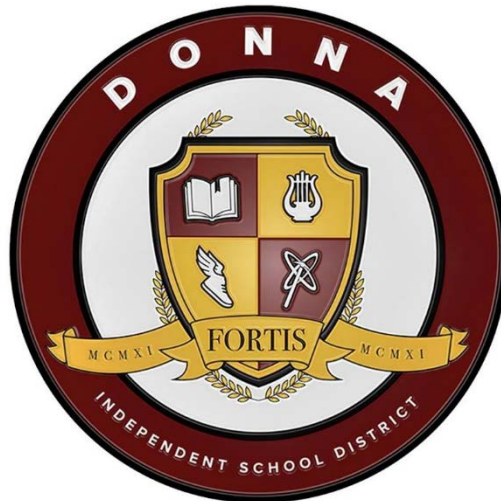


Donna Independent School District

Donna, Texas



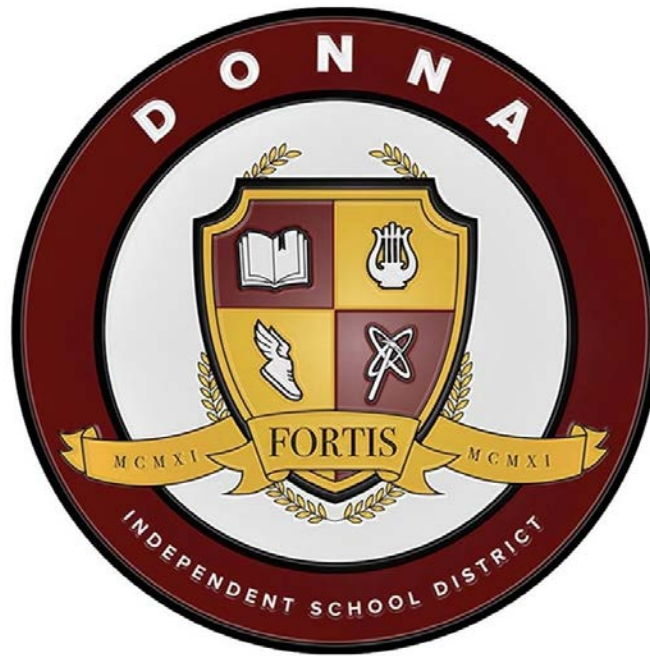
"THE DISTRICT"

Comprehensive Annual Financial Report For the Fiscal Year Ended August 31, 2019

Prepared by the Business & Finance Office:

Ms. Ludivina Cansino, Assistant Superintendent for
Business and Finance

*Donna Independent School District
116 North 10th Street
Donna, Texas 78537
www.donnaisd.net*



"THE DISTRICT"

INTRODUCTIONARY SECTION

DONNA INDEPENDENT SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2019

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DONNA INDEPENDENT SCHOOL DISTRICT
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Donna Independent School District

116 North 10th Street * Donna, Texas 78537
Telephone (956) 461-4320 * Fax (956) 464-1636

“The District”

December 18, 2019

**Mrs. Eva Watt, President, and
Members of the Board of Trustees, and
Citizens of the Donna Independent School District
Donna, Texas 78537**

Dear Mrs. Eva Watt, Board of Trustees, and the Citizens:

The Texas Education Code requires that all school districts file a complete set of financial statement with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountant in accordance with the generally accepted auditing standards. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Donna Independent School District (the “District”) for the year ending August 31, 2019.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures contained in the report, rests solely with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designate to present fairly the position and results of operation of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

Management of the District is responsible for establishing and maintaining internal control structures designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of the District’s financial statement in conformity with generally accepted accounting principles (GAAP). The internal control structure is designated to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) that valuation of costs and benefits requires estimates and judgments by management.

The financial statements of the District have been audited by Cascos & Associates, PC., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Donna Independent School District for fiscal year ended August 31, 2019, are free of material misstatement and are presented in conformity with generally accepted accounting principles (GAAP). The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit,

that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended August 31, 2019 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designated to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statement, but also on the audited government's internal controls and compliance with legal requirement, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this single audit, including a schedule of expenditures of federal awards, the independent auditors' reports on the internal controls and compliance with applicable laws and regulations, and a schedule of finding sand questioned costs are included in the Federal Awards Section of the report.

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

This comprehensive annual financial report consists of four major sections: (1) the Introductory Section which describes our District and the contents of the report; (2) the Financial Section which contains the basic financial statements and notes, combining schedules and required TEA schedules; (3) the Statistical Section which shows prior years' information for comparison purposes and other general information; and (4) the Federal Awards Section, as required.

GOVERNING BODY

The District is a political subdivision of the State of Texas and governed and operating as an independent school district under the laws thereof. The District is located entirely in Hidalgo County, Texas and serves a population of approximately 50,000 persons and provides services to the City of Donna and surrounding areas. The District originally chartered by the State on or about 1919, now encompasses eighty-nine and a third square miles.

The policy-making functions of the District lie with a seven-member Board of Trustees (the Board) composed of District residents, each of which is elected by the voters of the district for four-year staggered terms. Regular meetings are scheduled the second Tuesday of the month and are held in the Staff Development/Board Room of the Administrative building. Special called meetings, committee meetings and workshop sessions are scheduled as needed and announced to the public in compliance with public notice requirements.

The Board has final control over local school matters limited only by the state legislature, the court system and by the will of its citizens as expressed in school Board elections and bond referendums. Board decisions are based on a majority vote of those present.

In general, the Board is responsible for adopting policy, employing and evaluating the Superintendent and overseeing the operations of the District and its schools. The Board is also responsible for setting the tax rate, adopting the annual budget along with periodic amendments, setting salary schedules, approving pay increases and serving as a board of appeals in personnel and student matters. The Board receives funding from local, state and federal source entities. This report contains all funds pertaining to the District. Serving without compensation, Board members establish the policies by which schools operate. In carrying out the task of setting policy, the board identifies needs and establishes priorities for the school system, allocates financial and human resources among the priority areas and evaluates school performance. The District's Superintendent of Schools and staff assist the Board with financial and administrative matters and oversee the day-to-day operations of the District.

Budgetary Controls

On an annual basis, the District presents the Board of Trustees with the proposed budgets for the General Operating Fund, the Debt Service Fund, and the Food Service Fund for approval as required by the Texas Education Code and as described in the Texas Education Agency's Financial Accountability Systems Resource Guide. The proposed budget is presented to the Board summarized at the function level for each of the funds above. The Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than August 31, the close of the District's fiscal year. After adoption of the budget, the appropriation amounts are entered into the District's accounting and encumbrance system and monitoring of the expenditures and encumbrances in relation to the approved budget begins.

Budget managers have the authority to approve budget transfers anytime during the year. A budget transfer is the movement of appropriations between budget line items within the same function. Any request to move appropriations between budget line items to different functions is considered a budget amendment. Any budget amendment requested by budget managers requires Board approval. Expenditure requests will not be processed unless appropriations are available in the line item.

The District feels that the budgetary controls currently in place are adequate to ensure that expenditures remain within the approved budget and that the District complies with regulations established by the Texas Education Code and the Financial Accountability Systems Resource Guide.

The District evaluates the existing system of internal controls annually through self-evaluation and the annual independent financial and compliance audit. Internal controls are designed to provide reasonable, but not absolute, assurance regarding: 1) the safeguarding of assets against loss from authorized use or disposition; and 2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: 1) the cost of controls should not exceed benefits expected to be derived; and 2) the evaluation of costs and benefits requires estimates and judgments by management.

Services Provided

The District provides a safe and learning environment that ensures a quality education for grade levels Pre-kindergarten through the 12th grade. Beginning in the 14 elementary schools, four middle schools, one alternative education program and extending through the three high schools which include a nontraditional magnet high school, 3-D Academy; students study the essential elements of language arts, reading, science, mathematics, art, music, physical education and computer literacy. This includes a special education program for students with disabilities, occupational education, bilingual instruction for those with limited English proficiency, and specialized instruction for disadvantaged students.

Enrollment

Donna I.S.D is a Title I District and has a total enrollment of 14,459 students for the 2018-2019 school year. Of these students, 99.7% are Hispanic and 0.2% White, 0.3% African-American, and 0.02% Asian; 94.09% of the students are economically disadvantaged, 50.85% of all students are identified as Limited English Proficient language learners.

The breakdown of our student membership is as follows:

• Early Ed (Sp. Ed)	51
• Pre-K	721
• K-5	6,022
• 6-8	3,290
• 9-12	<u>4,385</u>
TOTAL	14,459

Projected membership for school year 2019-20 is expected to decrease approximately 358 students, Average Daily Attendance (ADA) growth is forecasted to decrease at less than 1%.

Mission Statement

The mission of the Donna I.S.D. is to provide a rigorous and supportive learning environment with meaningful and relevant learning experiences that inspire creativity, character development, and critical thinking that ensures educational excellence for all students.

District Goals

I. Donna ISD will prepare all students for strong academic success by establishing a strong foundation through excellence in early childhood education.

II. Donna ISD will educate all students to be college and career ready so that they can use their natural talents and gifts to pursue their passions and accelerate their economic opportunities.

III. Donna ISD will foster strong communication and relationship with families and the community to promote a caring environment that supports student achievement and success.

IV. Donna ISD will set an appropriate tax rate and approve a sustainable budget that provides resources to support the district's vision, mission and goals and encouraging strong financial management of resources and operations thereby, maximizing the District's fiscal and financial strength.

District Vision

The vision of Donna I.S.D. is to be a bold district at the forefront of education all students to be passionate, motivated leaders who will be a powerful force for positive change in our community, state, and nation.

Achievements

The District received a Superior rating on the School FIRST (Financial Integrity Rating System of Texas) financial accountability system for the fiscal year ending August 31, 2019. The rating system was established during the 77th Legislative session. School districts received its first official rating by TEA in August 2003 for the fiscal year 2001-2002.

Factors Affecting Financial Condition

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

Local Economy

Employment and the Labor Force

Donna is considered the "Heart of the Valley" and is a strategically positioned land port that connects Mexico's city of Rio Bravo to FM 495 and Expressway 83. International trade, transportation, retail trade, oil and gas, residential site for "Winter Texans" and tourism continue to play a major role in the Donna area economy. The economic outlook for the city of Donna is positive as new retailers have moved to the city. Walmart Supercenter opened a 180,000+ sq. ft. retail store in 2015 and construction for additional retail shops was finalized in 2018. The 2018-2019 school year saw adjusted property value growth of 2%.

