	569,804
Cash and Cash Equivalents at End of Year	\$ 113,000	\$ 74,505	\$ 187,505	\$ 647,595
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>				
Operating Income:	\$ 66,621	\$ 4,549	\$ 71,170	\$ 141,340
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	49,042	-	49,042	-
Effect of Increases and Decreases in Current Assets and Liabilities:				
Decrease (increase) in Receivables	208	7,466	7,674	(13,419)
Decrease (increase) in Restricted Assets	-	-	-	(15,260)
Increase (decrease) in Accounts Payable	-	(3,139)	(3,139)	-
Increase (decrease) in Unearned Revenues	(50,705)	-	(50,705)	-
Increase (decrease) in Accrued Expenses	-	-	-	(35,121)
Net Cash Provided by Operating Activities	\$ 65,166	\$ 8,876	\$ 74,042	\$ 77,540
<u>Noncash Investing, Capital and Financing Activities:</u>				
Borrowing Under Capital Lease	\$ 743,089	\$ -	\$ 743,089	\$ -
Increase in Capital Assets from Accounts Payable	113,000	-	113,000	-

The accompanying notes are an integral part of this statement.



SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
AUGUST 31, 2015

	Private Purpose Trust Fund	Agency Fund
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 54,613	\$ 459,694
Other Receivables	-	2,005
Total Assets	<u>54,613</u>	<u>\$ 461,699</u>
<b>LIABILITIES</b>		
Accounts Payable	-	\$ 244
Due to Student Groups	-	461,455
Total Liabilities	<u>-</u>	<u>\$ 461,699</u>
<b>NET POSITION</b>		
Restricted for Other Purposes	<u>54,613</u>	
Total Net Position	<u>\$ 54,613</u>	

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2015

	Private Purpose Trust Fund
<hr/>	
ADDITIONS:	
Local and Intermediate Sources	\$       626
Total Additions	<u>        626</u>
DEDUCTIONS:	
Other Operating Costs	<u>      2,100</u>
Total Deductions	<u>      2,100</u>
Change in Net Position	(1,474)
 Total Net Position - September 1 (Beginning)	 <u>     56,087</u>
 Total Net Position - August 31 (Ending)	 <u><u>     \$ 54,613</u></u>

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

San Angelo Independent School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven member Board of Trustees (the "Board") elected by registered voters of the District. The District prepares its basic financial statements in conformity with U. S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement on Auditing Standards No. 69* of the American Institute of Certified Public Accountants; and it complies with the requirements of the appropriate version of Texas Education Agency's *Financial Accountability System Resource Guide* (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

**I.A. Reporting Entity**

The Board of Trustees (the "Board") is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by the Governmental Accounting Standards Board ("GASB") in its Statement No. 14, "The Financial Reporting Entity". There are no component units included within the reporting entity.

**I.B. Government-Wide and Fund Financial Statements**

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the San Angelo Independent School District non-fiduciary activities with most of the inter-fund activities removed. *Governmental activities* include programs supported primarily by taxes, State foundation funds, grants and other intergovernmental revenues. *Business-type activities* include operations that rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of the direct costs. The "charges for services" column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the District. Examples include tuition paid by students not residing in the district, school lunch charges, etc. The "grants and contributions" column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act. If revenue is not program revenue, it is general revenue used to support all of the District's functions. Taxes are always general revenues.

Inter-fund activities between governmental funds and between governmental funds and proprietary funds that represent lending/borrowing arrangements outstanding at year-end appear as due to/due from other funds on the Governmental Fund Balance Sheet, the Proprietary Fund Statement of Net Position, and the Statement of Fiduciary Net Position. For the government-wide financial statements, all inter-fund activities between governmental funds and between governmental funds and internal service funds, except inter-fund services provided and used, are eliminated. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide Statement of Net Position as internal balances. Interfund activities between governmental funds and fiduciary funds remain as due to/from on the government-wide Statement of Activities.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

The fund financial statements provide reports on the financial condition and results of operations for three fund categories; governmental, proprietary, and fiduciary. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in the government-wide statements. The District considers some governmental and enterprise funds major and reports their financial position and results of operations in a separate column.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues result from providing goods and services in connection with a proprietary fund's principal ongoing operations; they usually come from exchange or exchange-like transactions. All other revenues are non-operating. Operating expenses can be tied specifically to the production of the goods and services, such as materials and labor and direct overhead. Other expenses are non-operating.

**I.C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The District considers all revenues available if they are collectible within 60 days after year end.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the "susceptible to accrual" concept, that is, when they are both measurable and available. The District considers them "available" if they will be collected within 60 days of the end of the fiscal year. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are generally considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometime require the District to refund all or part of the unused amount.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

The proprietary fund types and fiduciary funds, except agency Funds, are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. Agency funds also utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund Statement of Net Position. The fund equity is segregated into net investment in capital assets, restricted net position, and unrestricted net position.

Pensions: The District has recognized its proportionate share of the Net Pension Liability of the Teacher Retirement System of Texas. 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 pension, 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.

#### **I.D. Fund Accounting**

The District reports the following major governmental funds:

1. The General Fund – The general fund is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.

Additionally, the District reports the following fund types:

Governmental Funds:

1. Special Revenue Funds – The District accounts for resources restricted or committed for specific purposes by the District or a grantor in a special revenue fund. Most federal and some state financial assistance are accounted for in special revenue funds, and sometimes unused balances must be returned to the grantor at the close of specified project periods.
2. Debt Service Fund – The District accounts for resources that are restricted for principal and interest on general obligation long-term debt of governmental funds in a debt service fund.
3. Capital Projects Fund -2008 Bond Fund – This fund is used to account for the proceeds of the Unlimited School Building Bonds issued in fiscal 2009 that are restricted by bond covenants to complete projects on eleven of the District's campuses. Projects were completed fiscal 2014. Remaining cash is available to be used on one of the 11 project campuses.

Proprietary Funds:

1. Enterprise Funds – The District's activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities are accounted for in an enterprise fund. The major fund is the Jumbotron Fund which reports advertising revenues being collected by Daktronics, Inc. as payments on debt for a jumbotron electronic scoreboard installed at San Angelo Stadium. The non-major concessions fund reports sales of concessions at athletic events.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

2. Internal Service Funds – Revenues and expenses related to services provided to organizations inside the District on a cost reimbursement basis are accounted for in an internal service fund. The District's internal service fund is the workers compensation fund.

Fiduciary Funds:

1. Private Purpose Trust Funds – The District accounts for donations for which the donor has stipulated that both the principal and the income may be used for purposes that benefit parties outside the District in a private purpose trust fund. The District's private purpose trust fund is the scholarship fund.

2. Agency Funds – The District accounts for resources held for others in a custodial capacity in agency funds. The District's agency fund is student activity.

**I.E. Other Accounting Policies**

1. For purposes of the statement of cash flows for proprietary and similar fund-types, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

2. Investments are carried at fair value and temporary investments are reported in cash and cash equivalents in the financial statements. U. S. Treasury and State of Texas obligations are valued at the last reported sales price on a national exchange. State managed local government investment pools operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, and use amortized cost instead of fair value to report net assets to compute share prices. Accordingly, the fair value of the position in the pools is the same as the value of the shares. The State Comptroller of Public Accounts exercises oversight responsibility over the pools. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both pool participants and other persons who do not have a business relationship with the pools. The advisory board members review the investment policy and management fee structure. Year to year changes in the fair value of investments, if any, are shown as an adjustment to investment income. Additional investment information and information about future reporting changes applicable next fiscal year under Statement No. 72 of the Governmental Accounting Standards Board is presented in Note IV.A.

3. The District reports inventories of cafeteria food products and supplies at weighted average cost. Food products and supplies are recorded as expenditures when they are consumed. Inventories of food commodities are recorded at market values supplied by the Texas Department of Human Services. Although commodities are received at no cost, their fair market value is supplied by the Texas Department of Human Services and recorded as inventory and unearned revenue when received. When requisitioned, inventory and unearned revenue are relieved, expenditures are charged, and revenue is recognized for an equal amount. Following the consumption method, certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government wide and fund financial statements.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

4. 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 and difference on advance refunding 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 and difference on advance refunding. Bond issuance costs are expensed in the year paid, in accordance with GASB 65. 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, along with accrued interest between debt date and issue date, 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 administrative expenditures.

5. It is the District's policy to permit some employees to accumulate earned but unused sick pay benefits. The liability for unpaid accumulated sick leave is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Additional information is disclosed in Note IV.H.

6. Capital assets, which include land, buildings, furniture and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the statements of net assets of proprietary fund financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The District does not have any significant infrastructure assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Construction period interest is not capitalized. Buildings, furniture and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Site Improvements	20
Vehicles	10
Equipment	10
Computer Equipment	3

7. The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Coverage has not declined in any risk area and there have been no settlements in excess of insurance coverage paid in each of the last 3 years. The District joined the Texas Association of Public Schools Property and Liability Fund (TAPS) to obtain general liability and vehicle fleet coverage. Unemployment compensation risk is provided for by participation in the Texas Association of School Boards (TASB) Risk Management Fund. Risks from employee injuries on the job are provided through participation in Texas Workers Compensation Solutions

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

Program. The District's reserves for workers compensation are accounted for in an internal service fund. As an employee benefit, the District contributes toward the cost of health insurance for full time employees through TRS Active Care administered by the Teacher Retirement System of Texas. Costs for premiums paid for health, workers' compensation, and unemployment are recorded in the funds where salaries for the covered employees are reported. Additional disclosures are provided in Notes IV.J and IV.K in this report.

8. Since internal service funds support the operations of governmental funds, they are consolidated with the governmental funds in the government-wide financial statements. The expenditures of governmental funds that create the revenues of internal service funds are adjusted for their pro-rata share of the Internal Service Funds' operating income or loss to avoid "grossing up" the revenues and expenses of the District as a whole.

9. For the year ended August 31, 2015 the District financial statements are prepared in accordance with Governmental Accounting Standards Board Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* which established a fund balance hierarchy based on the extent to which a government must observe constraints imposed upon the use of the resources reported in governmental funds. Prescribed fund balance classifications are described below:

**Non-Spendable** - Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

**Restricted** - Amounts that can be spent only for specific purposes because of constraints imposed by external providers or by constitutional provisions, enabling legislation or regulations of other governments.

**Committed** - Amounts that are committed for use by the highest level of decision making, requiring formal action at that level both to impose and remove the commitment. The highest level at the District is the Board of Trustees. Board resolution is made to commit the fund balance.

**Assigned** - Amounts that are assigned an intended use by the highest level of decision making or by a body or official designated with that authority by the highest level of decision making. The Board has not authorized anyone to make assignments.

**Unassigned** - Amounts that are available for any purpose.

Per the District's adopted board policy CE (Local), the minimum fund level for the unassigned fund balance shall be 20% to a maximum of 25% of the current budget of the general and debt service funds.

When an expenditure is incurred that could be used from more than one category of fund balance, the funds are considered to be used from the highest level of constraint first, and then from each successively lower constraint category.



SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

Details about fund balance reported in Exhibit C-1 follow:

	Governmental Funds	
	Major	Non-major
	General Fund	Other Funds
<b>GASB 54 Categories</b>		
<b>Non Spendable</b>		
Inventories	\$ -	\$ 743,492
Prepaid expenditures	539,955	-
<b>Restricted</b>		
Federal and State Funds Grant Restriction	-	2,528,686
Capital Acquisition and Contractual Obligation- Bond Funds	-	1,765
Long term debt- the estimated liability for District retirement benefits	1,052,186	-
Long term debt- restricted for payment of bonded debt	-	3,683,852
Other Restricted - Under terms of the agreement with the purchasing district, the gain on the sale of weighted average daily attendance (WADA) can only be expended for instructional technology. The unexpended balance at year-end is restricted.	70,869	-
<b>Committed by the Board of Trustees for:</b>		
Construction- Central High School Gymnasium Renovation \$4,000,000		
Glenn Middle School Classroom Renovations \$1,500,000		
Fort Concho Elementary Classroom Renovations \$1,500,000.	7,000,000	-
Capital Equipment-Boiler Replacement Central Freshman Campus \$3,000,000		
Baseball and Softball Bleachers \$500,000		
HVAC Replacement McGill Elementary \$1,200,000	4,700,000	-
Other: Portable Buildings \$300,000		
Property Insurance Deductibles \$200,000	500,000	-
Campus Activity Funds	-	334,544
Maintenance or renovation of athletic facilities	-	63,781
Employee Wellness Programs	-	19,420
<b>Unassigned</b>	22,792,153	
<b>Total Fund Balance Governmental Funds</b>	<b>\$ 36,655,163</b>	<b>\$ 7,375,540</b>

10. In Exhibit A-1, net assets restricted for "Other Purposes" is composed of the following:

WADA Gain restricted to use for	
Instructional Technology	\$ 70,869
	<u>\$ 70,869</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

11. In the government-wide Statement of Net Position, Exhibit A-1, and proprietary funds Statement of Net Position, Exhibit D-1, Net Investment in Capital Assets is calculated as follows:

	Governmental Activities	Business-Type Activities / Enterprise
Capital assets, net of depreciation	\$ 202,701,144	\$ 856,089
Accrued interest on long term debt	(225,842)	-
Bonds payable	(115,713,007)	-
Unexpended debt proceeds	1,765	-
Note payable	-	(743,089)
	<u>\$ 86,764,060</u>	<u>\$ 113,000</u>

12. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

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

Recently Issued Pronouncements of the Governmental Accounting Standards Board (GASB):

14. GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre November 30, 1989 FASB and AICPA Pronouncements* was followed in preparation of the fiscal 2015 financial statements. GASB 62 incorporated certain FASB and AICPA pronouncements that have always been followed to the extent that they did not contradict GASB guidance.

15. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* was followed in preparation of the fiscal 2015 financial statements. Deferred outflows represent the consumption of the District's net position that is applicable to a future reporting period. Deferred inflows represent the District's acquisition of net position applicable to a future period. Property taxes that have been assessed but not collected are reported as deferred inflows under GASB No. 63.

16. GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, was followed in preparation of the fiscal 2014 financial statements. GASB 65 established accounting and financial reporting standards that reclassify, as deferred outflows of resources deferred inflows of resources, certain items that were previously reported as assets and liabilities. Delinquent property taxes that have been assessed but not collected are reported as deferred inflows in the fund financial Statements under GASB No. 65. In the government wide statements the deferred inflow is related to the recognition of net pension liability and the deferred outflows relate to differences in the bond liabilities as a result of the refunding and to the recognition of net pension liability.

17. In June 2012, The GASB approved a pair of related Statements that reflect substantial improvements to the accounting and financial reporting of pensions by state and local governments and pension plans. Statement No. 67, *Financial Reporting for Pension Plans*, addresses financial

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

reporting for state and local government pension plans and is effective for plans financial statements for fiscal years beginning after June 15, 2013 or for the Teacher Retirement System in the state fiscal year 2014. Statement No. 68, *Accounting and Financial Reporting for Pensions*, establishes new accounting and financial reporting requirements for governments that provide their employees with pensions is effective for financial statements for fiscal years beginning after June 15, 2014. GASB 68 was followed in the presentation of the District's government wide financial statements for the year ended August 31, 2015.

18. In November 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, to address the determination of deferred inflows of resources and deferred outflows of resources related to pensions that will be recognized by governments as they apply GASB No. 68. These new standards state that employers participating in a cost-sharing, multiple employer plan in many cases will need to report a net pension liability and expense equal to their proportionate share of the collective net pension liability in their financial statements.

19. In February 2015, the GASB issued Statement No. 72 *Fair Value Assessment and Application*. GASB Statement No. 72 is effective for periods beginning after June 15, 2015, and will require additional disclosure regarding investments in certain entities that calculate net asset value per share (or its equivalent). The district holds investments in local government pools that are reported at amortized cost at August 31, 2015 but will be reported at net asset value in fiscal 2016.

## **II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

### **II.A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position**

*Exhibit C-2 provides the reconciliation between the fund balances for total governmental funds on the governmental fund balance sheet (Exhibit C-1) and the net position for governmental activities as reported in the government-wide statement of net position (Exhibit A-1). The details of the elements are presented in Exhibit C-2 and need no further explanation.*

### **II.B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities**

Exhibit C-4 provides details of the reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures, and changes in fund balances (Exhibit C-3) and the changes in net position of governmental activities as reported on the government-wide statement of activities (Exhibit B-1). The details of the elements are presented in Exhibit C-4 and need no further explanation.

### **III.A Deficit Fund Equity**

There were no funds that had a deficit net position at August 31, 2015.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

**IV. DETAILED NOTES ON ALL FUNDS**

**IV.A. Deposits and Investments**

The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank 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.

The District's cash deposits at August 31, 2015 and during the year ended August 31, 2015, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name. 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, and (9) 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, and (10) 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.

Additional policies governing deposits and investments for San Angelo Independent School District are specified below.

**Credit Risk**

As of August 31, 2015, the districts investments were diversified in U.S. Treasury securities, governmental agency securities and local government investment pools rated no lower than AAA or AAAM by at least one nationally recognized rating service as required by the District's investment policy, which follows the Public Funds Investment Act Sec. 2256.016. Ratings of Investments held at August 31, 2015 were:

TexPool	Standard & Poor's AAAM
Lone Star Government Overnight Fund	Standard & Poor's AAAM
Lone Star Corporate Overnight Plus Fund	Standard & Poor's AAAs/S1+
Texas CLASS	Standard & Poor's AAAM
Texas TERM Texas Daily Fund	Standard & Poor's AAAM

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

Interest Rate Risk

District investment policy is designed to manage interest rate risk by limiting stated maturity for individual investments to three years unless specifically authorized by the board. The investment portfolio is structured to have sufficient liquidity to meet anticipated cash flow requirements.

Custodial Credit Risk

All securities purchased are held in the District's name by the District or its agent. District policy requires clearly marked receipts providing proof of the District's ownership. Policy allows investment pools to hold legal title as custodian of investments purchased by the investment pool with District funds.

Concentration of Credit Risk

Investments are diversified as required by District policy in terms of maturity scheduling, class of investment, and specific issuer.

The District's investments on August 31, 2015, are shown below. The carrying value is the same as fair value.

Governmental  
Activities

	Fair Value		Investment Maturities	
		within 6 months	6 months to 1yr	1 - 3 yrs
Investments:				
Investment Pools	\$ 21,845,499	\$ 21,845,499	\$ -	\$ -
Certificates of Deposit	7,338,865	1,743,662	1,496,358	4,098,845
Commercial Paper	2,499,422	2,499,422	-	-
Municipal Bonds	733,163	149,865	-	583,298
U.S. Agency Securities	3,998,642	-	-	3,998,642
Total Investments	<u>\$ 36,415,591</u>	<u>\$ 26,238,448</u>	<u>\$ 1,496,358</u>	<u>\$ 8,680,785</u>
Presented on Balance Sheet and Statement of Net Position:	\$ -	\$ -	\$ -	\$ -
Included in Cash and Cash Equivalents	21,845,499	21,845,499	-	-
Current Investments	5,889,307	4,392,949	1,496,358	-
Long Term Investments	8,680,785	-	-	8,680,785
Total Investments	<u>\$ 36,415,591</u>	<u>\$ 26,238,448</u>	<u>\$ 1,496,358</u>	<u>\$ 8,680,785</u>

Proprietary and Fiduciary Funds

The district's proprietary and fiduciary funds had investments in local government investment pools, which are included in cash and cash equivalents. Carrying value is the same as fair value.

