

**Comprehensive  
Annual Financial Report**

**For the Fiscal Year Ended  
August 31, 2015**

**GALENA PARK INDEPENDENT SCHOOL  
DISTRICT**

14705 Woodforest Blvd., Houston, Texas 77015

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**Prepared By the Business Department:**

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Deputy Superintendent for Operational Support/Chief Financial Officer**

**Yvonne Johnson, MBA, RTSBA  
Executive Director for Accounting Services**

**Julie Lee, CPA, RTSBA  
Executive Director for Budget and Financial Support Services**

**Pat Galvan  
Executive Director for Payroll Services**



# GALENA PARK INDEPENDENT SCHOOL DISTRICT

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## **INTRODUCTORY SECTION**

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**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
*Principal Officials and Advisors*

**Board of Trustees**

Name	Office	Term Expires	Length of Service	Occupation
Joe Stephens	President	2018	7 years	Insurance Agency Owner
Wilfred J. Broussard, Jr.	Vice President	2017	8 years	Real Estate Broker
Ramon Garza	Secretary	2016	6 years	Insurance Agent
Wanda Heath Johnson	Board Member	2018	10 years	Teacher
Jeff Miller	Board Member	2016	20 years	Independent Insurance Agent
Dawn Thompson Fisher	Board Member	2017	14 years	Legal Assistant
Minnie Rivera	Board Member	2016	5 years	Office Manager

**Administrative Officials**

Name	Position	Length of Service
Angi Williams, Ed.D.	Superintendent	30 years
Kenneth Wallace	Deputy Superintendent for Educational Support	15 years
Sonya George, CPA	Deputy Superintendent for Operational Support/Chief Financial Officer	4 years
Crystal Murray	Assistant Superintendent for Communication Services	25 years
Elizabeth Lalor	Assistant Superintendent for Educational and Academic Support	24 years
Arnold Ramirez	Assistant Superintendent for Human Resource Services	17 years
John Moore	Assistant Superintendent for Operations	24 years
Yvonne Johnson, MBA, RTSBA	Executive Director for Accounting Services	8 years
Julie Lee, CPA, RTSBA	Executive Director for Budget and Financial Services	2 years
Patricia Galvan	Executive Director for Payroll Services	18 years

**Consultants and Advisors**

Bond Counsel	McCall, Parkhurst, and Horton, LLP, Dallas, Texas
Financial Advisor	SAMCO Capital Markets, Inc., Plano, Texas
Independent Auditors	Whitley Penn, LLP, Houston, Texas
Chief Appraiser	Harris County Appraisal District

**CERTIFICATE OF BOARD**

Galena Park Independent School District

Name of School District

Harris

County

101-910

Co.– Dist. No.

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and approved for the year ended August 31, 2015, at a meeting of the board of trustees of such school district on January 11, 2016.

\_\_\_\_\_  
President of the Board

\_\_\_\_\_  
Secretary of the Board



# GALENA PARK INDEPENDENT SCHOOL DISTRICT

*A Texas Recognized School District*

14705 Woodforest Blvd.

Houston, TX 77015

832-386-1204

December 18, 2015

To the Board of Trustees and Taxpayers of the Galena Park Independent School District:

The Texas Education Code requires that all school districts file a complete set of financial statements with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Galena Park Independent School District (the "District") for the fiscal year ended August 31, 2015.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government'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 GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. 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 District's financial statements have been audited by Whitley Penn, LLP, CPAs, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended August 31, 2015 are free of material misstatement. The independent 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 upon the audit, that there was a reasonable basis for rendering an unqualified opinion and that the District's financial statements for the period ended August 31, 2015, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District 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 internal controls and legal requirements involving the administration of federal awards. These reports are available in the District's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter

of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the District**

The Galena Park Independent School District encompasses 33 square miles and is located in southeastern Harris County, Texas. Interstate Highway 10 bisects the District. While a small portion of the District is located inside the city limits of Houston, it also includes portions of the incorporated cities of Galena Park, Jacinto City, and the unincorporated communities of Greens Bayou, Woodland Acres, and the Cloverleaf Addition. The District is not included in any other governmental "reporting entity" since the Board of Trustees is elected by the public and has decision-making authority. Residents of the District elect a seven-member Board of Trustees. The respective Trustees serve overlapping three-year terms. There are no component units included in the reporting entity.

The purpose and responsibility of the District is to provide a thorough and efficient educational system for the children, pre-kindergarten through grade 12, enrolled in public schools within its boundaries, whereby each child has access to programs and services that are appropriate to his or her educational needs. In addition to its regular educational program, the District offers comprehensive programs in the areas of career and technology education, special education, bilingual education, compensatory education and gifted and talented education. The District is accredited by the Texas Education Agency.

The District's 15 elementary schools, 5 middle schools, 2 high schools, and 1 alternative high school campuses are well-known for innovative programs and academic accomplishments. The District educates children from diverse backgrounds. The student body reflects the cultural diversity of Texas. Of the approximately 22,550 students enrolled, 78% are Hispanic, 15% are African American, 5% are White, and 2% identify themselves as Asian/Pacific Islander or of more than one ethnicity.

The annual budget serves as the foundation for the District's financial planning and control. The budget development process begins in January with the Superintendent and administrative leadership team determining the budget parameters that will be used as a guide for the resource allocation process. All of the District's budget managers are required to submit requests for appropriations based on these parameters. Budget requests are forwarded to the Business Services Department for compilation and summarization. The Business Services Department personnel develop the draft budget and prioritize budget requests and potential budget reductions based on the principles established in the Superintendent's budget parameters. The preliminary budget is then presented and discussed with the Board of Trustees. The proposed budget must be prepared by August 20th for the September 1st fiscal year start date. The Board President must call a Board meeting for the purpose of discussing and adopting the budget and tax rate. A public notice of this meeting is required to be published at least 10 days, but not more than 30 days, prior to the public meeting.

The District maintains budgetary controls throughout its financial systems. The objective of the budgetary controls is to ensure compliance with legal provisions embodied in the official budget adopted by the Board. The Board adopts an official appropriations budget at the functional expenditure level for the general fund, debt service fund and the food service program included in the special revenue fund. Budgetary control is maintained at the organizational level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Outstanding encumbrances at the end of the fiscal year are treated as Assigned fund balance and are recorded as expenditures in the subsequent year upon receipt of the goods and services.

### **Factors Affecting Financial Condition**

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

Local Economy. The District is located in the heart of the Houston Ship Channel industrial area, and the majority of the labor force is employed at nearby chemical plants and oil refineries. The Houston Ship Channel is located just south of the District boundary, and many residents are employed in the industrial area surrounding the Channel. The Port of Houston is one of the largest ports in the world in terms of foreign waterborne tonnage and total tonnage. Each year, more than 8,000 vessels and 200,000 barges ship goods through the port, and more than 100 steamship lines offer service, linking Houston with 1,053 ports around the world. A vital element in the infrastructure of Houston and the region, the port maintains a high level of commercial prominence that solidifies its status as a major gateway to global commerce.

A cornerstone of the area economy, the Port of Houston is a 25-mile-long complex of diversified public and private facilities designed for handling general cargo, containers, grain and other dry bulk materials, project and heavy-lift cargo, and other types of cargo. Overall, more than 1,174,567 jobs throughout Texas are directly and indirectly related to the diverse global trade and commerce activities at the port. In addition, the port generates nearly \$264.9 billion of economic activity in Texas each year. Additionally, more than \$5 billion in state and local tax revenues are generated by business activities related to the port.

Economic Outlook. Houston's energy, healthcare, transportation and distribution sectors have supported continuous tax base growth. The District's tax base experienced continued growth during fiscal year ended 2015. A slower pace in fiscal year 2016 has been projected by local economist and can be directly attributed to the drop in oil prices and the reduction in exploration and drilling activities. Recent years of shale gas exploration has created a highly affordable supply of natural gas. Numerous petrochemical expansion projects will continue in the Houston Ship Channel area. Construction material needs supplied by area businesses and the creation of thousands of temporary and hundreds of permanent jobs to construct and maintain the new facilities will have a positive financial impact on the region.

Access. The District is connected to Downtown Houston via Interstate 10 and is also linked to the entire Houston metropolitan area via the Sam Houston Toll Road. Both of these thoroughfares pass through the center of the District. The District's proximity to Houston provides the area with access to one of the nation's leading centers for medical education and research, many colleges and universities, a dynamic cultural arts community, excellent recreational opportunities, and a national center of commerce, world trade and corporate management.

### **Relevant Financial Policies**

Budget. Budget planning is an integral part of overall program planning so that the budget effectively reflects the District's programs and activities, and provides the resources to implement them. In the budget planning process, general educational goals, specific program goals, and alternatives for achieving program goals are considered. Budget planning and evaluation are continuous processes and are a part of each month's activities.

Fund Balance. Recognizing fund balance as key in maintaining a strong financial position, the Board policy regarding fund balance stipulates a goal of maintaining an adequate fund balance. The level of adequacy for the general fund unassigned fund balance is defined as 12% of the current budget, while the debt service fund is defined as 15% of the current year debt service requirements.

Financial Planning. The District is subject to revenue limitations as outlined in the Texas Education Code. The revenues are derived from a target revenue formula based primarily on student attendance, adjusted for funding "weights" associated with the students' educational settings. Under the target revenue system, the District's maintenance and operations revenues from property taxes and state aid are capped. As collections from property taxes increase, state aid is reduced by a similar amount. On an ongoing basis, the District adjusts future projections as new data become available. The District maintains a Five-year Technology plan and a Long-range facilities plan.

## Awards and Acknowledgements

The TEA has awarded the District a rating of “Passed” for the year ended August 31, 2014. This is the 13<sup>th</sup> year of the State’s financial accountability rating system for school districts (School FIRST). The rating is based upon an analysis of staff and student data reported for the 2013-14 school year and budgetary and actual financial data for the fiscal year ended August 31, 2014.

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting and the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report (CAFR) for the year ended August 31, 2014.

In order to be awarded the certificates, a governmental unit must publish an efficiently organized Comprehensive Annual Financial Report, the contents of which must conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements. The District has received the ASBO award for four consecutive years and the GFOA award for three years. The certificates are valid for a period of one year only. We believe that our current CAFR continues to meet the requirements of both certificate programs, and it will be submitted accordingly to ASBO and GFOA to determine its eligibility for a 2015 certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Business Services Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the District’s finances. Finally, we would like to thank the residents of the District for their support of and belief in our public school system, and the teachers and campus teams who provide the quality education for which our District is known.

Respectfully submitted,

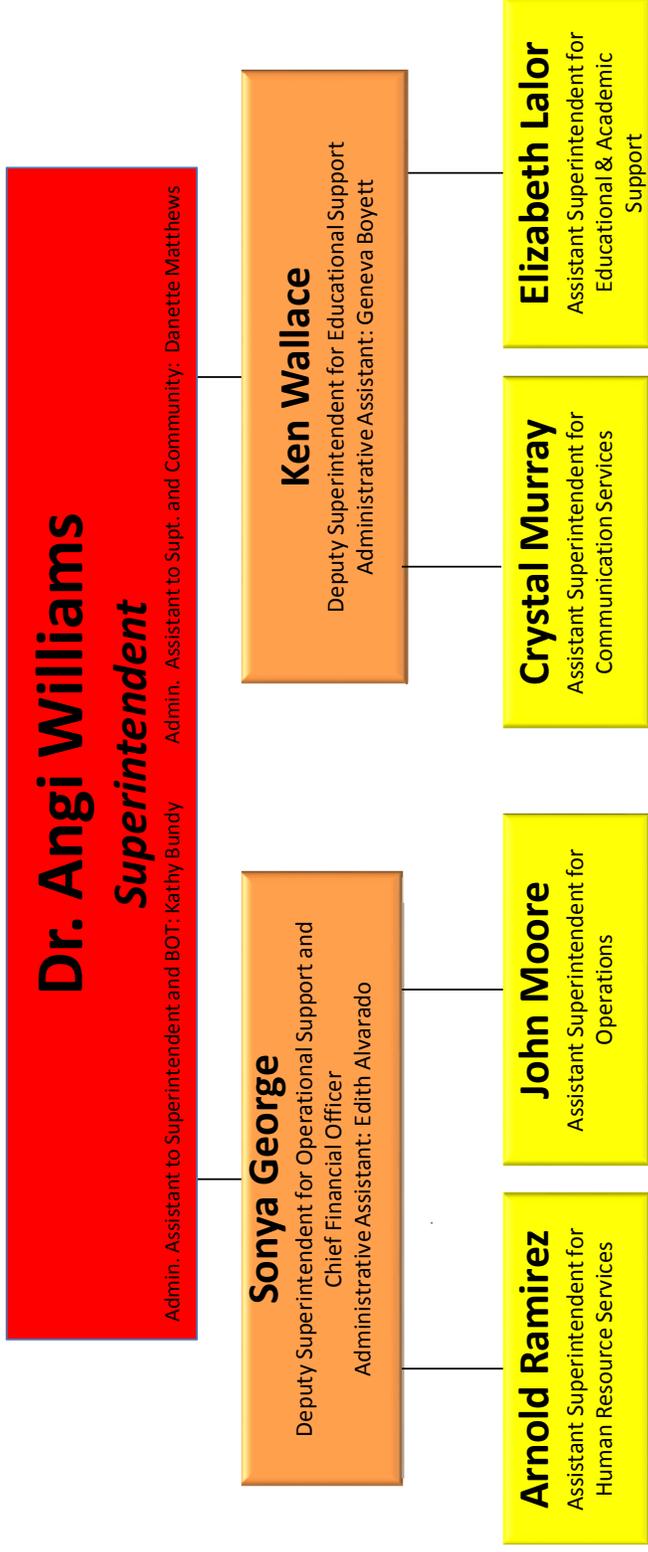


Angi Williams, Ed.D  
Superintendent of Schools



Sonya George  
Chief Financial Officer

# GALENA PARK INDEPENDENT SCHOOL DISTRICT ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**Galena Park  
Independent School District  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**August 30, 2014**

Executive Director/CEO

# Association of School Business Officials International



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

## **Galena Park 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



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO  
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA  
Executive Director

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees  
Galena Park Independent School District  
Galena Park, Texas

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due 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 includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall 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, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of August 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 1 and Note 13 to the financial statements, the District adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as of August 31, 2015. Our opinion is not modified with respect to these matters.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 15 and the Budgetary Comparison Schedule and Pension Information on pages 54 through 58 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other supplementary information (as described in the accompanying table of contents) and the other information, such as the introductory and statistical section are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information (as described in the accompanying table of contents) is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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, based on our audit, the procedures performed as described above, the other supplementary information (as described in the accompanying table of contents) is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To the Board of Trustees  
Galena Park Independent School District

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2015, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas  
December 18, 2015

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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# **GALENA PARK INDEPENDENT SCHOOL DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the Galena Park Independent School District (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended August 31, 2015.

### **Financial Highlights**

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$123,928,637 (net position). Of this amount, \$50,004,043 (unrestricted net position) may be used to meet the District's ongoing obligations to students and creditors.
- The District's total net position increased by \$31,790,566 before the prior period adjustment related to pensions.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$131,785,633, an increase of \$15,015,970 in comparison with the prior year. The increase in governmental fund balances was primarily due to the increase in the general fund fund balance of \$22,695,610.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$79,206,234, or 42 percent of total general fund expenditures.
- The District's total bonded debt decreased by \$19,530,583 (9.6 percent) during the current fiscal year.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

### **Government-wide Financial Statements**

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

The *Statement of Net Position* presents information on all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

The government-wide financial statements of the District are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include Instruction, Instructional Resources and Media Services, Curriculum and Instructional Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Extracurricular Activities, General Administration, Facilities Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Interest on Long-term Debt, Bond Issuance Costs and Fees, Facilities Acquisition and Construction, and Payments to Appraisal Districts.

The government-wide financial statements can be found on pages 18 through 19 of this report.

**Fund Financial Statements**

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

**Governmental Funds**

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

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

The District maintains twenty-two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and debt service fund, all of which are considered to be major funds. Data from the other twenty governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the financial statements. The District adopts an annual appropriated budget for its general fund, debt service fund, and Child Nutrition special revenue fund.

The basic governmental fund financial statements can be found on pages 20 through 23 of this report.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Proprietary Fund**

The District maintains an internal service fund, one type of proprietary fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various funds and functions. The District uses an internal service fund to account for its print shop copier services. Because this service predominantly benefits governmental functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The internal service fund financial statements provide separate information for the print shop.

The basic proprietary fund financial statements can be found on pages 24 through 26 of this report.

**Fiduciary Fund**

The fiduciary funds are used to account for resources held for the benefit of students. The fiduciary fund is *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the District's own programs. The Agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operation. In addition, the District's private - purpose trust fund reports a trust arrangement under which principal and income benefit individuals.

The basic fiduciary fund financial statement can be found on pages 27 through 28 of this report.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 through 52 of this report.

**Required Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The required supplementary information relates to comparison of the original adopted budget, the final amended budget, and the actual amounts for the fiscal year. This is required supplementary information for the general fund and any major special revenue funds. The District did not have any major special revenue funds; therefore, only the general fund is presented as required supplementary information. In fiscal year 2015 the District implemented GASB Statements Nos. 68 and 71 which add required new schedules related to pensions. The required supplementary information can be found on pages 54 through 58 of this report.

**Other Information**

The combining and individual fund statements and schedules and other supplementary information are presented immediately following the required supplementary information and can be found on pages 62 through 77 of this report.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$123,928,637 at the close of the most recent fiscal year.

The District's investment in capital assets (e.g., capitalized bond and debt issuance costs, land, buildings and improvements, furniture and equipment, construction in progress), less any outstanding related debt used to acquire those assets totaled \$64,843,915. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Galena Park Independent School District's Net Position**

	<u>2015</u>	<u>2014</u>
Current and other assets	\$ 149,655,864	\$ 131,448,731
Capital assets	245,872,368	250,939,169
<b>Total Assets</b>	<u>395,528,232</u>	<u>382,387,900</u>
Deferred Loss on Refunding	3,485,616	2,418,958
Deferred Outflows - pension	6,205,793	
<b>Total Deferred Outflows of Resources</b>	<u>9,691,409</u>	<u>2,418,958</u>
Current liabilities	7,833,305	6,700,545
Long term liabilities	265,606,081	256,887,401
<b>Total Liabilities</b>	<u>273,439,386</u>	<u>263,587,946</u>
Deferred inflows - pension	7,851,618	
<b>Total Deferred Inflows of Resources</b>	<u>7,851,618</u>	
<b>Net Position:</b>		
Net investment in capital assets	64,843,915	50,303,111
Restricted	9,080,679	13,823,205
Unrestricted	50,004,043	57,092,596
<b>Total Net Position</b>	<u>\$ 123,928,637</u>	<u>\$ 121,218,912</u>

Net position of \$9,080,679 is restricted for state, federal and local programs, debt service. The remaining balance of *unrestricted net position* \$50,004,043 may be used to meet the District's ongoing obligations to students and creditors. The District's net position increased by \$31,790,566 during the current fiscal year primarily due to the increase in property tax and state aid revenues, but was offset by a prior period adjustment of \$29,080,841 for a net increase of \$2,709,725.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Galena Park Independent School District's Changes in Net Position**

	<u>2015</u>	<u>2014</u>
<b>Program Revenues</b>		
Charges for services	\$ 4,348,533	\$ 5,106,726
Operating grants	34,844,417	36,638,833
<b>General Revenues</b>		
Property taxes	112,784,242	101,858,021
State aid	111,798,949	104,724,697
Grants and contributions not restricted	69,486	86,213
Interest earnings	206,950	167,415
Other	298,220	266,551
<b>Total Revenues</b>	<u>264,350,797</u>	<u>248,848,456</u>
<b>Expenses</b>		
Instruction	118,671,778	113,536,472
Instructional resources and media services	2,484,130	2,543,759
Curriculum and instructional staff development	5,049,277	4,785,800
Instructional leadership	5,446,409	5,158,621
School leadership	12,226,016	11,686,374
Guidance, counseling, and evaluation services	6,971,684	5,967,337
Social work services	533,315	581,864
Health services	1,745,665	1,696,559
Student transportation	6,060,314	5,442,835
Food services	13,898,421	13,828,395
Extracurricular activities	4,956,638	4,784,559
General administration	7,523,092	6,990,616
Facilities, maintenance and operations	28,066,758	27,857,900
Security and monitoring services	2,572,674	2,778,838
Data processing services	3,177,492	2,516,556
Community services	1,389,389	1,427,226
Interest on long-term debt	10,832,510	11,978,110
Facilities repairs and maintenance	97,650	199,646
Payments to appraisal districts	857,019	764,804
<b>Total Expenses</b>	<u>232,560,231</u>	<u>224,526,271</u>
Increase (Decrease) in Net Position	31,790,566	24,322,185
<b>Beginning Net Position</b>	121,218,912	96,896,727
Prior period adjustment	(29,080,841)	
<b>Ending Net Position</b>	<u>\$ 123,928,637</u>	<u>\$ 121,218,912</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Governmental Activities**

Governmental activities increased the District's net position by \$31,790,566, before the prior period adjustment related to pensions. Key elements of this increase are as follows:

Revenues are generated primarily from two sources. Grants and contributions (program and general revenues totaling \$146,712,852 represent 55 percent of total revenues and property taxes of \$112,784,242 represent 43 percent of total revenues. The remaining \$4,853,703 is generated from charges for services, investment earnings, and miscellaneous revenues. Property tax revenues increased by approximately \$10.9 million due to higher appraised tax values. In addition, State aid increased by \$7.1 million.

The primary functional expense of the District is instruction, which at \$118,671,778 represents 51 percent of total expenses. Facilities maintenance and operations expenses of \$28,066,758 represent 12 percent of total expenses. Food services expenses of \$13,898,421 represent 6 percent of total expenses. The remaining individual functional categories of expenses are each less than 6 percent of total expenses.

**Financial Analysis of the Government's Funds**

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

**Governmental Funds**

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

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$131,785,633, an increase of \$15,015,970 in comparison with the prior year. The increase in ending governmental fund balances is primarily due to increases in the general fund.

The general fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$79,206,234, while total fund balance reached \$122,741,313. As a measure of the general fund's liquidity, it may be useful to compare both unassigned, fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 42 percent of total general fund expenditures, while total fund balance represents 65 percent of that same amount.

The increase in the General Fund's fund balance of \$22,695,610 was primarily due to the increase in property taxes and state funding.