Long-term Financial Planning

The District continues to maintain a healthy General Fund Balance. The District has maintained the fund balance to ensure that needed resources are available when required to meet unexpected revenue shortfalls and one-time expenditures that may exceed the annual available resources. The

fund balance reflects an increase of \$6.63 million which is attributed to attrition of personnel and a realignment of debt service obligations.

Growth in the District's tax base has averaged 5.4% annual growth from fiscal years 2012-18. The District's fiscal 2019 taxable assessed valuation (TAV) grew to \$1.457 billion, an increase of 2% over 2018. The estimated property tax value growth for the 2019-2020 fiscal year is 4.7%

Debt Service

Debt Service is a major area of cost due to the District's building program which is primarily financed by the sale of general obligation bonds. The Texas Education Code (TEC) authorizes the District to issue negotiable coupon bonds to construct, acquire, or equip school buildings, to purchase necessary sites, or to acquire or refinance property financed under a contract entered into under the Public Property Finance Act. The District is further authorized to levy and assess annual ad valorem taxes sufficient to pay the principal and interest on the bonds as they become due. The District's primary objective in debt management is to keep the level of indebtedness within available resources and within legal debt limitations.

All bond elections are held in accordance with statutory requirements and bonds are issued and taxes are levied in compliance with Sections 45.001, 45.003(b) (1), and 45.003(e) of the Texas Education Code.

As of August 31, 2019, the District had \$67,980,000 of School Building Unlimited Tax Bonds and Capital Appreciation Bonds, with maturities extending into the year 2040. The District's Debt Service fund balance is \$4,758,460.

In November 2016, Moody assigned A2 underlying and Aaa Enhanced rating to the District. Also in November 2011, Standard & Poor's assigned the District a rating of A+ and views the outlook for this rating as stable.

Fiduciary Operations

The District maintains the fiduciary responsibility of monitoring the individual campus' student activity funds. The District ensures that proper control over cash is maintained and that all procedures are in accordance with TEA's Financial Accountability Systems Resource Guide. As of August 31, 2019, total assets for student activity funds were \$480,010.

Acknowledgments

Preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of Finance Department directly under Assistant Superintendent, Ms. Ludivina Cansino and the dedicated services of other staff members districtwide. The Business and Finance Office would like to thank the following personnel for the time and effort given to the preparation of this report:

Executive Administration

Dr. Hafeedh Azaiez, Superintendent
Dr. Debra A. Aceves, Assistant Superintendent for Leadership
Ms. Ludivina Cansino, Assistant Superintendent for Business and Finance
Mr. Rashad J. Rana, Assistant Superintendent for Curriculum & Instruction
Mrs. Velma Rangel, Assistant Superintendent for District Operations
Dr. Anthony Sorola, Assistant Superintendent for Human Resources

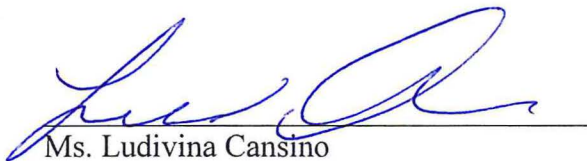
Business and Finance

Mr. Gerardo Cavazos, Accounting Supervisor
Mr. Ignacio Amezcua, Accountant
Mr. Rigoberto Garcia, Accountant
Mrs. Nydia Rodriguez, Accountant
Mr. Jose L. Marines, Payroll Coordinator
Mrs. Olga Noriega, Purchasing Agent
Ms. Luz Rodriguez, Accounts Payable Supervisor
Ms. Maria E. Gonzales, CFO Secretary/Bookkeeper
Mrs. Marcy Sosa, Bookkeeper
Ms. Norma Rodriguez, Bookkeeper

Federal Programs

Ms. Rebecca Castaneda, Federal Programs Director
Mrs. Nelida Alvarado, Federal Programs Coordinator

Respectfully,



Ms. Ludivina Cansino
Assistant Superintendent for Business and Finance



Mr. Gerardo Cavazos,
Accounting Supervisor

It is the policy of the Donna Independent School District not to discriminate on the basis of race, color, national origin, gender, religion, limited English proficiency, or handicapping condition in its programs.

DONNA INDEPENDENT SCHOOL DISTRICT

Donna, Texas

PRINCIPAL OFFICIALS, CONSULTANTS & ADVISORS

For the Year Ended August 31, 2019

ELECTED OFFICIALS

Eva Watts-President

Dr. Maricela Valdez-Vice President

Lt. Coronel Roberto Perez -Secretary

Valentin Guerrero-Member

David De Los Rios-Member

Dr. Donna Mery-Member

Alicia Reyna-Member

CONSULTANTS & ADVISORS

Financial Advisors..... Estrada-Hinojosa & Company, Inc.
..... Dallas and San Antonio, Texas

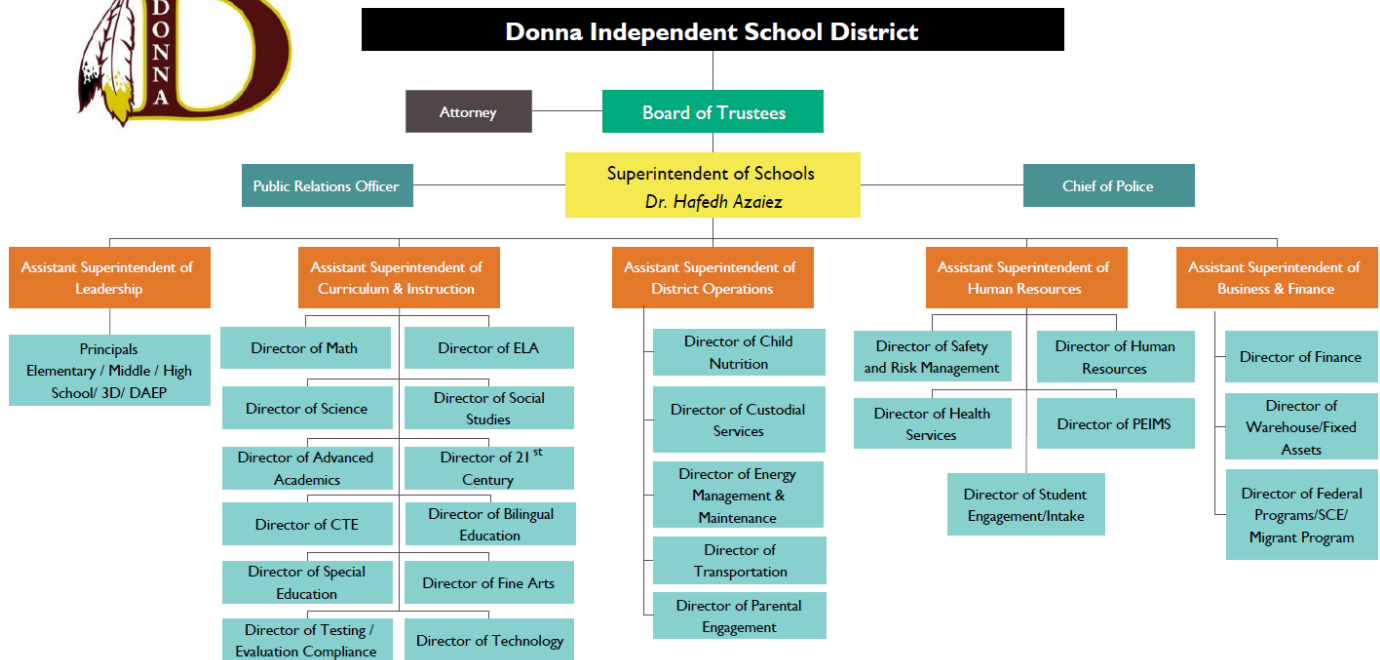
Bond Counsel..... The J. Ramirez Law Firm
..... San Juan, Texas

General Counsel.....Farah Law Group
.....McAllen, Texas

Independent Auditors..... Cascos & Associates, P.C.
..... Brownsville, Texas

Donna Independent School District Organizational Chart

2018-2019 Organizational Chart



CERTIFICATE OF BOARD

Donna Independent School District
Name of School District


Hidalgo
County

108-902
County District Number

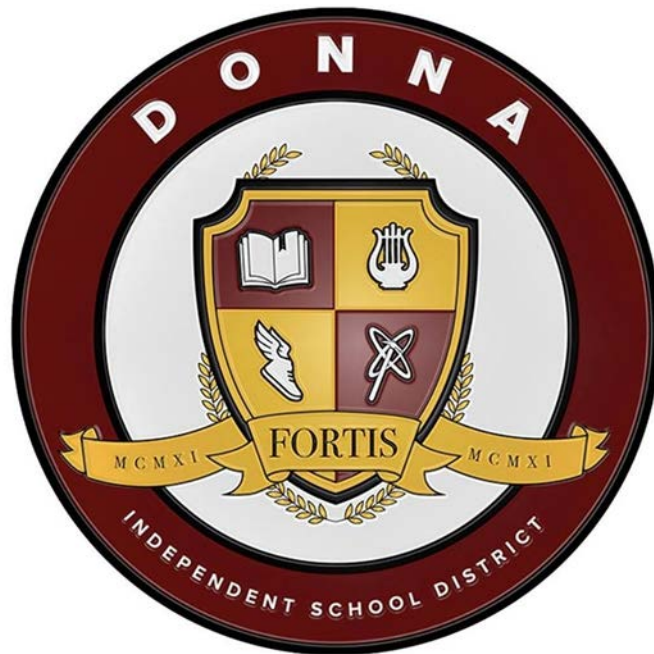
We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and X approved ___ disapproved for the year ended August 31, 2019 at the meeting of the Board of Trustees of such school district on the 18 day of December, 2019.



Signature of Board Secretary



Signature of Board President



“THE DISTRICT”

FINANCIAL SECTION



Cascos & Associates, PC

Certified Public Accountants

Audit/Accounting/Tax/Consulting

INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Donna Independent School District
Donna, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Donna Independent School District as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise Donna Independent School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Donna Independent School District's 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.