At August 31, 2015 those funds' investments included in cash and cash equivalents were:

Internal Service Funds	\$ 644,595
Fiduciary Funds	\$ 292,287

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

**IV.B. Property Taxes**

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the school fiscal year.

**IV.C. Delinquent Taxes Receivable**

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Delinquent property taxes that have been assessed but not collected are reported as deferred inflows in the fund financial statements under GASB No. 65. Allowances for uncollectible tax receivables within the General and Debt Service Funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

**IV.D. Due 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. Due from other governments at year end were as follows:

	General Fund	Special Revenue Funds	Debt Service Fund	Total
Federal Grants	\$ 1,155,897	\$ 176,130	\$ -	\$ 1,332,027
State Entitlements	5,534,295	1,552,610	259,215	7,346,120
Concho Valley Council of Governments	-	374,255	-	374,255
	<u>\$ 6,690,192</u>	<u>\$ 2,102,995</u>	<u>\$ 259,215</u>	<u>\$ 9,052,402</u>

**IV.E. Inter-fund Receivables and Payables / Transfers**

1. Inter-fund balances at August 31, 2015 consisted of the following:

	Due from Other Funds	Due to Other Funds
General Fund:		
Nonmajor Governmental funds	\$ 1,919,664	\$ -
Nonmajor Governmental Funds:		
General Fund	-	1,919,664
Total All funds	<u>\$ 1,919,664</u>	<u>\$ 1,919,664</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

Purposes of the inter-fund balances:

\$1,879,413 is due to the General Fund from non-major SRF funds for cash overdrafts in the pooled cash account pending reimbursements from granting agencies and \$40,251 is due to the General fund from Campus Activity Special Revenue Funds for fees collected on school campuses.

Transfers at August 31, 2015 consisted of the following:

	Transfer In	Transfer Out
Nonmajor Governmental Funds		
Enterprise Funds	\$ 5,745	\$ 113,000
Proprietary Funds:		
Enterprise Funds		
Nonmajor Governmental Funds	\$ 113,000	\$ 5,745

Purpose of transfers:

The Concession Fund transferred \$5,745 to the National Breakfast and Lunch Fund to cover uncollected school lunch fees. The San Angelo Stadium Fund transferred \$113,000 to the Jumbotron Fund for the purchase of a Jumbotron Sound System.

#### IV.F. Capital Asset Activity

##### Governmental Activities

	Beginning Balance	Additions	Reclassifi- cations	Dispositions	Ending Balance
<u>Assets Not Being Depreciated</u>					
Land	\$ 6,842,962	\$ 22,000	\$ -	\$ -	\$ 6,864,962
Construction in Progress	998,759	4,662,011	(3,696,794)	-	1,963,976
Total Not Being Depreciated	7,841,721	4,684,011	(3,696,794)	-	8,828,938
<u>Assets Being Depreciated</u>					
Buildings & Improvements	240,216,454	41,360	3,204,430	-	243,462,244
Vehicles	9,802,549	1,520,774	-	(750,838)	10,572,485
Furniture and Equipment	17,748,490	669,381	492,364	(560,757)	18,349,478
	267,767,493	2,231,515	3,696,794	(1,311,595)	272,384,207
<u>Accumulated Depreciation</u>					
Buildings & Improvements	(55,579,708)	(5,328,074)	-	-	(60,907,782)
Vehicles	(5,983,609)	(762,816)	-	747,256	(5,999,169)
Furniture and Equipment	(10,397,795)	(1,768,012)	-	560,757	(11,605,050)
	(71,961,112)	(7,858,902)	-	1,308,013	(78,512,001)
Total Being Depreciated, Net	195,806,381	(5,627,387)	3,696,794	(3,582)	193,872,206
Total Capital Assets, Net	\$ 203,648,102	\$ (943,376)	\$ -	\$ (3,582)	\$ 202,701,144

The “reclassifications” column above is to reclassify completed construction in progress projects.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

Assets disposed during the period consisted vehicles sold at auction and obsolete fully depreciated assets abandoned or scrapped by the District. The ending construction in progress consists of the following:

Belaire Elementary HVAC project	\$771,164
E Rate Network installations	463,275
Central High School band hall renovation	603,151
Central and Lake View Tennis Facilities	<u>126,386</u>
	<u>\$1,963,976</u>

Business-Type Activities

	Beginning Balance	Additions	Dispositions	Ending Balance
<u>Assets Being Depreciated</u>				
Furniture and Equipment acquired by capital lease	\$ 535,000	\$ -	\$ (535,000)	\$ -
Furniture and Equipment	-	856,089	-	856,089
<u>Accumulated Depreciation</u>				
Furniture and Equipment acquired by capital lease	(485,958)	(49,042)	535,000	-
Total Capital Assets, Net	<u>\$ 49,042</u>	<u>\$ 807,047</u>	<u>\$ -</u>	<u>\$ 856,089</u>

Depreciation expense was charged to governmental functions as follows:

Governmental Activities:

Instruction	\$ 4,724,358
Instructional Resources	129,965
Curriculum Development & Staff Development	37,186
Instructional Leadership	202,247
School Leadership	156,824
Guidance Counseling & Evaluation	82,182
Social Work Services	79,221
Health Services	7,121
Student Transportation	627,547
Food Service	167,964
Cocurricular/Extracurricular	595,236
General Administration	38,755
Plant Maintenance & Operations	617,595
Security & Monitoring Services	53,340
Data Processing Services	337,663
Community Services	1,698
Total Depreciation Expense - Governmental Activities	<u>\$ 7,858,902</u>



SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

**IV.G. Unearned Revenue / Unavailable Revenue-Deferred Inflows**

Unearned Revenue:	General Fund	Special Rev Funds	Debt Svce Fund	Total
Season Ticket Sales	\$ 10,190	\$ -	\$ -	\$ 10,190
Rent, Fees, Insurance	106,250	-	-	106,250
State Revenues	-	-	-	-
Federal Revenues	-	211,599	-	211,599
Local and Donation Revenue	3,794	12,832	-	16,626
Campus Miscellaneous Revenues	-	16,410	-	16,410
USDA Donated Commodities on Hand	-	-	-	-
Total Unearned Revenue Exhibit C-1	<u>\$ 120,234</u>	<u>\$ 240,841</u>	<u>\$ -</u>	<u>361,075</u>
Total Unearned Revenue Exhibit A-1				<u><u>\$ 361,075</u></u>
Unavailable Revenue- Property taxes :				
Total Deferred Inflows Exhibit C-1	<u>\$ 1,233,120</u>	<u>\$ -</u>	<u>\$ 210,837</u>	<u>\$ 1,443,957</u>
Related to Net Pension Liability				
Differences between expected & actual experience				\$ 201,325
Changes in assumptions				846,173
Contributions after the measurement date				<u>2,269,639</u>
Total Deferred Inflows Exhibit A-1				<u><u>\$ 3,317,137</u></u>

**IV.H. Long-Term Debt**

Long-term debt includes par bonds, vested sick leave benefits, and capital lease obligations.

The District has entered into a continuing disclosure undertaking whereby its financial advisor, First Southwest Company in Dallas, Texas provides the District's annual financial reports and material events notices to the Electronic Municipal Market Access ("EMMA") website, an online repository which is hosted by the Municipal Securities Rulemaking Board ("MSRB"). The disclosures can be accessed on the EMMA, Texas Municipal Advisory Council, and former Nationally Recognized Municipal Securities Repositories websites. This information is required under SEC rule 15c2-12 to enable investors to analyze the financial conditions and operation of the District.

On January 15, 2015, the District issued \$96,589,982 of Unlimited Tax Refunding Bonds Series 2015-A at a premium of \$14,477,669. The District added \$2,000,000 from its debt service fund to complete the transaction to refund \$96,590,000 of the Unlimited Tax School Building Bonds 2009-A with maturities in 2020-2034. After payment of \$835,565 in underwriting fees, settlement fees and other issuance costs and a return of \$4,180 to the District's debt service fund, \$ 109,780,262 in open market securities were purchased and placed along with the remaining \$2,447,644 in an irrevocable trust with and escrow agent to provide future debt service and redemption of the refunded bonds. As a result, the refunded 2009 A Series bonds are considered defeased and the liability for those bonds has been removed from the governmental activities column of the Statement of Net Assets. At August 31, 2015 \$96,590,000 of the refunded debt was still outstanding and will be redeemed prior to maturity on February 15, 2019.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

The District completed the advance refunding of the 2009 A Bonds to reduce its total debt service payments over 20 years by \$7,368,782, and to obtain an economic gain (present value of the difference in the old and new debt service payments) of \$5,362,176. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt (loss on refunding) of \$ 15,637,905. This loss is being carried as a deferred outflow of resources and amortized over the life of the new debt. The issuance cost of \$ 835,565 was expensed. The premium of \$14, 477,669 is being amortized over the life of the new debt. The 2015-A issue bears interest at 1.9-5.0% and matures 2015-2034.

Also on January 15, 2015, the District issued \$3,350,000 Unlimited Tax Refunding Bonds Series 2015-B at a premium of \$293,194 to refund \$3,500,000 of the Unlimited Tax Refunding Bonds 2005 which had maturities in 2016-2021. After payment of \$71,209 in underwriting fees, settlement fees and other issuance costs and a return of \$4,251 to the District's debt service fund, \$3,567,734 in State and Local Government Securities were purchased and placed in an irrevocable trust with and escrow agent to provide debt service and redemption of the refunded bonds prior to maturity on February 15, 2015. The refunded 2005 Series bonds were legally defeased and the liability for those bonds has been removed from the governmental activities column of the Statement of Net Assets. At August 31, 2015 none of the refunded debt was still outstanding.

The District completed the advance refunding of the 2005 Bonds to reduce its total debt service payments over 7 years by \$259,721 and to obtain an economic gain (present value of the difference in the old and new debt service payments) of \$ 247,052. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt (loss on refunding) of \$ 67,735. This loss is being carried as a deferred outflow of resources and amortized over the life of the new debt. The issuance cost of \$ 71,209 was expensed. The premium of \$293,194 is being amortized over the life of the new debt. The 2015-B issue bears interest at 3-4 % and matures 2015-2021.

Following is a summary of changes in general long-term debt for the current fiscal year:

Governmental Activities

Description	Beginning	New Debt	Debt Retired	Ending	Due Within One Year	Due in More than One Year
Par Bonds Payable - Face	\$ 120,190,000	\$ 99,939,982	\$ (105,000,000)	\$ 115,129,982	\$ 4,825,000	110,304,982
Bond Premiums	1,477,095	14,770,864	(916,417)	15,331,542	-	15,331,542
Interest Accretion CAB	-	-	213,503	213,503	-	213,503
Net Bonds Payable	121,667,095	114,710,846	(105,702,914)	130,675,027	4,825,000	125,850,027
Vested Sick Leave	1,017,649	121,686	(87,149)	1,052,186	65,000	987,186
Totals Debt Exhibit A-1	\$ 122,684,744	\$ 114,832,532	\$ (105,790,063)	\$ 131,727,213	\$ 4,890,000	126,837,213
Deferred Outflow Difference on Refunding	\$ (43,375)	\$ (15,705,640)	\$ 786,995	\$ (14,962,020)		

Business-Type Activities

Description	Beginning	New Debt	Debt Retired	Ending	Due Within One Year	Due in More Than One Year
2005 Jumbotron	\$ 62,784	\$ -	\$ (62,784)	-	\$ -	\$ -
2015 Jumbotron	-	743,089	-	743,089	106,228	636,861
	\$ 62,784	\$ 743,089	\$ (62,784)	\$ 743,089	\$ 106,228	\$ 636,861

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

1. Bonds Payable

Bonded indebtedness of the District is accounted for internally in its General Long-Term Debt Fund (not a reported governmental fund). Current requirements for principal and interest expenditures are accounted for in the Debt Service Fund. Outstanding bonds payable at year-end are as follows **(amounts are in \$1,000's)**:

Issue	Original		Interest Rate	Interest Curr. Yr.	Outstanding at Year-End					
	Principal	Maturities			Face	Prem.	Ref. Diff.	CAB int	Net	
Par Bonds:										
2004 Refunding Bonds	\$	14,315	2.15.06-2.15.16	4.75%	\$ 131	\$ 1,860	\$ 11	\$ (11)	\$ -	\$ 1,860
2009 School Bldg. Bonds		117,000	2.15.11-2.15.34	4.0-5.0%	644	12,610	1,274	-	-	13,884
2009 Refunding Bonds		4,090	8.15.09-2.15.17	3.50%	48	1,150	6	-	-	1,156
2015-A Refunding Bonds		96,590	2.15.15-2.15.34	1.9-5.0%	2,520	96,220	13,788	(14,893)	214	95,329
2015-B Refunding Bonds		3,350	2.15.15-2.15.21	3.0-4.0%	69	3,290	252	(58)		3,484
Total Bonds Payable	\$	235,345			\$ 3,412	\$ 115,130	\$ 15,331	\$ (14,962)	\$ 214	\$ 115,713

Debt Service requirements for the four bond issues are as follows:

Fiscal Year	Principal	Interest	Total
2016	\$ 4,825	\$ 5,076	\$ 9,901
2017	4,475	4,877	9,352
2018	4,460	4,673	9,133
2019	4,675	4,457	9,132
2020	3,580	5,552	9,132
2021-2025	26,430	18,431	44,861
2026-2030	33,670	10,979	44,649
2031-2034	33,015	2,707	35,722
	<u>\$ 115,130</u>	<u>\$ 56,752</u>	<u>\$ 171,882</u>

\$3,683,852 is available in the Debt Service Fund for bonded debt service.

2. Vested Sick Leave

Upon retirement or death of certain employees, the District pays for a portion of accrued sick leave earned while employed by the District in a lump sum cash payment to such employee or his/her estate. Payments for and usage of vested sick leave has been typically accounted for in the General Fund.

Any additions for new entrants and salary increments and the deductions for payments to and use of prior accumulations are shown in the "New Debt" and "Debt Retired" columns, respectively, of the above summary of changes in general long-term debt. The District estimates that the amount of compensated absences due within one year is \$65,000, based on the payoffs budgeted in the next fiscal year.

3. Other Long Term Debt

A video-graphic scoreboard (Jumbtron) was acquired in 2005. The District entered into an agreement with Daktronics, Inc. (Daktronics) whereby the District received a Jumbtron electronic scoreboard in exchange for granting exclusive rights to advertising revenues sufficient to pay for the scoreboard to Daktronics over a period of ten years or more. That agreement was reported as a capital lease completed in fiscal 2015. In fiscal 2015, a new agreement was made with Daktronics for the purchase of a new Jumbtron and accompanying sound system. The District has again granted exclusive rights to the advertising revenues to Daktronics for a period of ten years or more.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

to satisfy the debt for purchase cost of the Jumbotron. The asset and debt is reported at 8/31/2015 with the first debt payment to be recognized in September 2015 and interest payments to start in 2017. The transaction is being reported in an enterprise fund as debt financed purchase. Interest of \$319,188 at 8% reduces the total \$1,062,277 debt payments to \$743,089.

Debt service requirements for the Jumbotron are as follows:

Year	Total	Interest	Principal
2016	\$ 106,228	\$ -	\$ 106,228
2017	106,228	57,317	48,911
2018	106,228	52,916	53,312
2019	106,228	48,117	58,111
2020	106,228	42,888	63,340
2021-2024	531,137	117,950	413,187
	<u>\$ 1,062,277</u>	<u>\$ 319,188</u>	<u>\$ 743,089</u>

#### IV.I. Defined Benefit Pension Plan

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

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

**Pension Plan Fiduciary Net Position.** Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.state.tx.us/about/documents/cafr.pdf#CAFR>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592. The information provided in the Notes to the Financial Statements in the 2014 Comprehensive Annual Financial Report for TRS provides the following information regarding the Pension Plan fiduciary net position at August 31, 2014.

<u>Net Pension Liability</u>	<u>Total</u>
Total Pension Liability	\$159,496,075,886
Less: Plan Fiduciary Net Position	<u>(132,779,243,085)</u>
Net Pension Liability	<u>\$ 26,716,832,801</u>
Net Position as a percentage of Total Pension Liability	83.25%

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

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

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

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

	<u>Contribution Rates</u>	
	<u>2014</u>	<u>2015</u>
Member	6.4%	6.7%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers	6.8%	6.8%
San Angelo ISD- 2014 Employer Contributions	\$ 1,235,570	
San Angelo ISD - 2014 Member Contributions	\$ 4,728,900	
San Angelo ISD - 2014 NECE On-behalf Contributions	\$ 3,829,387	

NECE is Non Employer Contributing Entity-The State of Texas

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

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

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

In addition to the employer contributions listed above, when employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

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

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

\*Includes Inflation of 3%

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

**Discount Rate.** The discount rate used to measure the total pension liability was 8.0%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 8%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2014 are summarized below:

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

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

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

	1% Decrease in Discount Rate (7.0%)	Discount Rate (8.0%)	1% Increase in Discount Rate (9.0%)
SAISD's proportionate share of the net pension liability:	\$23,262,054	\$13,017,820	\$5,357,041

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

At August 31, 2015, the San Angelo ISD reported a liability of \$ 13,017,820 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to San Angelo ISD. The amount recognized by San Angelo ISD 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 San Angelo ISD were as follows:

San Angelo ISD's proportionate share of the collective net pension liability	\$13,017,820
State's proportionate share that is associated with [employer]	<u>40,432,025</u>
Total	<u>\$53,449,845</u>

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

At August 31, 2014 the SAISD employer's proportion of the collective net pension liability was .0487351%. Because this is the first year of implementation for GASB 68, the District does not have the proportion measured as of August 31, 2013. The Notes to the Financial Statements of TRS for August 31, 2014 stated that the change in proportion was immaterial and therefore disregarded in 2014 financial reporting.

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

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

There was a change in employer contribution requirements that occurred after the measurement date of the net pension liability, and the employers reporting date of 08/31/2014. A 1.5% contribution for employers that do not pay In to Old Age Survivor and Disability Insurance (OASDI) on certain employees went into law effective 09/01/2014. The amount of the expected resultant change in the employer's proportion cannot be determined at this time.



SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

For the year ended August 31, 2014, San Angelo ISD recognized pension expense of \$3,737,866 and revenue of \$3,737,866 for support provided by the State.

