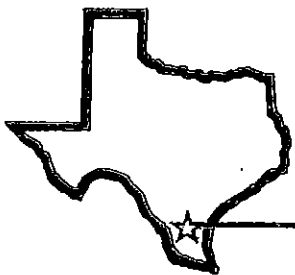


WEBB CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2019



WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Webb Consolidated Independent School District
Annual Financial Report
For The Year Ended August 31, 2019

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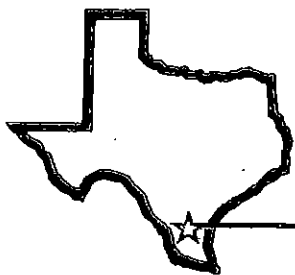
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Introductory Section



WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

CERTIFICATE OF BOARD

Webb Consolidated Independent School District
Name of School District

Webb
County

240904
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and (check one) approved disapproved for the year ended August 31, 2019, at a meeting of the board of trustees of such school district on the 21st day of January, 2020.

Jocelyn Gomez
Signature of Board Secretary

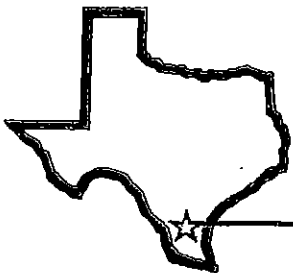
Melissa Lowe
Signature of Board President

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



WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Financial Section



WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

JOHN WOMACK & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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KINGSVILLE, TEXAS 78364
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Independent Auditor's Report

To the Board of Trustees
Webb Consolidated Independent School District
Box 206
Bruni, Texas 78344

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 the Webb Consolidated Independent School District ("the District") as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District'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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Webb Consolidated Independent School District as of August 31, 2019, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Webb Consolidated Independent School District's basic financial statements. The introductory section and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not required parts of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The accompanying other supplementary information is presented for purposes of additional analysis and is also not a required part of the basic financial statements.

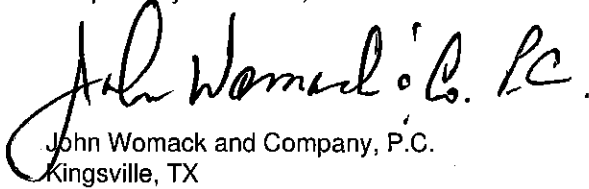
The individual nonmajor fund financial statements and other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.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

The introductory section has 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 20, 2019 on our consideration of Webb Consolidated Independent School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Webb Consolidated Independent School District's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink that reads "John Womack and Company, P.C." The signature is written in a cursive, flowing style.

John Womack and Company, P.C.
Kingsville, TX
December 20, 2019



WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Management's Discussion and Analysis

This section of Webb Consolidated Independent School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended August 31, 2019. Please read this in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

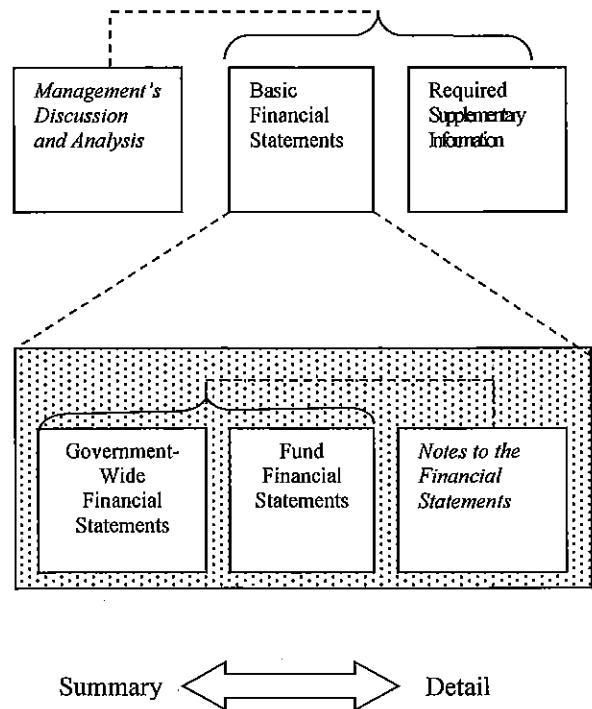
- The District's total combined net position was \$23,987,531 at August 31, 2019.
- During the year, the District's expenses were \$473,780 more than the \$10,503,789 generated in taxes and other revenues for governmental activities.
- The total cost of the District's programs was \$4,046,559 more than last year due primarily to the increase in contracted instructional services between public schools, instructional, curriculum and media services, instructional and school leadership, child nutrition, general administration, student support services and plant maintenance, security and data processing.
- The general fund reported a fund balance this year of \$9,409,669, an increase of \$493,554 over last year's fund balance of \$8,916,115.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District's operations in *more detail* than the government-wide statements.
- The *governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Proprietary fund* statements offer *short-term* and *long-term* financial information about the activities the government operates *like businesses*, such as self-insurance.
- *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

Figure A-1. Required Components of the District's Annual Financial Report



The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-2. Major Features of the District's Government-Wide and Fund Financial Statements

<i>Type of Statements</i>	Fund Statements			
	Government-Wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
<i>Scope</i>	Entire District's government (except fiduciary funds) and the District's component units	The activities of the District that are not proprietary or fiduciary	Activities the District operates similar to private businesses: self insurance	Instances in which the district is the trustee or agent for someone else's resources
<i>Required financial statement</i>	*Statement of net position *Statement of activities	*Balance Sheet *Statement of revenues, expenditures & changes in fund balances	*Statement of net position *Statement of revenues, expenses and changes in fund net position *Statement of cash flows	*Statement of Fiduciary net position *Statement of changes in fiduciary net position
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term, the District's funds do not currently contain capital assets, although they can
<i>Type of inflow/outflow information</i>	All revenue and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement activities regardless of when cash is received or paid.

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

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

The government-wide financial statements of the District include the *Governmental activities*. Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum and staff development, health services, and general administration. Property taxes and grants finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds*—not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has two types of funds:

- *Governmental funds*—Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statement, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- *Proprietary funds*—Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information.
 - We use *internal service funds* to report activities that provide supplies and services for the District's other programs and activities—such as the District's Self Insurance Fund.

- *Fiduciary funds*—The District is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The District’s fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net position. We exclude these activities from the District’s government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The District’s *combined* net position was \$23,987,531 at August 31, 2019. Investment in capital assets (e.g. land, buildings, furniture and equipment, less any related debt used to acquire those assets that is still outstanding) is \$16,538,046. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending.

A small portion of the District’s net position, \$3,697,077, represents resources that are subject to external restrictions on how they may be used. The \$3,752,408 of unrestricted net position represents resources available to fund the programs of the District next year. (See Table A-1).

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**Table A-1
The District's Net Position**

	<u>Governmental Activities</u>		<u>Total Change</u>
	<u>2019</u>	<u>2018</u>	<u>2019-2018</u>
Current and other assets	\$ 12,315,062	\$ 14,514,170	\$ (2,199,108)
Capital and non-current assets	28,857,463	29,143,833	(286,370)
Total Assets	<u>41,172,525</u>	<u>43,658,003</u>	<u>(2,485,478)</u>
Deferred Outflow Related to Pensions	686,507	269,881	416,626
Deferred Outflow Related to OPEB	149,857	26,947	122,910
Total Deferred Outflows of Resources	<u>836,364</u>	<u>296,828</u>	<u>539,536</u>
Current liabilities	1,772,095	2,410,564	(638,469)
Long-term liabilities	14,399,398	15,719,109	(1,319,711)
Total Liabilities	<u>16,171,493</u>	<u>18,129,673</u>	<u>(1,958,180)</u>
Deferred Inflow Related to Pensions	490,601	454,644	35,957
Deferred Inflow Related to OPEB	1,359,264	909,203	450,061
Total Deferred Inflows of Resources	<u>1,849,865</u>	<u>1,363,847</u>	<u>486,018</u>
Net Position			
Invested in Capital Assets	16,538,046	15,593,926	944,120
Restricted	3,697,077	5,460,918	(1,763,841)
Unrestricted	3,752,408	3,406,467	345,941
Total Net Position	<u>\$ 23,987,531</u>	<u>\$ 24,461,311</u>	<u>\$ (473,780)</u>

Major changes in Governmental Activities are as follows:

Current and other assets decreased by \$2,199,108 while capital and non-current assets decreased by \$286,370, primarily due to current year depreciation. Meanwhile, cash and cash equivalents decreased by \$10,578,314 due to an increase in current investments of \$9,281,442 and property taxes receivable decreased by \$908,565.

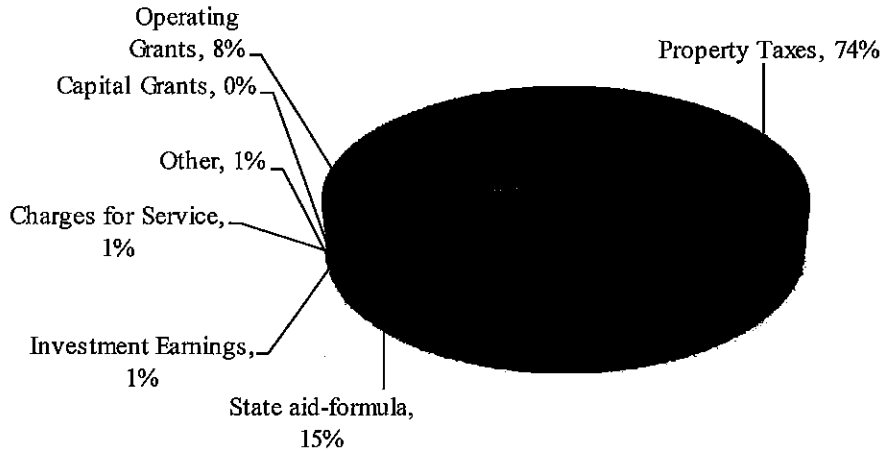
Comparatively, current liabilities decreased \$638,469, due to a decrease in accounts payable of \$672,344.

Long-term liabilities decreased by \$1,319,711 due to a \$406,575 decrease in net OPEB liability and the long-term portion of general obligation bonds declined, due to a decrease in bond scheduled payments due in more than one year by \$1,304,959, while the net pension liability increased by \$391,823.

Changes in net position

The District's total revenues were \$10,503,789. A significant portion, 68% of the District's revenue comes from taxes (See Figure A-3), 13% pertain to operating grants, while 12% comes from state-aid formula grants.

Figure A-3
Sources of Revenue for Fiscal Year



**** See operating grant calculation at Footnote A #3 of audit report.**

The total cost of all programs and services was \$10,977,569. Of these costs, 55% are for instructional and student services.

Governmental Activities

Although property tax rates for maintenance and operating taxes decreased \$0.0400/\$100, debt service tax rates increased by \$.0400/\$100. However, even with equal combined tax rates, there was a 2.5% decrease in tax revenues of \$181,117.

Unrestricted grants decreased by \$244,765, or 16%. This decrease in state grant revenue was due to a decrease in a hardship grant. Also note that contracted instructional services increased by \$1,414,434, which was the result of three major components: WADA, Tax Collection, and T2 Values.