Auditors' Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension and OPEB information on pages listed in the table of contents to 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 Donna Independent School District's basic financial statements. The introductory section, combining statements, required TEA Schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* 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 combining statements, required TEA schedules 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 combining statements, required TEA schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2019, on our consideration of Donna Independent School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Donna Independent School District's internal control over financial reporting and compliance.



Cascos & Associates, PC
Brownsville, Texas
December 18, 2019



Donna Independent School District

"The District"

Dr. Hafeedh Azaiez, Superintendent

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Donna Independent School District (the "District"), we are providing readers of the District's financial statements this narrative overview and analysis of the District's financial performance for the fiscal year ended August 31, 2019. Please read this discussion in conjunction with the transmittal letter, which can be found at the front of this report, and the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total combined net position as reflected in the government-wide Statement of Net Position were \$49,520,637 at August 31, 2019. Of this amount, \$-63,677,930 (unrestricted net position) may be used to meet the District's on going obligations.
- The District's Statement of Activities reflects an increase in net position for Governmental Activities in the amount of \$4,348,252. This is a result of expenses being less than the \$190,107,338 generated in taxes, state aid, investment earnings, and other revenues such as charges for services and federal grants.
- The General Fund reported a fund balance in the governmental funds financial statement this year of \$55,749,630. Approximately 89.7% of this total amount, \$50,033,005, is available for spending at the District's discretion (unassigned fund balance).
- As of the close of the fiscal year, the District governmental funds reported combined ending fund balances of \$66,720,088, an increase of \$7,510,499 in comparison with the prior year, primarily due to attrition and decrease in Debt service obligations.

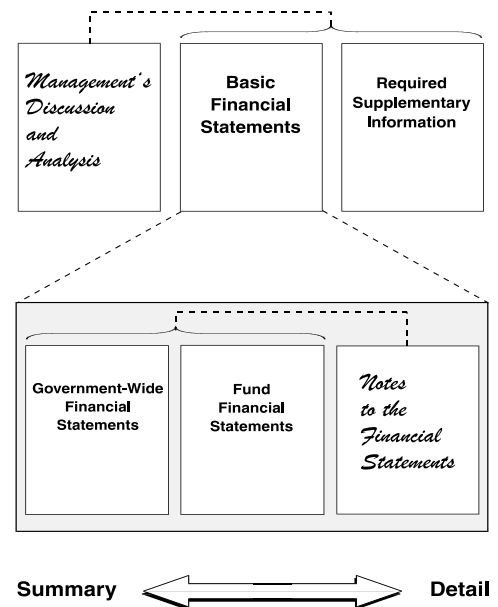
OVERVIEW OF THE FINANCIAL STATEMENTS

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- and long-term* financial information about the activities the government operates *like businesses*, such as food service.
- *Fiduciary fund* statements provide information about the financial relationships in which the District's 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's 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 Agency's government (except fiduciary funds) and the Agency'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 statements</i>	♦ Statement of net assets	♦ Balance sheet	♦ Statement of net assets	♦ Statement of fiduciary net assets
	♦ Statement of activities	♦ Statement of revenues, expenditures & changes in fund balances	♦ Statement of revenues, expenses and changes in fund net assets ♦ Statement of cash flows	♦ Statement of changes in fiduciary net assets
<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 Agency's funds do not currently contain capital assets, although they can
<i>Type of inflow/outflow information</i>	All revenues and expenses during 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 year, regardless of when cash is received or paid	All revenues and expenses during 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 of 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 plus deferred outflows of resources and liabilities plus deferred inflows of resources—is 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, one needs 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, curriculum and staff development, school district administrative support services and general administration. Grants and charges for services 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.
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain grants and local sources.

The District's has the following kinds 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 *short-term* 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 statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain 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-term and short-term financial information.
- We use *internal service funds* to report revenues and expenses related to services provided to organizations inside the District on a cost reimbursement basis are accounted for in internal service 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. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position 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.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information concerning budget to actual presentations for the General Fund in accordance with State Board of Education rules. In addition, budget to actual presentations for the Food Service Fund and the Debt Service Fund are included in the TEA Required Schedules section.

The combining statements referred to earlier in connection with Nonmajor governmental funds are presented immediately following the Required Supplementary Information.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position may serve over time as a useful indicator of a government's financial position. The District's combined net position were \$49,520,637 at August 31, 2019 which included a prior period adjustment of \$9,999 (See Table A-1); of which, unrestricted net position (those net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements) equaled \$-63,677,930 or about - 128.6% of net position. The government-wide increase in net position was \$4,348,252.

TABLE A-1

DONNA INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL ACTIVITIES
NET POSITION

	FY 2019	FY 2018	Percentage Change
Current Assets and Other Assets	\$86,173,780	\$83,267,036	3.5%
Capital Assets	170,668,350	174,328,997	-2.1%
Total Assets	256,842,130	257,596,033	-0.3%
Deferred Charge for Refunding	141,054	158,686	-11.1%
Deferred Outflow Related to TRS OPEB	5,628,391	914,832	100.0%
Deferred Outflow Related to TRS Pension	25,535,723	9,602,296	
Total Deferred Outflows of Resources	31,305,168	10,675,814	100.0%
Current Liabilities	14,988,980	20,075,420	-25.3%
Long-Term Liabilities	196,876,194	172,686,034	14.0%
Total Liabilities	211,865,174	192,761,454	9.9%
Deferred Inflow Related to TRS OPEB	22,851,925	24,918,635	
Deferred Inflow Related to TRS Pension	3,909,562	5,409,378	100.0%
Total Deferred Inflows of Resources	26,761,487	30,328,013	100.0%
Net Position:			
Net Investment in Capital Assets	99,637,301	92,021,898	8.3%
Restricted for Federal and State Programs	4,572,695	4,619,463	-1.0%
Restricted for Debt Service	4,758,460	5,809,616	-18.1%
Restricted for Capital Projects	4,230,111	4,230,111	0.0%
Unrestricted	(63,677,930)	(61,498,704)	3.5%
Total Net Position	\$49,520,637	\$45,182,384	9.6%

Approximately 92.9% of the District's largest liability is for the repayment of general obligation bonds. Other liabilities, representing about 7.1% of the District's total liabilities, consist almost entirely of payables on accounts and salaries and benefits.

The largest portion of the District's net position 201.2% reflects its investment in capital assets (e.g., land, buildings, and equipment) less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes and state aid), since the capital assets themselves cannot be used to liquidate these liabilities.

The smallest portion of the District's net position 27.4% represents resources that are subject to external restrictions on how they may be used. Restricted net position decreased by \$1,097,924 during the year ended August 31, 2019. The remaining balance of unrestricted net position, \$-63,677,930 may be used to meet the District's ongoing obligations to students, employees, and creditors and to honor next year's budget.

The District's current assets of \$86,173,780 were sufficient to cover current liabilities of \$14,988,980. This represents a current ratio of 5.75, which means that for every dollar the District owes there is \$5.75 available in current assets.

Governmental Activities

Governmental activities increased the District's total net position by \$4,348,252, accounting for a 8.8 % increase in net position for the District. The total change in net position includes a prior period adjustment of \$9,999.