At August 31, 2015, San Angelo ISD reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$201,325	\$0
Changes in actuarial assumptions	\$846,173	\$0
Difference between projected and actual investment earnings	\$0	\$3,978,777
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	\$0	\$3,412
Contributions paid to TRS subsequent to the measurement date [to be calculated by employer]	\$2,269,639	\$0
Total	\$3,317,137	\$3,982,189

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

Year ended August 31:	Pension Expense Amount
2016	\$(818,557)
2017	\$(818,557)
2018	\$(818,557)
2019	\$176,137
2020	\$163,400
Thereafter	0

Pension Contributions reported in the Fund Financial Statements for the year ended August 31, 2015 and for the preceding two years were as follows:

Defined Benefit Pension Plan											
Contribution Rates and Contribution Amounts											
	Member		State (on behalf)		Submitted Federal for State	District Statutory Minimum	District New Member	District Non OASDI	Retiree		
Year	Rate	Amount	Rate	Amount	Amount	Amount	Amount	Rate	Amount	Rate	Amount
2015	6.70%	\$ 5,060,075	6.80%	\$3,937,625	\$541,799	\$651,182	\$ 105,713	1.50%	\$ 970,944	13.50%	\$ -
2014	6.40%	\$ 4,728,900	6.80%	\$3,829,387	\$546,020	\$582,229	\$ 106,235	N/A	N/A	13.20%	\$ 968
2013	6.40%	\$ 4,630,190	6.40%	\$3,682,409	\$509,632	\$494,513	\$ 80,781	N/A	N/A	12.80%	\$ -

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

**IV.J. Self-Insurance Plans**

Workers Compensation Coverage. Beginning with fiscal year 2004, the District's statutory workers compensation obligation was met with participation through inter-local agreement in the Texas Workers Compensation Solutions Program (TWCS or the Program). Transactions of this plan are accounted for in the Workers Compensation Fund, an internal service fund of the District. TWCS provides a non-profit contractual mechanism by which each Program member provides self-insurance to extend workers compensation benefits to its employees through an inter-local agreement with other Districts. The District must contribute to the Program its share of fixed program costs based on a pro-rata share of its covered payroll costs. The District's contractual maximum loss and expected costs for claims incurred are actuarially determined for each program year by TWCS. The District places on deposit with TWCS an amount equal to 10% of the District's maximum loss for each claims year. The District must maintain on deposit at least 5% of the maximum loss at all times. Additionally, member districts would share proportionately in excess claims should any member exceed its maximum loss fund of the Program. The TWCS program purchases specific and aggregate re-insurance to protect the program if claims exceed the member districts' maximum loss funds. The District has contributed to its internal service fund annually to reserve funds for its actuarially determined expected losses as well as a portion of the contractual maximum loss. TWCS contracts annually for an independent audit of its financial statements and an actuarial study to provide estimates necessary for its financial statements and program operations. Then reports are presented and approved by the TWCS Board in January after its fiscal year end of August 31 and are available at the TWCS office located at 1002 Marble Heights Drive, Marble Falls Texas.

**3. Changes in Claims Liabilities**

Estimates of workers compensation claims payable and of claims incurred, but not reported at August 31, 2015 were actuarially determined and provided by TWCS and are reflected as claims payable in the Workers Compensation Fund. The plan is funded to discharge liabilities of the funds as they become due.

Changes in the balances of claims liabilities during the past two years are as follows:

	Workers Compensation
August 31, 2013	\$ 508,308
FY 2014:	
Incurred Claims - Including IBNR	221,887
Claim Payments - Net of Stop Loss Reimbursements	(270,843)
August 31, 2014	459,352
FY 2015:	
Incurred Claims - Including IBNR	83,542
Claim Payments - Net of Stop Loss Reimbursements	(118,663)
August 31, 2015	\$ 424,231

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

**IV.K. Participation in Risk Management Pools**

**1. Unemployment Compensation**

During the year ended August 31, 2015, San Angelo Independent School District provided unemployment compensation coverage to its employees through participation in the Texas Association of School Boards (TASB) Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Unemployment Compensation Program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund meets its quarterly obligations 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.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan 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, 2013, are available on the TASB Risk Management Fund website and have been filed with the Texas State Board of Insurance in Austin, Texas.

**2. General Liability and Vehicle Coverage**

During the year ended August 31, 2015, San Angelo Independent School District provided for general liability and vehicle coverage by participation in the Texas Association of Public Schools (TAPS) Property and Liability Fund (the Fund). The Fund was created as a public entity risk sharing pool for Texas public schools, junior or community colleges, and education service centers. The Fund was created in accordance with the Inter-local Cooperation Act, Chapter 791 of the Texas Government Code and operates within the appropriate rules, regulations, and laws of the state of Texas. The Fund was formed for the purpose of providing competitive costs for coverage, loss control, and administrative services for members. Members join the Fund by executing Inter-local Participation Agreements. The Fund uses excess insurance and reinsurance contracts with insurance carriers to reduce its exposure to large losses in insured events.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in November following year end. The Fund's audited financial statements as of August 31, 2014, are available at Texas Association of Public Schools, 342 Woodlawn Ave. Suite 300, San Antonio, TX 78212-3314.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

**IV.L. School District Retiree Health Plan**

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

**Funding Policy.** Contribution requirements are not actuarially determined but are legally established each biennium by the Texas Legislature. Texas Insurance Code Sections 1575.202, 203, and 204 establish state, active employee, and public school contributions respectively. Funding for free basic coverage is provided by the program based upon public school district payroll. Per Texas Insurance Code, Chapter 1575, the public school contribution rate may not be less than 0.25% or greater than 0.75% of the salary of each active employee of the public school. Funding for optional coverage is provided by those participants selecting the optional coverage. Contributions for Retiree health care coverage made by District employees, the State of Texas, the Federal government (state share for federal funded positions), and the school district are shown in the following table. Contributions made by the State are recorded as both revenue and expenditure as on-behalf payments.

Post Employment Health Care Contribution Rates and Contribution Amounts							
Year	Member		State (on behalf)		District submitted Federal for State	School District	
	Rate	Amount	Rate	Amount	Amount	Rate	Amount
2015	0.65%	\$ 490,909	1.00%	\$ 579,063	\$ 82,036	0.55%	\$415,381.00
2014	0.65%	\$ 480,280	1.00%	\$ 577,963	\$ 82,570	0.55%	\$411,645.00
2013	0.65%	\$ 470,256	0.50%	\$ 281,175	\$ 40,659	0.55%	\$397,905.00

Federal Government Retiree Drug Subsidy-The Medicare Modernization Act of 2003 (MMA) created an outpatient prescription drug benefit (known as Medicare Part D) and a Retiree Drug Subsidy (RDS) program which were made available in 2006. The Texas Public School Retired Employee Group Insurance Program (TRS-Care) is offering a Medicare Part D Plan and is participating in the Retiree Drug Subsidy plan for eligible TRS-Care participants under Medicare Part D and the RDS program, TRS-Care receives payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. On-behalf payments must be recognized as equal revenues and expenditures/expenses by each reporting entity. The allocation of these on-behalf payments is based on the ration of a reporting entity's covered payroll to the entire payroll reported by all reporting entities. TRS based this allocation percentage on the "completed" reported submissions by reporting entities for the month of May. The Early Retiree Reinsurance Program (ERRP) is a provision of the Patient Protection and Affordable Care Act (PPACA) and provides reimbursement to plan sponsors for a portion of the cost of providing health

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

benefits to retirees between the ages of 55-64 and their covered dependents regardless of age. An “early retiree” is defined as a plan participant aged 55-64 who is not eligible for Medicare and is not covered by an active employee of the plan sponsor. This temporary program was not available to TRS for the fiscal year ended August 31, 2015; therefore, there was no allocation required and thus none reported by San Angelo ISD for fiscal 2015.

Contributions (as allocated) for Retiree health care coverage made by Medicare Part D for San Angelo ISD are shown in the following table. These amounts are reported as both revenue and expenditure as on-behalf payments in the District financial statements.

Post Employment Health Care  
Federal Contributions Allocated to SAISD

Year	Medicare Part D Amount	ERRP Amount
2015	\$ 306,426	\$ -
2014	\$ 204,591	\$ -
2013	\$ 191,811	\$ -

**IV.M. Revenue from Local and Intermediate Sources**

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

	General Fund	Nonmajor Spec. Rev. Funds	Debt Service Fund	Total
Property Taxes	\$ 44,416,432	\$ -	\$ 8,554,399	\$ 52,970,831
Penalty, Interest and Other				-
Tax-Related Revenue	500,587	-	81,234	581,821
Sale of WADA	-	-	-	-
Tuition and Fees	224,136	-	-	224,136
Investment Earnings	189,425	454	9,227	199,106
Rental Revenues	113,190	-	-	113,190
Gifts and Bequests	-	57,625	-	57,625
Food Sales	-	1,969,013	-	1,969,013
Sale of Surplus Items	14,536	-	-	14,536
Co-curricular and Enterprising				
Activities	296,563	584,613	-	881,176
E-Rate reimbursements	562,909	-	-	562,909
Campus payroll reimbursements	21,779	-	-	21,779
PEP	43,766	-	-	43,766
Other Local Revenues	46,942	3,592	187	50,721
Totals	\$ 46,430,265	\$ 2,615,297	\$ 8,645,047	\$ 57,690,609

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2015

**V. CONTINGENCIES AND COMMITMENTS**

**V.A. Federal Assistance Programs**

Amounts received or receivable from grantor agencies are subject to adjustments by the grantor agencies, principally the federal government, upon review of audit reports on those programs. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantors, cannot be determined at this time.

**V.B. Construction Commitments**

The District had the following construction commitments as of August 31, 2015:

Tennis Court Overlay Central High School: \$186,483 remains to be completed on total project cost of \$ 935,447.

Sousa Concert Hall Renovation: \$151,185 remains to be completed of total project cost of \$752,722.

Subsequent to year end, a construction contract for tennis dressing facilities at Central and Lake View High Schools was approved for a total project cost of \$2,188,261.

**V.C. Purchase Orders in Progress**

All encumbrances lapse at year end; however the District amended the fiscal 2015 budget for \$506,408 to include purchase orders that were in progress but incomplete at year end. Items included construction in progress completions and textbooks.

**W. SUBSEQUENT EVENTS**

**W.A. Sale of Land**

Subsequent to year end the board approved the sale of a 1.761 acre tract of land adjacent to the administration building for \$1,093,105.

**X. PRIOR PERIOD ADJUSTMENT**

During fiscal year 2015, the District adopted GASB Statement 68 for Accounting and Reporting for Pensions. To comply with GASB 68 the District must report its proportionate share of the Net Pension Liability of the Teacher Retirement System of Texas. Adoption of GASB 68 required a prior period adjustment to report the effect of GASB 68 retroactively in order to restate the beginning net position. The amount of the prior period adjustment is \$(14,749,242). The restated beginning net position for the Governmental Activities is \$ 106,249,203.

**Y. EXTRAORDINARY ITEM (USE)**

In June 2014 severe storms caused damage to several District facilities. Repairs were completed in fiscal 2015. The cost incurred by the District for the repairs was \$150,000 in property insurance deductible. The insurance company reimbursed the remaining \$153,729 in repair costs.

## **REQUIRED SUPPLEMENTARY INFORMATION**

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SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED AUGUST 31, 2015

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	\$ 45,515,000	\$ 46,035,000	\$ 46,430,265	\$ 395,265
5800 State Program Revenues	61,885,000	64,090,000	64,521,597	431,597
5900 Federal Program Revenues	840,000	1,915,000	2,000,394	85,394
5020 Total Revenues	108,240,000	112,040,000	112,952,256	912,256
EXPENDITURES:				
Current:				
0011 Instruction	61,834,179	61,195,701	59,917,706	1,277,995
0012 Instructional Resources and Media Services	1,490,054	1,502,854	1,454,945	47,909
0013 Curriculum and Instructional Staff Development	537,394	766,114	682,856	83,258
0021 Instructional Leadership	1,741,861	1,739,772	1,621,746	118,026
0023 School Leadership	6,184,657	6,271,916	6,270,537	1,379
0031 Guidance, Counseling and Evaluation Services	3,935,702	3,907,664	3,905,751	1,913
0032 Social Work Services	438,066	458,612	422,583	36,029
0033 Health Services	583,945	583,945	566,836	17,109
0034 Student (Pupil) Transportation	2,735,791	3,353,756	3,130,283	223,473
0035 Food Services	167,165	147,165	144,131	3,034
0036 Extracurricular Activities	4,796,705	5,821,616	5,759,136	62,480
0041 General Administration	2,622,288	2,829,197	2,609,070	220,127
0051 Facilities Maintenance and Operations	12,293,064	13,107,815	12,333,304	774,511
0052 Security and Monitoring Services	478,803	578,712	528,403	50,309
0053 Data Processing Services	2,348,359	2,903,024	2,753,712	149,312
0061 Community Services	159,033	159,033	155,463	3,570
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	5,705,556	4,898,029	807,527
Intergovernmental:				
0099 Other Intergovernmental Charges	966,000	966,000	954,466	11,534
6030 Total Expenditures	103,313,066	111,998,452	108,108,957	3,889,495
1100 Excess of Revenues Over Expenditures	4,926,934	41,548	4,843,299	4,801,751
OTHER FINANCING SOURCES (USES):				
7912 Sale of Real and Personal Property	-	-	92,276	92,276
EXTRAORDINARY ITEMS:				
8913 Extraordinary Item - (Use)	-	(97,083)	(150,000)	(52,917)
1200 Net Change in Fund Balances	4,926,934	(55,535)	4,785,575	4,841,110
0100 Fund Balance - September 1 (Beginning)	31,869,588	31,869,588	31,869,588	-
3000 Fund Balance - August 31 (Ending)	\$ 36,796,522	\$ 31,814,053	\$ 36,655,163	\$ 4,841,110

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED AUGUST 31, 2015

The Board of Trustees adopts an "appropriated budget" on the GAAP basis for the General Fund, the Debt Service Fund and the Child Nutrition Program Fund (a nonmajor Special Revenue Fund). The District is required to present the original adopted and final amended budgeted revenues and expenditures for each of these funds. The District compares the final amended budget to actual revenues and expenditures. The General Fund budget report appears in this section as Exhibit G-1 and the other two reports are in the T.E.A. Required Schedules as Exhibits J-4 and J-5.

### **BUDGETARY PROCESS**

Prior to August 20, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.

A meeting of the Board is then called for the purpose of adopting the proposed budget. At least ten days public notice of the meeting must be given.

Prior to September 1, the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Board. Amendments are presented to the board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year end. All budget appropriations lapse at year end. The budgets were amended shortly after the beginning of the year to adjust the beginning fund balances to actual after prior year end adjustments. The General Fund budget was also amended during the year to reflect revised revenue estimates and provide for supplemental appropriations and reallocations between functions (net increase in expenditures of \$8,685,386 and increase in revenues of \$3,800,000, and the addition of an extraordinary item).

### **EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

There were no expenditures in excess of appropriations.

### **RECONCILIATION OF SPECIAL REVENUE FUND BALANCES**

Nonappropriated Budget Funds:	
Summer Feeding Program	\$ 58,720
Child and Adult Care Feeding	93,585
Advanced Placement Incentives	45,758
High School Allotment Fund	60,461
Other State Special Revenue Funds	2,929
Campus Activity Funds	334,544
San Angelo Stadium Fund	63,781
Health Fund	19,420
	<hr/>
	679,198
Appropriated Budget Funds - National Breakfast and Lunch Program	3,010,725
Total Special Revenue Fund Balances	<hr/> <hr/>
	\$ 3,689,923

SAN ANGELO 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, 2015

EXHIBIT G-2

	<u>2015</u>
District's Proportion of the Net Pension Liability (Asset)	0.00048735%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 13,017,820
State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	40,432,025
Total	<u>\$ 53,449,845</u>
District's Covered-Employee Payroll	\$ 73,897,210
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	17.62%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.25%

Note: GASB 68, Paragraph 81 requires that the information on this schedule be data from the period corresponding with the period covered as of the measurement date of August 31, 2014 - the period from September 1, 2013 - August 31, 2014.

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR FISCAL YEAR 2015

EXHIBIT G-3

	<u>2015</u>
Contractually Required Contribution	\$ 2,685,020
Contribution in Relation to the Contractually Required Contribution	(2,685,020)
Contribution Deficiency (Excess)	<u>\$ -0-</u>
District's Covered-Employee Payroll	\$ 75,523,372
Contributions as a Percentage of Covered-Employee Payroll	3.56%

Note: GASB 68, Paragraph 81 requires that the data in this schedule be presented as of the District's current fiscal year as opposed to the time period covered by the measurement date of September 1, 2013 - August 31, 2014.

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

## COMBINING AND OTHER STATEMENTS

Included in this section are combining nonmajor funds financial statements, and agency fund statement of changes in assets and liabilities.

### GOVERNMENTAL FUNDS

Following is a description of the purposes of governmental funds.

#### REPORTED AS MAJOR FUNDS IN THE BASIC FINANCIAL STATEMENTS

- General Fund is the District's primary operating fund. It is used to account for all financial resources not required to be reported in another fund. It is always a major fund.

#### NONMAJOR GOVERNMENTAL FUNDS

##### Special Revenue Funds

- Funds 200 through 289 are used to account for the receipt and expenditure of federally funded programs. Revenues are generally recognized to the extent of eligible expenditures.
- Funds 380 through 429 are used to account for the State of Texas funded programs. Revenues are generally recognized to the extent of eligible expenditures.
- Funds 460 through 499 are used to account for the receipt and expenditure of local and intermediate source funded programs.

Debt Service Fund is used to account for the accumulation of resources and payment of principal and interest on general obligation bonds. Resources are provided by an annual ad valorem tax levy and State of Texas Foundation Program revenues. Proceeds of refunding bond issues are also accounted for in this fund.

##### Capital Project Funds

- San Angelo Fieldhouse Project is used to account for funds received for the purpose of building a fieldhouse.
- 2008 Bond Fund is used to account for the expenditure of the proceeds of general obligation bonds issued to fund projects as authorized in the bond election.