Table A-2
District Revenues and Expenditures

	<u>Governmental Activities</u>		<u>Total Change</u>
	<u>2019</u>	<u>2018</u>	<u>2019-2018</u>
Revenues:			
Program Revenues:			
Charges for service	\$ 98,722	\$ 79,108	\$ 19,614
Operating grants and contributions	1,334,128	(191,524)	1,525,652
Capital grants and contributions	-	-	-
General Revenues:			
Property Taxes	7,182,547	7,363,664	(181,117)
Grants and contributions not restricted to specific functions	1,261,900	1,506,665	(244,765)
Investment earnings	274,560	171,954	102,606
Miscellaneous	351,932	89,187	262,745
Total Revenue	<u>10,503,789</u>	<u>9,019,054</u>	<u>1,484,735</u>
Expenses:			
Instruction, curriculum and media services	4,037,714	2,623,280	1,414,434
Instructional and school leadership	430,312	284,788	145,524
Student support services	495,930	361,949	133,981
Child nutrition	481,187	362,736	118,451
Cocurricular activities	591,852	456,336	135,516
General administration	880,094	661,267	218,827
Plant maintenance, security & data processing	1,970,514	1,345,085	625,429
Community services	1,111	2,213	(1,102)
Debt service	305,842	461,141	(155,299)
Capital Outlay	-	-	-
Contracted instructional service	1,715,057	300,424	1,414,633
Other Intergovernmental Charges	67,956	71,791	(3,835)
Total Expenses	<u>10,977,569</u>	<u>6,931,010</u>	<u>4,046,559</u>
Increase (Decrease) in net position	(473,780)	2,088,044	(2,561,824)
Net Position, Beginning	24,461,311	26,184,082	(1,722,771)
Prior period adjustment	-	(3,810,815)	3,810,815
Net Position, Ending	<u>\$ 23,987,531</u>	<u>\$ 24,461,311</u>	<u>\$ (473,780)</u>

Table A-3 presents the cost of each of the District's largest functions as well as each function's *net cost* (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars.

- The cost of all *governmental* activities this year was \$10,977,569.
- The amount that our taxpayers paid for these activities through property taxes was \$7,182,547, or 68% of governmental activity revenue.
- Some of the cost was paid by those who directly benefited from the programs, \$98,722.

Table A-3
Net Cost of Selected District Functions

	Total Cost of Services		% Change	Net Cost of Services		% Change
	2019	2018		2019	2018	
Instruction	\$ 4,007,862	\$ 2,588,858	54.81%	\$ 3,058,046	\$ 2,576,686	18.68%
General administration	880,094	661,267	33.09%	826,449	781,907	5.70%
Plant maintenance, security & data processing	1,970,514	1,345,085	46.50%	1,907,218	1,420,220	34.29%
Contracted instructional services	1,715,057	300,424	470.88%	1,705,039	298,936	470.37%

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Revenues from governmental fund types totaled \$11,527,222, a 20% increase compared to the preceding year. This is primarily due to an increase of \$1,711,013 from local sources, as the result of a \$835,110 increase in property tax revenue, \$484,036 in revenue loss payment and other local revenue of \$350,070, while state program revenues decreased \$183,800. Also, the federal program revenue increased by \$431,126. Expenditures from governmental fund types totaled \$11,899,727, an increase of \$990,893, or 9% from the prior year. The largest increase that occurred was \$1,414,633, in contracted instructional services between public schools and \$564,182 in principal and interest on long term debt while capital outlay decreased by \$1,514,167.

General Fund Budgetary Highlights

Over the course of the year, the District revised its budget several times. Even with these adjustments, actual expenditures were \$704,854 below final budget amounts. The positive variances are reflected fairly evenly in all functions, per page 54. Staffing is budgeted for full employment throughout the full year.

Furthermore, resources available were \$73,941 above the financial budgeted amount. As noted earlier:

- Property tax collections and other local sources were \$33,588 higher than the final budget.
- The District maintained its own campus and has no plans for further expansion in the near future.
- State program revenue was \$40,353 higher than the final budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year 2019, the District had invested \$45,491,253 in a broad range of capital assets, including land, buildings, vehicle and equipment. (See Table A-4.) This amount represents a net increase (including additions and deductions) of \$966,269, or 2.2% higher than last year.

Table A-4
District's Capital Assets

	<u>2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>2019</u>
Land	\$ 621,960	21,613	-	643,573
Buildings and improvements	39,014,119	1,726,752	-	40,740,871
Vehicles	1,766,260	-	114,016	1,652,244
Equipment	1,830,974	250,581	67,525	2,014,030
Construction in Progress	<u>1,291,671</u>	<u>735,866</u>	<u>1,587,002</u>	<u>440,535</u>
Totals at historical cost	<u>44,524,984</u>	<u>2,734,812</u>	<u>1,768,543</u>	<u>45,491,253</u>
Less				
Total accumulated depreciation	<u>15,381,151</u>	<u>1,406,069</u>	<u>153,430</u>	<u>16,633,790</u>
Net capital assets	<u>\$ 29,143,833</u>	<u>1,328,743</u>	<u>1,615,113</u>	<u>28,857,463</u>

Table A-5
The District's Long-Term Debt

<u>Governmental Activities</u>	<u>2019</u>	<u>2018</u>	<u>Total % Change</u>
General obligation bonds	\$ 6,615,000	\$ 6,975,000	-5.16%
Unlimited Tax Refunding Bonds, Taxable Series	5,105,000	5,335,000	-4.31%
Accretion	-	510,828	-100.00%
Premium on Bonds	599,417	729,080	-17.78%
Deferred Gain on Defeasance	95,349	130,645	-27.02%
Net Pension Liability	1,357,651	965,828	40.57%
Net OPEB Liability	<u>1,766,980</u>	<u>2,173,555</u>	-18.71%
Total governmental activities	<u>\$ 15,539,397</u>	<u>\$ 16,819,936</u>	-7.61%

For additional data, please refer to Note F on pages 37.

Net Pension Liability

Statement No. 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for defined benefit pensions and defined contribution pensions provided to the employees of state and local government employers through pension plans that are administered through trusts or equivalent arrangements criteria detailed above in the description of Statement No. 67. This Statement replaces the requirement Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, as well as the requirements of Statement No. 50, Pension Disclosures, as they relate to pensions that are provided through pension plans within the scope of the Statement.

The requirements of Statement No. 68 apply to the financial statements of all state and local governmental employers whose employees are provided with pensions through pension plans that are administered through trusts or equivalent arrangements as described above, and to the financial statements of state and local governmental non-employer contributing entities that have a legal obligation to make contributions directly to such pension plans. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred Inflows of resources, and expense/expenditures related to pensions. Note disclosure and RSI requirements about pensions also are addressed.

For defined benefit pension plans, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

The adoption of Statement No. 68 has no impact on the District's governmental fund financial statements, which continue to report expenditures in the contribution amount determined legislatively for the TRS plan. The calculation of pension contributions is unaffected by the change. However, the adoption has resulted in the restatement of the District's beginning net position for the fiscal year 2014 government-wide financial statements to reflect the reporting of net pension liability and deferred Inflows of resources and deferred outflows of resources for its qualified pension plan and the recognition of pension expense in accordance with the provisions of the Statement.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Appraised valuations used for the 2020 Budget preparation will be \$11.8 million higher for maintenance and operations tax valuations and down \$58.1 million for debt service tax valuations. Continuing construction is anticipated for 2020, with the spending totaling \$1.6 million, during the year.
- General operating fund spending per student increased in the 2020 budget from \$26,757 in 2019 actual spending, exclusive of WADA costs, to \$31,613 in budgeted spending, a \$4,856 increase. The District has budgeted \$2,004,731 for WADA purchasing in 2020; however, this number is not reflected in the spending per student.
- The district's 2020 refined average daily attendance is expected to be lower at approximately 234 students.

These indicators were taken into account when adopting the general fund budget for 2020. Amounts available for appropriation in the general fund budget are \$8,655,544, a decrease of 2.9% from the final 2019 budget of \$8,914,299.

Maintenance and operating property taxes will decrease \$154,418, or 2.9%, from the prior year's final budget, due to a tax rate decrease of \$0.03/\$100, while the interest and sinking funds property valuations decrease by \$58.1 million; the tax rate will increase \$0.01/\$100 for debt service. State revenue is expected to decline by \$83,865 or 5.6% below 2019 actual state revenue of \$1,498,300 as a result of an elimination in hardship grant revenue. State revenue will also decrease if the student population decreases. The District will use these decreased revenues to finance programs currently offered.

Expenditures are budgeted to increase by \$1,318,389 from actual expenditures in the year ended 2019. The increase is due to the increase in contracted instructional services of \$284,431, capital outlay of \$443,800 and Instruction and instructional related service of \$546,427. Their competitive salary schedule allowed the District to open the 2019-20 school year with 2 teacher vacancies.

If these estimates are realized, the District's budgetary General Fund balance is expected to remain essentially the same by the end of the fiscal year 2020.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Business Office.

Basic Financial Statements

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
AUGUST 31, 2019

Data Control Codes	1	Governmental Activities
ASSETS:		
1110	<i>Cash and Cash Equivalents</i>	\$ 2,560,195
1120	<i>Current Investments</i>	9,281,442
1225	<i>Property Taxes Receivable (Net)</i>	389,986
1240	<i>Due from Other Governments</i>	77,760
1267	<i>Due from Fiduciary</i>	3,333
1290	<i>Other Receivables (Net)</i>	2,346
Capital Assets:		
1510	<i>Land</i>	643,572
1520	<i>Buildings and Improvements, Net</i>	26,218,489
1530	<i>Furniture and Equipment, Net</i>	1,554,867
1580	<i>Construction in Progress</i>	440,535
1000	Total Assets	<u>41,172,525</u>
DEFERRED OUTFLOWS OF RESOURCES:		
	<i>Deferred Outflow Related to Pensions</i>	686,507
	<i>Deferred Outflow Related to OPEB</i>	149,857
1700	Total Deferred Outflows of Resources	<u>836,364</u>
LIABILITIES:		
2110	<i>Accounts Payable</i>	181,148
2140	<i>Interest Payable</i>	19,990
2165	<i>Accrued Liabilities</i>	312,575
2300	<i>Unearned Revenue</i>	118,382
Noncurrent Liabilities:		
2501	<i>Due Within One Year</i>	1,140,000
2502	<i>Due in More Than One Year</i>	11,274,766
2540	<i>Net Pension Liability</i>	1,357,652
2545	<i>Net OPEB Liability</i>	1,766,980
2000	Total Liabilities	<u>16,171,493</u>
DEFERRED INFLOWS OF RESOURCES:		
	<i>Deferred Inflow Related to Pensions</i>	490,601
	<i>Deferred Inflow Related to OPEB</i>	1,359,264
2600	Total Deferred Inflows of Resources	<u>1,849,865</u>
NET POSITION:		
3200	Net Investment in Capital Assets	16,538,046
Restricted For:		
3850	Debt Service	1,231,209
3860	Capital Projects	2,465,868
3900	Unrestricted	3,752,408
3000	Total Net Position	<u>\$ 23,987,531</u>

The accompanying notes are an integral part of this statement.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes	Functions/Programs	1	3	4	Net (Expense) Revenue and Changes in Net Position
		Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
	Governmental Activities:				
11	<i>Instruction</i>	\$ 4,007,862	\$ 15,076	\$ 934,740	\$ (3,058,046)
12	<i>Instructional Resources and Media Services</i>	16,029	77	805	(15,147)
13	<i>Curriculum and Staff Development</i>	13,823	69	--	(13,754)
21	<i>Instructional Leadership</i>	72,400	351	6,823	(65,226)
23	<i>School Leadership</i>	357,912	1,743	29,582	(326,587)
31	<i>Guidance, Counseling, & Evaluation Services</i>	132,541	642	11,626	(120,273)
33	<i>Health Services</i>	22,597	111	1,037	(21,449)
34	<i>Student Transportation</i>	340,792	1,144	26,715	(312,933)
35	<i>Food Service</i>	481,187	48,051	211,079	(222,057)
36	<i>Cocurricular/Extracurricular Activities</i>	591,852	8,240	7,976	(575,636)
41	<i>General Administration</i>	880,094	4,129	49,516	(826,449)
51	<i>Facilities Maintenance and Operations</i>	1,605,232	7,821	42,125	(1,555,286)
52	<i>Security and Monitoring Services</i>	268,242	771	7,776	(259,695)
53	<i>Data Processing Services</i>	97,040	475	4,328	(92,237)
61	<i>Community Services</i>	1,111	4	--	(1,107)
72	<i>Interest on Long-term Debt</i>	303,842	--	--	(303,842)
73	<i>Bond Issuance Costs and Fees</i>	2,000	--	--	(2,000)
91	<i>Contracted Instructional Services between Schools</i>	1,715,057	10,018	--	(1,705,039)
99	<i>Other Intergovernmental Charges</i>	67,956	--	--	(67,956)
TG	Total Governmental Activities	10,977,569	98,722	1,334,128	(9,544,719)
TP	Total Primary Government	\$ 10,977,569	\$ 98,722	\$ 1,334,128	(9,544,719)
	General Revenues:				
MT	<i>Property Taxes, Levied for General Purposes</i>				5,761,911
DT	<i>Property Taxes, Levied for Debt Service</i>				1,420,636
IE	<i>Investment Earnings</i>				274,560
GC	<i>Grants and Contributions Not Restricted to Specific Programs</i>				1,261,900
MI	<i>Miscellaneous</i>				351,932
TR	Total General Revenues				9,070,939
CN	Change in Net Position				(473,780)
NB	Net Position - Beginning				24,461,311
NE	Net Position - Ending				\$ 23,987,531