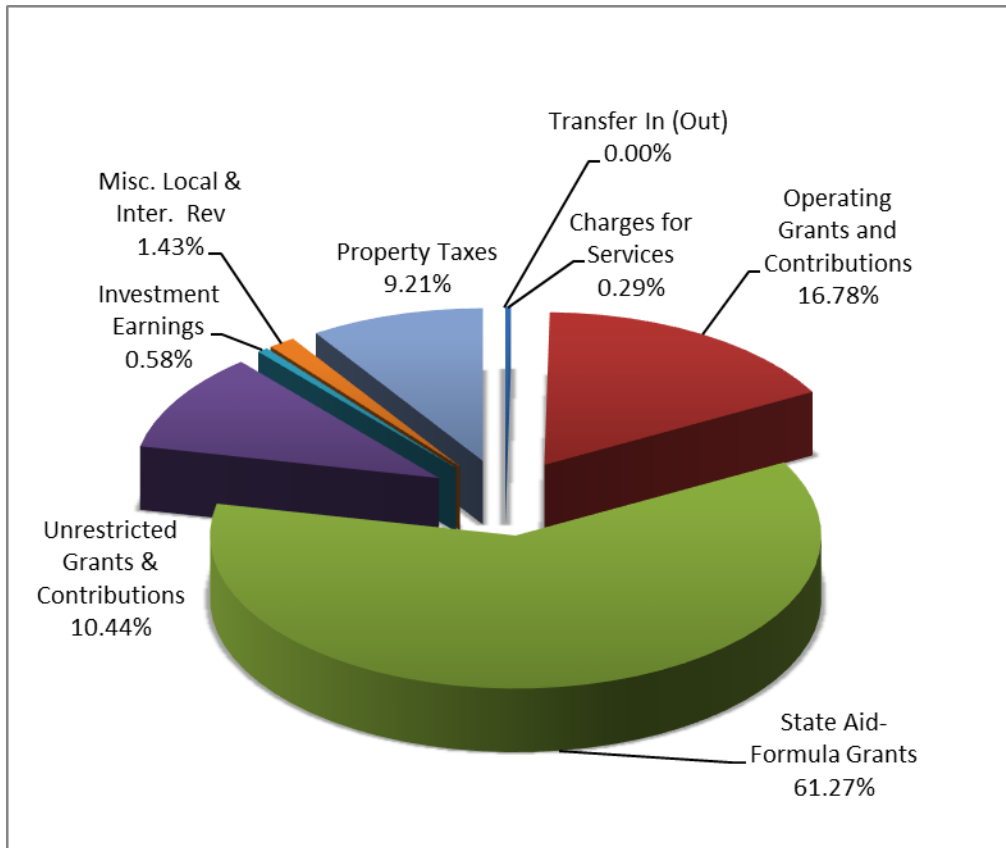
T A B L E A - 2

**DONNA INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL ACTIVITIES
CHANGES IN NET POSITION**

Program Revenues:	FY 2019	FY 2018
Charges for Services	\$542,948	\$464,977
Operating Grants and Contributions	31,901,409	17,959,396
General Revenues:		
State Aid- Formula Grants	116,481,466	122,162,181
Unrestricted Grants & Contributions	19,839,870	564,370
Investment Earnings	1,097,156	755,633
Misc. Local & Inter. Rev	2,726,804	1,242,309
Property Taxes	17,517,685	17,650,305
Transfer In (Out)	0	0
Total Program and General Revenues	190,107,338	160,799,171
Expenses		
Instruction	97,962,868	66,199,817
Instructional Resources and Media Services	2,589,036	1,687,837
Curriculum Dev. And Instructional Staff Dev.	5,684,353	3,531,680
Instructional Leadership	2,428,533	1,887,763
School Leadership	7,448,193	5,069,773
Guidance, Counseling and	6,001,786	4,050,082
Social Work Services	1,091,058	781,300
Health Services	2,149,972	1,494,297
Student (Pupil) Transportation	6,581,455	4,946,089
Food Services	12,354,328	11,714,865
Curricular/Extracurricular Activities	6,529,281	4,910,982
General Administration	8,953,937	5,353,024
Facilities Maintenance & Oper.	14,511,446	12,695,346
Security & Monitoring Svcs.	2,734,462	1,928,873
Data Processing Services	2,991,670	2,300,398
Community Services	1,159,546	738,531
Debt Service	2,872,654	3,323,079
Facilities Acquisition and Construction	1,342,557	4,250
Payments to Juvenile Justice Alternative Ed Prg.	113,760	12,040
Other Intergovernmental Charges	258,191	246,823
Total Expenses	185,759,086	132,876,849
Increase (Decrease) in Net Position	4,348,252	27,922,322
Net Position at Beginning of Year	\$45,182,384	128,281,387
Increase (Decrease) in Net Position	4,348,252	27,922,322
Prior Period Adjustment	(9,999)	(111,021,324)
Net Position at Beginning of Year, as Restated		17,260,063
Net Position at End of Year	\$49,520,637	\$45,182,384

The following chart highlights the District's revenues by funding source for the governmental activities. As you can see, State Aid comprises 61.3% of the total.

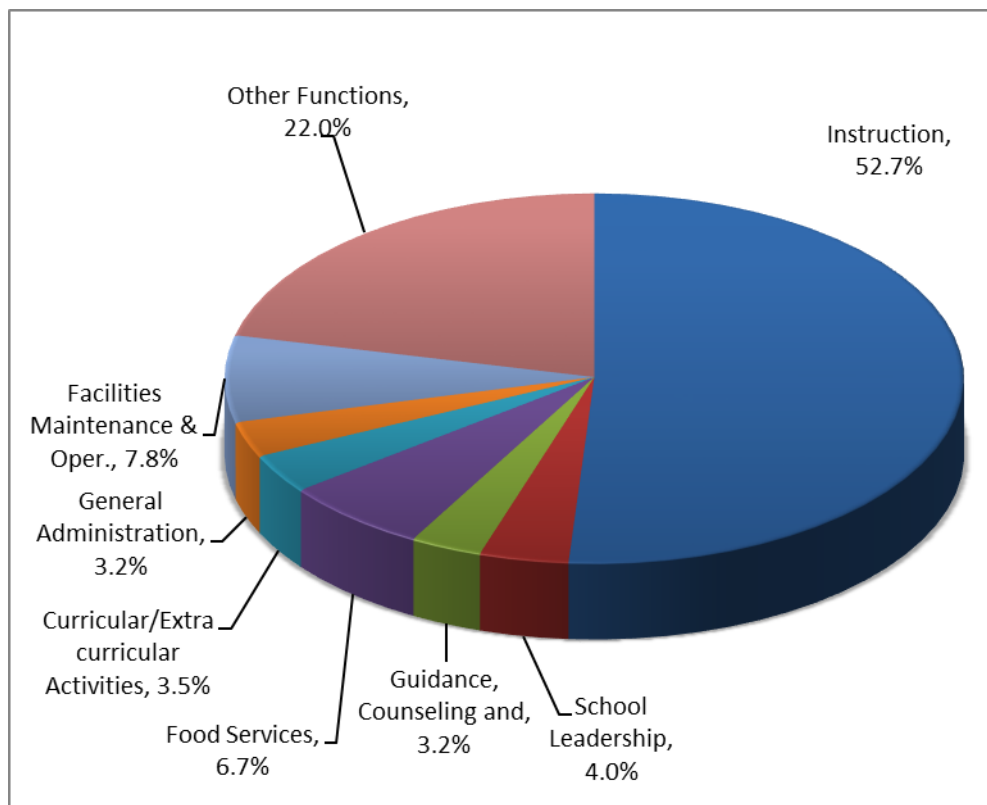
Figure A-3 District's Total Program Revenues



Total program and general revenues were \$190,107,338. Revenues for the District's governmental activities increased 15.4% compared to prior year. The increase was due to an increase of funding from grants and contributions.

The next chart presents the cost of each of the District's largest functions. Of the total expenses, instructional services represent the largest dollar expense \$97,962,868 or 52.7% followed by facilities maintenance & operations at \$14,511,446 or 7.9%.

Figure A-4 District's Functional Expenses



Total expenses were \$185,759,086. Total expenses increased by \$52,882,237 or 28.5% the increase in expenses was mostly for staffing pay increases and health insurance claims.

Governmental Funds

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

As of the end of the fiscal year, the District's governmental funds reported combined ending fund balances of \$66,720,088 an increase of \$7,510,499 in comparison with the prior year. Approximately 77.9% or \$51,965,766 of this total amount constitutes unassigned fund balance, which is available for spending at the district's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been assigned:

1) Federal or State Funds Grant Restriction \$4,572,695 2) for capital acquisition and contractual obligation of \$4,230,111 3) for retirement of long term debt \$4,758,460.

General Fund. The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General fund was \$50,033,005, while total fund balance reached \$55,749,630. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 26.9% of total general fund expenditures, while total fund balance represents 30.0% of total general fund expenditures.

The \$5,716,625 increase in the unassigned fund balance gives the District a balance that is the equivalent of 89.7 days of expenditures. This fund balance is adequate to minimize the likelihood of the District entering the short-term debt market to pay for current operating expenditures. The District will be using the increase in the fund balance to maintain the monthly minimum expenditures required by the Texas Education Agency.

Debt Service Fund. The Debt Service Fund ended with a total combined fund balance of \$4,758,460.

District's Analysis of Debt Service Fund

Debt Service Fund (599)			
	<u>2019</u>	<u>2018</u>	<u>% Change</u>
Revenues			
Property Taxes	\$1,420,951	\$1,329,762	6.9%
State Program Revenues	4,094,593	6,270,599	-34.7%
Total Revenues	<u>5,515,544</u>	<u>7,600,361</u>	<u>-27.4%</u>
Expenditures by Function			
Principal Long Term Debt	3,644,999	5,639,999	-35.4%
Interest on Long Term Debt	2,897,450	3,045,794	-4.9%
Other Fees	24,250	4,250	470.6%
Total Expenditures	<u>6,566,699</u>	<u>8,690,043</u>	<u>-24.4%</u>
Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>0.0%</u>
	-	-	0.0%
Net Change in Fund Balance	(1,051,155)	(1,089,682)	-3.5%
Fund Balance, Beginning	<u>5,809,615</u>	<u>6,899,298</u>	<u>-15.8%</u>
Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>0.0%</u>
Fund Balance, Ending	<u>4,758,460</u>	<u>5,809,616</u>	<u>-18.1%</u>

Child Nutrition Fund. The Child Nutrition Fund as part of the General Fund has a total fund balance of \$5,673,616. The net increase in fund balance during the year was \$1,032,719 attributed to sound fiscal planning.

District's Analysis of Child Nutrition Fund

Child Nutrition Fund (101)			
	<u>2019</u>	<u>2018</u>	<u>% Change</u>
Revenues			
Local Sources	\$221,081	\$237,618	-7.0%
State Program Revenues	54,353	59,284	-8.3%
Federal Program Revenues	12,656,955	11,803,033	7.2%
Total Revenues	<u>12,932,389</u>	<u>12,099,935</u>	<u>6.9%</u>
Expenditures by Function			
Food Service	11,899,670	11,448,089	3.9%
Facilities Maintenance and Operations	-	-	-
Total Expenditures	<u>11,899,670</u>	<u>11,448,089</u>	<u>3.9%</u>
Net Change in Fund Balance	1,032,719	651,846	58.4%
Fund Balance, Beginning	<u>4,640,897</u>	<u>3,989,052</u>	<u>16.3%</u>
Fund Balance, Ending	<u><u>\$5,673,616</u></u>	<u><u>\$4,640,898</u></u>	<u><u>22.3%</u></u>

Business-Type Activities

The District did not have any business type of activities.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Revenues from governmental fund types totaled \$183,698,371 a decrease of 3.33% over the preceding year. The decrease in State Program revenues is due to loss of enrollment.

General Fund Budgetary Highlights

The FY 2019 budget was developed by balancing the challenge of student/staff ratios while maintaining the same property tax rate. The most significant fund for the District is the General Fund, funded primarily through state aid and property tax revenue. Over the course of the year, the District revised its budget several times.

The general fund budget was amended 9 times. The original appropriation was increased by \$1,832,116 as of the final amended budget. This increase was due to:

- An increase of \$1,120,240 to food service for the purchase of cafeteria equipment.
- An increase of \$711,874 to debt service for the lease of school buses.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The Capital Projects Fund is used to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing educational programs for all students in the District. At the end of 2019, the District had a net investment of \$170,668,350 in a broad range of capital assets, including land, equipment, buildings, and vehicles. (See Table A-3.) This amount represents a decrease of \$3,660,647 over last year. For readers interested in more detailed information please refer to the notes to the financials.

TABLE A-3

DONNA INDEPENDENT SCHOOL DISTRICT GOVERNMENTAL ACTIVITIES SCHEDULE OF CAPITAL ASSETS

	FYE 2019	FYE 2018	Percentage Change
Capital Assets			
Land	\$7,078,411	\$7,078,411	0.0%
Buildings and Improvements	230,672,591	230,593,067	0.0%
Furniture & Equipment	35,640,628	34,647,616	2.9%
Capital Leases	2,862,908	2,739,448	4.5%
Construction in Progress	3,400,364	569,889	0.0%
Totals at Historical Cost	279,654,902	275,628,430	1.5%
Less Accumulated Depreciation	(108,986,552)	(101,299,433)	7.6%
Net Capital Assets	<u>\$170,668,350</u>	<u>\$174,328,997</u>	<u>-2.1%</u>

LONG TERM DEBT

At year end, the District has \$196,874,194 in outstanding debt as shown in Table A-4. More detailed information about the District's debt is presented in the notes to the financial statements.