### AGENCY FUND

Student Activity Accounts are used to account for funds which belong to student groups.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
AUGUST 31, 2015

Data Control Codes	205 Head Start	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula
<b>ASSETS</b>				
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1120 Investments - Current	-	-	-	-
1220 Property Taxes - Delinquent	-	-	-	-
1230 Allowance for Uncollectible Taxes (Credit)	-	-	-	-
1240 Receivables from Other Governments	292,166	444,163	26,404	466,169
1250 Accrued Interest	-	-	-	-
1290 Other Receivables	-	-	-	1,515
1300 Inventories	-	-	-	-
1410 Prepayments	10,780	-	-	-
1900 Other Assets	-	-	-	-
1000 Total Assets	<u>\$ 302,946</u>	<u>\$ 444,163</u>	<u>\$ 26,404</u>	<u>\$ 467,684</u>
<b>LIABILITIES</b>				
2110 Accounts Payable	\$ 18,855	\$ 907	\$ 1,755	\$ 1,622
2170 Due to Other Funds	277,099	443,256	24,649	466,062
2190 Due to Student Groups	-	-	-	-
2300 Unearned Revenues	6,992	-	-	-
2000 Total Liabilities	<u>302,946</u>	<u>444,163</u>	<u>26,404</u>	<u>467,684</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
2601 Unavailable Revenue - Property Taxes	-	-	-	-
2600 Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable Fund Balance:				
3410 Inventories	-	-	-	-
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	-	-	-	-
3470 Capital Acquisition and Contractual Obligation	-	-	-	-
3480 Retirement of Long-Term Debt	-	-	-	-
Committed Fund Balance:				
3545 Other Committed Fund Balance	-	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 302,946</u>	<u>\$ 444,163</u>	<u>\$ 26,404</u>	<u>\$ 467,684</u>

225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program	242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	281 Early Head Start	282 Early Head Start
\$ -	\$ 2,397,659	\$ 58,720	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
15,688	155,311	-	7,546	137,652	930	77,366	4,723
-	-	-	-	-	-	-	-
-	8,774	-	-	-	-	-	-
-	743,492	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 15,688</u>	<u>\$ 3,305,236</u>	<u>\$ 58,720</u>	<u>\$ 7,546</u>	<u>\$ 137,652</u>	<u>\$ 930</u>	<u>\$ 77,366</u>	<u>\$ 4,723</u>
\$ -	\$ 89,908	\$ -	\$ -	\$ 17	\$ -	\$ 3,254	\$ -
15,688	-	-	7,546	137,635	930	74,112	4,719
-	-	-	-	-	-	-	-
-	204,603	-	-	-	-	-	4
<u>15,688</u>	<u>294,511</u>	<u>-</u>	<u>7,546</u>	<u>137,652</u>	<u>930</u>	<u>77,366</u>	<u>4,723</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	743,492	-	-	-	-	-	-
-	2,267,233	58,720	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>3,010,725</u>	<u>58,720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 15,688</u>	<u>\$ 3,305,236</u>	<u>\$ 58,720</u>	<u>\$ 7,546</u>	<u>\$ 137,652</u>	<u>\$ 930</u>	<u>\$ 77,366</u>	<u>\$ 4,723</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
AUGUST 31, 2015

Data Control Codes		288 Child and Adult Care Feeding	289 Other Federal Special Revenue Funds	394 Life Skills Program	397 Advanced Placement Incentives
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ 88,231	\$ -	\$ 12,873	\$ 45,758
1120	Investments - Current	-	-	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes (Credit)	-	-	-	-
1240	Receivables from Other Governments	20,819	-	-	-
1250	Accrued Interest	-	-	-	-
1290	Other Receivables	-	-	-	-
1300	Inventories	-	-	-	-
1410	Prepayments	4,448	-	-	-
1900	Other Assets	-	-	-	-
1000	Total Assets	<u>\$ 113,498</u>	<u>\$ -</u>	<u>\$ 12,873</u>	<u>\$ 45,758</u>
<b>LIABILITIES</b>					
2110	Accounts Payable	\$ 19,913	\$ -	\$ 41	\$ -
2170	Due to Other Funds	-	-	-	-
2190	Due to Student Groups	-	-	-	-
2300	Unearned Revenues	-	-	12,832	-
2000	Total Liabilities	<u>19,913</u>	<u>-</u>	<u>12,873</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
2601	Unavailable Revenue - Property Taxes	-	-	-	-
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable Fund Balance:					
3410	Inventories	-	-	-	-
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	93,585	-	-	45,758
3470	Capital Acquisition and Contractual Obligation	-	-	-	-
3480	Retirement of Long-Term Debt	-	-	-	-
Committed Fund Balance:					
3545	Other Committed Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>93,585</u>	<u>-</u>	<u>-</u>	<u>45,758</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 113,498</u>	<u>\$ -</u>	<u>\$ 12,873</u>	<u>\$ 45,758</u>



410 State Textbook Fund	428 High School Allotment	429 Other State Special Revenue Funds	461 Campus Activity Funds	480 San Angelo Stadium Fund	481 Health Fund	Total Nonmajor Special Revenue Funds	599 Debt Service Fund
\$ -	\$ 60,461	\$ 2,929	\$ 401,576	\$ 63,781	\$ 19,420	\$ 3,151,408	\$ 2,619,599
-	-	-	-	-	-	-	245,114
-	-	-	-	-	-	-	252,148
-	-	-	-	-	-	-	(12,355)
454,058	-	-	-	-	-	2,102,995	259,215
-	-	-	-	-	-	-	675
-	-	-	187	-	-	10,476	34,624
-	-	-	-	-	-	743,492	-
208,487	-	-	-	-	-	223,715	-
-	-	-	-	-	-	-	495,669
<u>\$ 662,545</u>	<u>\$ 60,461</u>	<u>\$ 2,929</u>	<u>\$ 401,763</u>	<u>\$ 63,781</u>	<u>\$ 19,420</u>	<u>\$ 6,232,086</u>	<u>\$ 3,894,689</u>
\$ 234,828	\$ -	\$ -	\$ 7,534	\$ -	\$ -	\$ 378,634	\$ -
427,717	-	-	40,251	-	-	1,919,664	-
-	-	-	3,024	-	-	3,024	-
-	-	-	16,410	-	-	240,841	-
<u>662,545</u>	<u>-</u>	<u>-</u>	<u>67,219</u>	<u>-</u>	<u>-</u>	<u>2,542,163</u>	<u>-</u>
-	-	-	-	-	-	-	210,837
-	-	-	-	-	-	-	210,837
-	-	-	-	-	-	743,492	-
-	60,461	2,929	-	-	-	2,528,686	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	3,683,852
-	-	-	334,544	63,781	19,420	417,745	-
-	60,461	2,929	334,544	63,781	19,420	3,689,923	3,683,852
<u>\$ 662,545</u>	<u>\$ 60,461</u>	<u>\$ 2,929</u>	<u>\$ 401,763</u>	<u>\$ 63,781</u>	<u>\$ 19,420</u>	<u>\$ 6,232,086</u>	<u>\$ 3,894,689</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2015

Data Control Codes		640  2008 Bond Fund	Total Nonmajor Governmental Funds
ASSETS			
1110	Cash and Cash Equivalents	\$ 1,765	\$ 5,772,772
1120	Investments - Current	-	245,114
1220	Property Taxes - Delinquent	-	252,148
1230	Allowance for Uncollectible Taxes (Credit)	-	(12,355)
1240	Receivables from Other Governments	-	2,362,210
1250	Accrued Interest	-	675
1290	Other Receivables	-	45,100
1300	Inventories	-	743,492
1410	Prepayments	-	223,715
1900	Other Assets	-	495,669
1000	Total Assets	<u>\$ 1,765</u>	<u>\$ 10,128,540</u>
LIABILITIES			
2110	Accounts Payable	\$ -	\$ 378,634
2170	Due to Other Funds	-	1,919,664
2190	Due to Student Groups	-	3,024
2300	Unearned Revenues	-	240,841
2000	Total Liabilities	<u>-</u>	<u>2,542,163</u>
DEFERRED INFLOWS OF RESOURCES			
2601	Unavailable Revenue - Property Taxes	-	210,837
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>210,837</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3410	Inventories	-	743,492
Restricted Fund Balance:			
3450	Federal or State Funds Grant Restriction	-	2,528,686
3470	Capital Acquisition and Contractural Obligation	1,765	1,765
3480	Retirement of Long-Term Debt	-	3,683,852
Committed Fund Balance:			
3545	Other Committed Fund Balance	-	417,745
3000	Total Fund Balances	<u>1,765</u>	<u>7,375,540</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	\$ 1,765	\$ 10,128,540

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SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2015

Data Control Codes		205	211	212	224
		Head Start	ESEA I, A Improving Basic Program	ESEA Title I Part C Migrant	IDEA - Part B Formula
<b>REVENUES:</b>					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	2,474,869	3,168,096	125,736	2,943,887
5020	Total Revenues	2,474,869	3,168,096	125,736	2,943,887
<b>EXPENDITURES:</b>					
Current:					
0011	Instruction	1,211,923	2,946,638	32,172	2,139,547
0012	Instructional Resources and Media Services	-	800	-	-
0013	Curriculum and Instructional Staff Development	116,302	72,298	-	17,969
0021	Instructional Leadership	-	94,452	86,819	91,490
0023	School Leadership	416,944	-	-	-
0031	Guidance, Counseling and Evaluation Services	6,930	-	-	665,355
0032	Social Work Services	191,479	-	-	-
0033	Health Services	91,441	2,288	-	23,352
0034	Student (Pupil) Transportation	2,450	-	-	-
0035	Food Services	51,475	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	339,530	-	-	-
0052	Security and Monitoring Services	1,440	-	-	-
0061	Community Services	44,955	51,620	6,745	6,174
Debt Service:					
0071	Principal on Long Term Debt	-	-	-	-
0072	Interest on Long Term Debt	-	-	-	-
0073	Bond Issuance Cost and Fees	-	-	-	-
6030	Total Expenditures	2,474,869	3,168,096	125,736	2,943,887
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES):</b>					
7911	Capital Related Debt Issued (Regular Bonds)	-	-	-	-
7915	Transfers In	-	-	-	-
7916	Premium or Discount on Issuance of Bonds	-	-	-	-
8911	Transfers Out (Use)	-	-	-	-
8949	Payment to Refunded Bond Escrow Agent	-	-	-	-
7080	Total Other Financing Sources (Uses)	-	-	-	-
1200	Net Change in Fund Balance	-	-	-	-
0100	Fund Balance - September 1 (Beginning)	-	-	-	-
3000	Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -

225	240	242	244	255	263	281	282
IDEA - Part B Preschool	National Breakfast and Lunch Program	Summer Feeding Program	Career and Technical - Basic Grant	ESEA II,A Training and Recruiting	Title III, A English Lang. Acquisition	Early Head Start	Early Head Start
\$ -	\$ 1,967,582	\$ 1,796	\$ -	\$ -	\$ -	\$ -	\$ -
-	110,490	-	-	-	-	-	-
107,950	5,425,834	115,814	166,504	731,691	71,195	148,298	896,260
107,950	7,503,906	117,610	166,504	731,691	71,195	148,298	896,260
107,950	-	-	110,484	540,772	68,306	119,956	730,816
-	-	-	-	-	-	-	-
-	-	-	27,174	134,209	-	4,977	18,500
-	-	-	3,453	42,254	1,366	-	-
-	-	-	-	-	-	9,575	54,454
-	-	-	25,393	-	-	-	-
-	-	-	-	-	-	7,452	41,265
-	-	-	-	-	-	858	19,214
-	-	-	-	-	-	-	-
-	6,919,920	109,534	-	-	-	647	2,033
-	-	-	-	-	-	-	-
-	145,836	2,945	-	-	-	4,178	27,700
-	-	-	-	-	-	-	-
-	-	-	-	14,456	1,523	655	2,278
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
107,950	7,065,756	112,479	166,504	731,691	71,195	148,298	896,260
-	438,150	5,131	-	-	-	-	-
-	-	-	-	-	-	-	-
-	5,745	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	5,745	-	-	-	-	-	-
-	443,895	5,131	-	-	-	-	-
-	2,566,830	53,589	-	-	-	-	-
\$ -	\$ 3,010,725	\$ 58,720	\$ -	\$ -	\$ -	\$ -	\$ -

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2015

Data Control Codes		288 Child and Adult Care Feeding	289 Other Federal Special Revenue Funds	394 Life Skills Program	397 Advanced Placement Incentives
<b>REVENUES:</b>					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ 3,501	\$ -
5800	State Program Revenues	-	-	-	22,500
5900	Federal Program Revenues	485,498	2,213	-	-
5020	Total Revenues	485,498	2,213	3,501	22,500
<b>EXPENDITURES:</b>					
Current:					
0011	Instruction	-	2,213	-	-
0012	Instructional Resources and Media Services	-	-	-	-
0013	Curriculum and Instructional Staff Development	-	-	-	800
0021	Instructional Leadership	-	-	-	-
0023	School Leadership	-	-	-	-
0031	Guidance, Counseling and Evaluation Services	-	-	-	-
0032	Social Work Services	-	-	-	-
0033	Health Services	-	-	-	-
0034	Student (Pupil) Transportation	-	-	-	-
0035	Food Services	399,067	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-
0061	Community Services	-	-	3,501	-
Debt Service:					
0071	Principal on Long Term Debt	-	-	-	-
0072	Interest on Long Term Debt	-	-	-	-
0073	Bond Issuance Cost and Fees	-	-	-	-
6030	Total Expenditures	399,067	2,213	3,501	800
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	86,431	-	-	21,700
<b>OTHER FINANCING SOURCES (USES):</b>					
7911	Capital Related Debt Issued (Regular Bonds)	-	-	-	-
7915	Transfers In	-	-	-	-
7916	Premium or Discount on Issuance of Bonds	-	-	-	-
8911	Transfers Out (Use)	-	-	-	-
8949	Payment to Refunded Bond Escrow Agent	-	-	-	-
7080	Total Other Financing Sources (Uses)	-	-	-	-
1200	Net Change in Fund Balance	86,431	-	-	21,700
0100	Fund Balance - September 1 (Beginning)	7,154	-	-	24,058
3000	Fund Balance - August 31 (Ending)	\$ 93,585	\$ -	\$ -	\$ 45,758

410 State Textbook Fund	428 High School Allotment	429 Other State Special Revenue Funds	461 Campus Activity Funds	480 San Angelo Stadium Fund	481 Health Fund	Total Nonmajor Special Revenue Funds	599 Debt Service Fund
\$ -	\$ -	\$ -	\$ 584,734	\$ 57,625	\$ 59	\$ 2,615,297	\$ 8,645,047
1,889,034	-	107	-	-	-	2,022,131	2,036,733
-	-	-	-	-	-	16,863,845	-
1,889,034	-	107	584,734	57,625	59	21,501,273	10,681,780
1,889,034	-	-	255,897	-	-	10,155,708	-
-	-	-	-	-	-	800	-
-	-	-	117	-	-	392,346	-
-	-	-	4,338	-	-	324,172	-
-	65,053	-	285,147	-	-	831,173	-
-	-	-	-	-	-	697,678	-
-	-	-	-	-	-	240,196	-
-	-	-	-	-	-	137,153	-
-	-	-	-	-	-	2,450	-
-	-	-	-	-	-	7,482,676	-
-	-	-	460	-	-	460	-
-	-	-	992	-	-	521,181	-
-	-	-	-	-	-	1,440	-
-	-	-	-	-	-	131,907	-
-	-	-	-	-	-	-	4,910,000
-	-	-	-	-	-	-	3,418,027
-	-	-	-	-	-	-	2,907,760
1,889,034	65,053	-	546,951	-	-	20,919,340	11,235,787
-	(65,053)	107	37,783	57,625	59	581,933	(554,007)
-	-	-	-	-	-	-	99,939,982
-	-	-	-	-	-	5,745	-
-	-	-	-	-	-	-	14,770,863
-	-	-	-	(113,000)	-	(113,000)	-
-	-	-	-	-	-	-	(113,795,64
-	-	-	-	(113,000)	-	(107,255)	915,205
-	(65,053)	107	37,783	(55,375)	59	474,678	361,198
-	125,514	2,822	296,761	119,156	19,361	3,215,245	3,322,654
\$ -	\$ 60,461	\$ 2,929	\$ 334,544	\$ 63,781	\$ 19,420	\$ 3,689,923	\$ 3,683,852

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2015

Data		640	Total
Control		2008 Bond	Nonmajor
Codes		Fund	Governmental
			Funds
REVENUES:			
5700	Total Local and Intermediate Sources	\$ -	\$ 11,260,344
5800	State Program Revenues	-	4,058,864
5900	Federal Program Revenues	-	16,863,845
5020	Total Revenues	-	32,183,053
EXPENDITURES:			
Current:			
0011	Instruction	-	10,155,708
0012	Instructional Resources and Media Services	-	800
0013	Curriculum and Instructional Staff Development	-	392,346
0021	Instructional Leadership	-	324,172
0023	School Leadership	-	831,173
0031	Guidance, Counseling and Evaluation Services	-	697,678
0032	Social Work Services	-	240,196
0033	Health Services	-	137,153
0034	Student (Pupil) Transportation	-	2,450
0035	Food Services	-	7,482,676
0041	General Administration	-	460
0051	Facilities Maintenance and Operations	-	521,181
0052	Security and Monitoring Services	-	1,440
0061	Community Services	-	131,907
Debt Service:			
0071	Principal on Long Term Debt	-	4,910,000
0072	Interest on Long Term Debt	-	3,418,027
0073	Bond Issuance Cost and Fees	-	2,907,760
6030	Total Expenditures	-	32,155,127
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	-	27,926
OTHER FINANCING SOURCES (USES):			
7911	Capital Related Debt Issued (Regular Bonds)	-	99,939,982
7915	Transfers In	-	5,745
7916	Premium or Discount on Issuance of Bonds	-	14,770,863
8911	Transfers Out (Use)	-	(113,000)
8949	Payment to Refunded Bond Escrow Agent	-	(113,795,64
7080	Total Other Financing Sources (Uses)	-	807,950
1200	Net Change in Fund Balance	-	835,876
0100	Fund Balance - September 1 (Beginning)	1,765	6,539,664
3000	Fund Balance - August 31 (Ending)	\$ 1,765	\$ 7,375,540



SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND  
FOR THE YEAR ENDED AUGUST 31, 2015

	BALANCE SEPTEMBER 1 2014	ADDITIONS	DEDUCTIONS	BALANCE AUGUST 31 2015
<b>STUDENT ACTIVITY ACCOUNT</b>				
Assets:				
Cash and Temporary Investments	\$ 650,123	\$ 371,763	\$ 562,193	\$ 459,693
Other Receivables	2,660	2,850	3,504	2,006
Total Assets	<u>\$ 652,783</u>	<u>\$ 374,613</u>	<u>\$ 565,697</u>	<u>\$ 461,699</u>
Liabilities:				
Accounts Payable	\$ 416	\$ 34,369	\$ 34,542	\$ 243
Due to Student Groups	652,367	409,155	600,066	461,456
Total Liabilities	<u>\$ 652,783</u>	<u>\$ 443,524</u>	<u>\$ 634,608</u>	<u>\$ 461,699</u>
<b>TOTAL AGENCY FUNDS</b>				
Assets:				
Cash and Temporary Investments	\$ 650,123	\$ 371,763	\$ 562,193	\$ 459,693
Other Receivables	2,660	2,850	3,504	2,006
Total Assets	<u>\$ 652,783</u>	<u>\$ 374,613</u>	<u>\$ 565,697</u>	<u>\$ 461,699</u>
Liabilities:				
Accounts Payable	\$ 416	\$ 34,369	\$ 34,542	\$ 243
Due to Student Groups	652,367	409,155	600,066	461,456
Total Liabilities	<u>\$ 652,783</u>	<u>\$ 443,524</u>	<u>\$ 634,608</u>	<u>\$ 461,699</u>