The debt service fund has a total fund balance of \$4,024,630, all of which is restricted for the payment of debt service. The net decrease in the debt service fund balance during the current year of \$6,019,129 was attributable to the refunding of previously issued bonds which was partially funded with cash from the debt service fund.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Proprietary Fund**

The District's proprietary fund financial statement, internal service printing services, provides detail information about the profitability of the Print Shop Fund. At the end of the year, net position was \$95,818, a decrease of \$468 compared to the prior year. The net change in fund's position is eliminated and allocated to the governmental expenses in the government-wide financial statements.

**General Fund Budgetary Highlights**

Actual expenditures were \$8.0 million below final budgeted amounts. The positive variance was primarily due to the positive variances in instruction and general administration of \$1.01 million and \$1.06 million, respectively. To provide further analysis, payroll costs were lower than anticipated which allowed the district to come under budget by approximately \$4.5 million. The District's professional & contracted services expenditures were also lower than expected by approximately \$1.9 million.

Resources available were \$2.1 million over the final budgeted amounts. This favorable variance was due to higher actual revenues than final budgets in local and state revenue categories of \$525 thousand, and \$1.8 million respectively. Federal revenues were \$263 thousand less than final budgeted amounts. In regards to specific federal revenues, \$0.5 million less than budgeted was received for School Health and Related Services. The review of the final amended budget versus actual for the general fund reflected a positive budget variance in the amount of \$10.2 million, thus eliminating the need to draw upon existing fund balances.

**Capital Assets and Long-term Liabilities**

**Capital Assets**

The District's investment in capital assets for its governmental type activities as of August 31, 2015, amounts to \$245,872,369 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment and vehicles. The total decrease in the District's investment in capital assets for the current fiscal year was \$5,066,800. Changes in capital assets are shown below:

**Galena Park Independent School District's Capital Assets**

	<b>Balance September 1, 2014</b>	<b>Additions</b>	<b>Retirements and Transfers</b>	<b>Balance August 31, 2015</b>
Land	\$ 13,550,599	\$ 495,231	\$ -	\$ 14,045,830
Building and improvements	342,776,586	919,390	-	343,695,976
Furniture and equipment	40,257,003	4,375,585	(673,795)	43,958,793
Vehicles	10,180,542	426,419	(115,262)	10,491,699
	<u>406,764,730</u>	<u>6,216,625</u>	<u>(789,057)</u>	<u>412,192,298</u>
Less accumulated depreciation for:				
Buildings and improvements	(122,698,015)	(8,154,648)	-	(130,852,663)
Furniture and equipment	(26,365,577)	(2,536,177)	673,795	(28,227,959)
Vehicle	(6,761,969)	(592,600)	115,262	(7,239,307)
	<u>(155,825,561)</u>	<u>(11,283,425)</u>	<u>789,057</u>	<u>(166,319,929)</u>
Governmental Capital Assets	<u>\$ 250,939,169</u>	<u>\$ (5,066,800)</u>	<u>\$ -</u>	<u>\$ 245,872,369</u>

Additional information on the District's capital assets can be found in Note 4 on page 40 of the notes to the financial statements.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Long-term Liabilities**

At the end of the current fiscal year, the District had \$184,514,063 in bonded debt outstanding, a decrease of \$19,530,583 over the previous year. The District's bonds are sold with an "AAA" rating and are guaranteed through the Texas Permanent School Fund Guarantee Program or by a municipal bond insurance policy. The underlying rating of the bonds from Standard and Poor's is "A+" and from Moody's Investors Service is "Aa2" for general obligation debt.

Changes to long-term debt, for the year ended August 31, 2015 are as follows:

**Galena Park Independent School District's Long-term Liabilities**

	<b>Balance September 1 , 2014</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance August 31, 2015</b>
General obligation bonds	\$ 195,248,670	\$ 9,505,000	\$ (27,584,319)	\$ 177,169,351
Plus amounts for issuance premiums	5,953,105	456,463	(1,176,208)	5,233,360
Qualified zone academy bonds	2,842,871	-	(731,519)	2,111,352
Accreted interest on premium compound interest bonds	51,690,280	4,975,648	(2,450,681)	54,215,247
Accrued compensated absences	1,152,475	259,875	(202,600)	1,209,750
	<u>\$ 256,887,401</u>	<u>\$ 15,196,986</u>	<u>\$ (32,145,327)</u>	<u>\$ 239,939,060</u>

Additional information on the District's long-term liabilities can be found in Note 6 on pages 41 through 43 of the notes to the financial statements.

**Economic Factors and Next Year's Budgets and Tax Rates**

The District's Board of Trustees and Administrators considered a variety of factors when adopting the budget for the 2015-16 fiscal year. Those factors include property values, enrollment trends, state funding, the economy, and legislative mandates. The following assumptions were taken into account when adopting the general operating budget for 2015-16.

- Adoption of an M & O tax rate of \$1.2433 per \$100 of assessed valuation.
- Taxable values used for the 2015-16 budget are expected to increase by .5% from the 2014-15 levels. The budgeted property tax revenues were based on a taxable value of \$7.450 billion with a 100.0% collection rate.
- The district's 2015-16 average daily attendance is estimated at 20,800.

State Funding available for appropriation in the 2015-16 budget increased by approximately \$100 per student due to changes in the Foundation School Program funding formulas. The formula changes were included in House Bill 1 passed during the 84<sup>th</sup> Legislative session. Senate Bill 1 included provisions to cut taxes for homeowners by increasing the mandatory homestead exemption by \$10,000 increasing the total state exemption to \$25,000. The provision was contingent upon an amendment to the state constitution which was given voter approval on November 2, 2015. The legislature did authorize modifications in property valuations used in the state aid formulas to offset the loss in local property tax revenue.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

With voter approval from a tax ratification election held in December 2007 the tax rate increased from \$1.1134 to \$1.1834 per \$100 valuation. A second successful tax ratification election in September 2012 increased the tax rate an additional .5999 cents for a total rate of \$1.2433. Both of the successful elections and resulting tax rate increases generate additional property tax revenue and maximize the amount of state aid the district can receive utilizing the current state funding formulas. The additional funds generated from these elections continue to help the district in meeting ongoing financial needs.

Amounts available for appropriation in the general fund are \$198.1 million, an increase of \$7.9 million from the previous year. Expenditures are budgeted to increase 4% to \$198.1 million. The majority of the increase in budgeted expenditures was to fund a salary increase for teachers and other staff. A balanced budget was adopted for 2015-16. If these budgetary estimates are realized, the District's General Fund balance will remain unchanged by August 31, 2016.

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## **BASIC FINANCIAL STATEMENTS**

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Exhibit A-1*

**STATEMENT OF NET POSITION**

August 31, 2015

<b>Data Control Codes</b>	<b>Governmental Activities</b>
<b>Assets</b>	
1110 Cash and cash equivalents	\$ 122,936,213
1225 Property taxes receivables, net	10,375,254
1240 Due from other governments	14,966,363
1267 Due from fiduciary funds	60,257
1290 Other receivables, net	756,773
1300 Inventories	560,504
1490 Other current assets	500
Capital assets not subject to depreciation:	
1510 Land	14,045,830
Capital assets net of depreciation:	
1520 Buildings and improvements, net	212,843,313
1531 Vehicles, net	3,252,391
1530 Furniture and equipment, net	15,730,834
<b>1000 Total Assets</b>	<b>395,528,232</b>
<b>Deferred Outflows of Resources</b>	
1700 Deferred loss on refunding	3,485,616
1705 Deferred outflows - pension	6,205,793
<b>Total Deferred Outflows of Resources</b>	<b>9,691,409</b>
<b>Liabilities</b>	
2110 Accounts payable	3,164,963
2140 Interest payable	448,312
2150 Payroll deductions and withholdings	1,210,958
2160 Accrued wages payable	2,912,709
2300 Unearned revenue	96,363
Noncurrent Liabilities:	
2501 Due within one year	14,866,165
2502 Due in more than one year	225,072,895
2540 Net pension liability	25,667,021
<b>2000 Total Liabilities</b>	<b>273,439,386</b>
<b>Deferred Inflows of Resources</b>	
2605 Deferred inflows - pension	7,851,618
<b>Total Deferred Inflows of Resources</b>	<b>7,851,618</b>
<b>Net Position</b>	
3200 Net investment in capital assets	64,843,915
<b>Restricted for:</b>	
3820 Federal and state programs	29,085
3840 Food service	3,812,409
3850 Debt service	5,239,185
3900 Unrestricted	50,004,043
<b>3000 Total Net Position</b>	<b>\$ 123,928,637</b>

See Notes to the Financial Statements

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Exhibit B-1*

**STATEMENT OF ACTIVITIES**

*For the Year Ended August 31, 2015*

Data Control Codes	Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Position
			Charges for Services	Operating Grants and Contributions	Primary
	<b>Governmental activities:</b>				
11	Instruction	\$ 118,671,778	\$ 662,850	\$ 13,848,374	\$ (104,160,554)
12	Instructional resources and media services	2,484,130	-	107,824	(2,376,306)
13	Curriculum and instructional staff development	5,049,277	-	2,788,142	(2,261,135)
21	Instructional leadership	5,446,409	-	1,159,498	(4,286,911)
23	School leadership	12,226,016	125,841	766,062	(11,334,113)
31	Guidance, counseling, and evaluation services	6,971,684	-	871,299	(6,100,385)
32	Social work services	533,315	-	82,367	(450,948)
33	Health services	1,745,665	-	544,934	(1,200,731)
34	Student transportation	6,060,314	-	477,604	(5,582,710)
35	Food services	13,898,421	2,396,603	11,307,889	(193,929)
36	Extracurricular activities	4,956,638	971,872	104,376	(3,880,390)
41	General administration	7,523,092	-	419,802	(7,103,290)
51	Facilities maintenance and operations	28,066,758	191,367	1,548,812	(26,326,579)
52	Security and monitoring services	2,572,674	-	18,193	(2,554,481)
53	Data processing services	3,177,492	-	104,999	(3,072,493)
61	Community services	1,389,389	-	693,272	(696,117)
72	Interest on long-term debt	10,832,510	-	-	(10,832,510)
81	Facilities repairs and maintenance	97,650	-	970	(96,680)
99	Payments to Appraisal District	857,019	-	-	(857,019)
<b>TG</b>	<b>Total governmental activities</b>	<b>\$ 232,560,231</b>	<b>\$ 4,348,533</b>	<b>\$ 34,844,417</b>	<b>\$ (193,367,281)</b>

**Data Control Codes**

**General revenues:**

Taxes:

<b>MT</b>	Property taxes, levied for general purposes	\$ 92,693,999
<b>DT</b>	Property taxes, levied for debt service	20,090,243
<b>SF</b>	State-aid formula grants	111,798,949
<b>GC</b>	Grants and contributions not restricted	69,486
<b>IE</b>	Investment earnings	206,950
<b>MI</b>	Miscellaneous	298,220
<b>TR</b>	<b>Total general revenues</b>	<b>225,157,847</b>
<b>CN</b>	Change in net position	31,790,566
<b>NB</b>	<b>Net position - beginning</b>	<b>121,218,912</b>
<b>PA</b>	Prior period adjustments	(29,080,841)
<b>NE</b>	<b>Net position - ending</b>	<b>\$ 123,928,637</b>

See Notes to the Financial Statements

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Exhibit C-1*

**BALANCE SHEET**

**GOVERNMENTAL FUNDS**

August 31, 2015

<u>Data Control Codes</u>	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>				
1110 Cash and temporary investments	\$ 114,279,237	\$ 3,066,596	\$ 5,481,355	\$ 122,827,188
<b>Receivables:</b>				
1220 Delinquent property taxes receivables	10,236,619	1,897,705	-	12,134,324
1230 Allowance for uncollectible taxes (credit)	(1,510,066)	(249,004)	-	(1,759,070)
1240 Receivables from other governments	11,614,328	916,744	2,435,290	14,966,362
1260 Due from other funds	25,426,909	55,539	380,690	25,863,138
1290 Other receivables	747,042	-	9,731	756,773
1300 Inventories, at cost	264,221	-	296,283	560,504
1490 Other current assets	500	-	-	500
<b>1000 Total Assets</b>	<u>\$ 161,058,790</u>	<u>\$ 5,687,580</u>	<u>\$ 8,603,349</u>	<u>\$ 175,349,719</u>
<b>Liabilities and Fund Balance</b>				
<b>Liabilities:</b>				
2110 Accounts payable	\$ 2,617,667	\$ -	\$ 546,583	\$ 3,164,250
2140 Interest payable		14,166		14,166
2150 Payroll deductions and withholdings	1,210,958	-	-	1,210,958
2160 Accrued wages payable	2,684,395	-	226,779	2,911,174
2170 Due to other funds	23,069,864	83	2,721,974	25,791,921
2300 Unearned revenue	8,040	-	88,323	96,363
<b>2000 Total Liabilities</b>	<u>29,590,924</u>	<u>14,249</u>	<u>3,583,659</u>	<u>33,188,832</u>
<b>Deferred Inflows of Resources</b>				
2600 Unavailable revenue - property taxes	8,726,553	1,648,701	-	10,375,254
<b>Total Deferred Inflows of Resources</b>	<u>8,726,553</u>	<u>1,648,701</u>	<u>-</u>	<u>10,375,254</u>
<b>Fund Balance:</b>				
<b>Nonspendable:</b>				
3410 Inventories	264,221	-	296,283	560,504
<b>Restricted</b>				
3450 Grants	-	-	3,546,212	3,546,212
3470 Capital acquisition program	-	-	-	-
3480 Debt service	-	4,024,630	-	4,024,630
<b>Committed</b>				
3545 Campus activity	-	-	1,177,195	1,177,195
3590 <b>Assigned</b>	43,270,858	-	-	43,270,858
3600 <b>Unassigned</b>	79,206,234	-	-	79,206,234
<b>3000 Total Fund Balances</b>	<u>122,741,313</u>	<u>4,024,630</u>	<u>5,019,690</u>	<u>131,785,633</u>
<b>4000 Total Liabilities and Fund Balance</b>	<u>\$ 161,058,790</u>	<u>\$ 5,687,580</u>	<u>\$ 8,603,349</u>	<u>\$ 175,349,719</u>

See Notes to the Financial Statements.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS TO**  
**STATEMENT OF NET POSITION**  
**August 31, 2015**

*Exhibit C-2*

<b>Data Control Codes</b>		
	<b>Total fund balance, governmental funds</b>	\$ 131,785,633
	Amounts reported for governmental activities in the statement of net position (A-1) are different because:	
	Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
1	Capital assets at historical cost, net of accumulated depreciation, where applicable	245,872,369
2	Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, these property taxes and related penalty and interest amounts (net of allowance for uncollectible accounts).	10,375,253
3	Deferred loss on refunding	3,485,616
4	Deferred inflows and outflows related to pension liability	(1,645,825)
	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.	
	Long-term liabilities at year end consist of:	
5	General obligation bonds	(179,280,703)
6	Premiums on issuance	(5,233,360)
7	Accreted interest on premium compound interest bonds	(54,215,247)
8	Accrued compensated absences	(1,209,750)
9	Accrued interest payable	(434,146)
10	Net pension liability	(25,667,021)
11	Addition of Internal Service fund net position	<u>95,818</u>
19	<b>Total net position - governmental activities</b>	<u><u>\$ 123,928,637</u></u>

See Notes to the Financial Statements.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - GOVERNMENTAL FUNDS**  
**For the Year Ended August 31, 2015**

*Exhibit C-3*

<b>Data Control Codes</b>		<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ 92,077,923	\$ 19,770,048	\$ 3,737,312	\$ 115,585,283
5800	State program revenues	118,047,029	2,340,175	1,747,118	122,134,322
5900	Federal program revenues	1,676,335	-	23,220,983	24,897,318
<b>5020</b>	<b>Total revenues</b>	<u>211,801,287</u>	<u>22,110,223</u>	<u>28,705,413</u>	<u>262,616,923</u>
<b>Expenditures</b>					
<b>Current:</b>					
0011	Instruction	107,088,009	-	9,035,741	116,123,750
0012	Instructional resources and media services	2,203,213	-	58,016	2,261,229
0013	Curriculum and instructional staff development	2,461,063	-	2,638,857	5,099,920
0021	Instructional leadership	4,480,430	-	835,533	5,315,963
0023	School leadership	11,918,584	-	168,745	12,087,329
0031	Guidance, counseling and evaluation services	6,446,804	-	439,915	6,886,719
0032	Social work services	463,115	-	80,487	543,602
0033	Health services	1,578,745	-	129,597	1,708,342
0034	Student transportation	5,484,675	-	163,316	5,647,991
0035	Food services	1	-	13,497,038	13,497,039
0036	Extracurricular activities	3,656,358	-	772,337	4,428,695
0041	General administration	7,353,318	-	12,751	7,366,069
0051	Facilities maintenance and operations	26,628,605	-	1,814,545	28,443,150
0052	Security and monitoring services	2,555,775	-	19,873	2,575,648
0053	Data processing services	3,799,088	-	325	3,799,413
0061	Community services	742,809	-	693,354	1,436,163
<b>Debt service:</b>					
0071	Principal on long-term debt	731,519	10,244,319	-	10,975,838
0072	Interest on long-term debt	62,400	8,982,066	-	9,044,466
0073	Bond issuance costs and fees	3,098	170,917	-	174,015
<b>Capital outlay:</b>					
0081	Facilities acquisition and construction expenditures	669,208	-	11,485	680,693
<b>Intergovernmental:</b>					
0099	Payments to appraisal district	857,019	-	-	857,019
<b>6030</b>	<b>Total Expenditures</b>	<u>189,183,836</u>	<u>19,397,302</u>	<u>30,371,915</u>	<u>238,953,053</u>
1100	Excess (deficiency) of revenues over expenditures	<u>22,617,451</u>	<u>2,712,921</u>	<u>(1,666,502)</u>	<u>23,663,870</u>
<b>Other Financing Sources (Uses)</b>					
7911	Refunding bonds issued	-	9,505,000	-	9,505,000
7912	Sale of real or personal property	78,159	-	5,991	84,150
7916	Premium or discount on issuance of bonds	-	456,463	-	456,463
8949	Payment to bond refunding escrow agent	-	(18,693,513)	-	(18,693,513)
<b>7080</b>	<b>Total other financing sources and uses</b>	<u>78,159</u>	<u>(8,732,050)</u>	<u>5,991</u>	<u>(8,647,900)</u>
1200	Net change in fund balances	22,695,610	(6,019,129)	(1,660,511)	15,015,970
<b>0100</b>	<b>Fund Balance - beginning</b>	<u>100,045,703</u>	<u>10,043,759</u>	<u>6,680,201</u>	<u>116,769,663</u>
<b>3000</b>	<b>Fund Balance - ending</b>	<u>\$ 122,741,313</u>	<u>\$ 4,024,630</u>	<u>\$ 5,019,690</u>	<u>\$ 131,785,633</u>

See Notes to the Financial Statements.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Exhibit C-4*

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES**

*For the Year Ended August 31, 2015*

<b>Data Control Codes</b>		
	Net change in fund balances - total governmental funds (from C-3)	\$ 15,015,970
	Amounts reported for governmental activities in the statement of activities (B-1) are different because:	
	Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
1	Governmental funds capital outlay	6,216,625
2	Governmental activities depreciation expense	(11,283,425)
3	Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	2,037,285
4	Pension contributions made after the net pension liability date are reported as expenditures in the governmental funds and are reported as deferred outflows on the face of the statement of net position	4,140,459
5	Repayment of bond principal of \$10,975,838 of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. The District also refunded \$18,693,513 in bonds. This payment was made to the bond refunding escrow agent.	29,669,351
6	Proceeds from issuance of refunding bonds is reported as an other financing source (\$9,505,000) in the governmental funds. In the government-wide financial statements, proceeds are treated as an increase in long-term liabilities. The premium (\$456,463) and deferred loss on refundings (\$1,324,061) associated with the issuance is treated as a deferred outflow of resources.	(9,961,463)
	Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:	
7	Decrease in interest payable not recognized in fund statements	21,585
8	Increase in long-term portion of accrued compensated absences	(57,275)
9	Accreted interest on capital appreciation bonds	(4,975,648)
10	Amortization of premiums, deferred loss on refunding	889,353
11	Capital appreciation bonds matured and related accreted interest	2,450,681
12	Pension expense for the pension plan measurement year	(2,372,464)
13	Internal service funds are used by management to charge the costs of certain activities, such as Copy Center, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental funds. (see D-2)	<u>(468)</u>
	<b>Change in net position of governmental activities (see B-1)</b>	<u>\$ 31,790,566</u>

See Notes to the Financial Statements.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Exhibit D-1*

**STATEMENT OF NET POSITION**

**PROPRIETARY FUNDS**

*August 31, 2015*

<u>Data Control Codes</u>	<u>Governmental Activities</u>
	<u>Internal Service Fund</u>
<b>Assets</b>	
<b>Current Assets:</b>	
1110 Cash and cash equivalents	\$ 109,026
<b>Total current assets</b>	<u>109,026</u>
<b>Liabilities</b>	
<b>Current Liabilities:</b>	
2110 Accounts payable	713
2160 Accrued wages payable	1,535
2170 Due to other funds	10,960
<b>Total current liabilities</b>	<u>13,208</u>
2000 <b>Total Liabilities</b>	<u>13,208</u>
<b>Net Position</b>	
3800 Unrestricted net position	<u>\$ 95,818</u>

See Notes to the Financial Statements.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Exhibit D-2*

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**

**PROPRIETARY FUNDS**

*For the Year Ended August 31, 2015*

<b>Data Control Codes</b>		<b>Governmental Activities</b>
		<b>Internal Service Fund</b>
	<b>Operating Revenues</b>	
5749	Miscellaneous revenue from local sources	\$ 260,040
5020	<b>Total Operating Revenues</b>	<u>260,040</u>
	<b>Operating Expenses</b>	
6100	Payroll costs	66,600
6200	Purchased and contracted services	150,163
6300	Supplies and materials	43,032
6400	Other operating expenses	713
6030	<b>Total Operating Expenses</b>	<u>260,508</u>
1200	Operating Income (Loss)	(468)
	<b>Net Position</b>	
0100	<b>Net Position - September 1 (Beginning)</b>	<u>96,286</u>
3300	<b>Net Position - August 31 (Ending)</b>	<u><u>\$ 95,818</u></u>

See Notes to the Financial Statements.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT***Exhibit D-3***STATEMENT OF CASH FLOWS****PROPRIETARY FUNDS***Year Ended August 31, 2015*

	<b>Governmental Activities</b>
	<b>Internal Service Fund</b>
<b>Cash Flows from Operating Activities:</b>	
Cash received from customers	\$ 260,040
Cash payments to suppliers for goods and services	(202,194)
Cash payments to employees	(66,587)
<b>Net Cash Provided by Operating Activities</b>	<u>(8,741)</u>
Net Increase in Cash and Cash Equivalents	(8,741)
Cash and Cash Equivalents at Beginning of Year	117,767
<b>Cash and Cash Equivalents at End of Year</b>	<u><u>\$ 109,026</u></u>
<b>Reconciliation of Operating Income to Net Cash</b>	
<b>Provided by Operating Activities:</b>	
Operating Income	\$ (468)
<b>Adjustments to Reconcile Operating Income to Net Cash</b>	
<b>Provided by Operating Activities:</b>	
<b>Change in Assets and Liabilities:</b>	
Increase (decrease) in Accounts Payable	713
Increase (decrease) in Accrued Wages Payable	13
Increase (decrease) in Interfund Payables	(8,999)
<b>Net Cash Provided by (Used for) Operating Activities</b>	<u><u>\$ (8,741)</u></u>

See Notes to the Financial Statements.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Exhibit E-1*

**STATEMENT OF FIDUCIARY NET POSITION**

*August 31, 2015*

<u>Data Control Codes</u>		<b>829</b>	<b>865</b>
		<u>Private Purpose Trust Fund</u>	<u>Student Activity Fund</u>
	<b>Assets</b>		
1110	Cash and cash equivalents	\$ 124,281	\$ 334,450
	<b>Receivables:</b>		
1260	Due from other Funds	520	90
<b>1000</b>	<b>Total Assets</b>	<u>124,801</u>	<u>\$ 334,540</u>
	<b>Liabilities</b>		
2110	Accounts payable	17,435	\$ 6,295
2170	Due to other funds	-	60,867
2190	Due to student groups	-	267,378
<b>2000</b>	<b>Total Liabilities</b>	<u>17,435</u>	<u>\$ 334,540</u>
	<b>Net Postion</b>		
3590	Held In Trust for Other Purposes	<u>107,366</u>	

See Notes to the Financial Statements.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Exhibit E-2*

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

*For the Year Ended August 31, 2015*

	<b>Private Purpose Trust Fund</b>
<b>Additions</b>	
Gifts and contributions	\$ 16,890
Earnings on investments	170
<b>Total Additions</b>	<u>17,060</u>
<b>Deductions</b>	
Scholarships awarded	<u>22,100</u>
<b>Total deductions</b>	<u>22,100</u>
Change in net position	(5,040)
<b>Net position, beginning of year</b>	<u>112,406</u>
<b>Net position, end of year</b>	<u>\$ 107,366</u>

See Notes to the Financial Statements.