TABLE A-4
DONNA INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL ACTIVITIES
SCHEDULE OF LONG-TERM DEBT

Governmental Activities:	FYE 2019	FYE 2018	Percentage Change
Bonds Payable	\$67,980,000	\$71,615,000	-5.1%
Unamortized Bond Premium	2,594,485	2,974,803	-12.8%
Note Payable	5,871,920	6,623,397	100.0%
Accreted Interest	210,000	206,667	1.6%
Capital Lease Payable	1,139,095	727,772	56.5%
Compensated Absences	340,299	318,147	7.0%
Net Pension	51,900,966	30,649,319	69.3%
Net OPEB	66,839,429	59,570,930	12.2%
Totals	<u>\$196,876,194</u>	<u>\$172,686,034</u>	<u>-12.3%</u>

Bond Ratings: The District's bonds carry "AAA" rating with underlying ratings as follows: Moody's Investor Services "A2" and Standard & Poor's "A+/Stable".

The note payable decreased due to the decrease balance of note related to district-wide energy efficiency project. Capital Leases payable increase due to lease of school buses. The bonds payable decreased by 5.1% primarily due to the retirement of debt of \$3,635,000.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

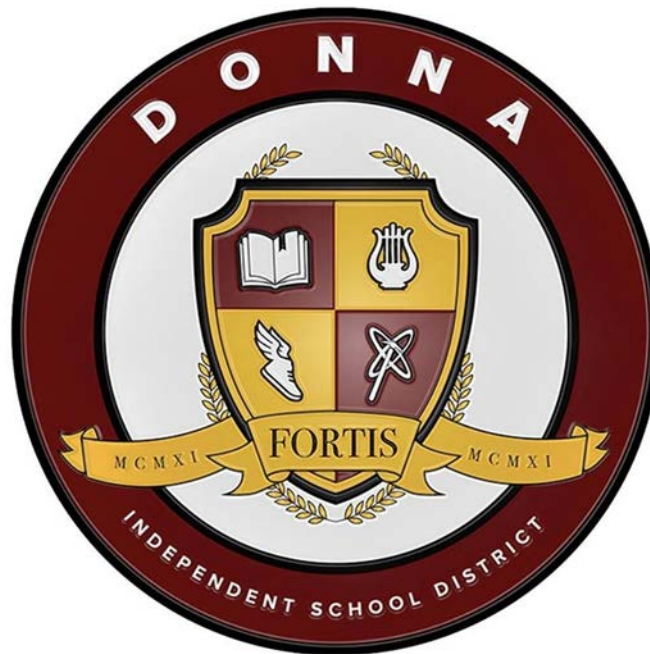
The District's board members considered many factors when setting the fiscal year 2019-20 budget and tax rates. Some of these factors were the district needs, the campus needs, appraised values, and the Donna economy. The following factors are highlights of the budget:

- The Average Daily Attendance (ADA) is projected to decrease in fiscal year 2019-2020. The District's 2019-20 ADA is projected to be 14,101, which reflects a decrease of 358 students.
- Any increases in revenue will be attributed to the changes in the ADA.
- The total budgeted tax rate is \$1.2267 which is composed of \$1.0684 compressed rate for maintenance and operations and \$.1583 for the payment of principal and interest on bonds.
- The taxable value amount of \$1,525,387,825 was used for the 2019-2020 budget preparation an increase of 4.67 % over the previous year's \$1,457,278,404.

These indicators were taken into account when adopting the general fund budget for 2020. Amounts available for appropriation in the general fund budget for 2020 are \$165,706,946, an increase of 2.94% versus the final 2019 budget of \$160,976,092.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT DEPARTMENT

This comprehensive financial report is designed to provide our citizens, 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. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Ms. Ludivina Cansino, Assistant Superintendent for Business and Finance, Business & Finance Office, Donna I.S.D., 116 North 10th Street, Donna, Texas 78537 or by calling (956) 464-1620.



“THE DISTRICT”

BASIC FINANCIAL STATEMENTS

DONNA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
AUGUST 31, 2019

EXHIBIT A-1

Data	Primary Government
Control	Governmental
Codes	Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 27,656,140
1120 Current Investments	46,323,844
1210 Property Taxes - Current	3,695,884
1220 Property Taxes - Delinquent	572,496
1230 Allowance for Uncollectible Taxes	(1,299,516)
1240 Due from Other Governments	8,353,707
1250 Accrued Interest	4,845
1260 Internal Balances	244,631
1290 Other Receivables, Net	17,107
1300 Inventories	604,642
Capital Assets:	
1510 Land	7,078,411
1520 Buildings, Net	155,149,122
1530 Furniture and Equipment, Net	3,946,818
1550 Leased Property Under Capital Leases, Net	1,093,635
1580 Construction in Progress	3,400,364
1000 Total Assets	256,842,130
DEFERRED OUTFLOWS OF RESOURCES	
1701 Deferred Charge for Refunding	141,054
1705 Deferred Outflow Related to TRS Pension	25,535,723
1706 Deferred Outflow Related to TRS OPEB	5,628,391
1700 Total Deferred Outflows of Resources	31,305,168
LIABILITIES	
2110 Accounts Payable	4,545,188
2140 Interest Payable	125,289
2150 Payroll Deductions and Withholdings	43,524
2160 Accrued Wages Payable	4,989,360
2177 Due to Fiduciary Funds	244,719
2180 Due to Other Governments	2,680,167
2200 Accrued Expenses	1,591,112
2300 Unearned Revenue	622,251
2400 Payable from Restricted Assets	147,370
Noncurrent Liabilities:	
2501 Due Within One Year	4,762,143
2502 Due in More Than One Year	73,373,656
2540 Net Pension Liability (District's Share)	51,900,966
2545 Net OPEB Liability (District's Share)	66,839,429
2000 Total Liabilities	211,865,174
DEFERRED INFLOWS OF RESOURCES	
2605 Deferred Inflow Related to TRS Pension	3,909,562
2606 Deferred Inflow Related to TRS OPEB	22,851,925
2600 Total Deferred Inflows of Resources	26,761,487
NET POSITION	
3200 Net Investment in Capital Assets	99,637,301
3820 Restricted for Federal and State Programs	5,605,414
3850 Restricted for Debt Service	4,758,460
3860 Restricted for Capital Projects	6,163,173
3900 Unrestricted	(66,643,711)
3000 Total Net Position	\$ 49,520,637

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

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

EXHIBIT B-1

Data Control Codes	1	Program Revenues		6 Primary Gov. Governmental Activities
		3 Charges for Services	4 Operating Grants and Contributions	
	Expenses			Net (Expense) Revenue and Changes in Net Position
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
11 Instruction	\$ 97,962,868	\$ 209,522	\$ 12,315,853	\$ (85,437,493)
12 Instructional Resources and Media Services	2,589,036	-	692,992	(1,896,044)
13 Curriculum and Instructional Staff Development	5,684,353	-	3,078,598	(2,605,755)
21 Instructional Leadership	2,428,533	-	663,387	(1,765,146)
23 School Leadership	7,448,193	-	167,471	(7,280,722)
31 Guidance, Counseling and Evaluation Services	6,001,786	-	570,102	(5,431,684)
32 Social Work Services	1,091,058	-	155,577	(935,481)
33 Health Services	2,149,972	-	555,877	(1,594,095)
34 Student (Pupil) Transportation	6,581,455	-	-	(6,581,455)
35 Food Services	12,354,328	208,308	12,711,308	565,288
36 Extracurricular Activities	6,529,281	125,118	-	(6,404,163)
41 General Administration	8,953,937	-	-	(8,953,937)
51 Facilities Maintenance and Operations	14,511,446	-	1,160	(14,510,286)
52 Security and Monitoring Services	2,734,462	-	74,563	(2,659,899)
53 Data Processing Services	2,991,670	-	-	(2,991,670)
61 Community Services	1,159,546	-	914,521	(245,025)
72 Debt Service - Interest on Long-Term Debt	2,844,653	-	-	(2,844,653)
73 Debt Service - Bond Issuance Cost and Fees	28,001	-	-	(28,001)
81 Capital Outlay	1,342,557	-	-	(1,342,557)
95 Payments to Juvenile Justice Alternative Ed. Prg.	113,760	-	-	(113,760)
99 Other Intergovernmental Charges	258,191	-	-	(258,191)
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 185,759,086	\$ 542,948	\$ 31,901,409	(153,314,729)

Data Control Codes		
	General Revenues:	
	Taxes:	
MT	Property Taxes, Levied for General Purposes	16,289,707
DT	Property Taxes, Levied for Debt Service	1,227,978
SF	State Aid - Formula Grants	116,481,466
GC	Grants and Contributions not Restricted	19,839,870
IE	Investment Earnings	1,097,156
MI	Miscellaneous Local and Intermediate Revenue	2,726,804
TR	Total General Revenues	157,662,981
CN	Change in Net Position	4,348,252
NB	Net Position - Beginning	45,182,384
PA	Prior Period Adjustment	(9,999)
NE	Net Position--Ending	\$ 49,520,637