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# **COMPLIANCE SCHEDULES**

**(Required by Texas Education Agency)**

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DELINQUENT TAXES RECEIVABLE  
FISCAL YEAR ENDED AUGUST 31, 2015

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2006 and prior years	Various	Various	\$ Various
2007	1.370000	0.070000	2,567,976,619
2008	1.040000	0.070000	2,718,372,546
2009	1.040000	0.070000	2,888,797,097
2010	1.040000	0.312500	3,033,131,516
2011	1.040000	0.272500	3,064,378,472
2012	1.040000	0.240000	3,244,186,953
2013	1.040000	0.220000	3,672,571,745
2014	1.040000	0.220000	3,881,035,694
2015 (School year under audit)	1.040000	0.200000	4,295,874,565
1000 TOTALS			

(10) Beginning Balance 9/1/2014	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2015
\$ 323,728	\$ -	\$ 12,047	\$ 601	\$ (4,350)	\$ 306,730
19,341	-	3,360	172	(424)	15,385
15,009	-	3,205	216	(529)	11,059
25,864	-	5,197	350	(638)	19,679
60,354	-	11,241	3,378	(11,516)	34,219
89,454	-	29,616	7,760	(10,964)	41,114
156,187	-	63,465	14,646	(230)	77,846
311,989	-	125,769	26,605	(6,163)	153,452
681,244	-	304,845	64,486	(42,586)	269,327
-	53,268,845	43,957,582	8,453,381	(87,302)	770,580
<u>\$ 1,683,170</u>	<u>\$ 53,268,845</u>	<u>\$ 44,516,327</u>	<u>\$ 8,571,595</u>	<u>\$ (164,702)</u>	<u>\$ 1,699,391</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM  
FOR THE YEAR ENDED AUGUST 31, 2015

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		\$ 2,213,430	\$ 2,213,430	\$ 1,967,582	\$ (245,848)
5800	State Program Revenues		40,000	40,000	110,490	70,490
5900	Federal Program Revenues		5,571,215	5,571,215	5,425,834	(145,381)
5020	Total Revenues		7,824,645	7,824,645	7,503,906	(320,739)
EXPENDITURES:						
0035	Food Services		7,626,445	7,649,645	6,919,920	729,725
0051	Facilities Maintenance and Operations		198,200	175,000	145,836	29,164
6030	Total Expenditures		7,824,645	7,824,645	7,065,756	758,889
1100	Excess of Revenues Over Expenditures		-	-	438,150	438,150
OTHER FINANCING SOURCES (USES):						
7915	Transfers In		-	-	5,745	5,745
1200	Net Change in Fund Balances		-	-	443,895	443,895
0100	Fund Balance - September 1 (Beginning)		2,566,830	2,566,830	2,566,830	-
3000	Fund Balance - August 31 (Ending)		\$ 2,566,830	\$ 2,566,830	\$ 3,010,725	\$ 443,895

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - DEBT SERVICE FUND  
FOR THE YEAR ENDED AUGUST 31, 2015

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	\$ 8,530,000	\$ 8,600,000	\$ 8,645,047	\$ 45,047
5800	State Program Revenues	1,650,000	1,780,000	2,036,733	256,733
5020	Total Revenues	10,180,000	10,380,000	10,681,780	301,780
EXPENDITURES:					
Debt Service:					
0071	Principal on Long Term Debt	4,480,000	4,480,000	4,910,000	(430,000)
0072	Interest on Long Term Debt	5,860,062	5,860,062	3,418,027	2,442,035
0073	Bond Issuance Cost and Fees	14,938	900,938	2,907,760	(2,006,822)
6030	Total Expenditures	10,355,000	11,241,000	11,235,787	5,213
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	(175,000)	(861,000)	(554,007)	306,993
OTHER FINANCING SOURCES (USES):					
7911	Capital Related Debt Issued (Regular Bonds)	-	-	99,939,982	99,939,982
7916	Premium or Discount on Issuance of Bonds	-	-	14,770,863	14,770,863
8949	Payment to Refunded Bond Escrow Agent	-	-	(113,795,640)	(113,795,640)
7080	Total Other Financing Sources (Uses)	-	-	915,205	915,205
1200	Net Change in Fund Balances	(175,000)	(861,000)	361,198	1,222,198
0100	Fund Balance - September 1 (Beginning)	3,322,654	3,322,654	3,322,654	-
3000	Fund Balance - August 31 (Ending)	\$ 3,147,654	\$ 2,461,654	\$ 3,683,852	\$ 1,222,198

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# STATISTICAL SECTION

## (UNAUDITED - for Analytical Purposes Only)

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

TABLE	CONTENTS
	<b>Financial Trends</b>
	<i>These tables contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</i>
	Entity-wide information:
1	Net position by component, last ten fiscal years
2	Changes in net position, last ten fiscal years
	Governmental Funds Information:
3	Fund balances, last ten fiscal years
4	Changes in fund balances, last ten fiscal years
	<b>Revenue Capacity</b>
	<i>These tables contain information to help the reader assess the District's most significant local revenue source, the property tax.</i>
5	Assessed value and actual value of taxable property, and Comptroller's valuation of standardized base, last ten fiscal years; and tax base distribution, last two tax years
6	Allocation of property tax rates and tax levies, last ten fiscal years
7	Direct and overlapping property tax rates, last ten fiscal years
8	Property use categories at gross appraised market value, tax year 2014
9	Principal property taxpayers, current year and nine years ago
10	Property tax levies and collections, last ten fiscal years
	<b>Debt Capacity</b>
	<i>These tables present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.</i>
11	Ratios of outstanding debt by type, last ten fiscal years
12	Ratios of net general bonded debt outstanding, last ten fiscal years; and statement of legal debt margin
13	Direct and overlapping governmental activities debt as of August 31, 2014
14	Pledged revenue coverage, last ten fiscal years
	<b>Demographic and Economic Information</b>
	<i>These tables offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.</i>
15	Demographic and economic statistics, last ten calendar years
16	Principal employers, current year and nine years ago
	<b>Operating Information</b>
	<i>These tables contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and activities it performs.</i>
17	Staff information, last ten fiscal years
18	Student information, last ten fiscal years
19	Operating statistics, last ten fiscal years
20	Capital assets information, last ten fiscal years

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NET POSITION BY COMPONENT,  
LAST TEN FISCAL YEARS  
(*UNAUDITED - accrual basis of accounting*)

	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>
Governmental Activities:				
Net Investment in Capital Assets	\$ 86,764,060	\$ 81,778,241	\$ 76,142,025	\$ 71,331,462
Restricted	6,283,407	5,350,037	4,775,658	4,327,397
Unrestricted	25,114,945	33,870,166	30,269,027	31,774,879
Total Governmental Activities Net Position	<u>\$ 118,162,412</u>	<u>\$ 120,998,444</u>	<u>\$ 111,186,710</u>	<u>\$ 107,433,738</u>
Business-Type Activities:				
Net Investment in Capital Assets	\$ 113,000	\$ (13,743)	\$ (27,899)	\$ (9,988)
Unrestricted	71,368	22,067	7,761	(16,094)
Total Business-Type Activities Net Position	<u>\$ 184,368</u>	<u>\$ 8,324</u>	<u>\$ (20,138)</u>	<u>\$ (26,082)</u>
Primary Government:				
Net Investment in Capital Assets	\$ 86,877,060	\$ 81,764,498	\$ 76,114,126	\$ 71,321,474
Restricted	6,283,407	5,350,037	4,775,658	4,327,397
Unrestricted	25,186,313	33,892,233	30,276,788	31,758,785
Total Primary Government Net position	<u>\$ 118,346,780</u>	<u>\$ 121,006,768</u>	<u>\$ 111,166,572</u>	<u>\$ 107,407,656</u>

Net Position includes prior period adjustments in fiscal years 2006, 2008, and 2009 and 2015

Note: Net Position at 2013 has been restated to reflect immediate expense of bond issuance costs in 2006 and 2009 in compliance with

TABLE 1

Fiscal Year					
2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
\$ 68,123,024	\$ 65,774,951	\$ 59,756,813	\$ 59,894,274	\$ 56,027,686	\$ 51,638,749
3,660,369	3,126,860	3,060,134	2,683,486	5,411,438	5,908,971
33,444,213	29,506,262	31,442,641	34,527,934	34,130,802	30,760,576
<u>\$ 105,227,606</u>	<u>\$ 98,408,073</u>	<u>\$ 94,259,588</u>	<u>\$ 97,105,694</u>	<u>\$ 95,569,926</u>	<u>\$ 88,308,296</u>
\$ (994)	\$ 3,307	\$ 6,411	\$ 31,079	\$ 56,724	\$ 92,673
(37,514)	(39,262)	113,088	80,179	37,797	18,161
<u>\$ (38,508)</u>	<u>\$ (35,955)</u>	<u>\$ 119,499</u>	<u>\$ 111,258</u>	<u>\$ 94,521</u>	<u>\$ 110,834</u>
\$ 68,122,030	\$ 65,778,258	\$ 59,763,224	\$ 59,925,353	\$ 56,084,410	\$ 51,731,422
3,660,369	3,126,860	3,060,134	2,683,486	5,411,438	5,908,971
33,406,699	29,467,000	31,555,729	34,608,113	34,168,599	30,778,737
<u>\$ 105,189,098</u>	<u>\$ 98,372,118</u>	<u>\$ 94,379,087</u>	<u>\$ 97,216,952</u>	<u>\$ 95,664,447</u>	<u>\$ 88,419,130</u>

<sup>1</sup> GASB 65

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
CHANGES IN NET POSITION,  
LAST TEN FISCAL YEARS  
(UNAUDITED - accrual basis of accounting)

	2014-15	2013-14	2012-13	2011-12
<b>Expenses</b>				
Governmental Activities:				
Instruction	\$ 74,059,072	\$ 71,629,182	\$ 66,826,951	\$ 66,164,039
Instructional resources and media services	1,577,545	1,509,404	1,517,811	1,530,895
Curriculum and instructional staff development	1,106,285	1,104,738	1,161,151	828,657
Instructional leadership	2,123,211	1,941,920	1,876,257	1,857,948
School leadership	7,191,122	6,808,788	6,690,570	6,572,481
Guidance, counseling and evaluation services	4,623,658	4,652,230	4,648,827	4,816,003
Social work services	690,344	685,493	642,501	656,475
Health services	703,002	695,736	674,661	687,262
Student (pupil) transportation	3,141,761	3,026,966	2,934,984	2,767,646
Food Services	7,664,481	7,808,904	7,633,433	7,078,316
Cocurricular / extracurricular activities	5,621,490	5,241,302	4,938,248	4,960,017
General Administration	3,522,185	2,749,765	2,510,566	2,522,886
Facilities maintenance and operation	12,917,386	12,830,874	13,316,353	13,164,586
Security and monitoring services	580,352	535,578	440,045	443,446
Data processing services	2,946,972	2,455,921	2,414,907	2,509,966
Community services	286,510	260,514	266,562	264,170
Interest and fees on long-term debt	3,480,046	5,887,537	6,032,495	6,063,090
Other Governmental Charges (Appraisal District)	954,466	826,793	846,240	828,172
Total Governmental Activities Expenses	133,189,888	130,651,645	125,372,562	123,716,055
Business-Type Activities:				
Concessions	74,871	49,420	95,177	87,635
Jumbo-tron (FY 2005-06 first year of operations)	51,423	115,663	88,037	70,343
Total Business-Type Activities Expenses	126,294	165,083	183,214	157,978
Total Primary Government Expenses	\$ 133,316,182	\$ 130,816,728	\$ 125,555,776	\$ 123,874,033
<b>Program Revenues</b>				
Governmental Activities:				
Charges for services:				
Instruction	\$ 553,237	\$ 486,921	\$ 515,623	\$ 496,433
Curriculum and staff development	-	-	-	-
Instructional leadership	5,846	5,264	5,863	4,978
School leadership	303,999	273,724	257,965	248,886
Health services	-	-	-	-
Food services	1,969,013	1,905,270	1,931,106	1,823,703
Cocurricular / extracurricular activities	296,563	329,071	219,150	247,956
General administration	-	-	-	436,744
Facilities maintenance and operations	691,442	477,168	538,180	-
Security and monitoring & data processing	6,792	4,316	-	-
Community services	-	-	-	-
Operating grants and contributions	23,709,543	23,897,070	21,106,992	24,603,425
Total Governmental Activities Program Revenues	27,536,435	27,378,804	24,574,879	27,862,125
Business-Type Activities:				
Concessions	79,420	109,156	110,157	106,280
Jumbo-tron (FY 2005-06 first year of operations)	115,663	81,788	82,584	68,059
Total Business-Type Activities Program Revenues	195,083	190,944	192,741	174,339
Total Primary Government Program Revenues	\$ 27,731,518	\$ 27,569,748	\$ 24,767,620	\$ 28,036,464

TABLE 2

Fiscal Year						
2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	
\$ 71,147,496	\$ 70,438,360	\$ 69,866,593	\$ 66,730,115	\$ 62,891,886	\$ 59,995,560	
1,693,393	1,731,606	1,794,081	1,752,858	1,731,854	1,686,587	
1,163,024	1,970,955	1,714,766	1,854,410	1,968,999	2,145,896	
1,983,233	1,623,201	1,612,794	1,483,523	1,503,316	1,516,922	
6,486,493	6,349,709	6,480,282	6,128,517	5,506,764	5,356,399	
5,015,244	4,959,488	5,038,544	4,875,257	4,728,389	4,687,291	
711,054	632,153	781,189	687,144	881,673	853,070	
764,970	711,952	651,877	642,762	642,670	530,031	
2,671,412	2,553,837	2,686,420	2,472,937	2,061,204	2,035,353	
7,052,970	6,365,531	6,380,281	6,078,305	5,637,225	5,571,653	
4,581,926	4,557,832	4,501,260	3,855,451	3,568,880	3,521,852	
2,643,524	2,584,419	2,333,118	2,571,825	2,306,466	2,156,444	
13,219,909	12,851,443	12,550,670	13,258,884	12,063,215	12,631,582	
414,299	340,489	265,218	310,337	300,352	258,479	
2,428,527	2,434,173	2,451,835	3,974,257	2,910,624	1,875,665	
333,666	352,370	367,348	364,730	367,276	314,665	
6,406,428	6,539,640	4,976,841	1,050,218	1,139,625	1,236,727	
814,001	741,234	739,774	782,194	749,415	707,984	
129,531,569	127,738,392	125,192,891	118,873,724	110,959,833	107,082,160	
93,968	95,111	98,840	99,653	93,721	97,059	
74,279	78,311	80,617	82,845	84,249	91,082	
168,247	173,422	179,457	182,498	177,970	188,141	
\$ 129,699,816	\$ 127,911,814	\$ 125,372,348	\$ 119,056,222	\$ 111,137,803	\$ 107,270,301	
\$ 473,003	\$ 428,715	\$ 368,070	\$ 635,338	\$ 499,170	\$ 418,821	
-	-	-	40,843	83,735	11,614	
4,637	4,286	5,140	5,427	9,362	9,237	
231,845	231,441	359,739	206,233	168,519	161,650	
-	-	-	265,619	-	-	
1,742,433	1,849,258	2,032,920	1,926,885	1,727,874	1,615,911	
237,287	167,505	284,288	254,284	191,127	171,161	
417,901	-	-	-	-	-	
-	387,439	419,868	410,424	361,988	423,981	
-	-	-	8,854	-	-	
-	-	-	-	-	-	
30,601,466	30,140,043	23,731,424	22,919,311	21,459,740	21,744,178	
33,708,572	33,208,687	27,201,449	26,673,218	24,501,515	24,556,553	
109,464	97,217	116,047	118,184	99,106	116,260	
56,230	70,751	71,651	81,051	62,551	72,051	
165,694	167,968	187,698	199,235	161,657	188,311	
\$ 33,874,266	\$ 33,376,655	\$ 27,389,147	\$ 26,872,453	\$ 24,663,172	\$ 24,744,864	

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
CHANGES IN NET POSITION,  
LAST TEN FISCAL YEARS  
(UNAUDITED - accrual basis of accounting)

	2014-15	2013-14	2012-13	2011-12
(Continued)				
<b>Net (Expense) / Revenue</b>				
Governmental Activities	\$ (105,653,453)	\$ (103,272,841)	\$ (100,797,683)	\$ (95,853,930)
Business-Type Activities	68,789	25,861	9,527	16,361
Total Primary Government Net Expense	<u>\$ (105,584,664)</u>	<u>\$ (103,246,980)</u>	<u>\$ (100,788,156)</u>	<u>\$ (95,837,569)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Property taxes	\$ 53,143,786	\$ 48,741,279	\$ 46,231,283	\$ 41,265,609
State aid - formula grants not restricted	63,735,611	63,225,151	57,369,244	55,449,625
Grants and contributions not restricted	-	-	-	-
Investment earnings	198,903	219,106	189,976	432,806
Miscellaneous	745,617	894,303	756,568	996,085
Special items	(150,000)	-	-	(87,997)
Transfers	(107,255)	4,735	3,584	3,934
Total Governmental Activities	<u>117,566,662</u>	<u>113,084,574</u>	<u>104,550,655</u>	<u>98,060,062</u>
Business-Type Activities:				
Transfers	107,255	(4,735)	(3,584)	(3,934)
Total Primary Government	<u>\$ 117,673,917</u>	<u>\$ 113,079,839</u>	<u>\$ 104,547,071</u>	<u>\$ 98,056,128</u>
Prior period adjustment Governmental activities				
<b>Change in Net Position Current Year Transactions</b>				
Governmental Activities	\$ 11,913,209	\$ 9,811,733	\$ 3,752,972	\$ 2,206,132
Business-Type Activities	176,044	21,126	5,943	12,427
Total Primary Government	<u>\$ 12,089,253</u>	<u>\$ 9,832,859</u>	<u>\$ 3,758,915</u>	<u>\$ 2,218,559</u>
Prior period adjustment Governmental Activities reported in these years:				
	(\$14,749,242)			

This table has been re-stated for the effect of expensing bond issuance costs in the year of purchase (per GASB 65).