**Note 1 - Summary of Significant Accounting Policies**

The Galena Park Independent School District (the “District”) is an independent public educational agency operating under applicable laws and regulations of the State of Texas. The District is autonomously governed by a seven member Board of Trustees elected by the District’s residents.

The District prepares its basic financial statements in conformity with Generally Accepted Accounting Principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement of Auditing Standards No. 69* of the American Institute of Certified Public Accountants. Additionally, the District complies with the requirements of the appropriate version of the Texas Education Agency (TEA) *Financial Accountability System Resource Guide* (FASRG) and the requirements of contracts and grants of agencies from which it receives funds.

The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities.

**Reporting Entity**

The District is considered an independent entity for financial reporting purposes and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations or functions as part of the District’s financial reporting entity. Based on these considerations, the District’s basic financial statements do not include any other entities. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the District’s financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the District is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the District’s financial reporting entity status is that of a primary government are: that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include: considerations pertaining to organizations for which the primary government is financially accountable and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

**Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to students or users who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Government-wide and Fund Financial Statements (continued)**

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

The District's fiduciary funds include both agency funds and private-purpose trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. These funds use the accrual basis of accounting to recognize receivables and payables. Private-purpose trust funds employ the same economic resources measurement focus and accrual basis of accounting as do proprietary funds.

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

Grant revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

- The *general fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Additionally, the District reports the following fund types:

- The *special revenue funds* are used to account for resources restricted to, or committed for specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a special revenue fund. Generally, unused balances are returned to the grantor at the close of the specified project periods. With respect to the food service and campus activity funds, funds are rolled over from year to year for use in the program.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

- The *capital projects fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.
- The *internal service funds* account for print shop services.
- The *private-purpose trust fund* is used to account for donations for scholarship funds that are received by the District that are to be awarded to current and former students for post-secondary education purposes.
- The *agency fund* is used to account for assets held by the District as an agent for student organizations. The fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operation.

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

Amounts reported as *program revenues* include 1) charges to students or users for goods, services, or privileges provided and 2) operating grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes and investment income.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service fund are charges to the funds for print shop services. Operating expenses for the internal service fund include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, investment pools, (TexPool, Lone Star and LOGIC), money market funds. These external pools operate like a "2a7" pool and these investments are carried at amortized cost in accordance with GASB 31.

Investments for the District are reported at fair value based on quoted market prices at August 31, 2015. The investment pools operate in accordance with appropriate state laws and regulations. The reported value of the pools is the same as the fair value of the pool shares.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Property tax receivables include unpaid property taxes at year-end along with penalties and interest assessed on these unpaid taxes, and are shown net of an allowance for uncollectible taxes. Revenues from property taxes are recognized when levied to the extent they are available. The District considers property taxes as available when collected. However, not all outstanding property taxes are expected to be collected within one year of the date of the financial statements. Property values are determined by the Harris County Appraisal District as of January 1 of each year. Prior to September 1 of each year, the District must adopt its annual budget and as soon thereafter as practicable, shall adopt a tax rate thus creating the tax levy. Property taxes for the current calendar year are levied on approximately October 1 of each year and are payable by January 31 of the following year. Property tax receivables are recorded as of the date levied. Unpaid taxes become delinquent on February 1 and a tax lien on real property is created as of July 1 of each year.

The tax rates applicable to the maintenance and operation and debt service for 2014-2015 were \$1.24330 and \$0.27010, respectively, based on a taxable value of \$7,433,199,935. Uncollected taxes are recorded as unavailable revenue in the fund financial statements net of the related allowance for uncollectible taxes.

**Inventories and Prepaid Items**

Inventories consisting of supplies and materials are valued at weighted average cost and they include maintenance, transportation, office and instructional supplies, and food service commodities. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Food service commodity inventory is recorded at fair market value on the date received. Commodities are recognized as revenues in the period received when all the eligibility requirements are met. Commodity inventory items are recorded as expenditures when distributed to user locations. A portion of fund balance is considered non-spendable to reflect minimum inventory quantities considered necessary for the District's continuing operations.

Beginning in 2014, the District no longer uses the consumption method as it relates to prepaid items. The District has opted to use the purchase method and in accordance with GAAP, prepaid items are not required to be recorded on the District's balance sheet.

**Capital Assets**

Capital assets, which include land, construction in progress, buildings and improvements, furniture and equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the governmental column in the government-wide financial statements. The District's infrastructure includes parking lots and roads associated with various buildings. The cost of the infrastructure was initially capitalized with the building cost and is being depreciated over the same useful life as the building. Capital assets are defined by the District as assets with an initial, individual cost that equals or exceeds \$5,000 and an estimated useful life in excess of one year. 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.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Capital Assets (continued)**

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.

Buildings and improvements, and 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 and Improvements	40 years
Furniture, fixtures and equipment	10 years
Vehicles	10 years

**Compensated Absences**

The District has a vacation pay policy for non-contractual employees (administration and other full-time employees) whereby eligible employees shall receive vacation pay from one to fifteen days, dependent upon the number of years of service, after the completion of a year's service in the District. All vacation days must be used during the year and unused vacation pay cannot be carried over to future periods.

The District's sick leave policy is coordinated with a state mandated sick leave policy whereby substantially all full-time teaching and paraprofessional employees receive up to twelve days sick leave per year. State sick leave days accrue at the rate of five per year without limit to accumulation. The unused balance may be transferred to another District within the Texas public school system. All state sick leave days must be used prior to retirement from the Texas public school system to receive the benefit. The District pays for all state sick leave days used.

Additional local sick leave of up to seven days per year accrues to employees eligible to receive state mandated sick days. All employees not eligible for state mandated sick days may receive up to twelve days of local sick leave. Local sick leave may be accrued without limitation; however, the District does not pay accumulated local sick leave upon termination with the District. Employees are eligible to receive local sick leave upon qualified retirement from the District, dependent upon the number of years of service with the District. Upon retirement, under an eligible retirement plan, an employee is eligible for reimbursement of accrued local sick leave based on the following schedule:

<u>Years of Service</u>	<u>Salary Service Reimbursed</u>	<u>Maximum Reimbursement</u>
Less than 20	\$100/day for up to 50 local days	\$5,000
20-30	\$100/day for up to 75 local days	\$7,500
31-35	\$100/day for up to 100 local days	\$10,000
Over 35	\$100/day for up to 175 local days	\$17,500

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Long-term Obligations**

The District's long-term obligations consist of bond indebtedness and compensated absences. 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 column on the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the bonds outstanding method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the year of issuance.

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

The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund. The current requirements for compensated absences and Qualified Zone Academy Bonds are liquidated in the general fund.

**Fund Equity**

Beginning with fiscal year 2011, Galena Park Independent School District implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The Statement also clarifies the governmental fund definitions. The following fund balance classifications describe the relative strength of the spending constraints:

**Nonspendable fund balance** – amounts that are not in spendable form or are required to be maintained intact. As such, inventory has been properly classified in the Governmental Funds Balance Sheet (Exhibit C-1).

**Restricted fund balance** – Amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors.

**Committed fund balance** – amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. the Board of Trustees). To be reported as committed, amounts cannot be used for any other purposes unless the District takes the same highest level of action to remove or change the constraint. The District establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. A fund balance commitment is further indicated in the budget document as a commitment of the fund. The District has committed 100 percent of Fund 461 Campus Activity Funds' fund balance.

**Assigned fund balance** – amounts the District intends to use for a specific purpose. Intent can be expressed by the District or by an official or body to which the Board of Trustees delegates the authority. Per Board Policy, CE Local, the Board has delegated authority to the Superintendent or Chief Financial Officer to establish fund balance assignments. As of August 31, 2015, assigned fund balance is as follows:

**Note 1 - Summary of Significant Accounting Policies (continued)**

	<b>General Fund</b>
Insurance Deductibles	\$ 4,590,603
Contingency - Unanticipated Deficits or Revenue	
Reductions for Adverse Economic Conditions	28,377,575
Capital and Lifecycle Expenditures	7,975,443
Average Daily Attendance Adjustment	50,052
District Personnel Growth	300,000
Dual Credit Expansion	269,000
Campus Budget Carryover	89,701
Campus Match for Fixed Asset Replacements	260,000
Contingency Liability - Internal Revenue Service (IRS)	116,000
Technology Initiatives	1,200,000
Outstanding Encumbrances	42,484
Total Assigned Fund Balance	<u>\$ 43,270,858</u>

**Unassigned fund balance** – amounts that are available for any purpose. Positive amounts are reported only in the general fund. The District strives for a minimum unassigned General Fund Balance of ten to fifteen percent of operating expenditures. In the Debt Service Fund, the District’s goal is to have a fund balance of fifteen percent of debt service expenditures.

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

**Data Control Codes**

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

**Deferred outflows/inflows of resources**

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

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

- Deferred outflows of resources for refunding – Reported in the government-wide statement of net position, this deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Deferred outflows/inflows of resources (continued)**

- Deferred outflows of resources for pension – Reported in the government wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of differences between expected and actual actuarial experiences. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The other pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan which is currently 6.94 years.

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

- Deferred inflows of resources for unavailable revenues - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows of resources for pension – Reported in the government wide financial statement of net position, these deferred inflows result primarily from differences between projected and actual earnings on pension plan investments. These amounts will be amortized over a closed five year period.

**Pensions**

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

**Use of Estimates**

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

**Note 1 - Summary of Significant Accounting Policies (continued)**

**Implementation of New Standards**

In the current fiscal year the District implemented the following new standards:

GASB Statement 68, *Accounting and Financial Reporting for Pensions* (“GASB 68”) establishes accounting and financial reporting standards for pensions that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts or similar arrangements that meet certain criteria. The Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. Implementation is reflected in the financial statements, notes to the financial statements and required supplementary information.

GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* (“GASB 71”) amends the transition provisions of GASB 68. GASB 71 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions made subsequent to the measurement date of the beginning net pension liability. Implementation is reflected in the financial statements and the notes to the financial statements.

**Note 2 - Deposits and Investments**

**Cash Deposits**

The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas School Depository Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the District's and the depository banks' agent bank. The pledged securities are approved by the Texas Education Agency and shall be in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance. The District's cash balance as of August 31, 2015 was properly insured and collateralized with securities held by the District's agent in the District's name.

**Investments**

The District's investment policy is in accordance with the Public Funds Investment Act, the Public Funds Collateral Act, and federal and state laws. The District further limits its investments to obligations of the U.S. Treasury or the State of Texas, certain U.S. Agencies, certificates of deposit, collateralized mortgage obligations, no-load money market mutual funds, certain municipal securities, repurchase agreements, or investment pools.

For fiscal year 2015, the District invested in the State of Texas TexPool, Lone Star Investment Pool, and Local Government Investment Cooperative (LOGIC). TexPool is duly chartered and overseen by the State Comptroller's Office and administered by Lehman Brothers and Federated Investors, Inc. The State Street Bank is the custodial bank. The portfolio consists of U.S. T-Bills, T-Notes, collateralized repurchase and reverse repurchase agreements, and no-load money market mutual funds regulated by the Securities and Exchange Commission and rated AAA or equivalent by at least one nationally recognized rating service. The investment activities of LOGIC are administered by First Southwest Asset Management, Inc. and JPMorgan Chase.

**Note 2 - Deposits and Investments (continued)**

**Mutual Funds**

Lone Star Corporate Overnight Plus Fund, a mutual fund, is duly chartered by the State of Texas Interlocal Cooperation Act and is administered by First Public, LLC, and managed by Bank of New York Mellon and American Beacon Advisors. The Bank of New York is the custodial bank. The Corporate Overnight Plus Fund may invest in all securities authorized under the Investment Act. However, it is the Board's policy to have these additional restrictions:

- The Corporate Overnight Plus Fund shall not invest its assets in any one nongovernmental issuer in an amount that exceeds 5 percent of the total fund assets at cost.
- If an A-1 or P-1 investment is placed on the watch list with negative implications by a rating agency, the investment manager must sell the investment within one week.

At year-end, the District's cash and investments balances and the weighted average maturity of these investments were as follows:

	<b>Fair Value</b>	<b>Weighted Average Maturity (Days)</b>
Cash and deposits	\$ 6,204,291	N/A
<b>Investments</b>		
Local Government Investment Pools		
LOGIC	599,531	41
TexPool	915,433	25
Mutual Fund - Lone Star	115,675,689	41
<b>Total Investments</b>	<u>117,190,653</u>	41
<b>Total Cash and Investments</b>	<u>\$123,394,944</u>	41

**Interest Rate Risk:**

*Interest rate risk* is the risk that changes in interest rates may adversely affect the value of the investments. The District monitors interest rate risk utilizing weighted average maturity analysis. In accordance with its investment policy, the District reduces its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio as a whole to no more than 360 days, with the exception of bond proceeds that are matched to a specific cash flow; diversification; and by holding securities to maturity. In addition, the District shall not directly invest in an individual security maturing more than twenty-four months from the date of purchase.

**Credit Risk:**

State law and the District's investment policy limits investments in all categories to top ratings issued by nationally recognized statistical rating organizations. As of August 31, 2015, the District's investment in TexPool was rated AAAM by Standard and Poor's. The District's investments in Lone Star Corporate Overnight Plus Fund and LOGIC were rated AAAs and AAAM, respectively, by Standard and Poor's.

**Concentration of Credit Risk:**

The District's investment policy requires the investment portfolio to be diversified in terms of investment instruments, maturity scheduling, and financial institutions in order to reduce the risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific issuer.

**Note 3 - Receivables**

Receivables as of year-end for the District's individual major and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Other Governmental Funds</b>	<b>Total</b>
Property Taxes	\$ 10,236,619	\$ 1,897,705	\$ -	\$ 12,134,324
Due from other governments	11,614,328	916,744	2,435,290	14,966,362
Other	<u>747,042</u>	<u>-</u>	<u>9,731</u>	<u>756,773</u>
Gross Receivables	22,597,989	2,814,449	2,445,021	27,857,459
Less allowance for doubtful accounts	<u>(1,510,066)</u>	<u>(249,004)</u>	<u>-</u>	<u>(1,759,070)</u>
<b>Net Total Receivables</b>	<u><u>\$ 21,087,923</u></u>	<u><u>\$ 2,565,445</u></u>	<u><u>\$ 2,445,021</u></u>	<u><u>\$ 26,098,389</u></u>

This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has only one type of item at the fund financial statement level, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

In addition, the District records unearned revenue for grant funds received in advance but not have been earned.

At the end of the current fiscal year, the District's deferred inflows related to unavailable property taxes and unearned revenues reported in the governmental funds were as follows:

	<b>Unavailable</b>	<b>Unearned</b>
Delinquent property taxes receivable (General Fund)	\$ 8,726,553	\$ -
Delinquent property taxes receivable (Debt Service Fund)	1,648,701	-
Grant funds received prior to meeting all eligibility requirements	<u>-</u>	<u>96,363</u>
	<u><u>\$ 10,375,254</u></u>	<u><u>\$ 96,363</u></u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

*Exhibit F-1*

**Note 4 - Capital Assets**

Capital asset activity for the year ended August 31, 2015, was as follows:

	<b>Balance September 1, 2014</b>	<b>Additions</b>	<b>(Retirements) and Transfers</b>	<b>Balance August 31, 2015</b>
Capital assets, not being depreciated				
Land	\$ 13,550,599	\$ 495,231	\$ -	\$ 14,045,830
Total Capital Assets, not being depreciated	<u>13,550,599</u>	<u>495,231</u>	<u>-</u>	<u>14,045,830</u>
Capital assets, being depreciated				
Buildings and improvements	342,776,586	919,390		343,695,976
Furniture and equipment	40,257,003	4,375,585	(673,795)	43,958,793
Vehicles	10,180,542	426,419	(115,262)	10,491,699
Total Capital Assets, being depreciated	<u>393,214,131</u>	<u>5,721,394</u>	<u>(789,057)</u>	<u>398,146,468</u>
Less accumulated depreciation for:				
Buildings and improvements	(122,698,015)	(8,154,648)		(130,852,663)
Furniture and Equipment	(26,365,577)	(2,536,177)	673,795	(28,227,959)
Vehicles	(6,761,969)	(592,600)	115,262	(7,239,307)
Total Accumulated Depreciation	<u>(155,825,561)</u>	<u>(11,283,425)</u>	<u>789,057</u>	<u>(166,319,929)</u>
<b>Governmental Capital Assets</b>	<u>\$ 250,939,169</u>	<u>\$ (5,066,800)</u>	<u>\$ -</u>	<u>\$245,872,369</u>

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

<b>Function</b>	<b>Depreciation Expense</b>
11 Instruction	\$ 4,570,810
12 Instructional resources and media services	232,312
13 Curriculum and staff development	22,656
21 Instructional leadership	88,842
23 School leadership	147,325
31 Guidance, counseling and evaluation	45,707
32 Social work services	2,240
33 Health services	36,032
34 Student transportation	548,609
35 Food Services	1,172,893
36 Extracurricular activities	594,430
41 General administration	125,145
51 Facilities maintenance and operations	3,058,162
52 Security and monitoring services	99,536
53 Data processing services	530,852
61 Community services	7,874
	<u>\$ 11,283,425</u>

**Note 5 - Interfund Receivables, Payables, and Transfers**

Interfund balances consist of short-term lending/borrowing arrangements that result primarily from payroll, warehouse ordering and other regularly occurring charges that are paid by the general fund and then charged back to the appropriate other fund. Activity between the debt service fund and the capital projects fund results primarily from the capital projects fund interest earnings that are used for debt service payments. Additionally, some lending/borrowing may occur between two or more non-major governmental funds.

The composition of interfund balances as of August 31, 2015, is as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 25,426,909	\$ 23,069,864
Debt Service Fund	55,539	83
Nonmajor Funds	380,690	2,721,974
Internal Service Fund	-	10,960
Fiduciary Funds	610	60,867
	<u>\$ 25,863,748</u>	<u>\$ 25,863,748</u>

Interfund transfers are defined as “flows of assets without equivalent flow of assets in return and without a requirement for repayment.” The District did not have any interfund transfers for the year ended August 31, 2015.

**Note 6 - Long-term Liabilities**

**Changes in Long-term Liabilities**

Long-term liability activity for the year ended August 31, 2015, was as follows:

	<u>Balance September 1, 2014</u>	<u>Issued and Additions</u>	<u>Retired and Refunded</u>	<u>Balance August 31, 2015</u>	<u>Due Within One Year</u>
Bonds Payable					
General Obligation Bonds	\$ 195,248,670	\$ 9,505,000	\$ (27,584,319)	\$ 177,169,351	\$ 11,511,816
Plus: Premiums and discount on issuance of Bonds	5,953,105	456,463	(1,176,208)	5,233,360	-
Qualified Zone Academy Bonds	2,842,871	-	(731,519)	2,111,352	731,519
Total Bonds Payable	<u>204,044,646</u>	<u>9,961,463</u>	<u>(29,492,046)</u>	<u>184,514,063</u>	<u>12,243,335</u>
Accretion on Compound Interest Bonds	51,690,280	4,975,648	(2,450,681)	54,215,247	2,503,184
Compensated Absences	1,152,475	259,875	(202,600)	1,209,750	119,646
	<u>\$ 256,887,401</u>	<u>\$ 15,196,986</u>	<u>\$ (32,145,327)</u>	<u>\$ 239,939,060</u>	<u>\$ 14,866,165</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

*Exhibit F-1*

**Note 6 - Long-term Liabilities (continued)**

The District issues general obligation bonds to provide funds for the construction and equipment of school facilities, buses, and to refund general obligation bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the District.