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

DONNA INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2019

Data Control Codes	10 General Fund	50 Debt Service Fund	Other Funds	Total Governmental Funds
ASSETS				
1110 Cash and Cash Equivalents	\$ 23,691,521	\$ 345,370	\$ 2,268,055	\$ 26,304,946
1120 Investments - Current	40,569,836	4,491,723	-	45,061,559
1210 Property Taxes - Current	3,436,910	258,974	-	3,695,884
1220 Property Taxes - Delinquent	297,367	275,129	-	572,496
1230 Allowance for Uncollectible Taxes	(1,192,123)	(107,393)	-	(1,299,516)
1240 Due from Other Governments	3,953,833	10,878	4,388,996	8,353,707
1250 Accrued Interest	4,845	-	-	4,845
1260 Due from Other Funds	8,658,227	10,886	4,800,000	13,469,113
1290 Other Receivables	17,107	-	-	17,107
1300 Inventories	604,642	-	-	604,642
1000 Total Assets	<u>\$ 80,042,165</u>	<u>\$ 5,285,567</u>	<u>\$ 11,457,051</u>	<u>\$ 96,784,783</u>
LIABILITIES				
2110 Accounts Payable	\$ 2,454,841	\$ -	\$ 389,560	\$ 2,844,401
2150 Payroll Deductions and Withholdings Payable	43,524	-	-	43,524
2160 Accrued Wages Payable	4,517,748	-	471,612	4,989,360
2170 Due to Other Funds	12,041,491	-	3,727,268	15,768,759
2180 Due to Other Governments	2,545,408	100,397	34,362	2,680,167
2300 Unearned Revenue	-	-	622,251	622,251
2400 Payable from Restricted Assets	147,370	-	-	147,370
2000 Total Liabilities	<u>21,750,382</u>	<u>100,397</u>	<u>5,245,053</u>	<u>27,095,832</u>
DEFERRED INFLOWS OF RESOURCES				
2601 Unavailable Revenue - Property Taxes	2,542,153	426,710	-	2,968,863
2600 Total Deferred Inflows of Resources	<u>2,542,153</u>	<u>426,710</u>	<u>-</u>	<u>2,968,863</u>
FUND BALANCES				
Nonspendable Fund Balance:				
3410 Inventories	604,642	-	-	604,642
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	5,556,288	-	49,126	5,605,414
3470 Capital Acquisition and Contractual Obligation	-	-	6,163,173	6,163,173
3480 Retirement of Long-Term Debt	-	4,758,460	-	4,758,460
Assigned Fund Balance:				
3590 Other Assigned Fund Balance	588,414	-	-	588,414
3600 Unassigned Fund Balance	49,000,286	-	(301)	48,999,985
3000 Total Fund Balances	<u>55,749,630</u>	<u>4,758,460</u>	<u>6,211,998</u>	<u>66,720,088</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 80,042,165</u>	<u>\$ 5,285,567</u>	<u>\$ 11,457,051</u>	<u>\$ 96,784,783</u>

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

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

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$ 66,720,088
1 The District uses internal service funds to charge the costs of certain activities, such as self-insurance and printing, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position.	1,621,138
2 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$275,628,430 and the accumulated depreciation was (\$101,299,433). In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position.	92,021,897
3 Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2019 capital outlays and debt principal payments is to increase net position.	8,213,538
4 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68. At the beginning of the year, the net position related to TRS was a Deferred Resource Outflow in the amount of \$9,602,296, a Deferred Resource Inflow in the amount of \$5,409,378 and a net pension liability in the amount of \$30,649,319. The impact of this on Net Position is (26,456,401). Changes from the current year reporting of the TRS plan resulted in a decrease in net position in the amount of (\$3,818,404). The combination of the beginning of the year amounts and the changes during the year resulted in a difference between the ending fund balance and the ending net position in the amount of (\$30,274,805).	(30,274,805)
5 The District participates in the TRS-Care plan for retirees through TRS. The District's share of the TRS plan resulted in a net OPEB liability of \$59,570,930, a deferred outflow of \$914,832 and a deferred inflow of \$24,918,632. This resulted in a difference between the ending fund balance and the ending net position of (84,062,963).	(84,062,963)
6 The 2019 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.	(7,687,119)
7 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.	2,968,863
19 Net Position of Governmental Activities	\$ 49,520,637

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

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

EXHIBIT C-3

Data Control Codes	10 General Fund	50 Debt Service Fund	Other Funds	Total Governmental Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 19,062,235	\$ 1,420,951	\$ 29,427	\$ 20,512,613
5800 State Program Revenues	123,171,623	4,094,593	961,336	128,227,552
5900 Federal Program Revenues	16,729,936	-	18,228,270	34,958,206
5020 Total Revenues	158,963,794	5,515,544	19,219,033	183,698,371
EXPENDITURES:				
Current:				
0011 Instruction	76,124,548	-	12,339,985	88,464,533
0012 Instructional Resources and Media Services	1,654,860	-	692,992	2,347,852
0013 Curriculum and Instructional Staff Development	2,272,820	-	3,083,398	5,356,218
0021 Instructional Leadership	1,613,878	-	663,387	2,277,265
0023 School Leadership	6,833,909	-	167,471	7,001,380
0031 Guidance, Counseling and Evaluation Services	5,063,038	-	570,102	5,633,140
0032 Social Work Services	860,830	-	155,577	1,016,407
0033 Health Services	1,452,375	-	555,877	2,008,252
0034 Student (Pupil) Transportation	5,497,771	-	-	5,497,771
0035 Food Services	11,899,670	-	-	11,899,670
0036 Extracurricular Activities	5,890,064	-	-	5,890,064
0041 General Administration	4,191,500	-	-	4,191,500
0051 Facilities Maintenance and Operations	13,933,993	-	1,160	13,935,153
0052 Security and Monitoring Services	2,531,176	-	74,563	2,605,739
0053 Data Processing Services	1,690,766	-	-	1,690,766
0061 Community Services	168,116	-	914,521	1,082,637
Debt Service:				
0071 Principal on Long-Term Debt	1,633,563	3,644,999	-	5,278,562
0072 Interest on Long-Term Debt	184,600	2,897,450	-	3,082,050
0073 Bond Issuance Cost and Fees	3,751	24,250	-	28,001
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	2,866,938	2,866,938
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	113,760	-	-	113,760
0099 Other Intergovernmental Charges	258,191	-	-	258,191
6030 Total Expenditures	143,873,179	6,566,699	22,085,971	172,525,849
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	15,090,615	(1,051,155)	(2,866,938)	11,172,522
OTHER FINANCING SOURCES (USES):				
7912 Sale of Real and Personal Property	12,072	-	-	12,072
7913 Capital Leases	711,874	-	-	711,874
7915 Transfers In	-	-	4,800,000	4,800,000
8911 Transfers Out (Use)	(9,185,969)	-	-	(9,185,969)
7080 Total Other Financing Sources (Uses)	(8,462,023)	-	4,800,000	(3,662,023)
1200 Net Change in Fund Balances	6,628,592	(1,051,155)	1,933,062	7,510,499
0100 Fund Balance - September 1 (Beginning)	49,121,038	5,809,615	4,278,936	59,209,589
3000 Fund Balance - August 31 (Ending)	\$ 55,749,630	\$ 4,758,460	\$ 6,211,998	\$ 66,720,088

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

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

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$ 7,510,499
The District uses internal service funds to charge the costs of certain activities, such as self-insurance and printing, to appropriate functions in other funds. The net income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to decrease net position.	(40,557)
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2019 capital outlays and debt principal payments is to increase net position.	8,223,537
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position.	(7,687,119)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.	648,529
GASB 68 required that certain plan expenditures be de-expensed and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$3,118,532. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as reduction in net pension liability. This caused a decrease in net position totaling \$3,178,245. Finally, the proportionate share of the TRS pension expense on the plan as a whole had to be recorded. The net pension expense decreased the change in net position by \$3,758,691. The net result is a decrease in the change in net position.	(3,818,404)
GASB 75 required that certain plan expenditures be de-expensed and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$954,176. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as reduction in net OPEB liability. This caused a decrease in net position totaling \$916,231. Finally, the proportionate share of the TRS OPEB expense on the plan as a whole had to be recorded. The net OPEB expense decreased the change in net position by \$526,178. The net result is a decrease in the change in net position.	(488,233)
Change in Net Position of Governmental Activities	<u><u>\$ 4,348,252</u></u>

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

DONNA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AUGUST 31, 2019

	Governmental Activities -
	Total Internal Service Funds
<hr/>	
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 1,351,194
Investments - Current	1,262,285
Due from Other Funds	<u>5,889,404</u>
Total Assets	<u>8,502,883</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	1,700,786
Due to Other Funds	3,589,846
Accrued Expenses	<u>1,591,112</u>
Total Liabilities	<u>6,881,744</u>
NET POSITION	
Unrestricted Net Position	<u>1,621,139</u>
Total Net Position	<u><u>\$ 1,621,139</u></u>

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

DONNA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

	Governmental Activities -
	Total Internal Service Funds
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 18,719,750
Total Operating Revenues	<u>18,719,750</u>
OPERATING EXPENSES:	
Professional and Contracted Services	992,141
Other Operating Costs	22,154,134
Total Operating Expenses	<u>23,146,275</u>
Income (Loss) Before Transfers	(4,426,525)
Transfer In	<u>4,385,969</u>
Change in Net Position	(40,556)
Total Net Position - September 1 (Beginning)	<u>1,661,695</u>
 Total Net Position - August 31 (Ending)	 <u><u>\$ 1,621,139</u></u>

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

DONNA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

	Governmental Activities -
	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Received from User Charges	\$ 11,124
Cash Received from Assessments - Other Funds	15,596,338
Cash Payments for Insurance Claims	(20,425,690)
Cash Payments for Suppliers	115,130
Net Cash Used for Operating Activities	(4,703,098)
<u>Cash Flows from Non-Capital Financing Activities:</u>	
Operating Transfer In/(Out)	4,385,969
<u>Cash Flows from Investing Activities:</u>	
Interest and Dividends on Investments	35,596
Net Decrease in Cash and Cash Equivalents	(281,533)
Cash and Cash Equivalents at Beginning of Year	1,632,727
Cash and Cash Equivalents at End of Year	\$ 1,351,194
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>	
<u>Used for Operating Activities:</u>	
Operating Income (Loss):	\$ (4,426,525)
Effect of Increases and Decreases in Current Assets and Liabilities:	
Decrease (increase) in Receivables	(3,915,426)
Increase (decrease) in Accounts Payable	158,224
Increase (decrease) in Payables	3,480,629
Net Cash Used for Operating Activities	\$ (4,703,098)

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

DONNA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2019

	Private Purpose Trust Funds	836-849 Investment Trust Fund	Agency Funds
ASSETS			
Cash and Cash Equivalents	\$ 104,080	\$ 3,769	\$ 549,234
Due from Other Funds	-	-	87
Other Receivables	-	-	1,315
Total Assets	<u>104,080</u>	<u>3,769</u>	<u>\$ 550,636</u>
LIABILITIES			
Accounts Payable	-	-	\$ 19,817
Due to Other Governments	-	-	2,252
Due to Student Groups	104,080	-	528,567
Total Liabilities	<u>104,080</u>	<u>-</u>	<u>\$ 550,636</u>
NET POSITION			
Restricted for Scholarships	-	2,769	
Restricted for Other Purposes	-	1,000	
Total Net Position	<u>\$ -</u>	<u>\$ 3,769</u>	

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

DONNA INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

	Private Purpose Trust Funds	836-849 Investment Trust Fund
Change in Net Position	\$ -	\$ -
Total Net Position - September 1 (Beginning)	<u>-</u>	<u>3,769</u>
Total Net Position - August 31 (Ending)	<u><u>\$ -</u></u>	<u><u>\$ 3,769</u></u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Donna Independent School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Texas. The Board of Trustees ("Board"), a seven-member group, has governance responsibilities over all activities related to educational services within the jurisdiction of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board and it complies with the requirements of the appropriate version of Texas Education Agency's *Financial Accountability System Resource Guide* (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

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.