The accompanying notes are an integral part of this statement.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

AUGUST 31, 2019

Data Control Codes	10 General Fund	50 Debt Service Fund	
ASSETS:			
1110	Cash and Cash Equivalents	\$ 2,270,139	\$ 3,607
1120	Current Investments	7,772,615	151,547
1225	Taxes Receivable, Net	347,359	42,627
1240	Due from Other Governments	--	--
1260	Due from Other Funds	28,294	31,312
1290	Other Receivables	2,027	62
1000	Total Assets	<u>10,420,434</u>	<u>229,155</u>
LIABILITIES:			
Current Liabilities:			
2110	Accounts Payable	\$ 179,040	\$ --
2150	Payroll Deductions & Withholdings	2,041	--
2160	Accrued Wages Payable	289,717	--
2170	Due to Other Funds	74,226	--
2300	Unearned Revenue	118,382	--
2000	Total Liabilities	<u>663,406</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES:			
	Deferred Revenue	347,359	42,627
2600	Total Deferred Inflows of Resources	<u>347,359</u>	<u>42,627</u>
FUND BALANCES:			
Restricted Fund Balances:			
3450	Federal/State Funds Grant Restrictions	--	--
3470	Capital Acquisitions & Contractual Obligations	--	--
3480	Retirement of Long-Term Debt	--	186,528
Committed Fund Balances:			
3545	Other Committed Fund Balance	5,000,000	--
3600	Unassigned	4,409,669	--
3000	Total Fund Balances	<u>9,409,669</u>	<u>186,528</u>
4000	Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 10,420,434</u>	<u>\$ 229,155</u>

The accompanying notes are an integral part of this statement.

EXHIBIT C-1

60 Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds
\$ 285,538	\$ 910	\$ 2,560,194
1,357,280	--	9,281,442
--	--	389,986
--	77,759	77,759
18,047	--	77,653
--	257	2,346
<u>1,660,865</u>	<u>78,926</u>	<u>12,389,380</u>
\$ --	\$ 2,108	\$ 181,148
--	--	2,041
--	20,817	310,534
--	93	74,319
--	--	118,382
<u>--</u>	<u>23,018</u>	<u>686,424</u>
--	--	389,986
<u>--</u>	<u>--</u>	<u>389,986</u>
--	50,948	50,948
1,660,865	3,478	1,664,343
--	--	186,528
--	1,482	5,001,482
--	--	4,409,669
<u>1,660,865</u>	<u>55,908</u>	<u>11,312,970</u>
\$ <u>1,660,865</u>	\$ <u>78,926</u>	\$ <u>12,389,380</u>

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
AUGUST 31, 2019

Total fund balances - governmental funds balance sheet	\$ 11,312,970
Amounts reported for governmental activities in the Statement of Net Position ("SNP") are different because:	
Capital assets used in governmental activities are not reported in the funds.	28,857,463
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	389,985
Payables for bond principal which are not due in the current period are not reported in the funds.	(11,720,000)
Payables for bond interest which are not due in the current period are not reported in the funds.	(19,990)
Other long-term liabilities which are not due and payable in the current period are not reported in the funds.	(95,347)
Recognition of the District's proportionate share of the net pension liability is not reported in the funds.	(1,357,652)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(490,601)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	686,507
Bond premiums are amortized in the SNA but not in the funds.	(599,417)
Recognition of the District's proportionate share of the net OPEB liability is not reported in the funds.	(1,766,980)
Deferred Resource Inflows related to the OPEB plan are not reported in the funds.	(1,359,264)
Deferred Resource Outflows related to the OPEB plan are not reported in the funds.	<u>149,857</u>
Net position of governmental activities - Statement of Net Position	<u>\$ 23,987,531</u>

The accompanying notes are an integral part of this statement.



WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes	10 General Fund	50 Debt Service Fund
REVENUES:		
5700 <i>Local and Intermediate Sources</i>	\$ 7,370,427	\$ 1,489,423
5800 <i>State Program Revenues</i>	1,498,300	29,277
5900 <i>Federal Program Revenues</i>	119,513	--
5020 Total Revenues	<u>8,988,240</u>	<u>1,518,700</u>
EXPENDITURES:		
Current:		
0011 <i>Instruction</i>	2,530,684	--
0012 <i>Instructional Resources and Media Services</i>	13,431	--
0013 <i>Curriculum and Staff Development</i>	11,746	--
0021 <i>Instructional Leadership</i>	59,923	--
0023 <i>School Leadership</i>	298,189	--
0031 <i>Guidance, Counseling, & Evaluation Services</i>	110,317	--
0033 <i>Health Services</i>	19,252	--
0034 <i>Student Transportation</i>	195,924	--
0035 <i>Food Service</i>	--	--
0036 <i>Cocurricular/Extracurricular Activities</i>	505,029	--
0041 <i>General Administration</i>	706,653	--
0051 <i>Facilities Maintenance and Operations</i>	1,378,756	--
0052 <i>Security and Monitoring Services</i>	132,311	--
0053 <i>Data Processing Services</i>	81,444	--
0061 <i>Community Services</i>	944	--
0071 <i>Principal on Long-term Debt</i>	--	590,000
0072 <i>Interest on Long-term Debt</i>	--	980,100
0073 <i>Bond Issuance Costs and Fees</i>	--	2,000
0081 <i>Capital Outlay</i>	256,201	--
0091 <i>Contracted Instructional Services</i>		
0091 <i> Between Public Schools</i>	1,715,057	--
0099 <i>Other Intergovernmental Charges</i>	67,956	--
6030 Total Expenditures	<u>8,083,817</u>	<u>1,572,100</u>
1100 Excess (Deficiency) of Revenues Over (Under)		
1100 Expenditures	<u>904,423</u>	<u>(53,400)</u>
Other Financing Sources and (Uses):		
7915 <i>Transfers In</i>	392,000	--
8911 <i>Transfers Out</i>	(562,000)	--
8949 <i>Other Uses</i>	(240,869)	--
7080 Total Other Financing Sources and (Uses)	<u>(410,869)</u>	<u>--</u>
1200 Net Change in Fund Balances	493,554	(53,400)
0100 Fund Balances - Beginning	8,916,115	239,928
3000 Fund Balances - Ending	<u>\$ 9,409,669</u>	<u>\$ 186,528</u>

The accompanying notes are an integral part of this statement.

EXHIBIT C-2

60 Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds
\$ 62,309	\$ 70,268	\$ 8,992,427
--	17,243	1,544,820
--	870,462	989,975
<u>62,309</u>	<u>957,973</u>	<u>11,527,222</u>
267,948	656,489	3,455,121
--	--	13,431
--	--	11,746
--	--	59,923
--	--	298,189
--	--	110,317
--	--	19,252
--	7,158	203,082
--	415,605	415,605
--	23,384	528,413
29,570	--	736,223
--	13,229	1,391,985
94,561	--	226,872
--	--	81,444
--	--	944
--	--	590,000
--	--	980,100
--	--	2,000
735,866	--	992,067
--	--	1,715,057
--	--	67,956
<u>1,127,945</u>	<u>1,115,865</u>	<u>11,899,727</u>
<u>(1,065,636)</u>	<u>(157,892)</u>	<u>(372,505)</u>
--	170,000	562,000
--	--	(562,000)
--	--	(240,869)
--	170,000	(240,869)
<u>(1,065,636)</u>	<u>12,108</u>	<u>(613,374)</u>
2,726,501	43,800	11,926,344
<u>\$ 1,660,865</u>	<u>\$ 55,908</u>	<u>\$ 11,312,970</u>

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED AUGUST 31, 2019*

Net change in fund balances - total governmental funds	\$ (613,374)
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	1,147,810
The depreciation of capital assets used in governmental activities is not reported in the funds.	(1,406,069)
Trade-in or disposal of capital assets decrease net position in the SOA but not in the funds.	(28,110)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(908,565)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	1,100,828
(Increase) decrease in accrued interest from beginning of period to end of period.	35,768
Bond premiums are reported in the funds but not in the SOA.	129,663
The District's share of the unrecognized deferred inflows and outflows for the pension plan was amortized.	75,392
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.	(86,546)
OPEB contributions made after the measurement date but in current FY were de-expended & reduced NPL.	28,817
The District's share of the unrecognized deferred inflows and outflows for the OPEB plan was amortized.	<u>50,607</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ (473,780)</u>

The accompanying notes are an integral part of this statement.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

STATEMENT OF NET POSITION

INTERNAL SERVICE FUND

AUGUST 31, 2019

Data Control Codes		Nonmajor Internal Service Fund
		Insurance Fund
	ASSETS:	
1000	Total Assets	\$ --
	LIABILITIES:	
2000	Total Liabilities	--
	NET POSITION:	
3000	Total Net Position	\$ --

The accompanying notes are an integral part of this statement.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
 IN FUND NET POSITION - INTERNAL SERVICE FUND
 FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes		Nonmajor Internal Service Fund
		Insurance Fund
	OPERATING REVENUES:	
5700	<i>Local and Intermediate Sources</i>	\$ 33,362
5020	Total Revenues	<u>33,362</u>
	OPERATING EXPENSES:	
6400	<i>Other Operating Costs</i>	33,362
6030	Total Expenses	<u>33,362</u>
1300	Change in Net Position	--
0100	Total Net Position - Beginning	--
3300	Total Net Position - Ending	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED AUGUST 31, 2019

	Nonmajor Internal Service Funds
Cash Flows from Operating Activities:	
<i>Cash Receipts (Payments) for Quasi-external Operating Transactions with Other Funds</i>	\$ 33,362
<i>Cash Payments to Other Suppliers for Goods and Services</i>	(33,362)
Net Cash Provided (Used) by Operating Activities	<u> --</u>
Net Increase (Decrease) in Cash and Cash Equivalents	--
Cash and Cash Equivalents at Beginning of Year	--
Cash and Cash Equivalents at End of Year	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

AUGUST 31, 2019

Data Control Codes	Private-purpose Trust Fund	Agency Fund
<u>ASSETS:</u>	<u>Private-Purpose Trust Fund</u>	<u>Student Activity</u>
1110 <i>Cash and Cash Equivalents</i>	\$ 27,032	\$ 63,834
1000 Total Assets	<u>27,032</u>	<u>63,834</u>
 LIABILITIES:		
Current Liabilities:		
2110 <i>Accounts Payable</i>	\$ --	\$ 1,777
2170 <i>Due to Other Funds</i>	3,000	333
2190 <i>Due to Student Groups</i>	--	61,724
2000 Total Liabilities	<u>3,000</u>	<u>63,834</u>
 NET POSITION:		
3800 <i>Held in Trust</i>	24,032	--
3000 Total Net Position	<u>\$ 24,032</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

	Private- Purpose Trusts
Additions:	
Investment Income	\$ 219
Gifts & Bequests	3,000
Miscellaneous Income	--
Total Additions	<u>3,219</u>
Deductions:	
Scholarship Awards	3,000
Miscellaneous Operating Costs	--
Total Deductions	<u>3,000</u>
Change in Net Assets	219
Net Assets-Beginning of the Year	23,813
Net Assets-End of the Year	<u>\$ 24,032</u>

The accompanying notes are an integral part of this statement.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

A. Summary of Significant Accounting Policies

The basic financial statements of Webb Consolidated Independent School District (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") applicable to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide ("Resource Guide"). The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

The Board of School Trustees ("Board"), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the District. The Board is elected by the public and has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency ("TEA") or to the State Board of Education are reserved for the Board, and the TEA may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District receives funding from local, state and federal government sources and must comply with the requirements of those funding entities. However, the District is not included in any other governmental reporting entity and there are no component units included within the District's reporting entity.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Financial Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The District reports the following major governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

Debt Service Fund: The property tax revenue collected for payment of long-term debt and the related principal, interest payments, and related fees are accounted for in a debt service fund.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
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FOR THE YEAR ENDED AUGUST 31, 2019

Capital Projects Fund. This fund accounts for the proceeds of bonds issued and the related costs of construction.