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

<u>Bond Series</u>	<u>Issue Amount</u>	<u>Interest Rate (%)</u>	<u>Matures</u>	<u>Amount Outstanding</u>
1996 Unlimited Tax School Bldg & Refunding Bonds	\$ 40,054,475	4.40-6.425	2031	\$ 11,423,612
2002 Maintenance Tax Note ("QZAB")	8,000,000	0.65	2016	386,561
2002 Unlimited Tax School Bldg & Refunding Bonds	29,496,438	3.00-5.00	2032	16,626,438
2003 Maintenance Tax Note ("QZAB")	8,000,000	0.13	2019	1,724,793
2006 Unlimited Tax School Building Bonds	15,000,000	4.25-5.50	2033	350,000
2007 Unlimited Tax School Bldg & Refunding Bonds	68,790,870	3.62-4.54	2033	50,005,000
2008 Unlimited Tax School Building Bonds	18,000,000	4.50-5.25	2034	16,435,000
2010 Unlimited Tax School Building Bonds	17,000,000	4.00-5.00	2034	16,485,000
2011 Unlimited Tax School Building Bonds	9,250,000	2.00-4.00	2026	8,675,000
2012 Unlimited Tax Refunding Bonds	9,234,299	2.50-3.25	2032	9,234,299
2013 Unlimited Tax Refunding Bonds	9,440,000	3.00-3.75	2032	5,745,000
2013 Unlimited Tax Refunding Taxable Bonds	28,550,000	4.00-4.50	2021	23,980,000
2014 Unlimited Tax Refunding Bonds	8,970,000	2.00-3.25	2029	8,705,000
2015 Unlimited Tax Refunding Bonds	9,505,000	2.00-4.00	2026	9,505,000
	Total Bonds Payable			179,280,703
	Plus: Unamortized Premiums on Issuance			5,233,360
				184,514,063
	Less: Current Portion			(12,243,335)
				<u>\$ 172,270,728</u>

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

<u>Year Ending August 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 12,243,335	\$ 6,699,072	\$ 18,942,407
2017	10,562,460	5,896,580	16,459,040
2018	10,869,482	5,658,798	16,528,280
2019	11,155,712	5,334,834	16,490,546
2020	10,806,567	5,463,959	16,270,526
2021-2025	53,461,977	17,472,238	70,934,215
2026-2030	33,916,615	9,433,766	43,350,381
2031-2035	36,264,555	4,601,294	40,865,849
	<u>179,280,703</u>	<u>\$ 60,560,541</u>	<u>\$ 239,841,244</u>
Less Current Portion	<u>12,243,335</u>		
Long Term Debt	<u>\$ 167,037,368</u>		

**Note 6 - Long-term Liabilities (continued)**

**Current year advanced refunding**

During the fiscal year, the District issued Unlimited Tax Refunding Bonds, Series 2015 for \$9,505,000. The proceeds from the sale of the Bonds will be used to(i) refund a portion of the District’s outstanding Unlimited Tax School Building Bonds series 2005, 2006, and 2007, for debt service savings and (ii) pay the costs of issuing the Bonds. The reacquisition price exceeded the net carrying amount of the refunded debt by \$498,174; this resulted in a deferred outflow of resources amortized over the life of the new debt. Total debt service payments after the refunding of bonds resulted in a net present value savings of \$3,878,589.

In prior years, the District defeased certain outstanding bonds by placing proceeds of new bonds in irrevocable escrow accounts to provide for all future debt service payments on the old bonds. Accordingly, the escrow accounts to provide for all future bonds are not included in the District’s financial statements. At August 31, 2015, \$51,525,000 of refunded bonds outstanding is considered defeased.

**Accreted Interest on Premium Compound Interest Bonds**

A portion of the bonds sold in the Series 1996, 2002, 2012 and 2014 refunding bond issues were capital appreciation bonds commonly referred to as “premium compound interest bonds.” The District annually records the appreciation of bond principal for the accreted value of the bonds through maturity of the issue. The interest of these bond series will be paid upon maturity. The following table summarizes the significant features of the individual bonds, by issue:

<b>Capital Appreciation Bonds</b>	<b>Maturity</b>	<b>Maturity Value of Bonds</b>	<b>Original Bond Principal Amount</b>	<b>Accreted Interest On Bonds</b>	<b>Accreted Value of Bonds at Year End</b>
1996	2016-2031	\$ 80,840,000	\$ 13,279,475	\$ 33,420,474	\$ 46,699,949
2002	2022-2032	79,000,000	16,626,438	20,161,659	36,788,097
2012	2017	1,885,000	1,769,299	68,573	1,837,872
2014	2020	995,000	330,000	564,541	894,541
		<u>\$ 162,720,000</u>	<u>\$ 32,005,212</u>	<u>\$ 54,215,247</u>	<u>\$ 86,220,459</u>

**Note 7 - Revenues from Local, Intermediate, and Out-of-State Sources**

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

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
Property Taxes	\$ 91,006,549	\$ 19,740,097	\$ -	\$ 110,746,646
Investment Income	167,257	29,951	9,745	206,953
Co-curricular Student Activities	267,988	-	875,494	1,143,482
Food Sales	-	-	2,396,720	2,396,720
Other	636,129	-	455,353	1,091,482
	<u>\$ 92,077,923</u>	<u>\$ 19,770,048</u>	<u>\$ 3,737,312</u>	<u>\$ 115,585,283</u>

**Note 8 - Defined Benefit Pension Plan**

**Plan Description**

The District participates in a cost-sharing multi-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.

**Benefits Provided**

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

**Contributions**

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

**Note 8 - Defined Benefit Pension Plan (continued)**

**Contributions (continued)**

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.

	<b>Contribution Rates</b>	
	<b>2015</b>	<b>2014</b>
Member	6.70%	6.40%
Non-Employer Contributing Entity	6.80%	6.80%
Employers	6.80%	6.80%
2014 Employer contributions		\$ 2,436,154
2014 Member contributions		\$ 2,265,505
2014 NECE on-behalf contributions		\$ 6,498,322

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

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

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

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

**Note 8 - Defined Benefit Retirement Plan (continued)**

**Actuarial Assumptions**

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

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

*\*Includes Inflation of 3%*

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

**Discount Rate**

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

**Note 8 - Defined Benefit Retirement Plan (continued)**

**Discount Rate (continued)**

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>	100%		8.7%

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

**Discount Rate Sensitivity Analysis**

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

	Discount Rate		
	1% Decrease (7%)	Current Rate (8%)	1% Increase (9%)
District's proportional share of the net pension liability	\$ 45,865,410	\$ 25,667,021	\$ 10,562,387

**Note 8 - Defined Benefit Retirement Plan (continued)**

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

At August 31, 2015, the District reported a liability of \$25,667,021 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 25,667,021
State's proportionate share that is associated with the District	<u>68,611,587</u>
Total	<u><u>\$ 94,278,608</u></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 employer's proportion of the collective net pension liability was 0.0961% which was a decrease from its proportion measured as of August 31, 2013 of 0.0962%. The change in proportion was immaterial and therefore disregarded this year.

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

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

There was a change in employer contribution requirements that occurred after the measurement date of the net pension liability and the employer's reporting date. A 1.5% contribution for employers not paying Old Age Survivor and Disability Insurance (OASDI) on certain employees went into law effective September 1, 2014. The amount of the expected resultant change in the employer's proportion cannot be determined at this time.

For the year ended August 31, 2015, the District recognized pension expense of \$2,372,464 as well as revenue of \$6,343,014 representing pension expense incurred by the State on behalf of the District.

**Note 8 - Defined Benefit Retirement Plan (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 396,949	
Changes of assumptions	1,668,385	
Net difference between projected and actual earnings on pension plan investments		7,844,890
Changes in proportion and differences between District contributions and proportionate share of contributions		6,728
District contributions subsequent to the measurement date	<u>4,140,459</u>	
Total	<u>\$ 6,205,793</u>	<u>\$ 7,851,618</u>

The \$4,140,459 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2016. 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:

<b>Year ended August 31</b>	
2016	\$(1,614,691)
2017	(1,614,691)
2018	(1,614,691)
2019	(1,614,693)
2020	346,531
2021	325,951

**Note 9 - Retiree Health Care**

**Plan Description**

The Galena Park 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). TRS-Care Retired Plan provides health care coverage for certain persons (and their dependents) who retired under TRS. The statutory authority for the program is Texas Insurance Code, Chapter 1575 that grants the TRS Board of Trustees the authority to establish and amend basic and optional group insurance coverage for participants. TRS issues a publicly available financial report that includes financial statements and required supplementary information for TRS-Care. That report may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701, or by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS Internet website, [www.trs.state.tx.us](http://www.trs.state.tx.us), under the TRS Publications heading.

**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. The State of Texas and active public school employee contribution rates were 1.0% and .65% of public school payroll, respectively, with school districts contributing a percentage of payroll set at .55% for fiscal years 2015, 2014, and 2013. Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than .25% or greater than .75% of the salary of each active employee of the public school. For staff members funded by federal programs, the federal programs are required to contribute 1.0%.

Contributions made by the State, District, and staff members, for the years ended August 31, 2015, 2014, and 2013, are as follows:

For the Year Ended August 31,	State TRS Care Contributions Made on Behalf of the District	District Required Contributions to TRS Care	Staff Members Contributions to TRS Care	Total Covered Payroll
2015	\$ 1,272,995	\$ 875,679	\$ 901,067	\$138,624,105
2014	1,229,799	789,064	846,610	130,249,117
2013	577,829	746,663	819,934	126,628,389

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

**Note 9 - Retiree Health Care (continued)**

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. Under Medicare Part D, TRS-Care receives retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These payments are recorded as equal revenues and expenditures in the governmental funds financial statements of the District. For the years ended August 31, 2015, 2014, and 2013 the subsidy payments received by TRS-Care on behalf of the District are as follows:

<b>Fiscal Year</b>	<b>Medicare Part D</b>
2015	\$ 580,483
2014	347,382
2013	335,242

**Note 10 - Risk Management**

**Property/Liability**

The District is exposed to various risks of loss related to property/liability losses for which the District carries commercial insurance. In addition, the District is a member of the Texas Association of School Boards Joint Self-Insurance Fund (Fund). The fund was created to formulate, develop and administer a program of modified self-funding for the property and/or liability coverage for its membership, provide claims administration, and develop a comprehensive loss control program. The District pays contributions to the Fund for its general and educators' liability and fleet comprehensive, collision, and liability coverage. The District's agreement with the Fund will be self-sustaining through member premiums and will provide, through commercial companies, reinsurance contracts. There has not been any significant reduction of insurance coverage in the last three years. Employees of the District are covered by a fully-insured medical and dental plan through United Health Care. The District and employee contributions are paid directly to the carrier and the carrier assumes all liability to the plan.

**Note 11 - Contingent Liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial. From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any present legal proceedings will not have any adverse material effect on the accompanying financial statements.

**Note 12 - Arbitrage**

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of (1) the amount earned on investments purchased with bond proceeds over (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five year anniversary date of the bond issue. As of August 31, 2015, there was no liability related to arbitrage.

**Note 13 - Prior Period Adjustment**

During fiscal year 2015, The District has implemented the Governmental Accounting Standards Board Statement No. 68 *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27* for the year ending August 31, 2015. As a result the beginning net position of the District's governmental activities has been restated on the Statement of Activities to reflect the net pension liability and deferred outflows of resources relating to pension contributions made after the prior measurement date of the plan as follows:

	<b>Governmental Activities</b>
Net Position as originally presented	\$ 121,218,912
Prior Period Adjustment -	
Net Pension Liability	(31,516,995)
Deferred Outflow of Resources	<u>2,436,154</u>
<b>Net Position, as Restated</b>	<u><u>\$ 92,138,071</u></u>

***REQUIRED SUPPLEMENTARY INFORMATION***

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
For the Year Ended August 31, 2015

Exhibit G-1

Data Control Codes	Budgeted Amounts			Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final			
<b>Revenues</b>					
5700	Local revenues	\$ 82,387,000	\$ 91,552,629	\$ 92,077,923	\$ 525,294
5800	State program revenues	107,307,000	116,191,065	118,047,029	1,855,964
5900	Federal program revenues	1,545,000	1,945,000	1,676,335	(268,665)
<b>5020</b>	<b>Total revenues</b>	<u>191,239,000</u>	<u>209,688,694</u>	<u>211,801,287</u>	<u>2,112,593</u>
<b>Expenditures</b>					
<b>Current:</b>					
0011	Instruction	107,131,668	108,101,465	107,088,009	1,013,456
0012	Instructional resources and media services	2,329,863	2,559,510	2,203,213	356,297
0013	Curriculum and staff development	2,594,874	2,916,937	2,461,063	455,874
0021	Instructional leadership	4,681,334	4,629,836	4,480,430	149,406
0023	School leadership	12,307,969	12,333,482	11,918,584	414,898
	Guidance, counseling and				
0031	evaluation services	6,028,873	6,837,308	6,446,804	390,504
0032	Social work services	543,526	673,737	463,115	210,622
0033	Health services	1,705,885	1,804,031	1,578,745	225,286
0034	Student transportation	5,976,832	6,238,279	5,484,675	753,604
0035	Food services	1,461	1,461	1	1,460
0036	Extracurricular activities	3,566,904	4,280,382	3,656,358	624,024
0041	General administration	9,167,022	8,412,371	7,353,318	1,059,053
0051	Facilities maintenance and operations	23,711,181	27,406,129	26,628,605	777,524
0052	Security and monitoring services	2,673,367	3,006,456	2,555,775	450,681
0053	Data processing services	4,635,214	4,326,699	3,799,088	527,611
0061	Community services	1,057,981	1,100,273	742,809	357,464
<b>Debt Service:</b>					
0071	Principal on long-term debt	732,000	732,000	731,519	481
0072	Interest on long-term debt	62,400	62,400	62,400	-
0073	Bond issuance costs and fees	4,200	4,200	3,098	1,102
<b>Capital outlay:</b>					
0081	Facilities acquisition and construction	460,081	906,813	669,208	237,605
<b>Intergovernmental:</b>					
0099	Payments to appraisal district	842,468	857,468	857,019	449
<b>6030</b>	<b>Total Expenditures</b>	<u>190,215,103</u>	<u>197,191,237</u>	<u>189,183,836</u>	<u>8,007,401</u>
1100	Excess (deficiency) of revenues over expenditures	1,023,897	12,497,457	22,617,451	10,119,994
<b>Other Financing Sources (Uses)</b>					
7912	Sale of real or personal property	-	-	78,159	78,159
8911	Transfers out	(2,148,707)	-	-	-
<b>7080</b>	<b>Total other financing sources and uses</b>	<u>(2,148,707)</u>	<u>-</u>	<u>78,159</u>	<u>78,159</u>
1200	Net change in fund balances	(1,124,810)	12,497,457	22,695,610	10,198,153
<b>0100</b>	<b>Fund balances - beginning</b>	<u>100,045,703</u>	<u>100,045,703</u>	<u>100,045,703</u>	<u>-</u>
<b>3000</b>	<b>Fund balances - ending</b>	<u>\$ 98,920,893</u>	<u>\$ 112,543,160</u>	<u>\$ 122,741,313</u>	<u>\$ 10,198,153</u>

The District adopts annual appropriations type budgets for the General Fund, Food Service Special Revenue Fund, and the Debt Service Fund using the same method of accounting as for financial reporting, as required by law. The remaining Special Revenue Funds (primarily federal grant programs) utilize a managerial type budget approved at the fund level by the Board of Trustees upon acceptance of the grants. These grants are subject to Federal, State and locally imposed project length budgets and monitoring through submission of reimbursement reports.

Expenditures may not legally exceed budgeted appropriations at the function or activity level. Expenditure requests which would require an increase in total budgeted appropriations must be approved by the Trustees through formal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available and estimated revenues. State law also prohibits amendment of the budget after fiscal year end. Supplemental appropriations were made to the General Fund during the fiscal year ended August 31, 2015.

The administrative level at which responsibility for control of budgeted appropriations begins is at the organizational level within each function of operations. The finance department reviews closely the expenditure requests submitted by the various organizational heads (principal and department heads) throughout the year to ensure proper spending compliance. No public funds of the District shall be expended in any manner other than as provided for in the budget adopted by the Board of Trustees.

The official school budget was prepared for adoption for budgeted governmental fund types by August 20, 2014. The budget was formally adopted by the Board of Trustees at a duly advertised public meeting prior to the expenditure of funds. The final amended budget is filed with the Texas Education Agency (TEA) through inclusion in the annual financial and compliance report.

Encumbrance accounting is utilized in all government fund types. Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at year-end and encumbrances outstanding at that time are appropriately provided for in the subsequent year's budget.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE**  
**NET PENSION LIABILITY**  
**Teacher Retirement System of Texas**

*Exhibit G-3*

	<u><b>2014</b></u>
District's proportion of the net pension liability	0.0961%
District's proportionate share of the net pension liability	\$ 25,667,021
State's proportionate share of the net pension liability associated with the District	<u>68,611,587</u>
Total	<u><u>\$ 94,278,608</u></u>
District's covered-employee payroll (for Measurement Year)	\$ 130,249,117
District's proportionate share of the net pension liability as a percentage of it's covered employee payroll	19.70%
Plan fiduciary net position as a percentage of the total pension liability*	83.25%
Plan's net pension liability as a percentage of covered-employee payroll*	72.89%

The amounts presented for each Plan year which ends the preceeding August 31 of the District's fiscal year.

Net pension liability is calculated using a new methodology and will be presented prospectively in accordance with GASB 68

Note: Ten years of data should be presented in this schedule, but data was unavailable prior to 2014.

\* Per TRS CAFR

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS**  
**Teacher Retirement System of Texas**  
**Last Eight Fiscal Years (1)**

*Exhibit G-4*

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually required contributions	\$ 4,140,459	\$ 2,436,154	\$ 2,012,917	\$ 2,078,627	\$ 2,130,068
Contributions in relation to the contractual required contributions	<u>4,140,459</u>	<u>2,436,154</u>	<u>2,012,917</u>	<u>2,078,627</u>	<u>2,130,068</u>
Contribution deficiency (excess)	<u>\$ -</u>				
District's covered employee payroll	\$ 138,624,105	\$ 130,249,117	\$ 126,142,312	\$ 127,628,389	\$ 133,037,350
Contributions as a percentage of covered employee payroll	2.99%	1.87%	1.60%	1.63%	1.60%
	<u>2010</u>	<u>2009</u>	<u>2008</u>		
Contractually required contributions	\$ 3,091,417	\$ 1,963,291	\$ 1,512,630		
Contributions in relation to the contractual required contributions	<u>3,091,417</u>	<u>1,963,291</u>	<u>1,512,630</u>		
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
District's covered employee payroll	\$ 132,200,257	\$ 123,970,078	\$ 117,353,282		
Contributions as a percentage of covered employee payroll	2.34%	1.58%	1.29%		

(1) Data unavailable prior to 2008

Changes in Assumptions

Modifications to the actuarial methods and assumptions are based on a study of actual experience as adopted on April 8, 2011. The assumptions and methods used in the current valuation are the same except for the following modifications:

- Small reductions in the rates of retirements at most age and service combinations.
- Decrease in the post-retirement rates of mortality for both males and females.
- The salary increase assumption in the first year of employment was reduced.
- The method for determining the actuarial value of assets was modified to a method that sets the actuarial value of assets as the expected actuarial value of assets plus 20% of the difference between the actual market value of the assets and the expected actuarial value of assets.

Amounts reported for 2014 reflect the adoption of a new mortality assumption that the average life expectancy for members over 65 years of age will increase by roughly nine months over the next four years.

**OTHER SUPPLEMENTARY INFORMATION**

## Nonmajor Governmental Funds

### Special Revenue Funds

The Special Revenue Funds are used to account for all federal, state and locally-funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational goals. Grants included in the Special Revenue Funds are described below.

<b>Fund Number</b>	<b>Fund Name &amp; Description</b>
<b>205</b>	<b>Head Start</b> – funds used to promote the school readiness of low-income preschool children (ages 3-5), including children of migratory seasonal and farm workers, and infants and toddlers (birth through age 3) by enhancing their cognitive social and emotional development in learning environments that support their growth in language, literacy, mathematics, science, social and emotional functioning, creative art, physical skills and approaches to learning.
<b>206</b>	<b>McKinney - Vento Support for Homeless Education</b> - to ensure the enrollment, attendance and success of homeless children and youth in school.
<b>211</b>	<b>ESEA, Title I, Part A - Basic</b> - supplemental service designed to accelerate the academic achievement of economically disadvantaged students, especially in the tested areas, to ensure that state standards are met on identified campuses.
<b>212</b>	<b>ESEA Title I, Part C</b> – for funds granted for programs benefiting children of migrant agriculture or agriculture-related workers and children of migrant fisherman.
<b>224</b>	<b>IDEA, Part B - Formula</b> - salaries and supplies to aid children with disabilities with low reading achievement.
<b>225</b>	<b>IDEA, Part B - Preschool</b> - aids preschool students with disabilities.
<b>226</b>	<b>IDEA - Part B, High Cost Risk Pool</b> - assists with high need students with disabilities whose direct special education and related services costs exceed \$25,000 per school year.
<b>240</b>	<b>Child Nutrition Program</b> – federal reimbursement revenues originating from the United States Department of Agriculture and fees from child and adult meals.
<b>244</b>	<b>Vocational Education - Basic</b> - funds are for the use of various vocationally-inclined students in regular, disadvantaged and disability classes.
<b>255</b>	<b>ESEA, Title II, Part A - TPTR (Teacher and Principal Training and Recruiting)</b> - supplements the professional development, retention and recruitment programs district-wide, specifically on high needs campuses.
<b>263</b>	<b>ESEA, Title III, Part A - English Language Acquisition</b> - provides additional educational opportunities to supplement programs for students of limited English proficiency and immigrant children by assisting the children to learn English and meet challenging
<b>265</b>	<b>21st Century Community Learning Centers</b> - provides after-school activities for students in elementary through high school.

**Nonmajor Governmental Funds (Continued)**

**Special Revenue Funds (Continued)**

<b>Fund Number</b>	<b>Fund Name &amp; Description</b>
<b>289</b>	<b>Various Federal Funds</b> - supports and encourages the development of new, self-supporting, community anti-drug coalitions; early childhood summer programs, library grants and wetlands and water education.
<b>397</b>	<b>Advanced Placement Incentives</b> - enhancement of Advanced Placement programs on specific campuses based on student scores on Advanced Placement examinations.
<b>410</b>	<b>Instructional Materials Allotment</b> - provides funds to purchase instructional materials, technological equipment and technology-related services.
<b>429</b>	<b>Other State Funded Special Revenue Funds</b> - provides funds to help schools fund various programs including mentors and campus awards.
<b>461</b>	<b>Campus Activity</b> - proceeds from fundraising activities, vending sales, corporate and private donations to school-sponsored activities benefiting students and staff of the campus.
<b>481</b>	<b>Other Local Grants</b> - grants from local businesses or organizations to be used for educational activities.
<b>486</b>	<b>Miscellaneous Donations</b> – local donations used for specific education purposes as specified by the donor.