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.

A. REPORTING ENTITY

The Board of Trustees, a seven-member group, has fiscal accountability over all activities related to public elementary and secondary education within the jurisdiction of the Donna Independent School District (the District). The public elects the members of the Board of Trustees. The Trustees, as a corporate body, have the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute of the Texas Education Agency (TEA) or to the State Board of Education are reserved for the trustees, and the Agency may not substitute its judgement for the lawful exercise of those powers and duties by the Trustees. The District is not included in any other governmental "reporting entity" as defined in Section 2 100, Codification of Governmental Accounting and Financial Reporting Standards. There are no component units included within the reporting entity. The financial statements of the District include all activities for which the Board exercise these governance responsibilities.

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on the entire District's nonfiduciary activities with the interfund activities removed. *Governmental activities* include programs supported primarily by grants, state foundation funds and other intergovernmental revenues.

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of the direct costs. The "charges for services" column include payments made by parties that purchase, use or directly benefit from goods or services provided by a given

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

function or segment of the District. The “grants and contributions” column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function.

Examples include grants through the Department of Education, Department of Health & Human Services and Texas Education Agency. If revenue is not program revenue, it is general revenue used to support all of the District’s functions.

Interfund activities between governmental funds appear as due to/due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position and as other resources and other uses on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance and on the Proprietary Fund Statement of Revenues, Expenses and Changes in Net Position. All interfund transactions between governmental funds and between governmental funds and internal service funds are eliminated on the government-wide statements.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. All other revenues and expenses are nonoperating.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

Revenues from local sources consist primarily of property tax revenue. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

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

The Proprietary Fund Types and Fiduciary Funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable.

Agency Funds utilize the accrual basis of accounting but do not have a measurement focus as they report only assets and liabilities.

D. BASIS OF PRESENTATION - FUND ACCOUNTING

The District reports the following major governmental fund:

1. **General Fund** - is used to account for financial resources used for general operations. This is a budgeted fund and any fund balances are considered resources available for current operations. All revenues and expenditures not required to be accounted for in other funds, are accounted for in this fund.
2. **Debt Service Fund** - is used to account for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund.

Additionally, the District reports the following fund type(s):

Governmental Funds:

1. **Special Revenue Funds** - are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Normally, unused balances are returned to the grantor at the close of specified project periods.
2. **Capital Projects Fund** - is used to account for proceeds from long-term debt financing and revenues and expenditures related to authorized construction and other capital asset acquisitions.
3. **Permanent Funds** - is used to account for donations for which the donor has stipulated that the principal may not be expended and where the income may only be used for purposes that support the District's programs. The District has no permanent funds.

Proprietary Funds:

1. **Enterprise Funds** - are used to account for those operations that are financed and operated in a manner similar to private business. The District has no enterprise funds.
2. **Internal Service Funds** - are used to account for revenues and expenses related to self-funded insurance and workers' compensation provided to employees within the District which are accounted for as internal service funds.

Fiduciary Funds:

1. **Private Purpose Trust Funds** - are used to account for scholarships, which have stipulations for the participants awarded; only the income may be used for a specific purpose.

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

2. **Agency Funds** – are used to account for resources held for others in a custodial capacity in an Agency Fund. The District’s Agency Fund is the Student Activity Funds.

E. OTHER ACCOUNTING POLICIES

1. For purposes of the statement of cash flows, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.
2. Inventory is valued at cost (average). The District accounts for school supply and food inventories by using the consumption method whereby expenditures are recognized only when inventory items are used. Maintenance supplies inventory is accounted for by using the purchase method whereby purchases of inventories are recognized as expenditures when the goods are received, and the transaction is vouchered. Reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets. Commodity inventory is offset by deferred revenue.
3. Other current assets are prepaid expenses that will benefit periods beyond August 31, 2019. The only prepaid expenses included are for unexpired insurance policy premiums paid by August 31, 2019, and which extend beyond that date. The reported prepaid insurance is equally offset by a fund balance reserve, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets.
4. In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.
5. Capital assets, which include land, buildings, vehicles, furniture & equipment and construction in progress, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

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

<u>Assets</u>	<u>Years</u>
Buildings & Improvements	50
Building Improvements	20
Vehicles	10
Furniture & Equipment	3-15

6. 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 are treated as revenues or expenditures. 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.

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

7. When the District incurs an expense for which it may use either restricted or unrestricted assets, it uses the restricted assets first unless unrestricted assets will have to be returned because they were not used.
8. Accumulated compensatory absences that is expected to be liquidated with expendable available resources is reported as an expenditure and a liability in the Governmental Funds only if they have matured.
9. In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statements' element, deferred outflows of resources, presents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District only has one item that qualifies for reporting in this category. It is deferred charged on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

10. Net position represents the differences between assets, deferred outflows (inflows) of resources and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
11. Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond and grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered applied. It is the District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.
12. Sometimes the District will fund outlays for a particular purpose from both restricted (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.

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

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

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by board resolution by the Board. The Board's commitment may be modified or rescinded by a majority vote in a scheduled meeting. Board commitments cannot exceed the amount of fund balance that is greater than the sum of non-spendable and restricted fund balances since that practice would commit funds that the District does not have. Board commitments must occur before the end of the reporting period with amounts to be determined subsequently.
- **Assigned:** This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board, the Superintendent, or Superintendent's designee.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

The order of spending and availability shall be to reduce funds from the listed areas in the following order: restricted, committed, assigned, and unassigned.

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

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY DATA

The Board of Trustees adopts an "appropriated budget" on a basis consistent with GAAP for the General Fund, Debt Service Fund and Food Service Fund (which is included in the General Fund). The District is required to present the adopted and final amended budgeted revenues and expenditures for these three funds. The General Fund Budget report is presented in Exhibit G-1 and the Child Nutrition Program Budget and Debt Service Fund Budget report is presented in Exhibit J-4 and J-5.

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

The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

1. Prior to August 20th the District prepares a budget for the next succeeding fiscal year beginning September 1st. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget. Public notice of the meeting must be given at least ten days prior to the meeting.
3. Prior to September 1st, the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end. During the year, the budget was amended as necessary.
4. Each budget is controlled by the budget coordinator at the revenue and expenditure functions or object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year-end.
5. Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at August 31st, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

As of August 31, 2019, the District's General Fund did not exceed expenditures over the appropriated budget.

C. DEFICIT FUND EQUITY

At August 31, 2019, the District had no deficit fund balances.

III. DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

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

At August 31, 2019, the carrying amount of the District's deposits, excluding agency funds, was \$27,656,140 and the bank balance was \$30,111,945. The District's cash deposits at August 31, 2019 and during the year were covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name. The District monitors cash flows regularly when TEA funds are received to ensure that the bank pledges sufficient collateral.

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

District Policies and Legal Contractual Provisions Governing Deposits

Custodial Credit Risk for Deposits – State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. Since the District complies with this law, it has no custodial risk for deposits.

Foreign Currency Risk for Deposits – The District limits the risk that changes in exchange rates will adversely affect the fair value of a deposit. At year-end, the District was not exposed to foreign currency risk.

District Policies and Legal Contractual Provisions Governing Investments

The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. The policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit.

The Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

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

Investment Type	Fair Value	Investment Maturities (in years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
TexPool	\$ 46,323,844	\$ 46,323,844	\$ -	\$ -	\$ -
Total	\$ 46,323,844	\$ 46,323,844	\$ -	\$ -	\$ -

Additional policies and contractual provisions governing deposits and investments for the District are specified below:

Credit Risk – In accordance with state law and the District's investment policy, investments in mutual funds and investment pools must be rated at least AAA or have an equivalent rating, commercial paper must be rated at least A-1, P-1 or have an equivalent rating, and obligations of states, agencies, counties, and cities must be at least A or its equivalent. As of August 31, 2019, the District's investments in TexPool was rated AAAM by Standard and Poor's (S&P).

Custodial Risk for Investments – For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investments held by third parties were fully collateralized and held in the District's name.

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

Concentration of Credit Risk – The investment portfolio is diversified in terms of investment instruments and maturity scheduling to reduce risk of loss resulting from over concentration of assets in specific class of investments, specific maturity or specific issuer. As of August 31, 2019, The District had 100% of its investments in TexPool investment pools rated AAA as noted above.

Interest Rate Risk – In accordance with state law and the District's investment policy, the District does not purchase any investments greater than five (5) years for its operating funds.

Foreign Currency Risk for Investments – The District limits the risk that changes in exchange rates will adversely affect the fair value of an investment. At year-end, the District was not exposed to foreign currency risk.

B. PROPERTY TAXES

Property taxes are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The District levies its taxes on October 1st in conformity with Subtitle E, Texas Property Tax Code. The assessed value of the property tax roll on January 1, 2019, upon which the levy for the 2018-2019 fiscal year was based, was \$1,457,278,404. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1st of the year following the October 1st levy date. Taxes are delinquent if not paid by August 31th. Delinquent taxes are subject to both penalty and interest charges plus 15% delinquent collection fees for attorney costs.

The tax rates assessed for the year ended August 31, 2019 to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$1.170000 and \$0.88200 per \$100 valuation, respectively, for a total of \$1.258200 per \$100 valuation.

Current tax collections for the year ended August 31, 2019 were 93% of the year-end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of August 31, 2019, property taxes receivable of \$3,734,277 and \$534,103 net of estimated uncollectible taxes of \$1,192,123 and \$107,393, totaled \$2,542,154 and \$426,710 for the General and Debt Service Funds, respectively.