TABLE 2

Fiscal Year					
2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
\$ (95,822,997)	\$ (94,529,705)	\$ (97,991,442)	\$ (92,200,506)	\$ (86,458,318)	\$ (82,525,607)
(2,553)	(5,454)	8,241	16,737	(16,313)	170
<u>\$ (95,825,550)</u>	<u>\$ (94,535,159)</u>	<u>\$ (97,983,201)</u>	<u>\$ (92,183,769)</u>	<u>\$ (86,474,631)</u>	<u>\$ (82,525,437)</u>
\$ 40,180,884	\$ 40,380,438	\$ 32,030,863	\$ 30,024,562	\$ 36,770,046	\$ 36,368,433
55,337,595	55,040,403	59,682,867	60,271,087	52,935,269	43,436,664
3,519,460	1,216,227	973,798	931,001	972,650	644,935
1,005,471	1,457,996	1,368,623	1,624,328	2,420,467	2,390,069
2,599,119	433,126	887,619	546,413	621,516	2,560,992
-	-	-	-	-	(470,639)
-	150,000	-	-	-	68,558
102,642,529	98,678,190	94,943,770	93,397,391	93,719,948	84,999,012
-	(150,000)	-	-	-	(68,558)
<u>\$ 102,642,529</u>	<u>\$ 98,528,190</u>	<u>\$ 94,943,770</u>	<u>\$ 93,397,391</u>	<u>\$ 93,719,948</u>	<u>\$ 84,930,454</u>
		\$ -	\$ 338,883		\$ 479,044
\$ 6,819,532	\$ 4,148,485	\$ (3,047,672)	\$ 1,196,885	\$ 7,261,630	\$ 2,473,405
(2,553)	(155,454)	8,241	16,737	(16,313)	(68,388)
<u>\$ 6,816,979</u>	<u>\$ 3,993,031</u>	<u>\$ (3,039,431)</u>	<u>\$ 1,213,622</u>	<u>\$ 7,245,317</u>	<u>\$ 2,405,017</u>
		\$ 201,566	\$ 338,883	\$ 479,044	

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS  
(UNAUDITED - modified accrual basis of accounting)

	2014-15	2013-14	2012-13	2011-12
General Fund:				
Non Spendable Fund Balance				
Inventory	\$ -	\$ -	\$ -	\$ -
Prepaid Expenditures	539,955	804,326	977,720	733,001
Total Non Spendable Fund Balance	539,955	804,326	977,720	733,001
Restricted Fund Balance				
Retirement of LT Debt	1,052,186	1,017,649	1,075,374	1,115,869
Other Restricted	70,869	114,756	187,520	331,113
Total Restricted Fund Balance	1,123,055	1,132,405	1,262,894	1,446,982
Committed Fund Balance				
Construction	7,000,000	1,800,000	775,000	825,000
Capital Expenditures for Equipment	4,700,000	2,000,000	1,500,000	3,150,000
Self Insurance	-	-	-	-
Other Committed	500,000	1,155,051	2,147,421	1,500,000
Total Committed Fund Balance	12,200,000	4,955,051	4,422,421	5,475,000
Unassigned Fund Balance	22,792,153	24,977,806	21,781,089	22,384,107
Total General Fund	<u>\$ 36,655,163</u>	<u>\$ 31,869,588</u>	<u>\$ 28,444,124</u>	<u>\$ 30,039,090</u>
All Other Governmental Funds:				
Non Spendable Fund Balance				
Inventory	\$ 743,492	\$ 867,340	\$ 840,098	\$ 722,548
Restricted Fund Balance				
Retirement of Long Term Debt	3,683,852	3,322,654	2,611,930	2,241,004
Federal or State Funds and Grant Restrictions	2,528,686	1,912,627	1,976,208	1,755,280
Capital Acquisition and Contractual Obligations	1,765	1,765	3,602,405	24,422,633
Total Restricted Fund Balance	6,214,303	5,237,046	8,190,543	28,418,917
Committed Fund Balance				
Construction	-	-	61,063	-
Campus Activity Funds	334,544	296,761	255,626	186,107
Other Committed	83,201	138,517	-	-
Unassigned Fund Balance	-	-	-	-
Total Other Governmental Funds:	<u>\$ 7,375,540</u>	<u>\$ 6,539,664</u>	<u>\$ 9,347,330</u>	<u>\$ 29,141,465</u>
All Governmental Funds:				
Non Spendable	1,283,447	1,671,666	1,817,818	1,455,549
Restricted	7,337,358	6,369,451	9,453,437	29,865,899
Committed	12,617,745	5,390,329	4,739,110	5,661,107
Unassigned	22,792,153	24,977,806	21,781,089	22,384,107
Total All Governmental Funds	<u>\$ 44,030,703</u>	<u>\$ 38,409,252</u>	<u>\$ 37,791,454</u>	<u>\$ 59,366,662</u>

Note: Fund balances 2009-2014 reflect issue and spend down of school building bonds.



TABLE 3

Fiscal Year					
2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 682
313,487	236,893	133,491	104,224	52,276	25,855
313,487	236,893	133,491	104,224	52,276	26,537
1,132,018	1,128,768	1,127,281	1,036,984	1,112,901	974,188
224,212	338,562	469,812	826,006	2,612,188	3,627,265
1,356,230	1,467,330	1,597,093	1,862,990	3,725,089	4,601,453
400,000	-	3,000,000	5,500,000	2,500,000	2,500,000
2,000,000					
2,350,000	350,000	250,000	-		
1,500,000	3,500,000	2,909,750	2,512,352	3,360,216	2,406,137
6,250,000	3,850,000	6,159,750	8,012,352	5,860,216	4,906,137
22,624,187	20,611,877	21,168,391	21,222,296	24,642,524	22,062,852
\$ 30,543,904	\$ 26,166,100	\$ 29,058,725	\$ 31,201,862	\$ 34,280,105	\$ 31,596,979
\$ 656,522	\$ 484,376	\$ 564,571	\$ 539,757	\$ 408,909	\$ 530,950
2,041,113	1,840,439	1,898,914	1,395,582	1,238,235	995,655
1,395,044	1,491,909	1,623,899	1,066,155	1,047,471	402,886
52,367,795	91,379,811	113,393,995	-	-	-
55,803,952	94,712,159	116,916,808	2,461,737	2,285,706	1,398,541
-	646,725	(53,483)	181,853	-	-
-	-	-	-	-	-
-	-	-	-	-	-
414,322	162,754	197,359	160,242	205,484	195,930
\$ 56,874,796	\$ 96,006,014	\$ 117,625,255	\$ 3,343,589	\$ 2,900,099	\$ 2,125,421
970,009	721,269	698,062	643,981	461,185	557,487
57,160,182	96,179,489	118,513,901	4,324,727	6,010,795	5,999,994
6,250,000	4,496,725	6,106,267	8,194,205	5,860,216	4,906,137
23,038,509	20,774,631	21,365,750	21,382,538	24,848,008	22,258,782
\$ 87,418,700	\$ 122,172,114	\$ 146,683,980	\$ 34,545,451	\$ 37,180,204	\$ 33,722,400

Fund balance for years prior to 2011 have been re-stated with GASB 54 Component Categories.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS  
(UNAUDITED - modified accrual basis of accounting)

	2014-15	2013-14	2012-13	2011-12
<b>Revenues</b>				
Local and intermediate sources:				
Property taxes, penalty and interest	\$ 53,552,652	\$ 49,537,938	\$ 46,862,208	\$ 42,086,455
Gain (loss) from sale of WADA		-	-	-
Tuition and fees	224,136	213,619	190,635	185,700
Food services	1,969,013	1,905,903	1,932,674	1,825,858
Co-curricular and enterprising activities	895,712	901,948	791,357	397,173
Investment earnings	199,106	218,948	190,109	431,999
Insurance proceeds - property damage	-	-	-	-
Other revenues	849,990	570,400	702,901	1,189,565
Total local and intermediate sources	57,690,609	53,348,756	50,669,884	46,116,750
State program revenues	68,580,461	67,728,981	60,247,743	59,268,701
Federal program revenues	18,864,239	19,392,931	18,227,547	20,783,348
Total revenues	145,135,309	140,470,668	129,145,174	126,168,799
<b>Expenditures</b>				
Instruction	70,073,414	67,378,105	64,151,797	64,074,951
Instructional resources and media services	1,455,745	1,411,714	1,436,517	1,461,309
Curriculum and instructional staff development	1,075,202	1,067,412	1,123,135	806,077
Instructional leadership	1,945,918	1,829,588	1,810,826	1,840,991
School leadership	7,101,710	6,655,089	6,543,699	6,377,121
Guidance, counseling and evaluation services	4,603,429	4,636,835	4,602,952	4,740,125
Social work services	662,779	627,879	603,006	618,172
Health services	703,989	688,197	665,682	675,840
Student (pupil) transportation	3,132,733	3,058,749	2,927,093	2,547,529
Food Services	7,626,807	7,743,714	7,457,015	6,928,173
Cocurricular / extracurricular activities	5,759,136	5,549,188	5,124,341	4,302,148
General Administration	2,609,530	2,697,994	2,454,881	2,339,102
Facilities maintenance and operation	12,854,485	15,695,471	12,624,624	12,651,191
Security and monitoring services	529,843	476,085	424,236	393,832
Data processing services	2,753,712	3,220,412	2,978,716	2,200,234
Community services	287,370	258,475	264,101	259,779
Debt service:				
Principal	4,910,000	4,320,000	4,180,000	3,523,822
Interest and fees	6,325,787	6,035,326	6,182,511	6,865,664
Capital outlay	4,898,029	5,773,255	24,386,376	30,825,505
Intergovernmental: tax appraisal and collection	954,466	826,793	846,240	828,172
Total expenditures	140,264,084	139,950,281	150,787,748	154,259,737
Excess revenues over (under) expenditures	4,871,225	520,387	(21,642,574)	(28,090,938)
<b>Other financing sources (uses)</b>				
Proceeds of debt issued	99,939,982	-	-	-
Sale of real and personal property	92,276	73,315	63,783	34,966
Premium or (discount) on issuance of bonds	14,770,863	-	-	-
Prepaid interest	-	-	-	-
Transfers in	5,745	35,321	78,152	171,198
Transfers out	(113,000)	(11,225)	(74,568)	(167,264)
Payment to bond refunding escrow agent	(113,795,640)	-	-	-
Total other financing sources (uses)	900,226	97,411	67,367	38,900
Extraordinary Item (use)	(150,000)			
Restatement of beginning fund balance	-	-	-	-
Net change in fund balances	\$ 5,621,451	\$ 617,798	\$ (21,575,207)	\$ (28,052,038)
Debt service as a percentage of noncapital expenditures	8.3%	7.7%	8.2%	8.4%

Fiscal Year 2008-09 debt service included \$4.09 million bonds refunded and issuance costs on the total bonds issued.  
Fiscal Year 2014-15 debt service included issuance cost on \$ 99,940,000 in refunding bonds issued.

TABLE 4

Fiscal Year					
2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
\$ 40,707,500	\$ 40,580,189	\$ 31,980,079	\$ 30,378,113	\$ 37,177,634	\$ 36,887,479
-	-	(6,577)	18,433	33,459	1,968,604
181,271	166,793	175,271	162,899	123,464	39,555
1,723,990	1,817,763	2,013,359	1,918,031	1,727,874	1,615,911
803,376	587,101	724,846	726,169	659,236	633,019
1,003,562	1,455,093	1,344,712	1,523,015	2,288,266	2,306,078
14,269	-	-	-	-	-
621,574	646,477	1,121,249	1,058,919	669,701	632,371
45,055,542	45,253,416	37,352,939	35,785,579	42,679,634	44,083,017
63,963,052	60,583,329	66,402,684	67,239,684	59,242,151	48,857,731
25,494,872	25,812,511	17,981,982	16,870,719	16,063,156	16,872,658
134,513,466	131,649,256	121,737,605	119,895,982	117,984,941	109,813,406
69,442,509	69,126,938	66,646,625	66,689,574	61,798,924	59,719,554
1,641,580	1,688,076	1,720,634	1,701,402	1,719,874	1,651,153
1,142,672	1,951,157	1,682,331	1,831,746	1,941,101	2,121,540
1,956,431	1,620,561	1,573,034	1,465,325	1,473,094	1,510,357
6,320,002	6,194,309	6,207,918	5,964,782	5,321,636	5,184,746
4,976,653	4,917,808	4,926,144	4,819,169	4,679,206	4,639,941
678,612	600,941	731,573	653,472	855,569	833,283
757,953	705,689	633,367	639,602	637,811	528,333
2,493,675	2,559,739	2,659,373	2,557,399	2,210,572	2,245,154
6,991,112	6,596,523	6,151,043	5,976,265	5,472,914	5,832,777
4,452,010	4,447,667	4,312,721	4,430,190	3,440,628	3,382,414
2,467,637	2,381,155	2,298,659	2,574,113	2,245,536	2,046,795
12,813,566	12,522,735	12,307,568	14,362,296	11,745,817	11,264,709
359,955	298,585	208,543	430,212	257,293	423,028
2,638,293	2,260,193	2,326,700	2,374,291	2,466,624	2,401,726
332,128	351,291	357,378	361,770	362,671	313,337
3,556,162	2,235,000	6,220,000	2,060,000	1,858,283	2,005,199
6,769,531	8,126,568	3,000,088	1,067,260	1,304,324	1,229,926
40,489,391	26,755,825	8,106,941	2,059,483	4,028,422	1,663,032
814,001	741,234	739,774	782,194	749,415	707,984
171,093,873	156,081,994	132,810,414	122,800,545	114,569,714	109,704,988
(36,580,407)	(24,432,738)	(11,072,809)	(2,904,563)	3,415,227	108,418
-	-	121,089,985	-	-	-
1,826,993	17,417	11,827	269,810	42,577	38,828
-	-	2,109,526	-	-	-
-	-	-	-	-	-
4,443	3,999,835	2,500,000	1,441,938	49,712	68,558
(4,443)	(4,096,380)	(2,500,000)	(1,441,938)	(49,712)	-
-	-	-	-	-	-
1,826,993	(79,128)	123,211,338	269,810	42,577	107,386
-	-	-	-	-	-
\$ (34,753,414)	\$ (24,511,866)	\$ 112,138,529	\$ (2,634,753)	\$ 3,457,804	\$ 215,804
7.9%	8.0%	7.4%	2.6%	2.9%	3.0%

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,  
 AND COMPTROLLER'S VALUATION OF STANDARDIZED BASE,  
 LAST TEN FISCAL YEARS;  
 AND TAX BASE DISTRIBUTION, LAST TWO TAX YEARS  
 (UNAUDITED)

Fiscal Year	Tax Year	Actual Value				Less: Exemptions	Net Assessed Taxable Value	Standardized Local Tax Base (Comptroller's Valuation)
		Real Property	Personal Property	Minerals	Total			
2005-06	2005	2,686,291,947	528,366,266	1,088,730	3,215,746,943	896,833,512	2,318,913,431	2,531,683,952
2006-07	2006	2,953,804,520	559,553,004	1,162,270	3,514,519,794	946,543,175	2,567,976,619	2,793,904,510
2007-08	2007	3,149,706,998	548,977,256	1,249,600	3,699,933,854	984,141,502	2,715,792,352	2,955,169,446
2008-09	2008	3,413,826,818	584,451,554	738,620	3,999,016,992	1,092,467,934	2,906,549,058	3,155,991,134
2009-10	2009	3,700,835,549	580,548,049	588,530	4,281,972,128	1,252,285,419	3,029,686,709	3,271,153,786
2010-11	2010	3,774,575,922	557,021,230	1,208,690	4,332,805,842	1,248,042,382	3,084,763,460	3,367,273,539
2011-12	2011	3,918,783,728	611,004,314	891,120	4,530,679,162	1,289,737,911	3,240,941,251	3,542,638,679
2012-13	2012	3,960,104,305	650,656,498	1,007,260	4,611,768,063	938,218,977	3,673,549,086	3,665,872,806
2013-14	2013	4,033,087,635	776,290,319	1,025,980	4,810,403,934	929,368,240	3,881,035,694	3,869,227,850
2014-15	2014	4,540,479,994	846,992,690	828,400	5,388,301,084	1,092,426,519	4,295,874,565	4,093,504,667
<b>Tax Base Distribution</b>								
						<u>2014 Tax Roll</u>	<u>2013 Tax Roll</u>	
Property Type:								
Real Property						\$ 4,540,479,994	\$ 4,033,087,635	
Personal Property						846,992,690	776,290,319	
Minerals						828,400	1,025,980	
Total Gross Values						<u>5,388,301,084</u>	<u>4,810,403,934</u>	
Less Exemptions:								
Agricultural Productivity						117,274,750	101,067,740	
Freeport						17,536,922	15,047,218	
Pollution Control						5,959,924	6,053,110	
Mandatory Homestead						322,455,427	324,419,380	
Mandatory Over 65						74,903,720	73,543,250	
Mandatory Disabled						10,320,280	9,844,790	
Mandatory Disabled Veteran						41,959,060	36,002,190	
Optional \$25,000 Disability						20,599,340	19,421,750	
Over 65 & Disabled Freeze Credits						354,258,836	322,531,432	
Prorations / Exempt						11,133,711	-	
Cap Credit (on Appraisals of Real Estate)						<u>116,024,549</u>	<u>21,437,380</u>	
Total Exemptions						<u>1,092,426,519</u>	<u>929,368,240</u>	
Total Net Valuation						<u>\$ 4,295,874,565</u>	<u>\$ 3,881,035,694</u>	

**Sources:** Actual Value, Exemptions and Net Assessed Value - Tom Green County Appraisal District.

Standardized Local Tax Base - TEA TEA website reporting of Final Tax

year values used for school funding. 2014 values reflect \$25,0000 residence homestead exemption authorized by 84th Legislature.

**Notes:** Property is assessed at full market value.

TABLE 6

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
ALLOCATION OF PROPERTY TAX RATES AND TAX LEVIES,  
LAST TEN FISCAL YEARS  
(UNAUDITED)

Fiscal Year	District's Direct Tax Rates (Per \$100 of Assessed Value)			District's Tax Levies		
	General Fund	Debt Service Fund	Total	General Fund	Debt Service Fund	Original Levy Total
2005-06	1.50000	0.07200	1.57200	34,783,702	1,669,617	36,453,319
2006-07	1.37000	0.07000	1.44000	35,181,280	1,797,584	36,978,864
2007-08	1.04000	0.07000	1.11000	28,244,254	1,901,057	30,145,311
2008-09	1.04000	0.07000	1.11000	30,259,904	2,036,725	32,296,629
2009-10	1.04000	0.31250	1.35250	31,544,522	9,478,582	41,023,104
2010-11	1.04000	0.27250	1.31250	32,113,728	8,414,412	40,528,140
2011-12	1.04000	0.24000	1.28000	33,739,544	7,786,049	41,525,593
2012-13	1.04000	0.22000	1.26000	38,194,755	8,079,650	46,274,405
2013-14	1.04000	0.22000	1.26000	40,362,770	8,538,280	48,901,050
2014-15	1.04000	0.20000	1.24000	44,677,097	8,591,748	53,268,845

**Source:** Tom Green County Appraisal District.

TABLE 7

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES,  
LAST TEN FISCAL YEARS  
(UNAUDITED)

Fiscal Year	Tax Year	District's Total Direct Rates	Overlapping Rates*	
			Tom Green County	City of San Angelo
2005-06	2005	1.57200	0.52285	0.85500
2006-07	2006	1.44000	0.52285	0.85000
2007-08	2007	1.11000	0.52582	0.84000
2008-09	2008	1.11000	0.52582	0.82750
2009-10	2009	1.35250	0.52500	0.81750
2010-11	2010	1.31250	0.52500	0.81750
2011-12	2011	1.28000	0.52500	0.78600
2012-13	2012	1.26000	0.52500	0.77600
2013-14	2013	1.26000	0.52500	0.77600
2014-15	2014	1.24000	0.51500	0.77600

\* Includes rates for maintenance & operations and debt service.

**Tax Due Dates and Penalties:**

Tax statements are mailed in October and are considered delinquent on February 1. Penalties and interest begin to accrue on that date.