**Capital Projects Fund**

<b>Fund Number</b>	<b>Fund Name &amp; Description</b>
<b>699</b>	Various capital project funds used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*COMBINING BALANCE SHEET*

*ALL NONMAJOR GOVERNMENTAL FUNDS*

*August 31, 2015*

<b>Data Control Codes</b>	<b>205 Head Start Program</b>	<b>206 Support for Homeless Educ. Prog.</b>	<b>211 ESEA Title I, Part A Improving Basic Programs</b>	
<b>Assets</b>				
1110	Cash and temporary investments	\$ -	\$ -	\$ -
<b>Receivables:</b>				
1240	Receivables from other governments	178,352	693	821,878
1260	Due from other funds	-	-	-
1290	Other receivables	-	-	-
1310	Inventories, at cost	-	-	-
<b>1000</b>	<b>Total Assets</b>	<b>\$ 178,352</b>	<b>\$ 693</b>	<b>\$ 821,878</b>
<b>Liabilities and Fund Balance</b>				
<b>Liabilities:</b>				
<b>Current Liabilities:</b>				
2110	Accounts payable	\$ 2,188	\$ -	\$ 616
2160	Accrued wages payable	19,030	-	83,459
2170	Due to other funds	157,134	693	737,803
2300	Unearned revenues	-	-	-
<b>2000</b>	<b>Total Liabilities</b>	<b>178,352</b>	<b>693</b>	<b>821,878</b>
<b>Fund Balances:</b>				
<b>Nonspendable</b>				
3410	Inventories	-	-	-
<b>Restricted</b>				
3450	Grants	-	-	-
<b>Committed</b>				
3545	Campus activity	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$ 178,352</b>	<b>\$ 693</b>	<b>\$ 821,878</b>

212	224	225	226	240	244
ESEA Title I, Part C	IDEA B Formula	IDEA B Preschool Grant	IDEA B- Discretionary	Child Nutrition	Vocational Ed -Basic
\$ -	\$ -	\$ -	\$ -	\$ 4,047,602	\$ 2,160
22,842	666,196	4,552	-	329,830	-
-	-	-	-	275,875	-
-	-	-	-	4,401	-
-	-	-	-	296,283	-
<u>\$ 22,842</u>	<u>\$ 666,196</u>	<u>\$ 4,552</u>	<u>\$ -</u>	<u>\$ 4,953,991</u>	<u>\$ 2,160</u>
\$ 42	\$ 2,170	\$ -	\$ -	\$ 447,182	\$ 2,160
1,064	32,357	601	-	23,200	-
21,736	631,669	3,951	-	670,199	-
-	-	-	-	-	-
<u>22,842</u>	<u>666,196</u>	<u>4,552</u>	<u>-</u>	<u>1,140,581</u>	<u>2,160</u>
-	-	-	-	296,283	-
-	-	-	-	3,517,127	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,813,410</u>	<u>-</u>
<u>\$ 22,842</u>	<u>\$ 666,196</u>	<u>\$ 4,552</u>	<u>\$ -</u>	<u>\$ 4,953,991</u>	<u>\$ 2,160</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**ALL NONMAJOR GOVERNMENTAL FUNDS**  
**August 31, 2015**

	255	263	265
<b>Data Control Codes</b>	<b>Title II, Part A</b>	<b>Title III, Part A</b>	<b>21st Century Grant</b>
<b>Assets</b>			
1110 Cash and temporary investments	\$ -	\$ -	\$ -
<b>Receivables:</b>			
1240 Receivables from other governments	137,888	255,091	6,028
1260 Due from other funds	-	-	40,547
1290 Other receivables	-	-	-
1310 Inventories, at cost	-	-	-
1000 <b>Total Assets</b>	<b>\$ 137,888</b>	<b>\$ 255,091</b>	<b>\$ 46,575</b>
<b>Liabilities and Fund Balance</b>			
<b>Liabilities:</b>			
<b>Current Liabilities:</b>			
2110 Accounts payable	\$ -	\$ -	\$ 100
2160 Accrued wages payable	17,579	8,687	(1,176)
2170 Due to other funds	120,309	246,404	47,651
2300 Unearned revenues	-	-	-
2000 <b>Total Liabilities</b>	<b>137,888</b>	<b>255,091</b>	<b>46,575</b>
<b>Fund Balance:</b>			
<b>Nonspendable</b>			
3410 Inventories	-	-	-
<b>Restricted</b>			
3450 Grants	-	-	-
<b>Committed</b>			
3545 Campus activity	-	-	-
3000 <b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4000 Total Liabilities and Fund Balance</b>	<b>\$ 137,888</b>	<b>\$ 255,091</b>	<b>\$ 46,575</b>

289	397	410	429	461	481
Various Federal Funds	Advanced Placement Incentive	Instructional Materials Allotment	State Funded Special Revenue	Campus Activity Funds	Other Local Funds
\$ 29,695	\$ 12,362	\$ 59,691	\$ 369	\$ 1,204,478	\$ 44,494
9,685	-	2,255	-	-	-
-	-	8,526	-	55,742	-
-	495	-	2,395	2,434	-
-	-	-	-	-	-
<u>\$ 39,380</u>	<u>\$ 12,857</u>	<u>\$ 70,472</u>	<u>\$ 2,764</u>	<u>\$ 1,262,654</u>	<u>\$ 44,494</u>
\$ -	\$ -	\$ 39,132	\$ -	\$ 25,674	\$ -
-	-	-	2,398	39,580	-
9,685	-	2,255	-	20,205	-
29,695	12,857	-	366	-	44,494
<u>39,380</u>	<u>12,857</u>	<u>41,387</u>	<u>2,764</u>	<u>85,459</u>	<u>44,494</u>
-	-	-	-	-	-
-	-	29,085	-	-	-
-	-	-	-	1,177,195	-
-	-	29,085	-	1,177,195	-
<u>\$ 39,380</u>	<u>\$ 12,857</u>	<u>\$ 70,472</u>	<u>\$ 2,764</u>	<u>\$ 1,262,654</u>	<u>\$ 44,494</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**ALL NONMAJOR GOVERNMENTAL FUNDS**  
**August 31, 2015**

*Exhibit H-1*  
*Page 3 of 3*

<b>Data Control Codes</b>		<b>486</b>	<b>699</b>	<b>Total Nonmajor Governmental Funds</b>
		<b>Miscellaneous Donations</b>	<b>Capital Projects Fund</b>	
	<b>Assets</b>			
1110	Cash and temporary investments	\$ 911	\$ 79,593	\$ 5,481,355
	<b>Receivables:</b>			
1240	Receivables from other governments	-	-	2,435,290
1260	Due from other funds	-	-	380,690
1290	Other receivables	-	6	9,731
1310	Inventories, at cost	-	-	296,283
1000	<b>Total Assets</b>	<u>\$ 911</u>	<u>\$ 79,599</u>	<u>\$ 8,603,349</u>
	<b>Liabilities and Fund Balance</b>			
	<b>Liabilities:</b>			
	<b>Current Liabilities:</b>			
2110	Accounts payable	\$ -	\$ 27,319	\$ 546,583
2160	Accrued wages payable	-	-	226,779
2170	Due to other funds	-	52,280	2,721,974
2300	Unearned revenues	911	-	88,323
2000	<b>Total Liabilities</b>	<u>911</u>	<u>79,599</u>	<u>3,583,659</u>
	<b>Fund Balance:</b>			
	<b>Nonspendable</b>			
3410	Inventories	-	-	296,283
	<b>Restricted</b>			
3450	Grants	-	-	3,546,212
	<b>Committed</b>			
3545	Campus activity	-	-	1,177,195
3000	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>5,019,690</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 911</u>	<u>\$ 79,599</u>	<u>\$ 8,603,349</u>

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**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
*For the Year Ended August 31, 2015*

<b>Data Control Codes</b>		<b>205</b>	<b>206</b>	<b>211</b>
		<b>Head Start Program</b>	<b>Support for Homeless Educ. Prog.</b>	<b>ESEA Title I, Part A Improving Basic Programs</b>
<b>Revenues</b>				
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	761,804	69,683	5,170,270
<b>5020</b>	<b>Total revenues</b>	<u>761,804</u>	<u>69,683</u>	<u>5,170,270</u>
<b>Expenditures</b>				
<b>Current:</b>				
0011	Instruction	-	28,935	3,428,532
0012	Instruction resources and media services	-	-	1,000
0013	Curriculum and instructional staff development	-	-	1,016,865
0021	Instructional leadership	110,675	620	466,319
0023	School leadership	-	118	31,344
0031	Guidance, counseling and evaluation services	-	-	-
0032	Social work services	22,308	4,902	19,085
0033	Health services	67,718	-	-
0034	Student transportation	-	35,108	105,528
0035	Food services	-	-	-
0036	Extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	3,280	-	-
0052	Security and monitoring services	17,900	-	-
0053	Data processing services	-	-	-
0061	Community services	539,923	-	101,597
<b>Capital outlay:</b>				
0081	Facilities acquisition and construction	-	-	-
<b>6030</b>	<b>Total Expenditures</b>	<u>761,804</u>	<u>69,683</u>	<u>5,170,270</u>
1100	Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
7912	Sale of real or personal property	-	-	-
<b>7080</b>	<b>Total other financing sources and uses</b>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-
<b>0100</b>	<b>Fund balance - beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>3000</b>	<b>Fund balance - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

212	224	225	226	240	244
ESEA Title I, Part C	IDEA B Formula	IDEA B Preschool Grant	IDEA B-Discretionary	Child Nutrition	Vocational Ed -Basic
\$ -	\$ -	\$ -	\$ -	\$ 2,402,759	\$ -
-	-	-	-	75,661	-
144,327	3,639,681	57,141	197,472	11,121,510	261,539
144,327	3,639,681	57,141	197,472	13,599,930	261,539
6,400	2,616,787	56,826	142,252	-	257,084
-	-	-	-	-	-
-	521,534	315	-	-	4,455
74,690	68,215	-	-	-	-
-	-	-	-	-	-
1,625	415,629	-	-	-	-
32,560	1,632	-	-	-	-
-	6,659	-	55,220	-	-
1,501	7,952	-	-	-	-
-	-	-	-	13,497,038	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	316,401	-
-	-	-	-	-	-
-	-	-	-	-	-
27,551	1,273	-	-	-	-
-	-	-	-	-	-
144,327	3,639,681	57,141	197,472	13,813,439	261,539
-	-	-	-	(213,509)	-
-	-	-	-	5,991	-
-	-	-	-	5,991	-
-	-	-	-	(207,518)	-
-	-	-	-	4,020,928	-
\$ -	\$ -	\$ -	\$ -	\$ 3,813,410	\$ -

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
*For the Year Ended August 31, 2015*

	255	263	265
<b>Data Control Codes</b>	<b>Title II, Part A</b>	<b>Title III, Part A</b>	<b>21st Century Grant</b>
<b>Revenues</b>			
5700	\$ -	\$ -	\$ -
5800	-	-	-
5900	707,398	650,512	406,428
5020	<u>707,398</u>	<u>650,512</u>	<u>406,428</u>
<b>Expenditures</b>			
<b>Current:</b>			
0011	8,902	263,521	308,722
0012	-	-	-
0013	687,761	368,616	-
0021	10,735	6,940	92,708
0023	-	-	3,173
0031	-	-	-
0032	-	-	-
0033	-	-	-
0034	-	11,400	-
0035	-	-	-
0036	-	-	-
0041	-	-	1,178
0051	-	-	-
0052	-	-	-
0053	-	-	-
0061	-	35	647
<b>Capital outlay:</b>			
0081	-	-	-
6030	<u>707,398</u>	<u>650,512</u>	<u>406,428</u>
1100	-	-	-
<b>Other Financing Sources (Uses)</b>			
7912	-	-	-
7080	-	-	-
1200	-	-	-
0100	<u>-</u>	<u>-</u>	<u>-</u>
3000	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

289	397	410	429	461	481
Various Federal Funds	Advanced Placement Incentive	Instructional Materials Allotment	State Funded Special Revenue	Campus Activity Funds	Other Local Funds
\$ -	\$ -	\$ -	\$ 11,160	\$ 1,253,187	\$ 68,774
-	13,025	1,647,182	-	-	11,250
33,218	-	-	-	-	-
<u>33,218</u>	<u>13,025</u>	<u>1,647,182</u>	<u>11,160</u>	<u>1,253,187</u>	<u>80,024</u>
182	-	1,622,923	-	262,439	27,274
-	-	-	-	37,004	20,012
-	13,025	-	-	4,531	21,755
-	-	325	-	946	3,360
-	-	-	-	131,770	2,340
22,474	-	-	-	-	187
-	-	-	-	-	-
-	-	-	-	1,827	-
-	-	-	-	-	-
-	-	-	-	727,472	-
-	-	-	-	2,330	9,243
-	-	650	-	7,278	-
-	-	-	-	1,973	-
-	-	325	-	-	-
10,562	-	-	11,160	198	408
-	-	-	-	3,500	7,985
<u>33,218</u>	<u>13,025</u>	<u>1,624,223</u>	<u>11,160</u>	<u>1,181,268</u>	<u>92,564</u>
-	-	22,959	-	71,919	(12,540)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	22,959	-	71,919	(12,540)
-	-	6,126	-	1,105,276	12,540
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,085</u>	<u>\$ -</u>	<u>\$ 1,177,195</u>	<u>\$ -</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended August 31, 2015**

*Exhibit H-2*  
*Page 3 of 3*

<b>Data Control Codes</b>		<b>486</b>	<b>699</b>	<b>Total - Nonmajor Governmental Funds</b>
		<b>Miscellaneous Donations</b>	<b>Capital Projects Fund</b>	
<b>Revenues</b>				
5700	Local, intermediate, and out-of-state	\$ -	\$ 1,432	\$ 3,737,312
5800	State program revenues	-	-	1,747,118
5900	Federal program revenues	-	-	23,220,983
5020	<b>Total revenues</b>	<u>-</u>	<u>1,432</u>	<u>28,705,413</u>
<b>Expenditures</b>				
<b>Current:</b>				
0011	Instruction	-	4,962	9,035,741
0012	Instruction resources and media services	-	-	58,016
0013	Curriculum and instructional staff development	-	-	2,638,857
0021	Instructional leadership	-	-	835,533
0023	School leadership	-	-	168,745
0031	Guidance, counseling and evaluation services	-	-	439,915
0032	Social work services	-	-	80,487
0033	Health services	-	-	129,597
0034	Student transportation	-	-	163,316
0035	Food services	-	-	13,497,038
0036	Extracurricular activities	-	44,865	772,337
0041	General administration	-	-	12,751
0051	Facilities maintenance and operations	-	1,486,936	1,814,545
0052	Security and monitoring services	-	-	19,873
0053	Data processing services	-	-	325
0061	Community services	-	-	693,354
<b>Capital outlay:</b>				
0081	Facilities acquisition and construction	-	-	11,485
6030	<b>Total Expenditures</b>	<u>-</u>	<u>1,536,763</u>	<u>30,371,915</u>
1100	Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(1,535,331)</u>	<u>(1,666,502)</u>
<b>Other Financing Sources (Uses)</b>				
7912	Sale of real or personal property	-	-	5,991
7080	Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>5,991</u>
1200	Net change in fund balances	-	(1,535,331)	(1,660,511)
0100	<b>Fund balance - September 1 (beginning)</b>	<u>-</u>	<u>1,535,331</u>	<u>6,680,201</u>
3000	<b>Fund balance - August 31 (ending)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,019,690</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**August 31, 2015**

*Exhibit H-3*

	<b>Balance September 1, 2014</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance August 31, 2015</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 374,658	\$ 2,511,016	\$ 2,551,224	\$ 334,450
Due From Others	3,598	31,266	34,774	90
Other Receivables	226	199	425	-
	<u>\$ 378,482</u>	<u>\$ 2,542,481</u>	<u>\$ 2,586,423</u>	<u>\$ 334,540</u>
<b>Liabilities</b>				
Accounts Payable	\$ 2,018	\$ 1,062,557	\$ 1,058,280	\$ 6,295
Due to Other Funds	45,071	2,526,451	2,510,655	60,867
Due to Student Groups	331,393	1,308,403	1,372,418	267,378
	<u>\$ 378,482</u>	<u>\$ 4,897,411</u>	<u>\$ 4,941,353</u>	<u>\$ 334,540</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

**SCHEDULE OF DELINQUENT TAXES RECEIVABLE**

*For the Year Ended August 31, 2015*

<u>Last Ten Fiscal Years</u>	<u>Tax Rates</u>		<u>Net Assessed/Appraised Value For School Tax Purposes</u>	<u>Beginning Balance 9/1/14</u>
	<u>Maintenance</u>	<u>Debt Service</u>		
2006 and prior	Various	Various	Various	\$ 1,727,885
2007	1.46750	0.24750	4,219,257,026	191,436
2008	1.18340	0.24750	4,817,270,110	199,252
2009	1.18340	0.27250	5,466,719,898	274,532
2010	1.18340	0.29500	5,682,442,359	312,184
2011	1.18340	0.33000	5,462,732,192	313,829
2012	1.18340	0.33000	5,420,068,595	382,436
2013	1.18340	0.33000	6,362,846,718	642,361
2014	1.24330	0.27010	6,748,726,082	1,399,061
2015	1.24330	0.27010	7,433,199,935	
<b>1000 Totals</b>				<u>\$ 5,442,976</u>
9000	Portion of Row 1000 for Taxes Paid into Tax Increment Zone Under Chapter 311, Tax Cose (Function 97)			<u>-</u>

*Exhibit J-1*

<b>20</b>	<b>31</b>	<b>32</b>	<b>40</b>	<b>50</b>
<b>Current Year's Total Levy</b>	<b>Maintenance Total Collections</b>	<b>Debt Service Total Collections</b>	<b>Entire Year's Adjustments</b>	<b>Ending Balance 8/31/15</b>
\$ -	\$ 30,870	\$ 3,925	\$ (66,675)	\$ 1,626,415
-	7,003	1,181	(6,649)	176,603
-	12,177	2,547	(6,884)	177,645
-	(14,799)	(3,408)	(48,010)	244,729
-	(8,424)	(2,100)	(46,257)	276,452
-	6,484	1,808	(50,155)	255,381
-	34,338	9,575	(49,654)	288,869
-	63,790	13,858	(71,451)	493,262
-	293,706	63,806	(215,062)	826,488
<u>112,211,659</u>	<u>89,946,191</u>	<u>19,513,989</u>	<u>122,826</u>	<u>2,874,305</u>
<u>\$ 112,211,659</u>	<u>\$ 90,371,335</u>	<u>\$ 19,605,181</u>	<u>\$ (437,970)</u>	<u>7,240,148</u>
			Penalty and interest receivable on taxes	<u>4,894,176</u>
			Total taxes receivable per Governmental Fund Balance Sheet (C-1)	<u>\$ 12,134,324</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Exhibit J-3*

**BUDGETARY COMPARISON SCHEDULE**

**CHILD NUTRITION FUND**

*For the Year Ended August 31, 2015*

<b>Data Control Codes</b>		<b>Budget</b>			<b>Variance Favorable (Unfavorable)</b>
		<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues</b>					
5700	Local, Intermediate, and Out-of-State	\$ 2,704,000	\$ 2,704,000	\$ 2,402,759	\$ (301,241)
5800	State Program Revenues	70,000	70,000	75,661	5,661
5900	Federal Program Revenues	11,294,218	10,894,218	11,121,510	227,292
<b>5020</b>	<b>Total Revenues</b>	<u>14,068,218</u>	<u>13,668,218</u>	<u>13,599,930</u>	<u>(68,288)</u>
<b>Expenditures</b>					
<b>Current:</b>					
0035	Food Services	13,688,232	13,988,232	13,497,038	491,194
0051	Plant maintenance and operations	681,312	327,738	316,401	11,337
<b>6030</b>	<b>Total Expenditures</b>	<u>14,369,544</u>	<u>14,315,970</u>	<u>13,813,439</u>	<u>502,531</u>
1100	Excess (Deficiency) Revenues Over Expenditures	(301,326)	(647,752)	(213,509)	434,243
<b>Other Financing Sources (Uses)</b>					
7912	Sale of real or personal property	-	-	5,991	5,991
1200	Net change in fund balances	(301,326)	(647,752)	(207,518)	440,234
<b>0100</b>	<b>Fund Balance - beginning</b>	<u>4,020,928</u>	<u>4,020,928</u>	<u>4,020,928</u>	<u>-</u>
<b>3000</b>	<b>Fund Balance - ending</b>	<u>\$ 3,719,602</u>	<u>\$ 3,373,176</u>	<u>\$ 3,813,410</u>	<u>\$ 440,234</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Exhibit J-4*

**BUDGETARY COMPARISON SCHEDULE**

**DEBT SERVICE FUND**

*For the Year Ended August 31, 2015*

<b>Data Control Codes</b>	<b>Budget</b>			<b>Variance Favorable (Unfavorable)</b>	
	<b>Original</b>	<b>Final</b>	<b>Actual</b>		
<b>Revenues</b>					
5700	Local, Intermediate, and Out-of-State	\$ 18,507,891	\$ 19,607,891	\$ 19,770,048	\$ 162,157
5800	State Program Revenues	1,119,248	1,119,248	2,340,175	1,220,927
<b>5020</b>	<b>Total Revenues</b>	<u>19,627,139</u>	<u>20,727,139</u>	<u>22,110,223</u>	<u>1,383,084</u>
<b>Expenditures</b>					
<b>Current:</b>					
<b>Debt Service:</b>					
0071	Principal on long-term debt	10,244,320	10,244,320	10,244,319	1
0072	Interest on long-term debt	9,374,819	9,374,819	8,982,066	392,753
0073	Bond issuance costs and fees	8,000	168,703	170,917	(2,214)
<b>6030</b>	<b>Total Expenditures</b>	<u>19,627,139</u>	<u>19,787,842</u>	<u>19,397,302</u>	<u>390,540</u>
1100	Excess (Deficiency) Revenues Over Expenditures	-	939,297	2,712,921	1,773,624
<b>Other Financing Sources (Uses)</b>					
7911	Refunding bonds issued	-	9,505,000	9,505,000	-
7916	Premium or discount on issuance of bonds	-	456,464	456,463	(1)
8949	Payment to bond refunding escrow agent	-	(18,693,514)	(18,693,513)	1
	Total other financing sources and uses	<u>-</u>	<u>(8,732,050)</u>	<u>(8,732,050)</u>	<u>-</u>
1200	Net change in fund balances	-	(7,792,753)	(6,019,129)	1,773,624
<b>0100</b>	<b>Fund Balance - beginning</b>	<u>10,043,759</u>	<u>10,043,759</u>	<u>10,043,759</u>	<u>-</u>
<b>3000</b>	<b>Fund Balance - ending</b>	<u>\$ 10,043,759</u>	<u>\$ 2,251,006</u>	<u>\$ 4,024,630</u>	<u>\$ 1,773,624</u>

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**STATISTICAL SECTION**  
**(UNAUDITED)**

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**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**STATISTICAL SECTION**

The statistical section of the Galena Park Independent School District’s Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s economic condition and overall financial health. To assist financial statement users, the information contained within this section is categorized as follows:

	<u><b>Page</b></u>
<b>Financial Trends</b>	82
These schedules contain trend information to show how the District’s financial performance and position have changed over time	
<b>Revenue Capacity</b>	92
These schedules contain information to help assess the factors affecting the District’s most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	100
These schedules present information to help assess the affordability of the District’s current debt burden and its ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	106
These schedules provide demographic and economic indicators to help in understanding the environment in which the District operates and to facilitate in comparisons over time.	
<b>Operating Information</b>	110
These schedules provide information about the District’s operations and resources to assist in using the financial statement information to better understand and assess the District’s economic condition.	