In addition, the District reports the following fund types:

Internal Service Funds: These funds are used to account for revenues and expenses related to services provided to parties inside the District. These funds facilitate distribution of support costs to the users of support services on a cost-reimbursement basis. Because the principal users of the internal services are the District's governmental activities, this fund type is included in the "Governmental Activities" column of the government-wide financial statements.

Private-Purpose Trust Funds: These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments not reported in other fiduciary fund types.

Agency Funds: These funds are used to report student activity funds and other resources held in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support District programs, these funds are not included in the government-wide statements.

b. Measurement Focus, Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end, with the exception of property taxes which are fully deferred. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

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NOTES TO THE FINANCIAL STATEMENTS
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3. Financial Statement Amounts

a. Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

b. Property Taxes

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

Allowances for uncollectible tax receivables within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

	Balance 09/01/18	Current Year Levy	Total Collections	Yearly Adjustments	Balance 08/31/19
Delinquent Taxes					
Receivable	\$ 1,043,608	\$ 7,015,014	\$ 7,011,294	\$ 31,584	\$ 1,078,912
Allowance for Uncollectible Taxes	(660,866)			(28,061)	(688,927)
Net Delinquent Taxes Receivable	<u>\$ 382,742</u>	<u>\$ 7,015,014</u>	<u>\$ 7,011,294</u>	<u>\$ 3,523</u>	<u>\$ 389,985</u>

c. Inventories and Prepaid Items

The District records purchases of supplies as expenditures, utilizing the purchase method of accounting for inventory in accordance with the Resource Guide.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

d. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings	50
Building Improvements	20
Vehicles	2-15
Office Equipment	3-15
Computer Equipment	3-15

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Impairment losses related to capital assets are recognized and measured when there has been a significant, unexpected decline in the service utility of capital assets. The events or changes in circumstances which lead to impairment determinations are not considered to be normal or ordinary. The service utility of a capital asset is the usable capacity which, at acquisition, was expected to be used or provide service. Common indicators of impairment include - evidence of physical damage where the level of damage is such that restoration efforts are needed to restore service utility; enactment of laws or approval of regulations as well as changes in environmental factors; technological developments, or other evidence of obsolescence; changes in the manner of duration or use of capital assets; or construction stoppage due to lack of funding. There were no impairment changes during fiscal year 2019.

e. **Deferred Outflows and Inflows of Resources**

In addition to assets, the statements of financial position (the government-wide Statement of Net Position and governmental funds balance sheet) will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position and/or fund balance that applies to one or more future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time.

f. **Receivable and Payable Balances**

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

g. **Compensated Absences**

On retirement or death of certain employees, the District pays any accrued sick leave and vacation leave in a lump sum payment to such employee or his/her estate. Individuals employed after October 1, 1985 are not eligible to receive the lump sum payments.

h. **Interfund Activity**

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net position.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

i. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

j. Data Control Codes

Data Control Codes appear in the rows and above the columns of certain financial statements. The TEA requires the display of these codes in the financial statements filed with TEA in order to ensure accuracy in building a statewide database for policy development and funding plans.

k. Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows:

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

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

Committed Fund Balance - represents amounts that can only be used for a specific purpose because of a formal action by the District's Board of Trustees. Committed amounts cannot be used for any other purpose unless the Board of Trustees removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the Board of Trustees. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance - represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Board of Trustees or by an official or body to which the Board of Trustees delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.

Unassigned Fund Balance - represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

The District has adopted a minimum fund balance of three months average expenditures of the General Fund, which in the current year is calculated to be \$2,020,954.

l. Net Position Flow Assumption

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

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m. Fund Balance Flow Assumptions

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

4. 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.

5. Other Post-Employment Benefits

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

6. Implementation of New Standards

In the current fiscal year, the District did not implement any new standards from the Governmental Accounting Standards Board (GASB).

B. Compliance and Accountability

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None reported	Not applicable

2. Deficit Fund Balance or Fund Net Position of Individual Funds

Following are funds having deficit fund balances or fund net position at year end, if any, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
None reported	Not applicable	Not applicable

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C. Deposits and Investments

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

1. Cash Deposits:

At August 31, 2019, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$2,651,061 and the bank balance was \$2,937,135. The District's cash deposits at August 31, 2019 and during the year ended August 31, 2019, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

2. Investments:

The District is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, 1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) securities lending program, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) commercial paper.

The District's investments at August 31, 2019 are shown below.

<u>Investment or Investment Type</u>	<u>Maturity</u>	<u>Fair Value</u>
TexSTAR, rated AAAM	N/A	\$ 2,596,216
LOGIC, rated AAA	N/A	6,685,226
Total Investments		<u>\$ 9,281,442</u>

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.

At August 31, 2019, the District's investments, other than those which are obligations of or guaranteed by the U. S. Government, are rated as to credit quality as follows:

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b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name.

At year end, the District was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

Investment Accounting Policy

The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

Public Funds Investment Pools

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

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

LOGIC

The District invests in the Local Government Investment Cooperative (LOGIC), which is a local government investment pool organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and operates under the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. LOGIC's governing body is a five-member board of directors comprised of employees, officers or elected officials of participant

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government entities or individuals who do not have a business relationship with LOGIC and are qualified to advise it. A maximum of two advisory board members represent the co-administrators of LOGIC. The co-administrators of the day to day administration of LOGIC are First Southwest Company and J. P. Morgan Investment Management, Inc. LOGIC is rated at a AAA or equivalent rating from at least one nationally recognized rating agency and operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. LOGIC seeks to maintain a net asset value of \$1.00 per unit and is designed to be used for investment of funds which may be needed at any time.

TexSTAR

The District invests in the Texas Short Term Asset Reserve Program (TexSTAR), which has been organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. TexSTAR is managed by a five-member board of directors (Board). In accordance with the Public Funds Investment Act, TexSTAR maintains an advisory board composed of participants in TexSTAR and other persons who do not have a business relationship with TexSTAR. Advisory board members are appointed and serve at the will of the Board of Directors. J. P. Morgan Investment Management, Inc. (JPMIM) and First Southwest Company (FSC) serve as co-administrators for TexSTAR under an agreement with the Board. JPMIM provides investment management services, and FSC provides participant services and marketing. Custodial, fund accounting and depository services are provided by JPMorgan Chase Bank, N.A. and/or its subsidiary J.P. Morgan Investor Services Co. Transfer agency services are provided by Boston Financial Data Services, Inc. The business affairs of TexSTAR are managed by the Board in accordance with its bylaws. The bylaws set forth procedures governing the selection of, and action taken by, the Board. Board oversight of TexSTAR is maintained through various reporting requirements. TexSTAR is rated AAAM by Standard and Poor's and is not operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. All investments are stated at amortized cost, which generally approximates the market value of the securities. The stated objective of TexSTAR is to maintain a stable \$1.00 per unit net asset value; however, the \$1.00 net asset value is not guaranteed or insured.

D. Capital Assets

Capital asset activity for the year ended August 31, 2019, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 621,960	\$ 21,613	\$ --	\$ 643,573
Construction in progress	1,291,671	735,866	1,587,002	440,535
Total capital assets not being depreciated	<u>1,913,631</u>	<u>757,479</u>	<u>1,587,002</u>	<u>1,084,108</u>
<i>Capital assets being depreciated:</i>				
Buildings and improvements	39,014,119	1,726,752	--	40,740,871
Equipment	1,830,974	250,581	67,525	2,014,030
Vehicles	1,766,260	--	114,016	1,652,244
Total capital assets being depreciated	<u>42,611,353</u>	<u>1,977,333</u>	<u>181,541</u>	<u>44,407,145</u>
Less accumulated depreciation for:				
Buildings and improvements	(13,323,215)	(1,199,166)	--	(14,522,381)
Equipment	(1,198,706)	(100,276)	(65,052)	(1,233,930)
Vehicles	(859,230)	(106,627)	(88,378)	(877,479)
Total accumulated depreciation	<u>(15,381,151)</u>	<u>(1,406,069)</u>	<u>(153,430)</u>	<u>(16,633,790)</u>
Total capital assets being depreciated, net	<u>27,230,202</u>	<u>571,264</u>	<u>28,111</u>	<u>27,773,355</u>
Governmental activities capital assets, net	<u>\$ 29,143,833</u>	<u>\$ 1,328,743</u>	<u>\$ 1,615,113</u>	<u>\$ 28,857,463</u>

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Depreciation was charged to functions as follows:

Instruction	\$ 610,891
Instructional Resources and Media Services	2,375
Curriculum and Staff Development	2,077
Instructional Leadership	10,595
School Leadership	52,722
Guidance, Counseling, & Evaluation Services	19,505
Health Services	3,404
Student Transportation	106,627
Food Services	73,482
Extracurricular Activities	93,427
General Administration	130,170
Plant Maintenance and Operations	246,114
Security and Monitoring Services	40,113
Data Processing Services	14,400
Community Services	167
	<u>\$ 1,406,069</u>

E. Interfund Balances and Activities

1. Due To and From Other Funds

Balances due to and due from other funds at August 31, 2019, consisted of the following:

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Other Governmental Funds	\$ 3,425	Short-term loans
General Fund	Other General Funds	24,868	Short-term loans
Debt Service Fund	General Fund	31,312	Short-term loans
Capital Projects Fund	General Fund	18,047	Short-term loans
	Total	<u>\$ 77,652</u>	

All amounts due are scheduled to be repaid within one year.