**Source:** Tom Green County Appraisal District.

TABLE 8

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
PROPERTY USE CATEGORIES AT GROSS APPRAISED MARKET VALUE  
TAX YEAR 2014  
(UNAUDITED)

Property Code	Property Use Category	Items		Gross Appraised Market Value
		Description	Number	
A	Single family residence	No. of properties	30,249	\$ 3,336,431,044
B	Multi-family residence	No. of properties	423	178,080,190
C	Vacant lots/tracts	No. of properties	4,223	68,842,860
D-1	Qualified Ag land	No. of acres	71,416	124,962,080
D-2	Non-qualified land	No. of accounts	102	3,048,350
E	Farm and ranch improvements	No. of parcels	489	30,901,160
F-1	Real: Commercial	No. of properties	2,466	735,028,780
F-2	Real: Industrial	No. of properties	72	27,744,700
G-1	Minerals: Oil and gas	No. of accounts	37	828,400
J	Real and personal: utilities	No. of companies	180	125,831,430
L-1	Personal: Commercial	No. of properties	3,574	435,426,940
L-2	Personal: Industrial	No. of properties	101	263,283,680
M-1	Mobile homes	No. of homes	668	7,131,340
O	Real property: Inventory	No. of properties	747	11,663,390
S	Special inventory	No. of accounts	52	39,096,740
Totals				<u>\$ 5,388,301,084</u>
Total parcels in category D			<u>733</u>	

**Source:** Tom Green County Appraisal District.

TABLE 9

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)

Taxpayer	Type of Business	Fiscal Year 2014-15			Fiscal Year 2005-06		
		Assessed Value	Rank	Percent of Total Assessed Value	Assessed Value	Rank	Percent of Total Assessed Value
Walmart, Inc./Sam's	Retail	\$ 51,476,330	1	1.20%	\$ 26,123,009	5	1.13%
Ethicon, Inc.	Manufacturing	50,097,226	2	1.17%	49,374,090	2	2.13%
Hirschfeld Steel/ Energy Systems	Manufacturing	41,644,780	3	0.97%	-	-	0.00%
AEP Texas North	Utility	35,939,320	4	0.84%	51,454,260	1	2.22%
Nabors Well Service	Pertroleum Ind.	34,514,250	5	0.80%	-	-	0.00%
Angelo Community Medical	Hospital	31,329,360	6	0.73%	37,749,360	4	1.63%
Verizon	Communications	23,061,840	7	0.54%	43,039,516	3	1.86%
Sunset Mall LLP	Real Estate	19,596,040	8	0.46%	16,584,050	6	0.72%
CT Cube	Utility	18,078,630	9	0.42%	-	-	0.00%
Alexander Properties	Real Estate	16,719,580	10	0.39%	-	-	0.00%
Shannon Medical Center	Hospital				14,208,794	7	0.61%
Cox Communications	Utility				13,620,350	8	0.59%
Lowe's Inc.	Retail				13,013,178	9	0.56%
Town & Country Food Stores	Retail				11,705,061		0.50%
	Total	<u>\$ 322,457,356</u>		<u>7.52%</u>	<u>\$ 276,871,668</u>		<u>11.95%</u>
Total Assessed Value		<u>\$ 4,295,874,565</u>			<u>\$ 2,318,913,431</u>		

Source: Tom Green County Appraisal District.



TABLE 10

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS,  
LAST TEN FISCAL YEARS  
(UNAUDITED)

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percent of Original Levy		Amount	Percent of Adjusted Levy
2005-06	36,453,319	(120,629)	36,332,690	35,777,389	98.15%	533,632	36,311,021	99.94%
2006-07	36,978,864	(256,371)	36,722,493	36,192,868	97.87%	514,190	36,707,058	99.96%
2007-08	30,173,935	(180,088)	29,993,847	29,542,993	97.91%	438,902	29,981,895	99.96%
2008-09	32,296,629	(368,099)	31,928,530	31,217,259	96.66%	686,594	31,903,853	99.92%
2009-10	41,023,104	(696,388)	40,326,716	39,528,397	96.36%	768,802	40,297,199	99.93%
2010-11	40,528,140	(371,510)	40,156,630	39,414,014	97.25%	674,770	40,088,784	99.83%
2011-12	41,525,593	(262,452)	41,263,141	40,661,953	97.92%	460,275	41,122,228	99.66%
2012-13	46,274,405	(18,385)	46,256,020	45,551,446	98.44%	551,122	46,102,568	99.67%
2013-14	48,901,050	(168,977)	48,732,073	48,093,415	98.35%	369,331	48,462,746	99.45%
2014-15	53,268,845	(87,302)	53,181,543	52,410,963	98.39%	-	52,410,963	98.55%

**Source:** Tom Green County Appraisal District.

TABLE 11

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE,  
LAST TEN FISCAL YEARS  
(UNAUDITED)

Fiscal Year	Governmental Activities				Business- Type Activities	Total Primary Government	Percent of Personal Income	Per Capita
	General Obligation Bonds	Contractual Obligations	Loans Payable	Capital Leases	Cap. Lease or Debt			
2005-06	27,043,082	-	10,203	-	384,369	27,437,654	1.08%	311.74
2006-07	25,195,000	-	-	-	366,818	25,561,818	0.97%	289.49
2007-08	23,135,000	-	-	-	338,963	23,473,963	0.84%	259.43
2008-09	138,004,985	-	-	-	310,131	138,315,116	4.61%	1,505.39
2009-10	135,769,985	-	-	-	259,735	136,029,720	4.44%	1,476.19
2010-11	132,213,823	-	-	-	210,536	132,424,359	3.86%	1,420.86
2011-12	128,690,000	-	-	-	166,029	128,856,029	3.63%	1,362.92
2012-13	124,510,000	-	-	-	130,441	124,640,441	3.27%	1,299.87
2013-14	120,190,000	-	-	-	62,785	120,252,785	2.97%	1,233.46
2014-15	115,129,981	-	-	-	743,089	115,873,070	2.76%	1,170.73

**Notes:** Details of the District's outstanding debt are in the notes to the financial statements.

Fiscal year 2008-09 general obligation bonds include \$117 million school building bonds issued in that fiscal year.

**a** See Table 15 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING,  
LAST TEN FISCAL YEARS;  
AND STATEMENT OF LEGAL DEBT MARGIN  
(UNAUDITED)

Fiscal Year	Net General Bonded Debt Outstanding					Percent of Actual Value of Taxable Property	Per Capita
	General Obligation Bonds	Contractual Obligations	Total General Bonded Debt	Less: Amount in Debt Service Fund	Net General Bonded Debt		
2005-06	27,043,082	-	27,043,082	995,655	26,047,427	0.81%	295.95
2006-07	25,195,000	-	25,195,000	1,238,235	23,956,765	0.68%	271.31
2007-08	23,135,000	-	23,135,000	1,395,582	21,739,418	0.59%	240.26
2008-09	138,004,985	-	138,004,985	1,898,914	136,106,071	3.40%	1,481.35
2009-10	135,769,985	-	135,769,985	1,840,439	133,929,546	3.13%	1,453.40
2010-11	132,213,823	-	132,213,823	2,041,113	130,172,710	3.00%	1,396.70
2011-12	128,690,000	-	128,690,000	2,241,004	126,448,996	2.79%	1,337.46
2012-13	124,510,000	-	124,510,000	2,611,930	121,898,070	2.64%	1,271.27
2013-14	120,190,000	-	120,190,000	3,322,653	116,867,347	2.43%	1,198.74
2014-15	115,129,981	-	115,129,981	3,683,882	111,446,099	2.07%	1,126.00

**Notes:** Details of the District's outstanding debt are in the notes to the financial statements.

**a** See Table 5 for property value data.

**b** See Table 15 for population data.

#### STATEMENT OF LEGAL DEBT MARGIN

The laws of the State of Texas do not prescribe any specific tax-supported debt limit for Texas school districts, therefore a statement of legal debt margin is not presented in this report. However, the Texas Education Code, Sec 45.0031, prescribes a limitation on issuance of such debt, as follows:

Before issuing bonds, the District must demonstrate to the Texas Attorney General that, with respect to the proposed issuance, the District has a projected ability to pay the principal of and interest on the proposed bonds and all previously issued bonds, other than bonds authorized to be issued at an election held on or before April 1, 1991, and issued before September 1, 1992, from a tax at a rate not to exceed \$0.50 per \$100 of valuation.

The District's current debt service tax rate is \$0.200 per \$100 valuation, indicating a margin to service debt of approximately two times that currently being levied.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF AUGUST 31, 2014  
(UNAUDITED)

Governmental Unit	Debt Outstanding	As of	Estimated Percentage Applicable a	Estimated Share of Overlapping Debt
<b>Debt Repaid With Property Taxes</b>				
City of San Angelo	\$ 19,640,000	09/30/14	100.00%	\$ 19,640,000
Tom Green County	5,470,000	09/30/14	73.88%	4,041,236
<b>Other Debt</b>				
City of San Angelo: COs Serviced by 1/2 Cent Sales Tax	25,305,000	09/30/14	100.00%	25,305,000
Subtotal overlapping debt				<u>48,986,236</u>
<b>District direct debt</b>			<b>b</b>	<u>115,129,981</u>
<b>Total Direct &amp; Overlapping Debt</b>				<u><u>\$ 164,116,217</u></u>

**Sources:** Taxable value used to estimate applicable percentages provided by Tom Green County Appraisal District.  
Outstanding debt data provided by each governmental unit.

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

**a** The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's taxable value.

**b** See Table 11 for details of the District's direct governmental activities debt.

This table reports values at year end 2014 because audited information for the City and County for year end 2015 is not available .

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
 PLEDGED REVENUE COVERAGE,  
 LAST TEN FISCAL YEARS  
*(UNAUDITED)*

Fiscal Year	Jumbotron Capital Lease Payable or Debt Payable						Coverage
	Advertising Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service			
				Principal	Interest	Total	
2005-06	72,051	-	72,051	29,676	33,124	62,800	115%
2006-07	62,551	-	62,551	17,551	30,749	48,300	130%
2007-08	81,051	-	81,051	27,855	29,345	57,200	142%
2008-09	71,651	-	71,651	28,832	27,117	55,949	128%
2009-10	70,751	-	70,751	50,395	24,810	75,205	94%
2010-11	56,229	-	56,229	49,199	20,778	69,977	80%
2011-12	68,059	-	68,059	44,507	16,843	61,350	111%
2012-13	82,584	-	82,584	35,588	34,537	70,125	118%
2013-14	81,788	-	81,788	67,657	7,693	75,350	109%
2014-15	115,663	-	115,663	62,784	2,382	65,166	177%

**Notes:** The Jumbo-tron scoreboard was acquired at the end of fiscal year 2004-05. Fiscal year 2005-06 was the first year of operations.

Revenues from advertising on the scoreboard are pledged for debt service payments on the capital lease.

Operating expenses do not include interest, depreciation, or amortization expenses.

The jumbotron was replaced with a new jumbotron at the end of fiscal 2015 under a similar agreement for the rights to advertising revenues being reported as debt. No payments were made on the new debt in fiscal 2015.

Details of the District's outstanding debt are in the notes to the financial statements.

TABLE 15

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS,  
LAST TEN CALENDAR YEARS  
(*UNAUDITED*)

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>
	<b>a</b>	[Calculated]	<b>b</b>	<b>c</b>
2005	88,014	2,532,778,878	28,777	4.4%
2006	88,300	2,639,198,700	29,889	3.4%
2007	90,483	2,803,434,789	30,983	3.8%
2008	91,880	2,997,768,760	32,627	4.5%
2009	92,149	3,062,019,121	33,229	6.5%
2010	93,200	3,432,742,400	36,832	6.4%
2011	94,544	3,548,425,408	37,532	6.2%
2012	95,887	3,807,768,657	39,711	4.8%
2013	97,492	4,047,380,380	41,515	4.2%
2014	98,975	4,193,075,875	42,365	4.0%

**Note:** Information is for the City of San Angelo, Texas, since the geographic area is approximately the same. Calendar Year 2014 is the most recent available information.

**Sources:** **a** U.S. Census Bureau.

**b** U.S. Bureau of Economic Analysis for  
the San Angelo Metropolitan Statistical Area.

**c** Texas Workforce Commission and San Angelo Chamber of Commerce.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS,  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)

Employer	Fiscal Year 2014-15			Fiscal Year 2005-06		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
Goodfellow Air Force Base	5,127	1	10.45%	5,835	1	12.94%
Shannon Health System	2,712	2	5.53%	2,142	2	4.75%
San Angelo Independent School District	1,973	3	4.02%	2,013	3	4.46%
Angelo State University	1,625	4	3.31%	1,350	5	2.99%
City of San Angelo	936	5	1.91%	927	8	2.06%
San Angelo State Supported Living Center	950	6	1.94%	750	9	1.66%
San Angelo Community Medical Center	720	7	1.47%	715	10	1.59%
Sitel, Inc.	602	8	1.23%	1,200	6	2.66%
Tom Green County	514	9	1.05%	674	11	1.49%
Ethicon (Johnson & Johnson)	510	10	1.04%	1,015	7	2.25%
Totals	15,669		31.95%	16,621		36.85%
Total City of San Angelo Employment	49,055			45,100		

**Sources:** Principal Employers - San Angelo Chamber of Commerce.

Total City of San Angelo Employment - Texas Workforce Commission, Labor Market & Career Information.  
San Angelo metropolitan statistical area, total non-farm jobs

**Notes:** Employer information is for the dates indicated:

Fiscal Year 2014-15: San Angelo Chamber of Commerce November 2014

Fiscal Year 2005-06 : San Angelo Chamber of Commerce November 2005

TABLE 17

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
STAFF INFORMATION,  
LAST TEN FISCAL YEARS  
(UNAUDITED)

	Fiscal Year									
	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
<b>Full-time-Equivalent Employees</b>										
Professional Staff:										
Teachers	943.1	931.3	921.7	944.2	987.4	1,016.2	984.1	979.6	968.0	965.6
Professional Support	176.5	173.6	176.0	168.7	186.5	186.7	178.8	176.6	169.1	161.1
Campus Administrators	51.0	48.4	47.5	46.1	45.2	45.3	45.5	44.8	45.3	43.2
Central Administrators	25.0	23.0	18.0	17.0	17.0	18.0	16.0	16.5	16.0	17.0
Educational Aides	238.1	227.6	214.3	226.7	244.2	249.0	238.0	228.4	228.9	233.6
Auxiliary Staff	486.6	491.8	500.3	486.2	505.1	498.0	491.1	490.1	499.5	508.5
Total Full-time-Equivalents	1,920.3	1,895.7	1,877.8	1,888.9	1,985.4	2,013.2	1,953.5	1,936.0	1,926.8	1,929.0
<b>Students per Teacher</b>	15.5	15.6	15.7	15.0	14.2	13.7	14.6	14.5	14.8	15.0
<b>Teachers by Years of Experience</b>										
Beginning Teachers	75.9	59.8	66.1	38.4	47.7	71.6	67.6	54.9	48.8	38.3
1-5 Years Experience	226.0	225.1	201.2	230.9	258.8	275.2	247.6	238.6	241.6	242.2
6-10 Years Experience	202.0	179.3	186.7	195.5	200.0	186.4	196.1	193.9	213.2	222.0
11-20 Years Experience	254.7	276.5	281.4	280.5	291.3	291.8	277.1	281.3	259.3	264.2
Over 20 Years Experience	184.4	190.7	186.3	199.0	189.6	191.1	195.7	210.8	205.2	198.9
<b>Average Teacher Salary by Years of Experience</b>										
Beginning Teachers	\$ 35,507	\$ 36,220	\$ 35,597	\$ 31,612	\$ 35,744	\$ 36,464	\$ 35,600	\$ 32,803	\$ 33,959	\$ 32,132
1-5 Years Experience	39,423	39,155	38,924	37,947	38,411	38,454	37,913	37,085	36,270	33,805
6-10 Years Experience	42,618	42,143	41,588	40,652	41,135	41,873	40,136	39,126	37,932	35,170
11-20 Years Experience	46,827	45,934	45,504	44,648	45,240	45,107	44,491	43,874	43,714	41,120
Over 20 Years Experience	54,749	53,945	54,082	53,530	54,061	53,888	53,264	52,363	51,263	48,608
<b>Turnover Rate for Teachers</b>	15.4%	13.6%	16.7%	12.7%	11.6%	13.1%	14.2%	11.2%	12.1%	10.8%
<b>Class Size Average:</b>										
Elementary:										
Kindergarten	18.3	18.6	18.7	19.1	18.5	17.8	19.2	17.9	17.1	18.1
Grade 1	19.1	19.0	19.1	19.0	19.2	17.9	17.4	18.4	17.1	17.3
Grade 2	18.6	18.3	19.3	23.8	18.6	18.3	19.6	18.8	17.2	16.6
Grade 3	18.4	18.5	18.9	34.2	17.8	16.6	17.6	19.5	16.4	16.6
Grade 4	17.5	18.3	18.8	39.0	18.4	17.2	16.9	19.1	17.6	17.8
Grade 5	19.6	20.2	20.7	37.5	21.1	18.6	19.9	20.7	19.6	19.0
Grade 6	20.2	18.6	21.9	22.4	21.8	22.3	21.9	20.1	20.5	21.6
Mixed Grades	N/A	N/A	N/A	N/A	N/A	N/A	N/A	45.3	N/A	N/A
Secondary:										
English	18.8	17.5	20.2	17.0	20.1	19.5	19.4	21.4	21.9	23.5
Foreign Language	21.9	21.8	21.0	20.6	20.8	19.4	21.3	23.0	23.0	24.5
Mathematics	18.8	18.7	19.9	17.0	20.3	19.4	18.8	20.5	19.4	22.3
Science	19.5	18.7	21.3	18.0	20.6	20.4	19.2	20.8	21.3	22.8
Social Studies	20.4	20.0	21.0	17.8	20.6	20.7	20.6	21.6	22.5	24.1

**Source:** TEA Academic Excellence Indicator System-PEIMS Data

TEA- Texas Academic Performance Report

N/A: Information not available



TABLE 18

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
STUDENT INFORMATION,  
LAST TEN FISCAL YEARS  
(UNAUDITED)