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

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

**NET POSITION BY COMPONENT**

**LAST TEN FISCAL YEARS**

*(Accrual Basis of Accounting)*

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Governmental Activities:</b>			
Net investment in capital assets	\$ 64,843,915	\$ 50,303,111	\$ 48,447,172
Restricted	9,080,679	13,823,205	13,023,826
Unrestricted	50,004,043	57,092,596	33,597,971
<b>Total Governmental Activities Net Position</b>	<u>\$ 123,928,637</u>	<u>\$ 121,218,912</u>	<u>\$ 95,068,969</u>

*Table 1*

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
\$ 48,387,569	\$ 53,833,026	\$ 49,875,572	\$ 52,299,778	\$ 51,849,703	\$ 51,112,413	\$ 61,209,595
10,016,278	10,531,018	9,835,302	9,702,298	8,028,543	8,122,503	7,557,687
10,028,641	5,897,450	10,646,315	5,488,537	4,843,758	(1,221,323)	(4,191,321)
<u>\$ 68,432,488</u>	<u>\$ 70,261,494</u>	<u>\$ 70,357,189</u>	<u>\$ 67,490,613</u>	<u>\$ 64,722,004</u>	<u>\$ 58,013,593</u>	<u>\$ 64,575,961</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*CHANGES IN NET POSITION*

*LAST TEN FISCAL YEARS*

*(Accrual Basis of Accounting)*

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Expenses:</b>			
<b>Governmental Activities:</b>			
Instruction	\$ 118,671,778	\$ 113,536,472	\$ 110,548,329
Instructional Resources and Media Services	2,484,130	2,543,759	2,421,087
Curriculum and Instructional Staff Development	5,049,277	4,785,800	4,508,432
Instructional Leadership	5,446,409	5,158,621	4,728,055
School Leadership	12,226,016	11,686,374	9,877,826
Guidance, Counseling, and Evaluation Services	6,971,684	5,967,337	5,606,717
Social Work Services	533,315	581,864	419,590
Health Services	1,745,665	1,696,559	1,641,843
Student (Pupil) Transportation	6,060,314	5,442,835	5,533,763
Food Services	13,898,421	13,828,395	12,325,411
Cocurricular/Extracurricular Activities	4,956,638	4,784,559	3,896,064
General Administration	7,523,092	6,990,616	6,445,569
Plant Maintenance and Operations	28,066,758	27,857,900	23,624,581
Security and Monitoring Services	2,572,674	2,778,838	2,013,057
Data Processing Services	3,177,492	2,516,556	2,539,098
Community Services	1,389,389	1,427,226	1,419,328
Debt Service - Interest on Long-term Debt	10,832,510	11,978,110	13,296,766
Debt Service - Bond Issuance Costs and Fees	-	-	-
Facilities Acquisition and Construction	97,650	199,646	-
Payments to Appraisal District	857,019	764,804	680,484
<b>Total Governmental Activities Expenses</b>	<u>232,560,231</u>	<u>224,526,271</u>	<u>211,526,000</u>
<b>Total Primary Government Expenses</b>	<u>232,560,231</u>	<u>224,526,271</u>	<u>211,526,000</u>
<b>Program Revenues:</b>			
<b>Governmental Activities:</b>			
<b>Charges for Services:</b>			
Instruction	662,850	1,055,658	378,481
School Leadership	125,841	126,835	92,036
Food Services	2,396,603	2,748,933	2,584,100
Cocurricular/Extracurricular Activities	971,872	882,036	776,879
General Administration	-	-	-
Plant Maintenance and Operations	191,367	293,264	29,935
Security and Monitoring Services	-	-	-
Facilities repairs and maintenance	-	-	-
Other Activities	-	-	-
Operating Grants and Contributions	34,844,417	36,638,833	34,920,645
<b>Total Governmental Activities Program Revenues</b>	<u>39,192,950</u>	<u>41,745,559</u>	<u>38,782,076</u>
<b>Total Primary Government Program Revenues</b>	<u>39,192,950</u>	<u>41,745,559</u>	<u>38,782,076</u>

**Table 2**  
**Page 1 of 2**

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
\$ 119,602,322	\$ 122,370,042	\$ 113,577,108	\$ 108,256,241	\$ 97,192,638	\$ 103,888,973	\$ 96,513,939
2,516,129	2,534,826	2,442,877	2,329,227	2,118,912	2,223,039	2,065,060
5,345,912	5,908,955	5,161,904	4,269,795	3,989,393	4,653,581	4,301,105
5,141,031	4,956,514	4,445,447	4,750,832	3,909,503	3,632,373	3,429,591
10,620,953	11,178,042	10,327,302	9,968,042	8,789,170	8,933,777	8,634,915
6,634,847	6,937,775	6,148,901	6,090,505	5,592,874	5,532,078	5,404,307
388,202	537,078	593,215	625,719	673,929	646,963	537,622
1,733,425	1,724,297	1,574,097	1,413,780	1,301,805	1,222,425	1,185,118
5,520,678	5,508,054	4,584,314	4,950,809	4,807,046	4,894,751	4,506,781
12,428,159	11,309,542	9,775,884	10,162,221	9,337,078	9,247,540	9,040,373
4,209,663	3,842,327	3,538,725	3,307,338	3,124,249	3,220,584	3,120,988
6,905,251	7,385,442	5,963,619	5,953,647	6,265,341	6,210,987	6,664,173
25,311,366	24,487,945	20,412,889	21,412,919	19,147,258	18,699,421	18,441,309
1,968,539	2,363,252	2,105,534	2,090,879	1,808,136	1,775,667	1,684,162
2,289,328	2,195,154	2,694,257	1,911,117	1,651,635	1,235,566	1,513,649
1,387,390	1,318,585	1,294,642	1,085,044	949,134	1,054,545	1,040,449
13,569,926	13,692,016	13,543,239	12,550,677	11,898,476	11,299,338	12,488,412
2,100	99,352	6,814	7,665	215,808	-	-
-	-	5,004,840	1,373,270	1,114,540	2,274,797	135,168
687,831	667,412	586,095	563,772	-	-	-
<u>226,263,052</u>	<u>229,016,610</u>	<u>213,781,703</u>	<u>203,073,499</u>	<u>183,886,925</u>	<u>190,646,405</u>	<u>180,707,121</u>
<u>226,263,052</u>	<u>229,016,610</u>	<u>213,781,703</u>	<u>203,073,499</u>	<u>183,886,925</u>	<u>190,646,405</u>	<u>180,707,121</u>
691,838	321,668	253,892	511,097	531,777	263,462	314,536
108,021	141,352	121,318	108,929	144,475	77,443	69,631
2,629,662	2,664,951	2,671,651	2,813,059	2,348,231	2,492,018	2,425,162
755,675	341,864	285,589	334,166	330,813	237,615	294,651
-	-	23,471	38,669	72,693	743,795	35,323
145,482	160,201	109,623	84,388	113,675	128,817	126,236
-	59,129	66,313	-	-	9,173	210,575
-	-	11,884	199,927	199,927	-	-
-	-	12,918	30,142	61,725	83,223	105,857
<u>47,454,168</u>	<u>52,386,497</u>	<u>35,532,170</u>	<u>30,617,676</u>	<u>27,854,681</u>	<u>32,028,531</u>	<u>27,335,714</u>
<u>51,784,846</u>	<u>56,075,662</u>	<u>39,088,829</u>	<u>34,738,053</u>	<u>31,657,997</u>	<u>36,064,077</u>	<u>30,917,685</u>
<u>51,784,846</u>	<u>56,075,662</u>	<u>39,088,829</u>	<u>34,738,053</u>	<u>31,657,997</u>	<u>36,064,077</u>	<u>30,917,685</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

**CHANGES IN NET POSITION**

**LAST TEN FISCAL YEARS**

*(Accrual Basis of Accounting)*

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Net (Expense) / Revenue:</b>			
Governmental Activities	\$ (193,367,281)	\$ (182,780,712)	\$ (172,743,924)
<b>Total Primary Government Net (Expense)/Revenue</b>	<u>(193,367,281)</u>	<u>(182,780,712)</u>	<u>(172,743,924)</u>
 <b>General Revenues and Other Changes in Net Position</b>			
<b>Governmental Activities:</b>			
Property Taxes	\$ 112,784,242	101,858,021	82,406,881
State Aid - Formula Grants	111,798,949	104,724,697	90,609,429
Unrestricted Grants and Contributions	69,486	86,213	3,524,025
Investment Earnings	206,950	167,415	195,268
Miscellaneous Income	298,220	266,551	325,679
<b>Total Governmental Activities</b>	<u>225,157,847</u>	<u>207,102,897</u>	<u>177,061,282</u>
<b>Total Primary Government</b>	<u>225,157,847</u>	<u>207,102,897</u>	<u>177,061,282</u>
 Change in Net Position			
Governmental Activities	31,790,566	24,322,185	4,317,358
<b>Total Primary Government</b>	<u>\$ 31,790,566</u>	<u>\$ 24,322,185</u>	<u>\$ 4,317,358</u>

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ (174,478,206)	\$ (172,940,948)	\$ (174,692,874)	\$ (168,335,446)	\$ (152,228,928)	\$ (154,582,328)	\$ (149,789,436)
<u>(174,478,206)</u>	<u>(172,940,948)</u>	<u>(174,692,874)</u>	<u>(168,335,446)</u>	<u>(152,228,928)</u>	<u>(154,582,328)</u>	<u>(149,789,436)</u>
82,638,413	84,019,149	79,970,986	\$ 70,110,785	\$ 72,803,076	\$ 68,572,107	\$ 64,881,658
89,566,964	88,240,597	96,509,112	98,205,339	81,439,459	75,730,783	73,887,932
3,619	133,886	366	7,260	836,330	1,022,391	-
226,543	285,073	1,041,617	2,709,581	3,497,284	1,883,506	1,386,141
<u>213,661</u>	<u>166,548</u>	<u>37,369</u>	<u>71,096</u>	<u>361,190</u>	<u>811,173</u>	<u>687,274</u>
<u>172,649,200</u>	<u>172,845,253</u>	<u>177,559,450</u>	<u>171,104,061</u>	<u>158,937,339</u>	<u>148,019,960</u>	<u>140,843,005</u>
<u>172,649,200</u>	<u>172,845,253</u>	<u>177,559,450</u>	<u>171,104,061</u>	<u>158,937,339</u>	<u>148,019,960</u>	<u>140,843,005</u>
(1,829,006)	(95,695)	2,866,576	2,768,615	6,708,411	(6,562,368)	(8,946,431)
<u>\$ (1,829,006)</u>	<u>\$ (95,695)</u>	<u>\$ 2,866,576</u>	<u>\$ 2,768,615</u>	<u>\$ 6,708,411</u>	<u>\$ (6,562,368)</u>	<u>\$ (8,946,431)</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

**FUND BALANCES OF GOVERNMENTAL FUNDS**

**LAST TEN YEARS**

*(Modified Accrual Basis of Accounting)*

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>General Fund</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Nonspendable	264,221	307,509	2,197,568	2,237,057
Assigned	43,270,858	62,387,369	31,379,551	30,576,739
Unassigned	79,206,234	37,350,825	43,934,114	22,881,292
<b>Total General Fund</b>	<u>\$ 122,741,313</u>	<u>\$ 100,045,703</u>	<u>\$ 77,511,233</u>	<u>\$ 55,695,088</u>
<b>All other governmental funds</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Nonspendable	296,283	328,052	330,573	259,018
Restricted	7,570,842	15,290,632	14,938,506	15,433,451
Committed	1,177,195	1,105,276	1,118,844	1,117,250
Unassigned	-	-	74,845	-
<b>Total all other governmental funds</b>	<u>\$ 9,044,320</u>	<u>\$ 16,723,960</u>	<u>\$ 16,462,768</u>	<u>\$ 16,809,719</u>

In fiscal year 2011, the District implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions". The fund balance classifications of Reserved and Unreserved are not used. The prior years were not restated.

*Table 3*

<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
\$ -	\$ 2,481,483	\$ 2,481,483	\$ 1,155,917	\$ 606,890	\$ 963,930
-	41,272,266	41,272,266	34,900,554	28,486,876	18,835,642
1,671,045	-	-	-	-	-
28,828,263	-	-	-	-	-
18,590,443	-	-	-	-	-
<u>\$ 49,089,751</u>	<u>\$ 43,753,749</u>	<u>\$ 43,753,749</u>	<u>\$ 36,056,471</u>	<u>\$ 29,093,766</u>	<u>\$ 19,799,572</u>
\$ -	\$ 8,881,453	\$ 8,451,723	\$ 8,372,217	\$ 7,850,712	\$ 6,443,115
-	22,880,112	10,909,530	18,606,927	19,446,036	14,055,414
391,839	-	-	-	-	-
20,337,361	-	-	-	-	-
925,527	-	-	-	-	-
(2,513)	-	-	-	-	-
<u>\$ 21,652,214</u>	<u>\$ 31,761,565</u>	<u>\$ 19,361,253</u>	<u>\$ 26,979,144</u>	<u>\$ 27,296,748</u>	<u>\$ 20,498,529</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

*(Modified Accrual Basis of Accounting)*

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Revenues</b>			
Local, intermediate, and out-of-state	\$ 115,585,283	\$ 107,545,114	\$ 100,870,878
State program revenues	122,134,322	115,638,378	111,519,829
Federal program revenues	24,897,318	25,663,538	25,300,766
<b>Total revenues</b>	<u>262,616,923</u>	<u>248,847,030</u>	<u>237,691,473</u>
<b>Expenditures</b>			
<b>Current:</b>			
Instruction	116,123,750	108,236,343	105,345,195
Instruction resources and media services	2,261,229	2,297,366	2,096,006
Curriculum and instructional staff development	5,099,920	4,741,875	4,465,590
Instructional leadership	5,315,963	5,040,251	4,807,130
School leadership	12,087,329	11,495,594	9,780,324
Guidance, counseling and evaluation services	6,886,719	5,900,141	5,905,014
Social work services	543,602	578,533	466,373
Health services	1,708,342	1,653,579	1,580,846
Student transportation	5,647,991	5,705,878	5,610,045
Food services	13,497,039	13,146,607	12,385,551
Extracurricular activities	4,428,695	4,198,630	3,533,511
General administration	7,366,069	6,824,006	6,348,851
Facilities maintenance and operations	28,443,150	26,445,792	21,969,662
Security and monitoring services	2,575,648	2,839,113	2,412,958
Data processing services	3,799,413	2,271,870	2,635,290
Community services	1,436,163	1,408,332	1,395,984
Principal on long-term debt	10,975,838	10,528,062	9,904,288
Interest on long-term debt	9,044,466	9,871,530	11,049,145
Bond issuance costs and fees	174,015	172,598	533,905
Facilities acquisition and construction expenditures	680,693	294,454	3,892,873
Payments to appraisal districts	857,019	764,804	721,839
<b>Total Expenditures</b>	<u>238,953,053</u>	<u>224,415,358</u>	<u>216,840,380</u>
Excess (deficiency) of revenues over (under) expenditures	<u>23,663,870</u>	<u>24,431,672</u>	<u>20,851,093</u>
<b>Other financing sources (uses)</b>			
Refunding bonds issued	9,505,000	8,970,000	37,990,000
Capital related debt issued (regular bonds)	-	-	-
Sale of real or personal property	84,150	41,806	34,816
Transfers in	-	13,427	79,105
Premium or discount on issuance of bonds	456,463	986,842	3,212,391
Transfers out	-	(13,427)	(79,105)
Payment to bond refunding escrow agent	(18,693,513)	(9,787,132)	(40,619,106)
Other resources	-	-	-
Other uses - court ordered tax refunds	-	-	-
<b>Total other financing sources (uses)</b>	<u>(8,647,900)</u>	<u>211,516</u>	<u>618,101</u>
Net change in Fund Balances	<u>\$ 15,015,970</u>	<u>\$ 24,643,188</u>	<u>\$ 21,469,194</u>
<b>Debt service as a percentage of noncapital expenditures:</b>	8.48%	9.16%	9.95%

\* Debt service as a percentage of noncapital expenditures is determined by dividing debt service expenditures by total expenditures less current year capital outlay

Table 4

2012	2011	2010	2009	2008	2007	2006
\$ 86,839,658	\$ 88,352,462	\$ 87,446,212	\$ 84,497,542	\$ 76,939,894	\$ 81,180,321	\$ 75,795,623
100,431,290	101,831,613	99,495,102	107,326,585	108,661,567	89,350,078	84,504,845
28,555,473	35,122,701	41,171,536	24,513,530	20,167,976	20,779,916	24,276,860
<u>215,826,421</u>	<u>225,306,776</u>	<u>228,112,850</u>	<u>216,337,657</u>	<u>205,769,437</u>	<u>191,310,315</u>	<u>184,577,328</u>
104,778,613	113,533,933	116,343,652	108,274,823	101,879,051	92,229,252	98,041,149
2,156,143	2,238,478	2,250,754	2,146,819	2,070,834	1,863,613	1,958,966
4,486,751	5,322,015	5,883,925	5,135,790	4,248,338	4,003,173	4,692,582
4,699,674	5,027,723	4,851,875	4,366,090	4,667,600	3,884,720	3,585,125
9,733,219	10,470,061	11,055,609	10,162,127	9,853,352	8,698,078	8,820,235
5,558,339	6,582,751	6,881,197	6,087,783	6,041,654	5,568,678	5,512,675
417,632	386,115	534,991	591,089	623,889	672,099	645,132
1,606,261	1,695,358	1,686,373	1,535,239	1,379,020	1,272,822	1,189,086
5,210,690	5,098,572	5,446,174	4,762,776	4,707,440	4,671,273	4,807,268
12,037,705	13,163,036	11,077,711	11,113,215	9,987,017	9,286,177	8,741,126
3,384,149	4,182,803	3,885,984	3,345,017	2,908,841	2,808,282	2,904,334
6,143,821	6,732,709	6,980,173	5,856,038	5,846,843	6,165,420	6,163,492
21,411,993	23,414,498	21,786,715	20,754,911	19,874,965	17,603,073	16,912,996
2,044,109	2,006,943	2,332,810	2,104,542	2,090,946	1,808,093	1,776,129
2,826,525	2,449,516	2,051,911	2,694,735	1,911,618	1,646,654	1,235,252
1,406,599	1,373,535	1,305,020	1,284,313	1,076,330	942,597	1,048,651
8,124,325	10,848,290	10,025,749	9,199,916	8,854,781	8,869,751	7,631,519
13,148,832	10,496,688	10,771,053	11,195,372	10,561,545	9,215,243	7,934,507
166,082	165,893	99,352	-	-	-	-
4,583,902	8,337,870	3,175,535	5,004,840	18,107,897	22,041,543	7,553,097
680,484	687,831	667,412	586,095	563,772	-	-
<u>214,605,848</u>	<u>234,214,618</u>	<u>229,093,975</u>	<u>216,201,530</u>	<u>217,255,733</u>	<u>203,250,541</u>	<u>191,153,321</u>
1,220,573	(8,907,842)	(981,125)	136,127	(11,486,296)	(11,940,226)	(6,575,993)
9,234,299	9,250,000	-	-	-	-	-
-	-	17,000,000	-	18,000,000	68,790,871	22,000,000
230,813	79,973	39,096	24,581	39,341	32,434	18,034
1,346,897	235,750	68,924	28,106	9,819	-	1,656,096
745,214	671,423	85,170	-	92,057	2,960,392	150,121
(1,346,897)	(235,750)	(40,928)	(27,948)	(9,819)	(554,346)	(1,656,096)
(9,796,601)	(9,753,590)	-	-	-	(43,077,608)	-
128,542	89,284	26,578	-	-	-	-
-	-	-	(81,480)	-	(119,103)	-
<u>542,267</u>	<u>337,090</u>	<u>17,178,840</u>	<u>(56,741)</u>	<u>18,131,398</u>	<u>28,032,640</u>	<u>22,168,155</u>
<u>\$ 1,762,840</u>	<u>\$ (8,570,752)</u>	<u>\$ 16,197,715</u>	<u>\$ 79,386</u>	<u>\$ 6,645,102</u>	<u>\$ 16,092,414</u>	<u>\$ 15,592,162</u>
10.23%	9.52%	9.25%	9.66%	9.75%	9.98%	8.48%

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

**REVENUE BY SOURCE FOR GOVERNMENTAL FUNDS \***

**LAST TEN FISCAL YEARS**

*(Modified Accrual Basis of Accounting)*

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Revenues from Local and Intermediate Sources:</b>				
Property Taxes	\$ 110,746,646	\$ 101,898,646	\$ 96,060,301	\$ 82,518,824
Food Sales	2,396,720	2,750,940	2,655,573	2,584,201
Earnings on Investments	206,953	167,415	177,448	195,268
Cocurricular / Student Activities	1,143,482	1,062,967	1,367,827	1,121,203
Other Revenues from Local and Intermediate Sources	<u>1,091,482</u>	<u>1,665,146</u>	<u>609,729</u>	<u>420,162</u>
<b>Total Revenue from Local and Intermediate Sources</b>	<u>115,585,283</u>	<u>107,545,114</u>	<u>100,870,878</u>	<u>86,839,658</u>
<b>State Program Revenues:</b>				
Foundation School Formula	102,427,994	96,750,134	89,799,577	81,902,071
TRS On-behalf Revenue	8,584,055	7,975,683	6,868,878	7,395,226
Debt Allotment	2,340,175	2,553,951	4,503,773	3,597,685
Available School Fund (Per Capita)	5,505,980	5,347,184	9,490,102	5,056,922
District Awards Teacher Excellence (DATE)	-	-	-	1,454,823
Texas Educator Excellence Governors Award (TEEG)	-	-	-	-
Technology Allotment	-	-	-	-
TX HS Initiative - Early Warning Data System (STTE)	-	-	-	-
Accelerated Reading & Math Instruction (ARI/AMI)	-	-	-	-
Student Success Initiative	-	-	-	351,661
Instructional Materials Allotment	1,647,182.00	2,834,175	560,990	503,730
TRS Employee Health Insurance	1,451,572	-	-	-
Other State Program Revenues **	<u>177,364</u>	<u>177,551</u>	<u>296,509</u>	<u>169,172</u>
<b>Total State Program Revenues</b>	<u>122,134,322</u>	<u>115,638,678</u>	<u>111,519,829</u>	<u>100,431,290</u>
<b>Federal Program Revenues:</b>				
State Fiscal Stabilization Fund				
National School Breakfast and Lunch Program	10,597,174	10,280,909	9,978,169	9,218,262
ESEA Title I, Part A - Improving Basic Programs	5,307,455	5,111,193	5,038,958	5,436,695
IDEA Part B - Formula	3,727,742	3,956,789	3,547,960	3,613,526
IDEA Part B - Formula - ARRA	-	-	-	-
ESEA Title I, Part A - Improving Basic Programs - ARRA	-	-	-	-
SHARS	-	1,606,362	1,588,777	958,755
ESEA Title II, Part A - Teacher, Principal, Training, Recruiting	726,222	744,649	718,650	734,977
Early Head Start	781,856	732,369	772,064	744,934
ESEA Title III, Part A - Limited English Proficiency	658,421	554,948	668,683	889,017
USDA Commodities	846,558	871,112	856,296	720,258
Advanced Placement Incentive Program	-	-	-	-
E-Rate	656,906	694,871	678,780	399,938
Vocational Education - Carl D. Perkins	-	-	-	-
ESEA Title II, Part D - Technology Immersion Pilot (TIP)	726,222	-	-	-
Title I, Part C	-	184,509	-	345,741
21st Century	406,429	253,876	-	536,926
Education Jobs Fund	-	-	-	3,792,270
Temporary Impact Aid - HERA	-	-	-	-
FEMA Disaster Assistance****	-	-	-	-
Other Federal Program Revenue **	<u>462,337</u>	<u>671,951</u>	<u>1,452,429</u>	<u>1,164,174</u>
<b>Total Federal Program Revenues</b>	<u>24,897,322</u>	<u>25,663,538</u>	<u>25,300,766</u>	<u>28,555,473</u>
<b>Total Revenues for Governmental Funds</b>	<u>\$ 262,616,927</u>	<u>\$ 248,847,330</u>	<u>\$ 237,691,473</u>	<u>\$ 215,826,421</u>

\* This schedule is prepared in lieu of a Schedule of Tax Revenues by Source, as all tax revenues received by the District are Ad Valorem Taxes.