2. Transfers To and From Other Funds

Transfers to and from other funds at August 31, 2019, consisted of the following:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General fund	Other General Funds	\$ 392,000	Supplement other funds sources
General fund	Other Governmental Funds	170,000	Supplement other funds sources
	Total	<u>\$ 562,000</u>	

F. Long-Term Obligations

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

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FOR THE YEAR ENDED AUGUST 31, 2019

1. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended August 31, 2019, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental activities:					
General obligation bonds	\$ 6,975,000	\$ --	\$ 360,000	\$ 6,615,000	\$ 370,000
Unlimited Tax Refunding					
Bonds, Taxable Series	5,335,000	--	230,000	5,105,000	770,000
Accretion	510,828	--	510,828	--	--
Premium on Bonds	729,080	--	129,663	599,417	--
Deferred Gain on Defeasance	130,645	--	35,296	95,349	--
Net Pension Liability *	965,828	474,915	83,092	1,357,651	--
Net OPEB Liability *	2,173,555	(382,162)	24,413	1,766,980	--
Total governmental activities	\$ 16,819,936	\$ 92,753	\$ 1,373,292	\$ 15,539,397	\$ 1,140,000

* Other long-term liabilities

The funds typically used to liquidate other long-term liabilities in the past are as follows:

Liability	Activity Type	Fund
Net Pension Liability	Governmental	General
Net OPEB Liability	Governmental	General

General Obligation Bonds consist of:

	2019	2018
\$6,440,000 Unlimited School District Bonds, Series 2016, due in semi-annual installments ranging from \$295,900 to \$296,625, plus interest at 3.0% to 4.0%, maturing in 2033 (\$2,780,000 was refunded in 2018)	\$ 3,205,000	\$ 3,385,000
\$6,440,000 Unlimited School District Bonds, Series 2015, due in semi-annual installments ranging from \$320,000 to \$320,400, plus interest at 4.0%, maturing in 2033 (\$2,695,000 was refunded in 2018)	3,410,000	3,590,000
Unlimited Tax School Building Bonds consist of:		
\$5,150,000 Unlimited Tax Refunding Bond, Taxable Series 2018, due in semi-annual installments ranging from \$112,881 to \$958,800 plus interest at 3.0% to 4.0%, maturing on 2/15/2025	5,105,000	5,105,000
\$230,000 Capital Appreciation Bond, Series 2018, due 2/15/2019 in final payment of \$750,000	--	230,000
	<u>\$ 11,720,000</u>	<u>\$ 12,310,000</u>

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2. Debt Service Requirements

Debt service requirements on long-term debt at August 31, 2019, are as follows:

Year Ending August 31,	Governmental Activities		
	Principal	Interest	Total
2020	\$ 1,140,000	\$ 432,825	\$ 1,572,825
2021	1,185,000	388,200	1,573,200
2022	1,225,000	341,925	1,566,925
2023	1,275,000	293,900	1,568,900
2024	1,325,000	243,925	1,568,925
2025-2029	3,310,000	720,625	4,030,625
2030-2034	2,260,000	175,200	2,435,200
Totals	<u>\$ 11,720,000</u>	<u>\$ 2,596,600</u>	<u>\$ 14,316,600</u>

3. Advance Refunding of Debt

The District issued \$5,385,000 Webb Consolidated Independent School District Unlimited Tax Refunding Bonds Series 2018 in March of 2018. The District refunded \$5,385,000 of the 2015 and 2016 bond issues that were outstanding at August 31, 2017. The interest rate of the refunding bonds ranges from 3.0% to 4.0%. The refunding bonds are anticipated to generate a gross saving to the District of \$2,961,894 and present value savings of \$262,937.

GASB Statement No. 7, "Advance Refundings Resulting in Defeasance of Debt," provides that refunded debt and assets placed in escrow for the payment of related debt service be excluded from the financial statements. As of August 31, 2019, outstanding balances of bond issues that have been refunded and defeased in-substance by placing existing assets and the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments are as follows.

Bond Issue	Amount
Series 2015	\$ 2,605,000
Series 2016	2,780,000
Total	<u>\$ 5,385,000</u>

G. Risk Management

The District is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters.

During the year ended August 31, 2019, Webb CISD met its statutory workers' compensation obligations, provided unemployment compensation coverage to its employees, and obtained property, liability, and auto coverage through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund's Workers Compensation Program is authorized by Chapter 504, Texas Labor Code. The Fund provides statutory workers' compensation benefits to its members and their injured employees. The Fund and its members are protected against higher than expected claims costs through the purchase of stop loss coverage for any claim in excess of the Fund's self-insured retention of \$2 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of August 31, 2018, the Fund carries a discounted reserve of \$48,977,531 for future development on reported claims and claims that have been incurred but not yet reported. For the year ended August 31, 2019, the fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions.

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The Fund's Unemployment Compensation Program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. The Fund meets its obligations to the Texas Workforce Commission. Expenses are accrued each month until the quarterly payment has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop loss coverage for Unemployment Compensation pool members. For the year ended August 31, 2019, the Fund anticipates that Webb CISD has no additional liability beyond the contractual obligation for payment of contributions.

The Fund purchases stop-loss coverage for protection against catastrophic and larger than anticipated claims for the Property Program, the Auto Program, and the Liability Program. The terms and limits of the stop-loss program vary by line of coverage. The Fund uses the services of an independent actuary to determine the adequacy of reserves and fully funds those reserves. For the year ended August 31, 2019, the Fund anticipates that Webb CISD has no additional liability beyond the contractual obligations for payment of contributions.

The Fund engages the services of an independent auditor to conduct an independent financial audit after the close of each plan year on August 31. The audit is approved by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2018, are available on the TASB Risk Management Fund website and have been filed with the Texas State Board of Insurance in Austin.

H. Pension Plan

1. Plan Description

The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS) and 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.

2. Pension Plan Fiduciary Net Position

Detail 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 <https://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.

3. 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% (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 (1.) above.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
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4. Contributions

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 through 2017. The 85th Texas Legislature, General Appropriations Act (GAA) affirmed that the employer contribution rates for fiscal years 2018 and 2019 would remain the same.

	<u>Contribution Rates</u>	
	<u>2018</u>	<u>2019</u>
Member	7.7%	7.7%
Non-Employer Contributing Entity (NECE - State)	6.8%	6.8%
Employers	6.8%	6.8%
District's 2019 Employer Contributions	\$ 91,220	
District's 2019 Member Contributions	\$ 239,925	
2018 NECE On-Behalf Contributions (state)	\$ 146,390	

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

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

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

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

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

5. Actuarial Assumptions

The total pension liability in the August 31, 2017 actuarial valuation rolled forward to August 31, 2018 was determined using the following actuarial assumptions:

Valuation Date	August 31, 2017 rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	6.907%
Long-term expected Investment Rate of Return	7.25%
Inflation	2.30%
Salary Increases including inflation	3.05% to 9.05%
Payroll Growth Rate	3.00%
Benefit Changes during the year	None
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions are based primarily on a study of actual experience for the three year period ending August 31, 2017 and adopted in July, 2018.

6. Discount Rate

The single discount rate used to measure the total pension liability was 6.907%. The single discount rate was based on the expected rate of return on the pension plan investments of 7.25% and a municipal bond rate of 3.69%. The projection of cash flows used to determine the discount rate assumed the 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 sufficient to finance the benefit payments until the year 2069. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2069, and the municipal bond rate was applied to all benefit payments after that date. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2018 are summarized below:

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Teacher Retirement System of Texas
Asset Allocation and Long-Term Expected Rate of Return
As of August 31, 2016

Asset Class	Target Allocation	Long-term Expected Geometric Real Rate of Return	Expected Contribution to Long-term Portfolio Returns *
Global Equity			
U.S.	18.0%	5.7%	1.0%
Non-U.S. Developed	13.0%	6.9%	0.9%
Emerging Markets	9.0%	8.9%	0.8%
Directional Hedge Funds	4.0%	3.5%	0.1%
Private Equity	13.0%	10.2%	1.3%
Stable Value			
U.S. Treasuries	11.0%	1.1%	0.1%
Absolute Return	0.0%	0.0%	0.0%
Stable Value Hedge Funds	4.0%	3.1%	0.1%
Cash	1.0%	-0.3%	0.0%
Real Return			
Global Inflation Linked Bonds	3.0%	0.7%	0.0%
Real Assets	14.0%	5.2%	0.7%
Energy & Natural Resources	5.0%	7.5%	0.4%
Commodities	0.0%	0.0%	0.0%
Risk Parity			
Risk Parity	5.0%	3.7%	0.2%
Inflation Expectation			2.3%
Alpha			-0.8%
Total	100.0%		7.2%

* Target allocation are based on the FY 2016 policy model.

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

7. 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 (6.907%) in measuring the Net Pension Liability.

	1% Decrease in Discount Rate 5.907%	Discount Rate 6.907%	1% Increase in Discount Rate 7.907%
District's proportionate share of the net pension liability	\$ 2,049,022	\$ 1,357,652	\$ 797,947

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

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At August 31, 2019, the District reported a liability of \$1,357,652 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	\$ 1,357,652
State's proportionate share that is associated with District	<u>2,393,381</u>
Total	<u>\$ 3,751,033</u>

The net pension liability was measured as of August 31, 2017 and rolled forward to August 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2017 rolled forward to August 31, 2018. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2017 through August 31, 2018.

At August 31, 2018 the employer's proportion of the collective net pension liability was 0.0024666%. which was an increase (decrease) of 0.0024666% from its proportion measured as of August 31, 2017.

Changes Since the Prior Actuarial Valuation -

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

- The Total Pension Liability as of August 31, 2018 was developed using a roll-forward method from the August 31, 2017 valuation.
- Demographic assumptions including post-retirement mortality, termination rates, and rates of retirement were updated based on the experience study performed for TRS for the period ending August 31, 2017.
- Economic assumptions including rates of salary increase for individual participants was updated based on the same experience study.
- The discount rate changed from 8.0% as of August 31, 2017 to 6.907% as of August 31, 2018.
- The long-term assumed rate of return changed from 8.0% to 7.25%.
- The change in the long-term assumed rate of return combined with the change in the single discount rate was the primary reason for the increase in the Net Pension Liability.

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

For the year ended August 31, 2019, the District recognized pension expense of \$236,881 and revenue of \$236,881 for support provided by the State.

At August 31, 2019, the District reported its proportionate share of the TRS' deferred outflows of resources and deferred inflows of resources related to pensions from the following sources: (The amounts below will be the cumulative layers from the current and prior years combined)

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 8,462	\$ 33,311
Changes in actuarial assumptions	489,499	15,297
Difference between projected and actual investment earnings	--	25,761
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	97,326	416,232
Contributions paid to TRS subsequent to the measurement date	91,220	--
Total	\$ 686,507	\$ 490,601

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

Year Ended August 31	Pension Expense Amount
2020	\$ 57,147
2021	\$ 2,933
2022	\$ (12,257)
2023	\$ 2,124
2024	\$ 20,151
Thereafter	\$ 34,590

I. Defined Other Post-Employment Benefit Plans

1. Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The plan is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575.

2. OPEB Plan Fiduciary Net Position

Detail information about the TRS-Care's fiduciary net position is available in the separately-issued TRS 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.

3. Benefits Provided

TRS-Care provides a basic health insurance coverage (TRS-Care 1), at no cost to all retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

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Eligible retirees and their dependents not enrolled in Medicare may pay premiums to participate in one of two optional insurance plans with more comprehensive benefits (TRS-Care 2 and TRS-Care 3). Eligible retirees and dependents enrolled in Medicare may elect to participate in one of the two Medicare health plans for an additional fee. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic post-employment benefit changes, including automatic COLAs.

The premium rates for the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for a retiree with and without Medicare coverage.

TRS-Care Monthly for Retirees
January 1, 2018 thru December 31, 2018

	Medicare	Non-Medicare
Retiree*	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree* and Children	468	408
Retiree and Family * or surviving spouse	1,020	999

4. Contributions

Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and school districts based upon public school district payroll. The TRS board of trustees does not have the authority to set or amend contribution rates.

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

Contribution Rates

	2018	2019
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private Funding remitted by Employers	1.25%	1.25%
District's 2019 Employer Contributions		\$ 26,289
District's 2019 Member Contributions		\$ 20,253
2018 NECE On-Behalf Contributions (state)		\$ 32,860

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In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (regardless of whether they participate in the TRS Care OPEB program). When hiring a TRS retiree, employers are required to pay to TRS-Care a monthly surcharge of \$535 per retiree.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$182.6 million in fiscal year 2018. The 85th Texas Legislature, House Bill 30 provided an additional \$212 million in one-time, supplemental funding for the FY2018-19 biennium to continue to support the program. This was also received in FY2018 bringing the total appropriations received in fiscal year 2018 to \$394.6 million.

5. Actuarial Assumptions

The total OPEB liability in the August 31, 2017 actuarial valuation was rolled forward to August 31, 2018. The actuarial valuation was determined using the following actuarial assumptions:

The actuarial valuation of TRS-Care is similar to the actuarial valuations performed on the pension plan, except that the OPEB valuation is more complex. All of the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation, salary increases, and general payroll growth, used in the OPEB valuation were identical to those used in the respective TRS pension valuation. Since the assumptions were based upon a recent actuarial experience study performed and they were reasonable for this OPEB valuation, they were employed in the 2018 CAFR for the Teacher Retirement System of Texas.