Student Ethnic Distribution	Fiscal Year									
	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
African American	614	639	673	626	599	764	812	782	819	851
Hispanic	8,598	8,515	8,413	8,089	8,017	7,407	7,447	7,259	7,205	7,214
White	4,990	4,984	4,958	5,048	5,054	5,536	5,884	5,937	6,102	6,235
Asian/Pacific Islander	141	159	156	149	154	174	195	171	173	165
Native American	44	39	38	51	55	37	29	27	34	27
Two or more races	239	214	189	184	164					
Total	14,626	14,550	14,427	14,147	14,043	13,918	14,367	14,176	14,333	14,492
Economically Disadvantaged	8,483	8,716	8,700	8,616	8,683	8,527	7,786	7,630	7,779	7,723
English Language Learners (ELL)	748	699	643	641	659	718	767	814	767	774
Students w/ disciplinary Placements	N/A	205	188	171	N/A	384	691	772	257	326
Percent of Students Eligible for Free or Reduced Meals	58.0%	59.9%	60.3%	59.2%	61.8%	61.3%	54.2%	53.8%	54.3%	53.3%
Retention Rates by Grade (Non-Special Educ. Rates)										
Kindergarten	2.3%	3.0%	2.9%	2.2%	1.9%	2.6%	4.1%	4.3%	5.5%	5.1%
Grade 1	3.6%	2.6%	2.2%	2.3%	2.5%	1.4%	4.3%	3.3%	5.8%	6.3%
Grade 2	1.4%	1.8%	1.3%	0.9%	1.3%	1.4%	2.2%	2.6%	2.4%	3.1%
Grade 3	1.2%	0.5%	0.6%	0.2%	0.2%	0.6%	1.7%	0.2%	1.6%	1.9%
Grade 4	0.3%	0.4%	0.1%	0.1%	0.2%	0.3%	0.3%	0.2%	0.8%	0.8%
Grade 5	0.5%	0.5%	0.1%	0.1%	0.2%	0.4%	0.6%	0.6%	1.0%	3.2%
Grade 6	0.4%	0.1%	0.4%	0.3%	0.5%	0.9%	1.5%	0.4%	1.7%	1.4%
Grade 7	0.2%	0.4%	0.2%	0.8%	0.8%	1.1%	1.8%	2.3%	3.8%	4.8%
Grade 8	0.4%	0.6%	0.2%	0.2%	0.5%	1.6%	0.7%	2.9%	4.3%	3.9%
Attendance Rate	N/A	96.2%	96.2%	96.6%	96.3%	96.3%	96.3%	96.2%	96.1%	96.1%
Annual Dropout Rate Grades 7-8 - Method 1	N/A	0.2%	0.7%	0.3%	0.2%	0.2%	0.3%	0.5%	0.6%	0.6%
% Students Passing All Sections of the TAAS Exam,met TAKS Standard *†										
Grade 3	N/A	N/A	N/A	N/A	84.0%	87.0%	84.0%	85.0%	81.0%	88.0%
Grade 4	N/A	N/A	N/A	N/A	81.0%	81.0%	83.0%	82.0%	78.0%	79.0%
Grade 5	N/A	N/A	N/A	N/A	79.0%	82.0%	78.0%	78.0%	76.0%	70.0%
Grade 6	N/A	N/A	N/A	N/A	73.0%	74.0%	77.0%	76.0%	78.0%	82.0%
Grade 7	N/A	N/A	N/A	N/A	75.0%	77.0%	74.0%	75.0%	70.0%	64.0%
Grade 8	N/A	N/A	N/A	N/A	68.0%	70.0%	62.0%	56.0%	56.0%	52.0%
Grade 10	N/A	N/A	N/A	N/A	60.0%	56.0%	53.0%	56.0%	53.0%	53.0%
Cumulative Pass Rate--Exit	N/A	N/A	N/A	N/A	91.0%	89.0%	85.0%	85.0%	81.0%	88.0%
All Grades STAAR percent at Phase-in Satisfactory Standard or above										
Reading	74.0%	74.0%	77.0%							
Mathematics	71.0%	75.0%	77.0%							
Writing	67.0%	72.0%	59.0%							
Science	76.0%	77.0%	80.0%							
Social Studies	73.0%	71.0%	74.0%							
SAT/ACT % Tested	N/A	57.3%	54.3%	57.0%	N/A	55.6%	56.5%	59.0%	66.1%	61.8%
Mean SAT Score	N/A	1476	1503	1484	N/A	1052	1003	1016	1000	994
Mean ACT Score	N/A	21.1	21.1	20.5	N/A	20.8	20.2	20.7	20.2	19.8

**Source:** TEA Academic Excellence Indicator System-PEIMS Data, Beginning in 2013, Texas Academic Performance Report

N/A: Information not available

\* First year for TAKS 2002-03

† 2012 transition from TAKS to STAAR . Testing scores were not available.

TABLE 19

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
OPERATING STATISTICS,  
LAST TEN FISCAL YEARS  
(UNAUDITED)

Fiscal Year	Modified Accrual Basis			c Accrual Basis			Pupil- Teacher Ratio
	Operating Expenditures	Cost per Pupil a	Percent Change	Expenses	Cost per Pupil a	Percent Change	
2005-06	101,616,792	7,012	3.06%	107,126,061	7,392	4.39%	15.0
2006-07	105,063,376	7,330	4.54%	111,000,080	7,744	4.76%	14.8
2007-08	112,460,305	7,933	8.23%	118,910,887	8,388	8.32%	14.5
2008-09	114,168,496	7,947	0.18%	123,380,944	8,588	2.38%	14.6
2009-10	117,667,207	8,454	6.38%	127,919,521	9,190	7.01%	13.6
2010-11	119,263,358	8,492	0.45%	129,676,953	9,234	0.48%	14.2
2011-12	112,460,649	7,949	-6.39%	123,852,998	8,755	-5.19%	15.0
2012-13	113,850,387	7,891	-0.73%	125,372,562	8,690	-0.74%	15.7
2013-14	117,864,334	8,101	2.65%	130,651,645	8,979	3.33%	15.6
2014-15	125,020,531	8,548	5.52%	133,189,888	9,106	1.41%	15.5

**Notes:** Operating expenditures are total expenditures less debt service and capital outlays capitalized.

**a** See Table 18 for enrollment information.

**b** See Table 17 for teaching staff information.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
CAPITAL ASSET INFORMATION  
LAST TEN FISCAL YEARS  
(UNAUDITED)

	Fiscal Year									
	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
<b>Schools</b>										
Elementary:										
Campuses	17	17	17	17	17	17	17	17	17	17
Square feet	924,378	924,378	924,378	809,850	809,850	809,850	809,850	809,850	809,850	809,850
Capacity	8,801	8,801	8,801	8,801	8,801	8,801	8,801	8,801	8,801	8,801
Enrollment	7,415	7,416	7,570	7,053	7,150	7,012	7,204	7,003	7,605	7,580
Middle:										
Campuses	3	3	3	3	3	3	3	3	3	3
Square feet	452,347	452,347	452,347	430,576	430,576	430,576	430,576	430,576	430,576	430,576
Capacity	3,115	3,115	3,115	3,115	3,115	3,115	3,115	3,115	3,115	3,115
Enrollment	3,148	3,204	3,095	3,109	2,985	2,938	2,950	2,946	2,370	2,581
High:										
Campuses	3	3	3	3	3	3	3	3	3	3
Square feet	785,672	785,672	785,789	800,979	800,979	800,979	800,979	800,979	800,979	798,815
Capacity	4,420	4,420	4,420	4,420	4,420	4,420	4,420	4,420	4,420	4,420
Enrollment	4,063	3,930	3,762	3,865	3,929	3,967	4,228	4,237	4,341	4,273
Head Start:										
Campuses	3	3	3	3	3	3	3	3	3	3
Square feet	98,901	98,901	98,901	98,901	98,901	98,901	98,901	98,901	98,901	98,901
Capacity	837	837	837	837	837	837	837	837	837	837
Enrollment	559	532	572	120	581	527	564	527	532	554
Alternative Learning:										
Campuses	2	2	2	2	2	2	2	1	1	1
Square feet	24,855	24,855	24,855	24,855	24,855	24,855	24,855	16,641	16,641	16,641
Capacity	230	230	230	230	230	230	230	110	110	110
Enrollment	54	52	53	51	51	48	47	62	68	62
Idle Facilities:										
Campuses	1	1	1	1	1	1	1	1	2	2
Square feet	26,405	26,405	50,575	50,575	50,575	50,575	50,575	50,575	76,630	76,630
Capacity	-	-	1,124	1,124	1,124	1,124	1,124	1,124	1,704	1,704
<b>Administrative</b>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	42,295	42,295	42,295	42,295	42,295	42,295	42,295	42,295	42,295	42,295
<b>Transportation</b>										
Garages / buildings	1	1	1	1	1	1	1	1	1	1
Buses	85	85	84	80	80	80	80	80	80	80
<b>Warehouses, Storage, Etc:</b>										
Buildings	8	8	8	8	8	8	8	9	9	9
Square feet	38,279	38,279	38,279	38,279	38,279	38,279	38,279	46,493	46,493	46,493
<b>Athletics</b>										
Stadium Field House	1	1	1	1	1	1	1	1	1	1
Football/Soccer fields	15	15	15	15	15	15	15	15	15	15
Running tracks	2	2	2	2	2	2	2	2	2	2
Baseball / softball	5	5	5	5	5	5	5	5	5	5
Swimming pools	1	1	1	1	1	1	1	1	1	1
Playgrounds	31	31	31	31	31	31	31	31	31	31

**Source:** District records.

**Notes:**

1. Prior to fiscal year 2005-06 typically: Elementary Schools were pre-K through 6th grade; Middle (Jr. High) Schools were grades 7 through 9; and High Schools were grades 10 through 12. Beginning with fiscal year 2005-06, transition was started to: Elementary Schools pre-K through 5th grade; Middle Schools grades 6 through 8; and High Schools grades 9 through 12.
2. Portable buildings were extensively used prior to and during the construction and renovation of school buildings which began in fiscal year 1996-97, therefore enrollment exceed capacity in the permanent buildings in some of the fiscal years.
3. Edison Junior High School was converted to the Central Freshmen campus in fiscal year 2005-06.
4. Lamar Elementary School was completed and placed in service in fiscal year 2004-05, and Blackshear, Day and RioVista elementary schools were converted to Head Start Campuses. Day Elementary was temporarily idle in fiscal years 2003-04 and 2002-03.
5. Old Lincoln Junior High became idle in fiscal year 2001-02, and Travis Elementary became idle in fiscal year 2004-05.
6. Travis Elementary was sold in fiscal year 2007-08.
7. Sixth graders moved to Lee and Glenn in fiscal 2008 under middle school concept.
8. Pays campus (alternative learning) was opened in fy 2009.(was under storage etc). Student enrollment is still counted in the high schools.
9. Bond project added square footage to Elementary and Middle Schools. Buildings demolished in bond renovations slightly reduced High Schools.
10. In 2014 high schools added Lake View science wing and demolished Handel Hall. Also demolished buildings at Old Lincoln campus.
11. Overall capacity has not been re-evaluated by the district after the 2008 bond project completions.

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## **SINGLE AUDIT 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 *GOVERNMENTAL AUDITING  
STANDARDS***

Board of Trustees  
San Angelo Independent School District  
1621 University Avenue  
San Angelo, Texas 76904

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of San Angelo Independent School District as of and for the year ended August 31, 2015 and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and we have issued our report thereon dated December 23, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered San Angelo Independent School 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of San Angelo Independent School District's internal control. Accordingly, we do not express an opinion on the effectiveness of San Angelo Independent School District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or 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 over financial reporting that might be significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether San Angelo Independent School District's financial statements are free of 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*.

We noted certain matters that we reported to management of San Angelo Independent School District in a separate letter dated December 23, 2015.

## **Purpose of this Report**

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

Webb & Webb

(Signed copies on file with the district)

San Angelo, TX

December 23, 2015



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH  
MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES  
FEDERAL AWARD REQUIRED BY OMB CIRCULAR A-133**

Board of Trustees  
San Angelo Independent School District  
1621 University Avenue  
San Angelo, Texas 76904

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

We have audited San Angelo Independent School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of San Angelo Independent School District's major federal programs for the year ended August 31, 2015. San Angelo 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.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of San Angelo Independent School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about San Angelo Independent School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

**Opinion on Each Major Federal Program**

In our opinion, San Angelo 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, 2015.

## **Report on Internal Control Over Compliance**

Management of San Angelo Independent School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered San Angelo Independent School District's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of San Angelo Independent School District's internal control over compliance.

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

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

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

## **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of San Angelo Independent School District, as of and for the year ended August 31, 2015, and the related notes to the financial statements, which collectively comprise San Angelo Independent School District's basic financial statements. We issued our report thereon dated December 23, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally

accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Webb & Webb

(Signed copies on file with the district)

San Angelo, TX

December 23, 2015

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED AUGUST 31, 2015

**I SUMMARY OF THE AUDITOR'S RESULTS:**

- a. The type of report issued on the financial statements was an unmodified opinion.
- b. No significant deficiencies in internal control over financial reporting were disclosed by the audit.
- c. The audit did not disclose any noncompliance which is material to the financial statements of the auditee.
- d. No significant deficiencies in internal control over major programs were disclosed by the audit.
- e. The type of report the auditor issued on compliance for major programs was an unmodified opinion.
- f. The audit did not disclose any audit findings that the auditor is required to report under Section \_\_\_\_ .510 (a).
- g. Major programs were:

84.010A – ESEA, Title I, Part A – Improving Basic Programs  
84.010A – ESEA, Title I, 1003A Priority and Focus School Grant  
Special Education Cluster  
84.027 – IDEA - Part B, Formula  
84.173 – IDEA – Part B, Preschool

- h. The dollar threshold used to distinguish between Type A and Type B programs was \$518,615.
- i. The auditee qualified as a low-risk auditee.

**II FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

There are no findings to report.

**III FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS INCLUDING AUDIT FINDINGS AS DESCRIBED IN I.f. ABOVE**

There are no findings to report.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED AUGUST 31, 2015

(Prepared by the District's Administration)

**Finding CP14-01 – Child Nutrition Cluster, CFDA #10.553/10.555/10.559, Federal Award Year July 1, 2013-June 30, 2014; US Department of Agriculture; Passed through Texas Education Agency, ID #71301401**

Corrective action has been adequately implemented.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED AUGUST 31, 2015

(Prepared by the District's Administration)

Not Applicable – No current year findings to report.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED AUGUST 31, 2015

(1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal CFDA Number	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
<b>U.S. DEPARTMENT OF DEFENSE</b>			
<u>Direct Programs</u>			
Selected Res. Educ. Asst. Prog. - ROTC (Note A)	12.00		\$ 156,527
Total Direct Programs			\$ 156,527
<b>TOTAL U.S. DEPARTMENT OF DEFENSE</b>			\$ 156,527
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<u>Direct Programs</u>			
Impact Aid - P.L. 81.874 (Note A)	84.041		\$ 100,319
Total Direct Programs			\$ 100,319
<u>Passed Through State Department of Education</u>			
*ESEA, Title I, Part A - Improving Basic Programs	84.010A	15610101226903	\$ 3,191,655
*ESEA, Title I, 1003A Priority & Focus School Grnt	84.010A	15610112226903106	24,975
Total CFDA Number 84.010A			3,216,630
ESEA, Title I, Part C - Migratory Children	84.011	15615001226903	127,662
***IDEA - Part B, Formula	84.027	156600012269036600	2,988,987
***IDEA - Part B, Preschool	84.173	156610012269036610	109,603
Total Special Education Cluster (IDEA)			3,098,590
Career and Technical - Basic Grant	84.048	15420006226903	161,508
Career and Technical - Basic Grant	84.048	16420006226903	7,546
Total CFDA Number 84.048			169,054
Title III, Part A - English Language Acquisition	84.365A	15671001226903	72,285
ESEA, Title II, Part A, Teacher/Principal Training	84.367A	15694501226903	742,900
Summer School LEP	84.369A	69551402	2,213
Total Passed Through State Department of Education			\$ 7,429,334
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			\$ 7,529,653
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<u>Passed Through Concho Valley Council of Governmen</u>			
Head Start	93.600	06CH7039/11	\$ 2,274,909
Head Start	93.600	06CH7039/12	199,960
Early Head Start	93.600	06CH7039/11	896,260
Early Head Start	93.600	06CH7039/12	148,298
Total CFDA Number 93.600			3,519,427
Total Passed Through Concho Valley Council of Governmen			\$ 3,519,427
<u>Passed Through Texas Dept of Human Services</u>			
Medicaid Administrative Claiming Program - MAC	93.778	PC1274C	\$ 54,412
Total Passed Through Texas Dept of Human Services			\$ 54,412
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			\$ 3,573,839
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<u>Passed Through the State Department of Agriculture</u>			
**School Breakfast Program	10.553	01051	\$ 1,541,285
**National School Lunch Program - Cash Assistance	10.555	01051	3,368,341
**National School Lunch Prog - Non-Cash Assistance	10.555	01051	516,208
Total CFDA Number 10.555			3,884,549

SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED AUGUST 31, 2015

(1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal CFDA Number	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
Total Child Nutrition Cluster			5,541,648
Child and Adult Care Feeding	10.558	03199	57,142
Child and Adult Care Feeding	10.558	03199	428,357
Total CFDA Number 10.558			485,499
**Summer Feeding Program - Cash Assistance	10.559	01051	115,814
Total Passed Through the State Department of Agriculture			\$ 6,027,147
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b>\$ 6,027,147</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 17,287,166</b>

\*Title I Cluster    \*\*Child Nutrition Cluster    \*\*\*Special Education Cluster

NOTE A: ROTC and Impact Aid revenues are accounted for in the General Fund and the National School Breakfast and Lunch programs and Child and Adult Care Feeding Program are accounted for in Special Revenue Funds. Expenditures for programs are not specifically attributable to the Federal revenue source and shown on this schedule in an amount equal to the revenue for reporting purposes only.

NOTE B: Reconciliation to Exhibit C-3 Federal Program Revenues:

\$17,287,166	Total expenditures of federal awards per this Schedule
1,577,073	School Health and Related Services (SHARS) in the General Fund, not on this schedule
\$18,864,239	Federal Program Revenues, per Schedule C-3
<u>=====</u>	



SAN ANGELO INDEPENDENT SCHOOL DISTRICT  
NOTES ON ACCOUNTING POLICIES FOR FEDERAL AWARDS  
YEAR ENDED AUGUST 31, 2015

1. For all Federal programs, 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.
2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types and Expendable Trust Funds are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in either a Special Revenue Fund or the General Fund which are Governmental Fund types. 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.
3. The modified accrual basis of accounting is used for the Governmental Fund types. 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 General 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.
4. Federal grant funds are generally considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.
5. The period of availability for federal grant funds for the purpose 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 Section H, Period of Availability of Federal Funds, Part 3, OMB Circular A-133 Compliance Statement - Provisional 6/97.
6. CFDA number 10.550 pertains to food commodities distributed by USDA under the following categorical programs (as applicable): the National School Lunch Program (CFDA 10.555). USDA deleted this number from the CFDA on May 6, 2008. The audit covering San Angelo Independent School District fiscal year beginning September 1 2008, and future audits, will therefore identify commodity assistance by the CFDA numbers of the programs under which USDA donated the commodities.

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# SCHOOLS FIRST QUESTIONNAIRE

San Angelo Independent School District

Fiscal Year 2015

SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF4	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	Yes
SF8	Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?	No
SF10	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end.	213503
SF11	Net Pension Assets (1920) at fiscal year-end.	0
SF12	Net Pension Liabilities (2540) at fiscal year-end.	13017820
SF13	Pension Expense (6147) at fiscal year-end.	1203269

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