\*\* Individual local, state and federal programs in excess of \$300,000 are reported separately in this schedule. All others are combined as Other Local, State or Federal Program Revenues. Additionally, prior year information is not restated for programs or grants that exceed \$300,000 in a subsequent year, the amounts remain in Other Local, State or Federal Program Revenues.

\*\*\* This schedule includes all Governmental Fund Types

\*\*\*\* Disaster assistance grants received are the result of damage from Hurricane Ike.

Table 5

<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
\$ 83,600,427	\$ 83,277,367	\$ 79,685,962	\$ 70,112,171	\$ 73,518,426	\$ 69,758,223
2,629,662	2,664,951	2,649,521	2,813,791	2,630,236	3,015,526
226,543	284,441	1,023,944	2,397,172	3,412,545	2,257,456
1,025,400	639,550	551,336	664,164	855,365	160,610
870,430	579,730	586,779	952,596	763,749	603,808
<u>88,352,462</u>	<u>87,446,039</u>	<u>84,497,542</u>	<u>76,939,894</u>	<u>81,180,321</u>	<u>75,795,623</u>
79,814,416	82,113,931	85,971,145	86,415,431	67,850,143	63,455,542
8,193,606	7,069,140	7,611,883	7,572,012	6,599,574	5,864,799
3,134,120	3,700,428	5,443,920	6,283,044	5,747,220	6,170,910
6,555,194	2,364,313	5,053,058	5,484,330	7,726,035	6,112,344
1,480,587	1,410,553	-	-	-	-
-	923,541	1,357,418	1,346,233	-	-
591,107	588,162	588,152	579,554	496,717	533,541
-	362,670	-	-	-	-
-	-	461,089	466,400	654,896	617,446
322,868	-	-	-	-	-
1,181,649	-	-	-	-	-
-	-	-	-	-	1,112,396
<u>558,066</u>	<u>962,365</u>	<u>839,920</u>	<u>514,563</u>	<u>275,493</u>	<u>637,867</u>
<u>101,831,613</u>	<u>99,495,103</u>	<u>107,326,585</u>	<u>108,661,567</u>	<u>89,350,078</u>	<u>84,504,845</u>
7,685,510	9,496,712	633,177	-	-	-
9,151,875	8,387,965	7,442,637	7,092,687	6,514,846	6,489,438
5,777,650	6,158,912	6,104,877	4,028,333	3,918,066	4,673,388
3,819,176	3,959,045	4,696,208	3,412,477	3,041,398	4,254,634
1,115,174	3,371,003	-	-	-	-
653,454	2,899,607	-	-	-	-
1,316,842	1,324,154	-	306,834	1,096,372	747,315
959,530	925,830	879,855	795,753	847,439	898,296
766,216	754,745	766,954	730,476	719,940	727,035
683,393	717,819	769,864	570,797	685,658	678,683
762,388	583,059	680,583	625,256	487,367	467,556
457,761	575,924	-	-	-	-
615,467	421,917	-	365,242	379,596	794,988
-	-	312,802	-	-	-
-	-	-	339,972	714,756	-
-	-	-	-	-	-
-	-	458,130	528,002	712,604	601,160
-	-	-	-	-	-
-	-	-	-	-	2,125,133
-	-	421,641	-	-	-
<u>1,358,265</u>	<u>1,594,843</u>	<u>1,346,802</u>	<u>1,372,147</u>	<u>1,661,874</u>	<u>1,819,234</u>
<u>35,122,701</u>	<u>41,171,535</u>	<u>24,513,530</u>	<u>20,167,976</u>	<u>20,779,916</u>	<u>24,276,860</u>
<u>\$ 225,306,776</u>	<u>\$ 228,112,677</u>	<u>\$ 216,337,657</u>	<u>\$ 205,769,437</u>	<u>\$ 191,310,315</u>	<u>\$ 184,577,328</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended August 31,</b>	<b>Appraised Value</b>		<b>Less Exemptions</b>	<b>Total Taxable Assessed Value</b>
	<b>Real Property</b>	<b>Personal Property</b>		
2006	\$ 2,830,356,580	\$ 2,244,981,496	\$ (1,275,184,853)	\$ 3,800,153,223
2007	2,949,272,449	2,672,340,941	(1,402,356,364)	4,219,257,026
2008	3,153,068,761	3,114,049,982	(1,449,848,633)	4,817,270,110
2009	3,334,047,889	3,801,206,900	(1,668,534,891)	5,466,719,898
2010	3,374,490,897	3,950,573,931	(1,681,471,194)	5,643,593,634
2011	3,268,053,301	3,908,453,891	(1,683,347,545)	5,493,159,647
2012	3,250,137,926	4,002,379,770	(1,832,449,109)	5,420,068,587
2013	3,287,403,674	5,077,288,433	(2,001,845,389)	6,362,846,718
2014	3,581,313,317	5,306,633,833	(2,139,221,068)	6,748,726,082
2015	3,919,364,074	5,764,517,819	(2,250,681,962)	7,433,199,935

(1) Tax rates are per \$100 of taxable assessed value.

Source: Harris County Appraisal District

Note: The real property numbers were derived by using the tax roll for the necessary year and adding the totals for all items designated as "real" in the property use category description.

Personal property represents items not identified as "real" in the property use category description.

Actual value is the market value as reported by HCAD. HCAD did not provide market value figures prior to fiscal year 2006.

*Table 6*

<b>Total Direct Tax Rate (1)</b>	<b>Actual Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
\$ 1.81500	\$ 5,104,704,974	74%
1.71500	5,644,760,134	75%
1.43090	6,296,753,135	77%
1.45590	7,164,108,053	76%
1.47840	7,340,015,099	77%
1.51340	7,191,240,810	76%
1.51340	7,264,497,418	75%
1.51340	8,376,275,379	76%
1.51340	8,901,084,602	76%
1.51340	9,711,137,783	77%

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**(PER \$100 OF ASSESSED VALUE)**  
**LAST TEN FISCAL YEARS**

<b>Taxing Authority</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>Overlapping Rates:</b>				
<b>Cities:</b>				
Galena Park, City of	1.04745	1.04745	1.05745	1.03745
Houston, City of	0.63108	0.63875	0.63875	0.63875
Jacinto City, City of	0.79991	0.79991	0.76612	0.79593
<b>Counties:</b>				
Harris Co	0.41731	0.41455	0.40021	0.39117
<b>Municipal Utility Districts:</b>				
Harris Co MUD #8	0.64000	0.68000	0.68000	0.56500
Harris Co MUD #53	0.81000	0.88000	0.91000	0.87500
Harris Co MUD #285	0.90000	0.96000	0.98000	0.94500
<b>Water Control and Improvement Districts:</b>				
Harris Co WC&ID #36	0.35000	0.33000	0.31000	0.29000
Port of Houston Authority	0.01531	0.01716	0.01952	0.01856
<b>Other Governmental Entities:</b>				
Harris Co Dept of Education	0.00600	0.00636	0.00662	0.00658
Harris Co Flood Control District	0.02736	0.02827	0.02809	0.02809
Harris Co FWSD #51	0.30000	0.33000	0.34500	0.34000
San Jacinto Community College District	0.18560	0.18560	0.18560	0.18560
<b>District Direct Rates:</b>				
Maintenance and Operations	1.24330	1.24330	1.24330	1.18340
Debt Service	0.27010	0.27010	0.27010	0.33000
<b>Total District Direct Rates</b>	<b>1.51340</b>	<b>1.51340</b>	<b>1.51340</b>	<b>1.51340</b>

Source: Harris County Tax Office  
Harris County Appraisal District  
Individual Jurisdictions

**Table 7**

<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
1.03745	1.03745	1.03745	1.04745	1.04745	No Data
0.63875	0.63875	0.63875	0.64500	0.64750	0.65000
0.80153	0.72107	0.66147	0.67175	0.70880	0.83157
0.38805	0.39224	0.38923	0.39239	0.40240	0.39990
0.54250	0.52750	0.47000	0.49000	0.49000	No Data
0.82500	0.79500	0.79500	0.81500	0.81500	No Data
0.93000	0.93000	0.90000	0.90000	0.90000	No Data
0.29000	0.28000	0.28000	0.28000	0.28000	No Data
0.02054	0.01640	0.01770	0.01440	0.01300	0.01470
0.06581	0.06050	0.05840	0.05850	0.06290	0.06290
0.02923	0.02920	0.03090	0.03110	0.03240	0.03320
0.32000	0.02922	0.03086	0.03060	0.27000	No Data
0.17628	0.17080	0.16341	0.14536	0.14536	1.39130
1.18340	1.18340	1.18340	1.18340	1.46750	1.61000
0.33000	0.29500	0.27250	0.24750	0.24750	0.20500
<u>1.51340</u>	<u>1.47840</u>	<u>1.45590</u>	<u>1.43090</u>	<u>1.71500</u>	<u>1.81500</u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Table 8*

**PRINCIPAL TAXPAYERS**

August 31, 2015

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Helmerich & Payne	\$ 304,568,095	1	4.10%	Not Available		
Oil Tanking Houston, Inc.	213,265,327	2	2.87%	\$ 73,815,699	3	1.94%
Magellan Terminal Holdings	181,702,758	3	2.44%	51,671,735	7	1.36%
GE Packaged Power (1)	149,573,623	4	2.01%	155,312,920	1	4.09%
Houston Fuel Oil	155,787,983	5	2.10%	66,515,882	4	1.75%
Higman Barge Lines Inc (FKA Maryland)	145,501,915	6	1.96%	Not Available		
Chevron Chemical Co.	134,442,511	7	1.81%	57,034,010	5	1.50%
National Oilwell Inc.	128,869,444	8	1.73%	Not Available		
Shell Oil Co.	115,322,564	9	1.55%	35,883,429	9	0.94%
Targa Midstream	126,491,425	10	1.70%	Not Available		
GB Biosciences Corp.	Not Available			76,485,464	2	2.01%
Stolt Nielson, Inc.	Not Available			51,349,104	8	1.35%
Centerpoint Energy Houston	Not Available			55,765,335	6	1.47%
Greensport Ship Channel	Not Available			31,537,337	10	0.83%
	<u>\$ 1,655,525,645</u>		<u>22.27%</u>	<u>\$ 655,370,915</u>		<u>17.25%</u>

Source: District Records

Notes:

(1) - Taxpayer name was GE Aero Energy Products in 2006.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL PERIODS**

*Table 9*

Fiscal Year Ended August 31,	Total Tax Levy * for Fiscal Year (1)	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 69,325,077	67,322,148	97.11%	\$ 1,797,047	\$ 69,119,195	99.70%
2007	72,145,369	70,597,750	97.85%	1,364,368	71,962,118	99.75%
2008	68,855,109	67,634,905	98.23%	1,035,676	68,670,581	99.73%
2009	78,941,849	77,745,766	98.48%	903,345	78,649,111	99.63%
2010	83,603,034	81,391,301	97.35%	1,393,518	82,784,819	99.02%
2011	82,672,989	81,347,725	98.40%	723,275	82,071,000	99.27%
2012	81,698,734	80,669,815	98.74%	263,615	80,933,430	99.06%
2013	96,048,750	94,771,892	98.67%	3,065	94,774,957	98.67%
2014	101,872,657	100,810,877	98.96%	357,512	101,168,389	99.31%
2015	112,211,659	109,460,180	97.55%		109,460,180	97.55%

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

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Table 10*

**RATIOS OF OUTSTANDING DEBT BY TYPE**

**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Governmental Activities</b>		<b>Total Primary Government</b>	<b>Ratio of Debt to Assessed Value (1)</b>	<b>Debt per Student (2)</b>
	<b>Schoolhouse and Refunding Bonds</b>	<b>Qualified Zone Academy Bonds</b>			
2006	\$ 239,942,210	\$ 8,695,022	\$ 248,637,232	6.54%	\$ 11,217
2007	263,453,435	7,963,504	271,416,939	6.43%	11,923
2008	275,816,203	7,231,985	283,048,188	5.88%	12,872
2009	269,602,822	6,500,466	276,103,288	5.05%	13,642
2010	280,181,491	5,768,947	285,950,438	5.13%	13,275
2011	273,294,118	5,037,428	278,331,546	4.98%	13,598
2012	265,870,548	4,305,909	270,176,457	4.99%	12,533
2013	258,180,405	3,574,390	261,754,795	4.11%	12,017
2014	250,473,097	2,842,871	253,315,968	3.75%	11,251
2015	233,132,242	2,111,352	235,243,594	3.16%	10,391

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

- (1) See Table 6 for assessed value information.
- (2) See Table 17 for student enrollment information.

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

*Table 11*

<b>Fiscal Year</b>	<b>Schoolhouse and Refunding Bonds Outstanding</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property (1)</b>	<b>Net Bonded Debt per Student (2)</b>
2006	\$ 239,942,210	\$ 2,920,709	\$ 237,021,501	6.24%	\$ 11,169
2007	263,453,435	3,123,604	260,329,831	6.17%	12,291
2008	275,816,203	3,193,333	272,622,870	5.66%	12,957
2009	269,602,822	3,976,978	265,625,844	4.86%	12,525
2010	280,181,491	4,232,268	275,949,223	4.89%	12,889
2011	273,294,118	4,973,571	268,320,547	4.88%	12,447
2012	265,870,548	7,386,838	258,483,710	4.77%	11,868
2013	258,180,405	8,942,426	249,237,979	3.92%	11,323
2014	250,473,097	10,043,759	240,429,338	3.56%	10,679
2015	233,132,242	4,024,630	229,107,612	3.08%	10,120

(1) See Table 6 for assessed value information.

(2) See Table 17 for student enrollment.

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**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT**  
*For the Year Ended August 31, 2015*

*Table 12*

Governmental Unit	Net Debt		Percentage Overlapping	Amount of Overlapping Debt
	Amount	As Of		
<b>Cities:</b>				
Galena Park	\$ 954,480	09/30/14	100.00%	\$ 954,480
Houston	2,997,596,341	06/30/14	0.32%	9,592,308
Jacinto City	3,045,000	07/31/15	64.29%	1,957,631
<b>Counties:</b>				
Harris	2,229,169,312	02/28/14	2.03%	45,252,137
<b>Municipal Utility Districts:</b>				
Harris Co. MUD 8	4,080,000	07/31/15	100.00%	4,080,000
Harris Co. MUD 53	24,647,108	02/13/14	27.00%	6,654,719
Harris Co. MUD 285	47,851,534	04/30/15	70.65%	33,807,109
<b>Water Control and Improvement Districts</b>				
Harris Co. WC&ID 36	14,002,643	06/30/14	100.00%	14,002,643
Port of Houston Authority	659,089,397	12/31/14	2.17%	14,302,240
<b>Other Governmental Entities:</b>				
Harris County Department of Education	7,410,000	08/31/14	2.03%	150,423
Harris County Flood Control District	83,017,090	02/28/14	2.11%	1,751,661
Harris Co. FWSD 51	11,929,985	06/30/14	100.00%	11,929,985
San Jacinto Community College District	278,989,848	07/31/15	15.52%	43,299,224
Subtotal, overlapping debt				187,734,560
Galena Park Independent School District Direct Debt				235,243,594
<b>Total Direct and Overlapping Debt</b>				<b>\$ 422,978,154</b>

Sources: Texas Municipal Report issued by the Municipal Advisory Council of Texas

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

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

**LEGAL DEBT MARGIN INFORMATION**

**LAST TEN FISCAL YEARS**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 968,388,190	\$ 888,794,715	\$ 836,469,211	\$ 732,506,483
Less: Total Net Debt Applicable to Limit	<u>177,003,817</u>	<u>191,581,929</u>	<u>200,567,976</u>	<u>211,902,613</u>
<b>Legal Debt Margin</b>	<u><u>\$ 791,384,373</u></u>	<u><u>\$ 697,212,786</u></u>	<u><u>\$ 635,901,235</u></u>	<u><u>\$ 499,406,933</u></u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	18.28%	21.56%	23.98%	30.96%

**Legal Debt Margin Calculation for Fiscal Year 2014**

Assessed Taxable Value	\$ 7,433,199,935
Add back:	
Exempt Real Property	<u>2,250,681,962</u>
<b>Total Assessed Value</b>	<u><u>\$ 9,683,881,897</u></u>
Debt Limit (10% of total assessed value)	\$ 968,388,190
Debt Applicable to Limit:	
Schoolhouse and Refunding Bonds	\$ 181,028,447
Less: Amount set aside for repayment of bonds	<u>(4,024,630)</u>
<b>Total Net Debt Applicable to Limit</b>	<u><u>\$ 177,003,817</u></u>
<b>Legal Debt Margin</b>	<u><u>\$ 791,384,373</u></u>

Note: Although there is no legal debt limit in the State of Texas, most school business officials in the State hold the opinion that the Attorney General would not approve bonded indebtedness in excess of 10 percent of assessed value.

Source: Harris County Appraisal District.

*Table 13*

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 732,506,483	\$ 732,506,483	\$ 713,525,479	\$ 626,711,874	\$ 562,161,339	\$ 507,533,808
<u>233,099,550</u>	<u>225,734,930</u>	<u>235,156,283</u>	<u>225,458,448</u>	<u>208,897,720</u>	<u>193,614,917</u>
<u>\$ 487,790,549</u>	<u>\$ 391,555,591</u>	<u>\$ 336,702,891</u>	<u>\$ 298,636,088</u>	<u>\$ 240,928,048</u>	<u>\$ 219,092,889</u>
31.82%	31.64%	37.52%	40.11%	41.16%	44.56%

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

*Table 14*

<b>Fiscal Year</b>	<b>Residential Units (1)</b>	<b>Total Assessed Value per Residential Unit (1)</b>	<b>Average Assessed Value per Residential Unit (1)</b>	<b>Median Annual Income (2)</b>	<b>Per Capita Personal Income (2)</b>	<b>Unemployment Rate (2)</b>
2006	20,302	\$ 1,159,650,696	\$ 57,120	\$ 47,159	\$ 46,132	5.1%
2007	20,452	1,234,087,515	60,341	49,977	49,634	4.3%
2008	20,499	1,337,559,065	65,250	Not Available	47,788	5.2%
2009	20,526	1,396,707,548	68,046	Not Available	Not Available	8.2%
2010	20,536	1,263,129,320	61,508	Not Available	Not Available	8.6%
2011	20,534	1,193,407,476	58,119	34,430	Not Available	8.1%
2012	20,572	1,150,278,910	55,915	35,150	Not Available	7.0%
2013	20,606	1,103,012,056	53,529	35,342	Not Available	6.1%
2014	20,669	1,131,283,208	54,733	36,042	Not Available	5.5%
2015	20,832	1,195,762,229	57,400	36,879	Not Available	4.6%

(1) Harris County Appraisal District

The residential property numbers were derived by using the tax roll for the necessary year and adding the total designated as "residential" in the property use category description.

(2) TRACER of Texas Workforce Commission for Harris County

(3) United States Department of Labor - Bureau of Labor Statistics

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*Table 15*

**PRINCIPAL EMPLOYERS**

*For the Year Ended August 31, 2015*

<b>Taxpayer</b>	<b>2015</b>			<b>2006 <sup>(1)</sup></b>		
	<b>Employees</b>	<b>Rank*</b>	<b>Percentage of Principal Employers</b>	<b>Employees</b>	<b>Rank*</b>	<b>Percentage of Principal Employers</b>
<b>Harris County</b>						
Galena Park ISD	2,977		56.50%			
Chevron Chemical Co.	592		11.24%			
Sam's Club	500		9.49%			
Wal-Mart	400		7.59%			
United State Gypsum Co	350		6.64%			
National Oilwell Varco	350		6.64%			
City of Galena Park	100		1.90%			
<b>Total Harris County Employment</b>	<b>5,269</b>					

<sup>(1)</sup> Information not readily available.