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2017 TRS pension actuarial valuation that was rolled forward to August 31, 2018:

Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Expected Payroll Growth
Rates of Disability Incidence	

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2017 rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate *	3.69% *
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Payroll Growth Rate	3.00%
Projected Salary Increases	3.05% to 9.05%, including inflation ***
Healthcare Trend Rates **	8.50% **
Election Rates	Normal Retirement: 70% participation prior to age 65 and 75% after age 65.
Ad Hoc Post-Employment Benefit Changes	None

*Sourced from fixed income municipal bonds with 20 years to maturity that include only federal tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of August 31, 2018.

**8.50% for FY2019, decreasing 0.5% per year to 4.50% for FY2027 and later years.

*** Includes inflation at 2.5%.

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6. Discount Rate

A single discount rate of 3.69% was used to measure the total OPEB liability. There was an increase of .27% in the discount rate since the previous year. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active 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 OPEB plan's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

7. Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used in measuring the net OPEB liability.

	1% Decrease in Discount Rate (2.69%)	Current Single Discount Rate (3.69%)	1% Increase in Discount Rate (4.69%)
District's proportionate share of net OPEB liability	\$ 2,103,313	\$ 1,766,980	\$ 1,500,918

8. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At August 31, 2019, the District reported a liability of \$1,766,980 for its proportionate share of the TRS's Net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 1,766,980
State's proportionate share that is associated with the District	\$ 2,381,745
Total	\$ 4,148,725

The Net OPEB liability was measured as of August 31, 2017 and rolled forward to August 31, 2018 and the Total OPEB Liability used to calculate the Net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the Net OPEB liability was based on the District's contributions to OPEB relative to the contributions of all employers to the plan for the period September 1, 2017 thru August 31, 2018.

At August 31, 2019 the District's proportion of the collective net OPEB liability was 0.0035388, compared ERR

The following schedule shows the impact of the net OPEB liability if a healthcare trend rate that is 1% less than and 1% greater than the assumed 8.5% rate is used.

	1% Decrease in Healthcare Trend Rate (7.5%)	Current Single Healthcare Trend Rate (8.5%)	1% Increase in Healthcare Trend Rate (9.5%)
District's proportionate share of net OPEB liability	\$ 1,467,505	\$ 1,766,980	\$ 2,161,394

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9. Changes Since the Prior Actuarial Valuation

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

- Adjustments were made for retirees that were known to have discontinued their health care coverage in fiscal year 2018. This change increased the Total OPEB Liability.
- The health care trend rate assumption was updated to reflect the anticipated return of the Health Insurer Fee (HIF) in 2020. This change increased the Total OPEB Liability.
- Demographic and economic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2017. This change increased the Total OPEB Liability.
- The discount rate was changed from 3.42% as of August 31, 2017 to 3.69% as of August 31, 2018. This change lowered the Total OPEB Liability \$2.3 billion.
- Change of Benefit Terms Since the Prior Measurement Date - Please see the 2018 TRS CAFR, page 68, section B. for a list of changes made effective September 1, 2017 by the 85th Texas Legislature.

In this valuation the impact of the Cadillac Tax has been calculated as a portion of the trend assumption. Assumptions and methods used to determine the impact of the Cadillac Tax include:

- 2018 thresholds of \$850 / \$2,292 were indexed annually by 2.50%.
- Premium data submitted was not adjusted for permissible exclusions to the Cadillac Tax.
- There were no special adjustments to the dollar limit other than those permissible for non-Medicare retirees over 55.

Results indicate that the value of the excise tax would be reasonably represented by a 25 basis-point addition to the long term trend rate assumption.

Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provision or applicable law.

Changes of benefit terms that affected measurement of the total OPEB liability during the measurement period are listed below:

The 85th Legislature, Regular Session, passed the following statutory changes in House Bill 3976 which became effective on September 1, 2017:

- Created a high-deductible health plan that provides a zero cost for generic prescriptions for certain preventive drugs and provides a zero premium for disability retirees who retired as a disability retiree on or before January 1, 2017 and are not eligible to enroll in Medicare.
- Created a single Medicare Advantage plan and Medicare prescription drug plan for all Medicare-eligible participants.
- Allowed the System to provide other appropriate health benefit plans to address the needs of enrollees eligible for Medicare.
- Allowed eligible retirees and their eligible dependents to enroll in TRS-Care when the retiree reaches 65 years of age, rather than waiting for the next enrollment period.

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--- Eliminated free coverage under TRS-Care, except for certain disability retirees enrolled during Plan Years 2018 through 2021, requiring members to contribute \$200 per month toward their health insurance premiums.

For the year ended August 31, 2019, the District recognized OPEB expense of \$86,634 and revenue of \$86,634 for support provided by the State.

At August 31, 2019, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual economic experience	\$ 93,767	\$ 27,886
Changes in actuarial assumptions	29,486	530,876
Differences between projected and actual investment earnings	309	--
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	6	800,502
Contributions paid to TRS subsequent to the measurement date	<u>26,289</u>	
Total	<u>\$ 149,857</u>	<u>\$ 1,359,264</u>

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

Year ended August 31,	Amount
2020	\$ (169,124)
2021	\$ (169,124)
2022	\$ (169,124)
2023	\$ (169,185)
2024	\$ (169,218)
Thereafter	\$ (389,920)

10. Medicare Part D Subsidies

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the current fiscal year ended August 31, 2019, the subsidy payment received by TRS-Care on behalf of the District was \$11,083.

J. Employee Health Care Coverage

During the year ended August 31, 2019, employees of the District were covered by a health insurance plan (the Plan). The District paid premiums of \$782 per month per employee to the Plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a licensed insurer. The Plan was authorized by Section 21.922, Texas Education Code and was documented by contractual agreement.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

The contract between the District and the licensed insurer is renewable September 1, 2019, and terms of coverage and premium costs are included in the contractual provisions.

Latest financial statements for the Blue Cross Blue Shield of Texas are available for the year ended December 31, 2018, have been filed with the Texas State Board of Insurance, Austin, Texas, and are public records.

K. Commitments and Contingencies

1. Contingencies

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

2. Litigation

No reportable litigation was pending against the District at August 31, 2019.

L. Shared Services Arrangements

Shared Services Arrangement - Membership

The District participates in a shared services arrangement ("SSA") for ESEA Title IV - Part A - Safe and Drug Free Schools with the Region I Education Service Center. The District does not accounts for revenues and expenditures in this program in Fund 237, a federal special revenue fund. The District neither has a joint ownership interest in fixed assets purchased by the fiscal agent, ESEA Title IV - Part A - Safe and Drug Free Schools nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal exigencies that would give rise to a future additional benefit or burden to the District.

The District participates in a shared services arrangement ("SSA") for ESEA Title IV Part B 21st Century Community Learning Centers with Jim Hogg County ISD.

Member Districts

Webb CISD
Jim Hogg County ISD

The District accounts for revenues and expenditures in this program in Fund 265, a federal special revenue fund. The District neither has a joint ownership interest in fixed assets purchased by the fiscal agent, HELP: Type in the name of the fiscal agent school to replace "school name" below (followed by a comma). Jim Hogg County ISD, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal exigencies that would give rise to a future additional benefit or burden to the District.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

M. Subsequent Events

Subsequent events were evaluated through December 20, 2019, which is the date of the audit report.

N. Tax Abatements

On December 10, 2009, the Webb CISD Board of Trustees approved an Agreement with Cedro Hill Wind for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes pursuant to the Chapter 313 of the Texas Tax Code, i.e., the Texas Economic Development Act, as set forth in Chapter 313 of the Texas Tax Code, as amended. Cedro Hill Wind qualified for a tax limitation agreement under Texas Tax Code Section 313.024(b)(5), as a renewable energy electric generation project.

On October 15, 2012, the Webb CISD Board of Trustees approved an Agreement with Whitetail Wind Energy, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes pursuant to the Chapter 313 of the Texas Tax Code, i.e., the Texas Economic Development Act, as set forth in Chapter 313 of the Texas Tax Code, as amended. Whitetail Wind Energy qualified for a tax limitation agreement under Texas Tax Code Section 313.024(b)(5), as a renewable energy electric generation project.

On December 23, 2013, the Webb CISD Board of Trustees approved an Agreement with Javelina Wind Energy, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes pursuant to the Chapter 313 of the Texas Tax Code, i.e., the Texas Economic Development Act, as set forth in Chapter 313 of the Texas Tax Code, as amended. Javelina Wind Energy, LLC qualified for a tax limitation agreement under Texas Tax Code Section 313.024(b)(5), as a renewable energy electric generation project.

On July 12, 2016, the Webb CISD Board of Trustees approved an Agreement with Javelina Wind Energy II, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes pursuant to the Chapter 313 of the Texas Tax Code, i.e., the Texas Economic Development Act, as set forth in Chapter 313 of the Texas Tax Code, as amended. Javelina Wind Energy II, LLC qualified for a tax limitation agreement under Texas Tax Code Section 313.024(b)(5), as a renewable energy electric generation project.

On July 11, 2019, the Webb CISD Board of Trustees approved an Agreement with Wind Energy, LLC for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes pursuant to the Chapter 313 of the Texas Tax Code, i.e., the Texas Economic Development Act, as set forth in Chapter 313 of the Texas Tax Code, as amended. Javelina Wind Energy II, LLC qualified for a tax limitation agreement under Texas Tax Code Section 313.024(b)(5), as a renewable energy electric generation project.

Value limitation agreements are a part of a state program, originally created in 2001, which allows school districts to limit the taxable value of an approved project for Maintenance and Operations (M&O) for a period of years specified in statute. The project(s) under the Chapter 313 agreement must be consistent with the state's goal to "encourage large scale capital investments in this state." Chapter 313 of the Tax Code grants eligibility to companies engaged in manufacturing, research and development, renewable electric energy production, clean coal projects, nuclear power generation and data centers.

In order to qualify for a value limitation agreement, each applicant, including Cedro Hill Wind, Whitetail Wind Energy, LLC, Javelina Wind Energy, LLC, and Albercas Wind LLC, has been required to meet a series of capital investment, job creation, and wage requirements specified by state law. At the time of the applications' approvals, the agreements were found to have done so by both the District's Board of Trustees and the Texas Comptroller's Office, which recommended approval of the projects. The applications, the agreements, and state reporting documentation can be viewed at the Texas Comptroller's website:

<https://www.comptroller.texas.gov/economy/local/ch313/agreement-docs.php>

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

The agreements and all supporting documentation were assigned the following Texas Comptroller Application Numbers:

		First Year Value Limitation
Cedro Hill Wind	No. 155	2,012
Whitetail Wind Energy, LLC	No. 232	2,015
Javelina Wind Energy, LLC	No. 322	2,016
Javelina Wind Energy II, LLC	No. 1125	2,017
Wind Energy, LLC	No. 1305	2,019

After approval, the applicant company must maintain a viable presence in the district for the entire period of the value limitation plus a period of years thereafter. In addition, there are specific reporting requirements, which are monitored on an annual and biennial basis in order to ensure relevant job, wage, and operational requirements are being met.

In the event any of the applicants listed above terminates this Agreement without the consent of the District, or in the event that the company or its successor-in-interest fails to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, then the District shall be entitled to the recapture of all ad valorem tax revenue lost as a result of this Agreement together with the payment of penalty and interest on that recaptured ad valorem tax revenue. Penalties on said amounts shall be calculated in accordance with the methodology set forth in Texas Tax Code Section 33.01(a), or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Texas Tax Code Section 33.01(c), or its successor statute. The agreement provides an administrative procedure to determine any company liability. Ultimately, enforcement of any payment obligation is through the local state district court.

As of the date of this audit report, management believes that the applicant companies are in full compliance with all of their obligations under law and the agreement itself.

Below is information required by GASB 77 for M&O purposes. It includes the net benefit to the district but does not include any I&S impact:

Appl. No.	Project's Value Limitation Amount 2018	Value Limitation Amount 2,018	Amount of Applicant's M&O Taxes Paid 2018	Amount of Applicant's M&O Taxes Reduced 2018	Company Revenue Loss Pmt to Sch. District 2018	Company Supplemental Pmt to Sch. District 2018	Net Benefit (Loss) to the School District 2018
155	\$85,000,000	\$10,000,000	\$6,607	\$843,393	\$51,996	\$31,900	\$83,896
232	\$73,000,040	\$30,000,000	\$111,150	\$618,850	\$50,000	\$50,000	\$100,298
322	\$298,999,950	\$10,000,000	\$100,000	\$2,890,000	\$224,520	\$67,573	\$292,093
1125	\$51,000,000	\$60,000,000	\$600,000	\$1,910,000	\$22,437	\$50,000	\$572,437
1305	\$0	\$0	--	--	--	\$50,000	\$50,000

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

O. Concentration of Risk

The District is located within Webb County, Texas, and derives approximately 92% of its general fund revenue from property taxes and related penalties and interest. The District's top ten taxpayers have a taxable property value of \$324,701,330 or 56.76% of the total taxable value of \$572,065,915. All of the top ten taxpayers are oil & gas related. These are as follows:

Taxpayer	Taxable Value	Percent of Total Taxable Value
Hilcorp Energy Company	\$ 117,489,880	20.54%
Whitetail Wind Farm	60,000,000	10.49%
AEP Electric Transmission of Texas, LLC	35,220,020	6.16%
Archrock Partners Leasing LLC	30,240,300	5.29%
Javelina Wind	26,054,660	4.55%
Cedro Hill Wind LLC	15,044,210	2.63%
EOG Resources Inc. Min Accts	10,911,460	1.91%
AEP Texas Central Company	10,000,000	1.75%
Kansas City Southern	10,000,000	1.75%
Elite Compression Services LLC	9,740,800	1.70%
Total Top Ten	\$ 324,701,330	56.76%
Total Taxable Value	\$ 572,065,915	100.00%

P. School Funding-Weighted Average Daily Attendance (WADA) Purchases

During the year ended August 31, 2019, the District was subject to the wealth equalization provision of Chapter 41 of the Texas Education Code. The District purchased WADA from the State as stated below:

Purchased From	WADA Purchased	Cost per WADA	Less CAD Costs, Discount and Recapture	Total
State of Texas (original calculation)	278.118 \$	6,355.4800 \$	52,516 \$	1,715,057

Q. Other Uses

The Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds contains Other Uses of \$240,869. This is comprised of the following two payments:

1. In 2019, the District lost a property value lawsuit resulting in a refund with interest which totaled \$176,104.
2. The District failed to meet the Maintenance of Effort for the Special Education mandated program, resulting in payment back to TEA in the amount of \$64,765.

Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED AUGUST 31, 2019

EXHIBIT G-1
 Page 1 of 2

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts			
		Original	Final	Actual	
REVENUES:					
5700	Local and Intermediate Sources	\$ 6,484,562	\$ 7,336,839	\$ 7,370,427	\$ 33,588
5800	State Program Revenues	1,085,818	1,457,947	1,498,300	40,353
5900	Federal Program Revenues	130,000	119,513	119,513	--
5020	Total Revenues	<u>7,700,380</u>	<u>8,914,299</u>	<u>8,988,240</u>	<u>73,941</u>
EXPENDITURES:					
Current:					
Instruction & Instructional Related Services:					
0011	Instruction	2,588,575	2,564,511	2,530,684	33,827
0012	Instructional Resources and Media Services	55,300	29,802	13,431	16,371
0013	Curriculum and Staff Development	42,250	44,750	11,746	33,004
	Total Instruction & Instr. Related Services	<u>2,686,125</u>	<u>2,639,063</u>	<u>2,555,861</u>	<u>83,202</u>
Instructional and School Leadership:					
0021	Instructional Leadership	65,950	75,520	59,923	15,597
0023	School Leadership	386,578	314,104	298,189	15,915
	Total Instructional & School Leadership	<u>452,528</u>	<u>389,624</u>	<u>358,112</u>	<u>31,512</u>
Support Services - Student (Pupil):					
0031	Guidance, Counseling and Evaluation Services	131,509	120,166	110,317	9,849
0033	Health Services	114,095	27,642	19,252	8,390
0034	Student (Pupil) Transportation	181,550	257,277	195,924	61,353
0036	Cocurricular/Extracurricular Activities	427,045	586,155	505,029	81,126
	Total Support Services - Student (Pupil)	<u>854,199</u>	<u>991,240</u>	<u>830,522</u>	<u>160,718</u>
Administrative Support Services:					
0041	General Administration	725,458	771,794	706,653	65,141
	Total Administrative Support Services	<u>725,458</u>	<u>771,794</u>	<u>706,653</u>	<u>65,141</u>
Support Services - Nonstudent Based:					
0051	Plant Maintenance and Operations	1,094,500	1,542,730	1,378,756	163,974
0052	Security and Monitoring Services	97,206	238,640	132,311	106,329
0053	Data Processing Services	112,706	113,408	81,444	31,964
	Total Support Services - Nonstudent Based	<u>1,304,412</u>	<u>1,894,778</u>	<u>1,592,511</u>	<u>302,267</u>
Ancillary Services:					
0061	Community Services	1,500	1,500	944	556
	Total Ancillary Services	<u>1,500</u>	<u>1,500</u>	<u>944</u>	<u>556</u>
Capital Outlay:					
0081	Capital Outlay	--	280,000	256,201	23,799
	Total Capital Outlay	<u>--</u>	<u>280,000</u>	<u>256,201</u>	<u>23,799</u>
Intergovernmental Charges:					
0091	Contracted Instr. Services Between Public Schools	1,580,671	1,730,671	1,715,057	15,614
0095	Payments to Juvenile Justice Alternative	10,000	10,000	--	10,000
0099	Other Intergovernmental Charges	80,000	80,000	67,956	12,044
	Total Intergovernmental Charges	<u>1,670,671</u>	<u>1,820,671</u>	<u>1,783,013</u>	<u>37,658</u>
6030	Total Expenditures	<u>7,694,893</u>	<u>8,788,671</u>	<u>8,083,817</u>	<u>704,854</u>

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED AUGUST 31, 2019

EXHIBIT G-1
 Page 2 of 2

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	5,487	125,628	904,423	778,795
	Other Financing Sources (Uses):				
7915	Transfers In	308,635	434,934	392,000	(42,934)
8911	Transfers Out	(580,962)	(645,239)	(562,000)	83,239
8949	Other Uses	--	(180,235)	(240,869)	(60,634)
7080	Total Other Financing Sources and (Uses)	(272,327)	(390,540)	(410,869)	(20,329)
	SPECIAL ITEM:				
8912	Special Item (Use)	--	(64,765)	--	(64,765)
1200	Net Change in Fund Balance	(266,840)	(329,677)	493,554	823,231
0100	Fund Balance - Beginning	8,916,115	8,916,115	8,916,115	--
3000	Fund Balance - Ending	\$ 8,649,275	\$ 8,586,438	\$ 9,409,669	\$ 823,231

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
LAST TEN FISCAL YEARS *

EXHIBIT G-2

	Measurement Year Ended August 31,				
	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.0024666%	0.0030206%	0.0038392%	0.0042169%	0.00335%
District's proportionate share of the net pension liability (asset)	\$ 1,357,652	\$ 965,829	\$ 1,450,787	\$ 1,490,618	\$ 894,831
State's proportionate share of the net pension liability (asset) associated with the District	2,393,381	1,883,115	2,184,127	2,318,771	1,805,538
Total	\$ 3,751,033	\$ 2,848,944	\$ 3,634,914	\$ 3,809,389	\$ 2,700,369
District's covered-employee payroll	\$ 2,862,785	\$ 3,462,059	\$ 3,479,617	\$ 3,633,254	\$ 3,413,090
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	47.42%	27.90%	41.69%	41.03%	26.22%
Plan fiduciary net position as a percentage of the total pension liability	73.74%	82.17%	79.74%	78.43%	83.25%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
LAST TEN FISCAL YEARS *

	Fiscal Year Ended August 31,				
	2019	2018	2017	2016	2015
Contractually required contribution	\$ 91,220	\$ 80,901	\$ 98,755	\$ 121,982	\$ 125,110
Contributions in relation to the contractually required contribution	(91,220)	(80,901)	(98,755)	(121,982)	(125,110)
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --
District's covered-employee payroll	\$ 3,115,909	\$ 2,862,785	\$ 3,462,059	\$ 3,479,617	\$ 3,633,254
Contributions as a percentage of covered-employee payroll	2.93%	2.83%	2.85%	3.51%	3.44%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

Note: GASB 68, Paragraph 81.2.b requires that the data in this schedule be presented as of the District's current fiscal year as opposed to the time period covered by the measurement date of September 1, 2017-August 31, 2018.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
*SCHEDULE OF THE DISTRICT'S PROPORTIONATE
 SHARE OF THE NET OPEB LIABILITY
 TEACHER RETIREMENT SYSTEM OF TEXAS
 LAST TEN FISCAL YEARS **

EXHIBIT G-4

	Measurement Year Ended	
	August 31,	
	2018	2017
District's proportion of the collective net OPEB liability	0.0035388490%	0.0049982582%
District's proportionate share of the collective net OPEB liability	\$ 1,766,980	\$ 2,173,555
State proportionate share of the collective net OPEB liability associated with the District	\$ 2,381,745	\$ 2,759,249
Total	<u>\$ 4,148,725</u>	<u>\$ 4,932,804</u>
District's covered-employee payroll	\$ 2,862,785	\$ 3,462,059
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	61.72%	62.78%
Plan fiduciary net position as a percentage of the total OPEB liability	1.57%	0.91%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
*LAST TEN FISCAL YEARS **

EXHIBIT G-5

	Fiscal Year Ended August 31,	
	2019	2018
Statutorily or contractually required District contribution	\$ 26,289	26,609
Contributions recognized by OPEB in relation to statutorily or contractually required contribution	(26,289)	(26,609)
Contribution deficiency (excess)	<u>\$ --</u>	<u>--</u>
District's covered-employee payroll	\$ 3,115,909	2,862,785
Contributions as a percentage of covered-employee payroll	0.84%	0.93%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2019

Budget

The official budget was prepared for adoption for all Governmental Fund Types. The budget was prepared in accordance with accounting practices generally accepted in the United States of America. The following procedures are followed in establishing the budgetary data.:

- a. Prior to August 21 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
- c. Prior to the beginning of the fiscal year, the budget is legally enacted through passage of a resolution by the Board.

Once a budget is approved, it can be amended at function and fund level only by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings.

Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board and are not made after fiscal year end as required by law.

Each amendment is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at August 31, and encumbrances outstanding at that time are to be either cancelled or appropriately provided for in the subsequent year's budget. There were no end-of-year outstanding encumbrances that were provided for in the subsequent year's budget.

Defined Benefit Pension Plan

Changes of benefit terms

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

Changes of assumptions

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

Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE YEAR ENDED AUGUST 31, 2019

Year Ended August 31	1 Tax Rates		2 Assessed/Appraised Value For School Tax Purposes
	Maintenance	Debt Service	
2010 and Prior Years	\$ Various	\$ Various	\$ Various
2011	.8033	.043	1,482,556,601
2012	.8033	.0486	1,297,586,366
2013	.8033	.0645	853,240,780
2014	.8033	.0645	893,041,529
2015	.8033	.0645	905,921,575
2016	.8033	.11	560,285,551
2017	.8033	.12	863,887,113
2018	1.04	.09	562,356,813
2019 (School Year Under Audit)	1.00	.13	572,065,915

1000 Totals

9000 - Portion of Row 1000 for Taxes Paid into Tax Increment Zone Under Chapter 311, Tax Code

(1) Note:	M & O and I & S Appraised Value	572,065,915
	I & S Appraised Value Only	1,170,065,901

The difference in appraised value is due to a Chapter 313 Agreement with exemptions of \$5,425,047 of appraised value for school tax purposes dated December 10, 2009, to begin in the 2012-2013 school year.