\* Ranking is optional

Source: Manta.com

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

***FULL-TIME EQUIVALENT DISTRICT EMPLOYEES***

***LAST TEN FISCAL YEARS***

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Professional Staff</b>				
Teachers	1,380	1,473	1,480	1,492
Professional Support	380	263	297	270
Campus Administration	77	76	69	65
Central Administration	47	51	11	35
<b>Education Aides</b>	223	177	127	98
<b>Auxiliary Staff</b>	<u>870</u>	<u>918</u>	<u>956</u>	<u>1,014</u>
<b>Total</b>	<u>2,977</u>	<u>2,958</u>	<u>2,940</u>	<u>2,974</u>

Source: Texas Education Agency TAPR (Texas Academic Performance Report)

*Table 16*

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
1,537	1,573	1,520	1,545	1,532	1,603
307	274	285	227	218	190
74	70	72	75	67	72
29	34	27	29	36	50
134	167	141	146	176	150
<u>1,023</u>	<u>976</u>	<u>976</u>	<u>950</u>	<u>914</u>	<u>927</u>
<u><u>3,094</u></u>	<u><u>3,021</u></u>	<u><u>2,972</u></u>	<u><u>2,943</u></u>	<u><u>2,992</u></u>	<u><u>2,845</u></u>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*OPERATING STATISTICS*

*LAST TEN FISCAL YEARS*

<b>Fiscal Year August 31,</b>	<b>Average Daily Attendance</b>	<b>Governmental Fund Expenditures</b>		<b>Government-wide Expenses</b>	
		<b>Operating Expenditures (1)</b>	<b>Cost per Student</b>	<b>Governmental Activities Expenses</b>	<b>Cost per Student</b>
2006	19,609	\$ 168,034,198	\$ 8,569	\$ 190,646,405	\$ 9,722
2007	19,587	163,124,004	8,328	183,886,925	9,388
2008	19,585	179,731,510	9,177	203,073,499	10,369
2009	19,780	190,801,402	9,646	213,781,703	10,808
2010	19,830	205,022,286	10,339	229,016,610	11,549
2011	20,114	204,365,877	10,160	226,263,052	11,249
2012	20,226	188,582,707	9,324	211,523,486	10,458
2013	20,500	191,994,074	9,366	213,051,992	10,393
2014	20,884	203,548,714	9,747	224,526,271	10,751
2015	21,019	218,078,041	10,375	232,560,231	11,064

Source: District Records

- (1) Operating expenditures include governmental fund expenditures less debt service and facilities acquisition and construction expenditures.

Table 17

Teachers	District Employees			Final Enrollment	Percentage Increase in Enrollment	Student / Teacher Ratio	Students Participating in Free/Reduced Lunch Program
	Professionals	Other	Total				
1,603	312	1,077	2,992	21,221	2.40%	13	15,320
1,532	321	1,090	2,943	21,180	-0.19%	14	16,366
1,545	331	1,096	2,972	21,041	-0.66%	14	16,042
1,520	384	1,117	3,021	21,208	0.79%	14	17,983
1,573	379	1,142	3,094	21,409	0.95%	14	17,761
1,537	410	1,157	3,104	21,557	0.69%	14	16,842
1,492	370	1,112	2,974	21,780	1.03%	15	17,216
1,480	297	1,163	2,940	22,012	1.07%	15	18,220
1,473	263	1,222	2,958	22,515	2.29%	15	18,055
1,380	380	1,217	2,977	22,639	0.55%	16	18,075

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**GALENA PARK INDEPENDENT SCHOOL DISTRICT**  
**TEACHER BASE SALARIES**  
**LAST TEN FISCAL YEARS**

*Table 18*

<b>Fiscal Year</b>	<b>Minimum Salary (1)</b>	<b>Maximum Salary (1)</b>	<b>Statewide Average (2)</b>
2006	\$ 37,500	\$ 59,526	\$ 41,743
2007	40,000	62,875	44,897
2008	41,000	64,925	46,179
2009	43,000	67,475	47,159
2010	44,500	69,525	48,263
2011	45,000	70,575	48,638
2012	45,000	70,575	48,375
2013	45,000	70,575	48,821
2014	45,500	71,825	49,692
2015	50,000	73,150	50,715

(1) Source: District Records

(2) Source: Texas Education Agency TAPR (Texas Academic Performance Report)

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*SCHOOL BUILDING INFORMATION*

*LAST TEN FISCAL YEARS*

<b>Building:</b>	<b>Year Built</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>HIGH SCHOOLS</b>				
Galena Park	1950			
Square Footage		277,914	277,914	277,914
Additions				
Revised Sq Ft		<u>277,914</u>	<u>277,914</u>	<u>277,914</u>
Capacity (see note #1)		1,869	1,869	1,869
Enrollment		1,967	2,025	1,915
North Shore West	1954			
Square Footage		390,876	390,876	390,876
Additions				
Revised Sq Ft		<u>390,876</u>	<u>390,876</u>	<u>390,876</u>
Capacity (see note #1)		1,678	1,678	1,678
Enrollment		1,184	1,156	1,156
North Shore East (see note #3)	1956			
Square Footage		120,555	120,555	120,555
Additions				
Revised Sq Ft		<u>120,555</u>	<u>120,555</u>	<u>120,555</u>
Capacity (see note #1)		1,134	1,134	1,134
Enrollment (see note #2)				
North Shore Senior High	1998			
Square Footage		492,913	492,913	492,913
Additions				
Revised Sq Ft		<u>492,913</u>	<u>492,913</u>	<u>492,913</u>
Capacity (see note #1)		3,384	3,384	3,384
Enrollment		3,373	3,257	3,319
<b>Sub-Total Sq Ft. High Schools</b>		<b><u>1,282,258</u></b>	<b><u>1,282,258</u></b>	<b><u>1,282,258</u></b>
 <b>MIDDLE SCHOOLS</b>				
Galena Park	1993			
Square Footage		149,394	149,394	149,394
Additions				
Revised Sq Ft		<u>149,394</u>	<u>149,394</u>	<u>149,394</u>
Capacity (see note #1)		1,106	1,106	1,106
Enrollment		971	1,039	1,052
North Shore	1993			
Square Footage		216,836	216,836	216,836
Additions				
Revised Sq Ft		<u>216,836</u>	<u>216,836</u>	<u>216,836</u>
Capacity (see note #1)		1,449	1,449	1,449
Enrollment		1,365	1,344	1,310

*Table 19*  
*Page 1 of 5*

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
277,914	277,914	277,914	277,914	277,914	277,914	277,914
<u>277,914</u>						
1,869	1,869	1,869	1,869	1,869	1,869	1,869
1,867	1,733	1,857	1,800	1,748	1,728	1,711
390,876	390,876	390,876	390,876	390,876	390,876	390,876
<u>390,876</u>						
1,678	1,678	1,678	1,678	1,678	1,678	1,678
1,122	1,193	1,135	1,087	2,150	2,161	2,173
120,555	120,555	120,555	120,555	120,555	120,555	120,555
<u>120,555</u>						
1,134	1,134	1,134	1,134	1,134	1,134	1,134
492,913	492,913	492,913	492,913	356,213	356,213	356,213
				136,700		
<u>492,913</u>	<u>492,913</u>	<u>492,913</u>	<u>492,913</u>	<u>492,913</u>	<u>356,213</u>	<u>356,213</u>
3,384	3,384	3,384	3,384	3,384	2,187	2,187
3,322	3,241	3,052	2,967	1,851	1,862	1,867
<b><u>1,282,258</u></b>	<b><u>1,282,258</u></b>	<b><u>1,282,258</u></b>	<b><u>1,282,258</u></b>	<b><u>1,282,258</u></b>	<b><u>1,145,558</u></b>	<b><u>1,145,558</u></b>
149,394	149,394	149,394	149,394	149,394	149,394	149,394
<u>149,394</u>						
1,106	1,106	1,106	1,106	1,106	1,106	1,106
1,072	1,060	1,002	1,003	932	921	933
216,836	216,836	216,836	216,836	216,836	216,836	216,836
<u>216,836</u>						
1,449	1,449	1,449	1,449	1,449	1,449	1,449
1,269	1,324	1,304	1,357	1,406	1,396	1,299

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*SCHOOL BUILDING INFORMATION*

*LAST TEN FISCAL YEARS*

<b>Building:</b>	<b>Year Built</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>MIDDLE SCHOOLS (continued)</b>				
Woodland Acres	1947			
Square Footage		97,086	97,086	97,086
Additions				
Revised Sq Ft		<u>97,086</u>	<u>97,086</u>	<u>97,086</u>
Capacity (see note #1)		659	659	659
Enrollment		517	459	458
Cunningham	1981			
Square Footage		167,234	167,234	167,234
Additions				
Revised Sq Ft		<u>167,234</u>	<u>167,234</u>	<u>167,234</u>
Capacity (see note #1)		1,123	1,123	1,123
Enrollment		945	998	887
Cobb 6th Grade Campus	2000			
Square Footage		130,893	130,893	130,893
Additions				
Revised Sq Ft		<u>130,893</u>	<u>130,893</u>	<u>130,893</u>
Capacity (see note #1)		1,240	1,240	1,240
Enrollment		1,157	1,063	1,155
<b>Sub-Total Sq Ft. Middle Schools</b>		<b><u>761,443</u></b>	<b><u>761,443</u></b>	<b><u>761,443</u></b>
<b>ELEMENTARY SCHOOLS</b>				
Cimarron	1954			
Square Footage		90,123	90,123	90,123
Additions				
Revised Sq Ft		<u>90,123</u>	<u>90,123</u>	<u>90,123</u>
Capacity (see note #1)		1,034	1,034	1,034
Enrollment		791	833	809
Cloverleaf	1942			
Square Footage		89,346	89,346	89,346
Additions				
Revised Sq Ft		<u>89,346</u>	<u>89,346</u>	<u>89,346</u>
Capacity (see note #1)		1,048	1,048	1,048
Enrollment		812	871	845
Galena Park	1936			
Square Footage		79,396	79,396	79,396
Additions				
Revised Sq Ft		<u>79,396</u>	<u>79,396</u>	<u>79,396</u>
Capacity (see note #1)		700	700	700
Enrollment		628	671	670

*Table 19*  
*Page 2 of 5*

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
97,086	97,086	97,086	97,086	88,244	88,244	88,244
				8,842		
<u>97,086</u>	<u>97,086</u>	<u>97,086</u>	<u>97,086</u>	<u>97,086</u>	<u>88,244</u>	<u>88,244</u>
659	659	659	659	659	490	490
472	487	509	487	479	495	478
167,234	167,234	162,765	162,765	162,765	162,765	162,765
<u>167,234</u>	<u>167,234</u>	<u>162,765</u>	<u>162,765</u>	<u>162,765</u>	<u>162,765</u>	<u>162,765</u>
1,123	1,123	1,047	1,047	1,047	1,047	1,047
913	907	932	888	819	872	938
130,893	130,893	130,893	130,893	130,893	130,893	130,893
<u>130,893</u>						
1,240	1,240	1,240	1,240	1,240	1,240	1,240
1,162	1,009	1,066	1,098	1,107	1,163	1,113
<b><u>761,443</u></b>	<b><u>761,443</u></b>	<b><u>756,974</u></b>	<b><u>756,974</u></b>	<b><u>756,974</u></b>	<b><u>748,132</u></b>	<b><u>748,132</u></b>
90,123	90,123	90,123	90,123	90,123	90,123	90,123
<u>90,123</u>						
1,034	1,034	1,034	1,034	1,034	1,034	1,034
810	807	855	880	925	993	985
89,346	89,346	89,346	89,346	89,346	89,346	89,346
<u>89,346</u>						
1,048	1,048	1,048	1,048	1,048	1,048	1,048
804	836	777	779	767	902	896
79,396	79,396	79,396	79,396	64,348	64,348	64,348
				15,048		
<u>79,396</u>	<u>79,396</u>	<u>79,396</u>	<u>79,396</u>	<u>79,396</u>	<u>64,348</u>	<u>64,348</u>
700	700	700	700	700	613	613
655	667	643	649	619	598	632

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*SCHOOL BUILDING INFORMATION*

*LAST TEN FISCAL YEARS*

<b>Building:</b>	<b>Year Built</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>ELEMENTARY SCHOOLS (continued)</b>				
Green Valley	1958			
Square Footage		96,041	96,041	96,041
Additions				
Revised Sq Ft		<u>96,041</u>	<u>96,041</u>	<u>96,041</u>
Capacity (see note #1)		988	988	988
Enrollment		765	720	701
Jacinto City	1943			
Square Footage		95,554	95,554	95,554
Additions				
Revised Sq Ft		<u>95,554</u>	<u>95,554</u>	<u>95,554</u>
Capacity (see note #1)		864	864	864
Enrollment		823	828	860
MacArthur	1951			
Square Footage		88,864	88,864	88,864
Additions				
Revised Sq Ft		<u>88,864</u>	<u>88,864</u>	<u>88,864</u>
Capacity (see note #1)		790	790	790
Enrollment		696	721	730
North Shore	1961			
Square Footage		88,789	88,789	88,789
Additions				
Revised Sq Ft		<u>88,789</u>	<u>88,789</u>	<u>88,789</u>
Capacity (see note #1)		920	920	920
Enrollment		959	915	912
Pyburn	1952			
Square Footage		73,654	73,654	73,654
Additions				
Revised Sq Ft		<u>73,654</u>	<u>73,654</u>	<u>73,654</u>
Capacity (see note #1)		720	720	720
Enrollment		633	681	683
Woodland Acres	1954			
Square Footage		62,010	62,010	62,010
Additions				
Revised Sq Ft		<u>62,010</u>	<u>62,010</u>	<u>62,010</u>
Capacity (see note #1)		499	499	499
Enrollment		437	422	422

*Table 19*  
*Page 3 of 5*

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
96,041	96,041	96,041	96,041	96,041	96,041	96,041
<u>96,041</u>						
988	988	988	988	988	988	988
679	669	621	626	635	905	961
95,554	95,554	95,554	95,554	95,554	95,554	95,554
<u>95,554</u>						
864	864	864	864	864	864	864
792	822	796	817	823	841	866
88,864	88,864	88,864	88,864	88,864	88,864	74,338
<u>88,864</u>	<u>88,864</u>	<u>88,864</u>	<u>88,864</u>	<u>88,864</u>	<u>88,864</u>	<u>14,526</u>
790	790	790	790	790	790	790
726	735	780	792	776	791	813
88,789	88,789	88,789	88,789	88,789	88,789	88,789
<u>88,789</u>						
920	920	920	920	920	920	920
885	854	878	851	783	1,061	984
73,654	73,654	73,654	73,654	73,654	73,654	73,654
<u>73,654</u>						
720	720	720	720	720	720	720
652	623	644	640	645	665	641
62,010	62,010	62,010	62,010	62,010	62,101	62,101
<u>62,010</u>	<u>62,010</u>	<u>62,010</u>	<u>62,010</u>	<u>62,010</u>	<u>62,101</u>	<u>62,101</u>
499	499	499	499	499	499	499
426	453	444	444	433	435	434

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

*SCHOOL BUILDING INFORMATION*

*LAST TEN FISCAL YEARS*

<b>Building:</b>	<b>Year Built</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Elementary (continued)</b>				
Tice	1981			
Square Footage		80,680	80,680	80,680
Additions				
Revised Sq Ft		<u>80,680</u>	<u>80,680</u>	<u>80,680</u>
Capacity (see note #1)		792	792	792
Enrollment		690	733	707
Purple Sage	1990			
Square Footage		92,795	92,795	92,795
Additions				
Revised Sq Ft		<u>92,795</u>	<u>92,795</u>	<u>92,795</u>
Capacity (see note #1)		747	747	747
Enrollment		560	503	512
Havard	2000			
Square Footage		102,713	102,713	102,713
Additions				
Revised Sq Ft		<u>102,713</u>	<u>102,713</u>	<u>102,713</u>
Capacity (see note #1)		890	890	890
Enrollment		696	679	674
Normandy Crossing	2004			
Square Footage		106,800	106,800	106,800
Additions				
Revised Sq Ft		<u>106,800</u>	<u>106,800</u>	<u>106,800</u>
Capacity (see note #1)		777	777	777
Enrollment		630	652	609
Shirley J Williamson	2003			
Square Footage		105,000	105,000	105,000
Additions				
Revised Sq Ft		<u>105,000</u>	<u>105,000</u>	<u>105,000</u>
Capacity (see note #1)		797	797	880
Enrollment		621	698	826
Sam Houston	2007			
Square Footage		105,000	105,000	105,000
Additions				
Revised Sq Ft		<u>105,000</u>	<u>105,000</u>	<u>105,000</u>
Capacity (see note #1)		880	880	871
Enrollment		848	863	827
<b>Sub-Total Sq Ft. Elementary Schools</b>		<b><u>1,356,765</u></b>	<b><u>1,356,765</u></b>	<b><u>1,356,765</u></b>

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
80,680	80,680	80,680	80,680	80,680	80,680	80,680
<u>80,680</u>						
792	792	792	792	792	792	792
675	637	637	664	648	631	654
92,795	92,795	92,795	84,495	84,495	84,495	84,495
<u>92,795</u>	<u>92,795</u>	<u>92,795</u>	<u>92,795</u>	<u>84,495</u>	<u>84,495</u>	<u>84,495</u>
747	747	747	747	747	747	747
572	594	591	576	611	737	768
102,713	102,713	102,713	102,713	102,713	102,713	102,713
<u>102,713</u>						
890	890	890	890	890	890	890
684	665	675	659	698	788	810
106,800	106,800	106,800	106,800	106,800	106,800	106,800
<u>106,800</u>						
777	777	777	777	777	777	777
649	627	655	636	688	637	679
105,000	105,000	105,000	105,000	105,000		
<u>105,000</u>	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>		
880	880	880	880	880		
827	845	813	778	790		
105,000	105,000	105,000	105,000	105,000		
<u>105,000</u>	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>		
871	871	871	871	871		
827	845	813	778	790		
<b><u>1,356,765</u></b>	<b><u>1,356,765</u></b>	<b><u>1,356,765</u></b>	<b><u>1,356,765</u></b>	<b><u>1,348,465</u></b>	<b><u>1,123,508</u></b>	<b><u>1,123,508</u></b>

**GALENA PARK INDEPENDENT SCHOOL DISTRICT**

**SCHOOL BUILDING INFORMATION**

**LAST TEN FISCAL YEARS**

<b>Building:</b>	<b>Year Built</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>OTHER CAMPUSES</b>				
Becker Early Head Start				
Square Footage		9,295	9,295	9,295
Additions				
Revised Sq Ft		<u>9,295</u>	<u>9,295</u>	<u>9,295</u>
Capacity		64	64	64
Enrollment		64	64	64
PEP Center	2007			
Square Footage		9,651	9,651	9,651
Additions				
Revised Sq Ft		<u>9,651</u>	<u>9,651</u>	<u>9,651</u>
Capacity		48	48	48
Enrollment		48	48	48
<b>Sub-Total Sq Ft. Other Campuses</b>		<b><u>18,946</u></b>	<b><u>18,946</u></b>	<b><u>18,946</u></b>
<b>OTHER FACILITIES</b>				
ACT Clinic	2008			
Square Footage		3,100	3,100	3,100
Administration Building	2001			
Square Footage		81,000	81,000	81,000
Facilities & Planning/Warehouse				
Square Footage		18,456	18,456	18,456
Grounds Maintenance Dept.				
Square Footage		5,670	5,670	5,670
FFA Agricultural Facility	2002			
Square Footage		28,880	28,880	28,880
South Annex	1944			
Square Footage		5,603	5,603	5,603
Maintenance Facility	1950			
Square Footage		22,154	22,154	22,154
Stadium/Natorium	2002			
Square Footage		44,519	44,519	44,519
Transportation Department	2001			
Square Footage		17,700	17,700	17,700
Athletics Office	2002			
Square Footage		10,669	10,669	10,669
North Annex				
Square Footage		<u>2,250</u>	<u>2,250</u>	<u>2,250</u>
<b>Sub-Total Sq Ft. Other Facilities</b>		<b><u>240,001</u></b>	<b><u>240,001</u></b>	<b><u>240,001</u></b>
<b>GRAND TOTAL</b>		<b><u>3,659,413</u></b>	<b><u>3,659,413</u></b>	<b><u>3,659,413</u></b>

Source: District Records

Note #1: Capacity does not include temporary buildings

Note #2: This is a specialized campus where students are enrolled in either GPHS, NHSHS, or NSHS West.

Note #3: North Shore East consists of Accelerated Center for Education, Center for Success, Central Intake, and Success Academy

*Table 19*  
*Page 5 of 5*

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
9,295	9,295	9,295	9,295	9,295	9,295	9,295
<u>9,295</u>						
64	64	64	64	64	64	64
64	64	64	64	64	64	64
9,651	9,651	9,651	9,651	9,651	9,651	9,651
<u>9,651</u>						
48	48	48	48	48	48	48
48	48	48	48	48	48	48
<b><u>18,946</u></b>						
3,100	3,100	3,100	3,100	3,100		
81,000	81,000	81,000	81,000	81,000	81,000	81,000
18,456	17,006	17,006	17,006	17,006	9,506	9,506
5,670	5,670	5,670	5,670	5,670	5,670	5,670
28,880	28,880	28,880	28,880	28,880	28,880	28,880
5,603	5,603	5,603	5,603	5,603	5,603	5,603
22,954	22,954	22,954	22,954	22,954	22,954	22,954
44,519	44,519	44,519	44,519	44,519	44,519	44,519
17,700	17,700	17,700	17,700	17,700	17,700	17,700
10,669	10,669	10,669	10,669	10,669	10,669	10,669
<b><u>238,551</u></b>	<b><u>237,101</u></b>	<b><u>237,101</u></b>	<b><u>237,101</u></b>	<b><u>237,101</u></b>	<b><u>226,501</u></b>	<b><u>226,501</u></b>
<b><u>3,657,963</u></b>	<b><u>3,656,513</u></b>	<b><u>3,652,044</u></b>	<b><u>3,652,044</u></b>	<b><u>3,643,744</u></b>	<b><u>3,262,645</u></b>	<b><u>3,262,645</u></b>

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Schedule L-1 – Required Responses to Selected School FIRST Indicators

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.	\$54,215,247
SF11	Net Pension Assets (1920) at fiscal year-end.	\$0
SF12	Net Pension Liabilities (2540) at fiscal year-end.	\$25,667,021
SF13	Pension Expense (6147) at fiscal year-end.	\$2,372,464