EXHIBIT J-1

10 Beginning Balance 9/1/18	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance 8/31/19
\$ 409,444	\$ --	\$ 10,185	\$ --	\$ --	\$ 399,259
27,852	--	1,209	50	--	26,593
57,186	--	1,329	73	--	55,784
50,477	--	1,496	80	4,648	53,549
50,746	--	4,127	250	4,973	51,342
11,964	--	4,584	368	58,543	65,555
23,655	--	9,747	783	45,452	58,577
37,158	--	13,464	1,844	29,651	51,501
375,126	--	244,989	22,019	52,659	160,777
--	7,015,014	5,256,106	1,438,591	(164,342)	155,975
<u>\$ 1,043,608</u>	<u>\$ 7,015,014</u>	<u>\$ 5,547,236</u>	<u>\$ 1,464,058</u>	<u>\$ 31,584</u>	<u>\$ 1,078,912</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED AUGUST 31, 2019

EXHIBIT J-2

Data Control Codes	1		2		3		Variance with Final Budget Positive (Negative)
	Budgeted Amounts						
	Original	Final	Actual				
REVENUES:							
5700	<i>Local and Intermediate Sources</i>	\$ 8,000	\$ 44,000	\$ 48,056	\$ 4,056		
5800	<i>State Program Revenues</i>	1,000	1,409	1,409	--		
5900	<i>Federal Program Revenues</i>	152,000	191,000	209,470	18,470		
5020	Total Revenues	<u>161,000</u>	<u>236,409</u>	<u>258,935</u>	<u>22,526</u>		
EXPENDITURES:							
Current:							
Support Services - Student (Pupil):							
0035	<i>Food Services</i>	433,327	446,714	415,605	31,109		
	Total Support Services - Student (Pupil)	<u>433,327</u>	<u>446,714</u>	<u>415,605</u>	<u>31,109</u>		
Support Services - Nonstudent Based:							
0051	<i>Plant Maintenance and Operations</i>	--	--	50	(50)		
	Total Support Services - Nonstudent Based	<u>--</u>	<u>--</u>	<u>50</u>	<u>(50)</u>		
6030	Total Expenditures	<u>433,327</u>	<u>446,714</u>	<u>415,655</u>	<u>31,059</u>		
1100	Excess (Deficiency) of Revenues Over (Under)						
1100	Expenditures	<u>(272,327)</u>	<u>(210,305)</u>	<u>(156,720)</u>	<u>53,585</u>		
Other Financing Sources (Uses):							
7915	<i>Transfers In</i>	272,327	210,305	170,000	(40,305)		
7080	Total Other Financing Sources and (Uses)	<u>272,327</u>	<u>210,305</u>	<u>170,000</u>	<u>(40,305)</u>		
1200	Net Change in Fund Balance	<u>--</u>	<u>--</u>	<u>13,280</u>	<u>13,280</u>		
0100	Fund Balance - Beginning	37,668	37,668	37,668	--		
3000	Fund Balance - Ending	<u>\$ 37,668</u>	<u>\$ 37,668</u>	<u>\$ 50,948</u>	<u>\$ 13,280</u>		

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

EXHIBIT J-3

DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes	Budgeted Amounts			Variance with Final Budget Positive (Negative)	
	1	2	3		
	Original	Final	Actual		
REVENUES:					
5700	Local and Intermediate Sources	\$ 1,488,636	\$ 1,488,636	\$ 1,489,423	\$ 787
5800	State Program Revenues	--	55,250	29,277	(25,973)
5020	Total Revenues	<u>1,488,636</u>	<u>1,543,886</u>	<u>1,518,700</u>	<u>(25,186)</u>
EXPENDITURES:					
Debt Service:					
0071	Principal on Long-Term Debt	590,000	590,000	590,000	--
0072	Interest on Long-Term Debt	980,100	980,100	980,100	--
0073	Bond Issuance Costs and Fees	--	2,000	2,000	--
	Total Debt Service	<u>1,570,100</u>	<u>1,572,100</u>	<u>1,572,100</u>	<u>--</u>
6030	Total Expenditures	<u>1,570,100</u>	<u>1,572,100</u>	<u>1,572,100</u>	<u>--</u>
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	(81,464)	(28,214)	(53,400)	(25,186)
1200	Net Change in Fund Balance	<u>(81,464)</u>	<u>(28,214)</u>	<u>(53,400)</u>	<u>(25,186)</u>
0100	Fund Balance - Beginning	239,928	239,928	239,928	--
3000	Fund Balance - Ending	<u>\$ 158,464</u>	<u>\$ 211,714</u>	<u>\$ 186,528</u>	<u>\$ (25,186)</u>

JOHN WOMACK & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

JOHN L. WOMACK, CPA
MARGARET KELLY, CPA

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KINGSVILLE, TEXAS 78364
(361) 592-2671
FAX (361) 592-1411

Independent Auditor's Report on Internal Control over Financial Reporting and
On Compliance and Other Matters Based on an Audit of Financial Statements
Performed In Accordance With Government Auditing Standards

Board of Trustees
Webb Consolidated Independent School District
Box 206
Bruni, Texas 78344

Members of the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Webb Consolidated Independent School District, as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise Webb Consolidated Independent School District's basic financial statements, and have issued our report thereon dated December 20, 2019.

Internal Control Over Financial Reporting

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

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

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



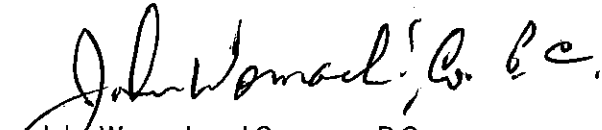
Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,



John Womack and Company, P.C.
Kingsville, TX
December 20, 2019

JOHN WOMACK & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

JOHN L. WOMACK, CPA
MARGARET KELLY, CPA

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KINGSVILLE, TEXAS 78364
(361) 592-2671
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Independent Auditor's Report on Compliance for Each Major Federal Program and
Report on Internal Control Over Compliance Required by the Uniform Guidance

Board of Trustees
Webb Consolidated Independent School District
Box 206
Bruni, Texas 78344

Members of the Board of Trustees:

Report on Compliance for Each Major Federal Program

We have audited the Webb Consolidated Independent School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Webb Consolidated Independent School District's major federal programs for the year ended August 31, 2019. Webb Consolidated Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Webb Consolidated Independent School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Webb Consolidated Independent School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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



Opinion on Each Major Federal Program

In our opinion, the Webb Consolidated Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2019.

Report on Internal Control Over Compliance

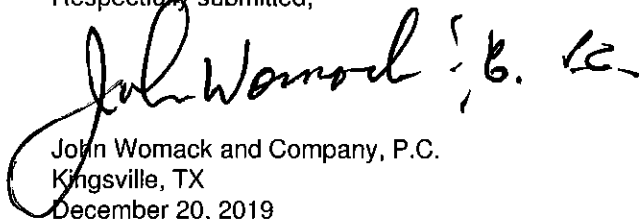
Management of the Webb Consolidated Independent School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Webb Consolidated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

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

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

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

Respectfully submitted,



John Womack and Company, P.C.
Kingsville, TX
December 20, 2019

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2019

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Noncompliance material to financial statements noted? Yes X No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Version of compliance supplement used in audit: August 2019

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200? Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.287	21st Century Learning Centers

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes No

B. Financial Statement Findings

NONE

C. Federal Award Findings and Questioned Costs

NONE

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2019

Finding/Recommendation	Current Status	Management's Explanation If Not Implemented
<p>2018-1 State Compliance - Adoption of Budget and Tax Rates</p> <p>Condition: The District adopted the M&O and Debt Service tax rates prior to adoption of the 2017-18 budget.</p> <p>Criteria: State law requires that the District's budget be adopted prior to adoption of the tax rates.</p> <p>Cause: This was caused by an error in the preparation of the agenda for the Board meeting.</p> <p>Effect: The effect is a violation of state law.</p> <p>Recommendation: We recommend that the District develop procedures to ensure compliance with State law in the adoption of the budget and tax rates.</p>	Implemented	N/A
<p>2018-2 State Compliance - Excess Expenditures Over Appropriations</p> <p>Condition: The District did not properly budget for the payment to escrow agent in the debt service fund.</p> <p>Criteria: All expenditures of the debt service fund must be included in the final amended budget, including payments to escrow agent for bond refunding.</p> <p>Cause: The District inadvertently did not propose a timely budget amendment when the bonds were refunded.</p> <p>Effect: The effect is a violation of state law.</p> <p>Recommendation: We recommend that the District implement policies and procedures to ensure that all necessary amendments are proposed and adopted upon the issuance of bonds.</p>	Implemented	N/A

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED AUGUST 31, 2019

There are no findings or questioned costs in the current year.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2019

EXHIBIT K-1

(1)	(2)	(2A)	(3)	(3)
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
CHILD NUTRITION CLUSTER:				
<u>U. S. Department of Agriculture</u>				
Passed Through State Department of Education:				
School Breakfast Program	10.553	71401901	\$ --	\$ 72,317
National School Lunch Program	10.555	71301901	--	122,964
Total Passed Through State Department of Education			--	195,281
Total U. S. Department of Agriculture			--	195,281
Total Child Nutrition Cluster			--	195,281
SPECIAL EDUCATION (IDEA) CLUSTER:				
<u>U. S. Department of Education</u>				
Passed Through State Department of Education:				
<i>IDEA-B Discretionary</i>	84.027	1866003171100	--	2,000
<i>IDEA-B Formula</i>	84.027	1966000124090	--	68,486
Total CFDA Number 84.027			--	70,486
<i>IDEA-B Preschool</i>	84.173	1966100124090	--	1,073
Total Passed Through State Department of Education			--	71,559
Total U. S. Department of Education			--	71,559
Total Special Education (IDEA) Cluster			--	71,559
OTHER PROGRAMS:				
<u>U. S. Department of Education</u>				
Passed Through State Department of Education:				
<i>ESEA Title I Part A - Improving Basic Programs</i>	84.010a	1961010124090	--	189,417
<i>Title IV Part B21st Century Community Learning Centers</i>	84.287	701-18-111	--	352,569
<i>Federally Funded Special Revenue Funds</i>	84.358A	S358A181330	--	16,908
<i>ESEA Title II Part A - Teacher & Principal Training & Recruiting</i>	84.367a	1969450124090	--	19,941
<i>Fund 2889</i>	84.424A	1968010124090	--	10,598
Total Passed Through State Department of Education			--	589,433
Total U. S. Department of Education			--	589,433
<u>U. S. Department of Agriculture</u>				
Passed Through State Department of Education:				
Food Distribution (non-cash)	10.550	240904	--	14,189
Total U. S. Department of Agriculture			--	14,189
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ --	\$ 870,462

The accompanying notes are an integral part of this schedule.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2019

Basis of Presentation

The accompanying schedule of expenditures of federal awards ("the Schedule") includes the federal grant activity of Webb Consolidated Independent School District. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Summary of Significant Accounting Policies

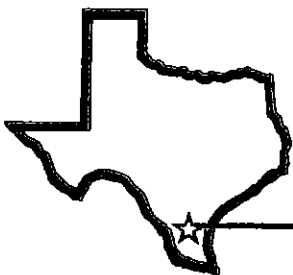
Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Webb Consolidated Independent School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS
AS OF AUGUST 31, 2019

Data Control Codes		Responses
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?	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 governmental agencies?	Yes
SF8	Did the school district <u>not</u> 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?	Yes
SF10	What was the total accumulated accretion on capital appreciation bonds (CABs) included in government-wide financial statements at fiscal year-end?	\$ --
SF11	Net Pension Assets (object 1920) at fiscal year-end.	\$ --
SF12	Net Pension Liabilities (object 2540) at fiscal year-end.	\$ 1,357,652
SF13	Pension Expense (object 6147) at fiscal year-end.	\$

In correspondence to all school administrators dated November 1, 2017, the TEA's Director of Financial Compliance stated "For 2017, and until further notice, no data should be entered in the field for data feed Schedule L-1 question SF13. If the AFR and data feed has been submitted no additional steps need to be taken."



WEBB CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