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

C. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund balances at August 31, 2019 consisted of the following individual fund balances:

	Due From Other Funds	Due To Other Funds
General Fund		
General Fund	\$ -	\$ 1,453,762
Special Revenue Fund	-	2,965,480
Debt Service Fund	10,886	-
Internal Service Fund	5,351,431	-
Capital Project	4,800,000	-
Payroll Fund	1,698,394	-
Trust and Agency Fund	87	-
Special Revenue Fund		
General Fund	3,369,987	-
Debt Service Fund	537,973	-
Debt Service Fund		
General Fund	-	10,886
Capital Projects		
General Fund	-	4,800,000
Internal Services Fund		
General Fund	3,589,846	5,532,124
Special Revenue Fund	-	761,786
Internal Service Fund	-	3,589,846
Trust and Agency Fund		
General Fund	-	244,719
Total	<u>\$ 19,358,603</u>	<u>\$ 19,358,603</u>

Balances resulted from the time lag between the dates that 1) interfund goods and services are provided and/or reimbursable expenditures occur, and 2) transactions are recorded in the accounting system, and 3) payments between funds are made. Balances also result from interfund payroll transactions and end of year reclasses made between funds. Transfers are indicative of subsidies of various District operations. The following schedule briefly summarizes the District's transfer activities at August 31, 2019:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Capital Project	General	\$ 4,800,000
Internal Service	General	4,385,969
	Totals	<u>\$ 9,185,969</u>

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

D. DUE FROM OTHER GOVERNMENTS AND AGENCIES

Amounts due from other governments and agencies are as follows:

Fund Group	State Entitlements	Other	Total
General Fund	\$ 3,831,925	\$ 121,908	\$ 3,953,833
Special Revenue Fund	4,339,421	49,573	4,388,994
Debt Service Fund	-	10,878	10,878
	<u>\$ 8,171,346</u>	<u>\$ 182,359</u>	<u>\$ 8,353,705</u>

E. CAPITAL ASSET ACTIVITY

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

	Balance 8/31/2018	Additions	Deletions	Balance 8/31/2019
Governmental Activities:				
Capital Assets, not being depreciated:				
Land	\$ 7,078,411	\$ -	\$ -	\$ 7,078,411
Construction In Progress	569,888	2,830,476	-	3,400,364
Totals at Historic Cost	<u>7,648,299</u>	<u>2,830,476</u>	<u>-</u>	<u>10,478,775</u>
Capital Assets, being depreciated:				
Buildings & Improvements	230,593,067	79,524	-	230,672,591
Furniture & Equipment	34,647,616	993,012	-	35,640,628
Vehicles	2,739,448	123,460	-	2,862,908
Totals at Historic Cost	<u>267,980,131</u>	<u>1,195,996</u>	<u>-</u>	<u>269,176,127</u>
Less Accumulated Depreciation:				
Buildings & Improvements	70,492,252	5,031,217	-	75,523,469
Furniture & Equipment	29,161,368	2,083,320	-	31,244,688
Vehicles	1,645,813	572,582	-	2,218,395
Total Accumulated Depreciation	<u>101,299,433</u>	<u>7,687,119</u>	<u>-</u>	<u>108,986,552</u>
Governmental Activities Capital Assets, Net	<u>\$ 174,328,997</u>	<u>\$ (3,660,647)</u>	<u>\$ -</u>	<u>\$ 170,668,350</u>

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

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 4,060,084
Instructional Resources & Media Services	87,169
Curriculum & Instructional Staff Development	5,557
Social Work	19,067
Student Pupil Transportation	893,779
Food Service	534,449
Co-Curricular/Extracurricular Activities	299,217
General Administration	56,624
Plan Maintenance and Operations	479,846
Security and Monitoring Services	23,721
Data Processing Services	<u>1,227,606</u>
Total Depreciation Expense	<u>\$ 7,687,119</u>

F. LONG-TERM OBLIGATIONS

General Obligation Bonds – The District issues general obligations bonds for the governmental activities to refund a portion of the outstanding bonds of the District for debt services savings and to pay costs of issuance. General obligation bonds are direct obligations and the full faith and credit of the District. Current principal and interest requirements are payable solely from future revenues of the Debt Service Fund which consists principally of property taxes collected by the District, interest earnings, and State funds. Certain outstanding bonds may be redeemed at their par value prior to their normal maturity dates in accordance with the terms of the related bond indentures.

Description	Interest Rate	Original Issue Amount	Interest Current Year	Balance 8/31/2018	Prior Period Adj	Principal Retired	Balance 8/31/2019
2007 CABS		\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ 10,000
2010	2.0%-5.0%	51,955,000	1,652,476	43,005,000	-	1,265,000	41,740,000
2010 REFUNDING	2.0%-4.0%	7,990,000	204,800	5,365,000	-	490,000	4,875,000
2011 REFUNDING	2.0%-4.0%	8,630,000	528,250	8,110,000	-	80,000	8,030,000
2013 REFUNDING	2.0%-3.5%	7,150,000	160,376	5,235,000	-	480,000	4,755,000
2014 REFUNDING	2.0%-4.0%	12,390,000	76,700	2,540,000	-	1,245,000	1,295,000
2016 REFUNDING	2.0%-4.0%	7,595,000	274,850	7,360,000	-	85,000	7,275,000
Totals		<u>\$ 95,710,000</u>	<u>\$ 2,897,452</u>	<u>\$71,615,000</u>	<u>\$ 10,000</u>	<u>\$ 3,645,000</u>	<u>\$67,980,000</u>

Description	Balance 8/31/2018	Addition	8/31/2019
2011 REF ACCRETED INTEREST	\$ 206,667	\$ 3,333	\$ 210,000
	<u>\$ 206,667</u>	<u>\$ 3,333</u>	<u>\$ 210,000</u>

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

The District has never defaulted on any principal and interest payments. There are a number of limitations and restrictions contained in the general obligation bond indentures. Management has indicated that the District is in compliance with all significant limitation and restrictions at August 31, 2019.

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

Year Ended August 31,	Principal	Interest	Total Required
2020	\$ 3,990,000	\$ 2,554,113	\$ 6,544,113
2021	2,850,000	4,045,375	6,895,375
2022	4,535,000	2,274,975	6,809,975
2023	4,720,000	2,094,963	6,814,963
2024	4,885,000	1,916,234	6,801,234
2024-2028	16,725,000	7,348,584	24,073,584
2029-2033	14,700,000	4,629,200	19,329,200
2034-2038	12,715,000	1,883,900	14,598,900
2039-2040	2,860,000	57,200	2,917,200
Total	<u>\$ 67,980,000</u>	<u>\$ 26,804,544</u>	<u>\$ 94,784,544</u>

Note Payable – The District issues note payable for the governmental activities to provide funds for the renovations to existing facilities. The note is being issued pursuant to the Constitution and general laws of the State of Texas, including Sections 45.108 and the Texas Education Code, as amended. The Note is a direct obligation of the District, payable from and secured by ad valorem taxes levied by the District for maintenance purposes, within the limits prescribed by law, against all taxable property located within the District.

Description	Interest Rate	Original Issue Amount	Interest Current Year	Balance 8/31/2018	Principal Issued	Principal Retired	Balance 8/31/2019
Entegral	2.75%	\$ 8,066,551	\$ 279,915	\$ 6,623,396	\$ -	\$ 751,477	\$ 5,871,919
Totals			<u>\$ 279,915</u>	<u>\$ 6,623,396</u>	<u>\$ -</u>	<u>\$ 751,477</u>	<u>\$ 5,871,919</u>

Annual debt service requirements to maturity for the note payable are as follows:

Year Ended August 31,	Principal	Interest	Total Requirements
2020	\$ 772,143	\$ 161,478	\$ 933,621
2021	793,377	140,244	933,621
2022	815,194	118,426	933,620
2023	837,612	96,008	933,620
2024	860,647	72,974	933,621
2025-2029	1,792,947	74,293	1,867,240
Total	<u>\$ 5,871,920</u>	<u>\$ 663,423</u>	<u>\$ 6,535,343</u>

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

G. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term debt:

Governmental Activities	Balance 8/31/2018	Additions	Reductions	Adjustments	Balance 8/31/2019	Current Portion
Bonds Payable	\$ 71,615,000	\$ -	\$ 3,645,000	\$ 10,000	\$ 67,980,000	\$ 3,990,000
Premium on Bonds	2,974,803	-	380,318	-	2,594,485	-
Accretion on CAB's	206,667	3,333	-	-	210,000	-
Capital Lease Payable	727,772	1,293,409	882,086	-	1,139,095	-
Note Payable	6,623,397	-	751,477	-	5,871,920	772,143
Compensated Absences	318,147	22,152	-	-	340,299	-
Totals	<u>\$ 82,465,786</u>	<u>\$ 1,318,894</u>	<u>\$ 5,658,881</u>	<u>-</u>	<u>\$ 78,135,799</u>	<u>\$ 4,762,143</u>

The net pension and OPEB liabilities and compensated absences are generally paid from the General Fund and appropriate Special Revenue Funds.

H. COMMITMENTS UNDER LEASES

Capital Leases

The District has entered into capital leases to acquire school buses for an original cost of \$711,874. The interest rates for the lease is 3.694%. The leases were authorized under section 61.003 of the Local Government Code.

The minimum annual lease payments, which are paid from the general fund, are as follows:

Capital Leases future debt service requirements are as follows:

August 31,	Principal	Interest	Total
2020	\$ 501,471	\$ 20,579	\$ 522,050
2021	456,267	29,788	486,055
2022	181,356	6,699	188,055
	<u>\$ 1,139,094</u>	<u>\$ 57,066</u>	<u>\$ 1,196,160</u>

Capital Leases Payable- Governmental Funds

Capital Leases Payable at August 31, 2019 are as follows:

Capital lease payable to Insight Investments, LLC
for HP Prodesk, in annual payments of \$660,493 with
interest at 5.910% through 2020. Texas Education Code Sec. 61.003. \$ 579,372

Capital Lease payable to Apple for computers in annual
payments of \$35,995 with interest at 1.99% through 2020. Texas
Education Code Sec.61.003 34,807

Capital lease payable to Governmental Capital Corporation
for buses, in annual payments of \$188,054.80 with interest
at 3.694% through 2022. Texas Education Code Sec.61.003. 524,915

\$ 1,139,094

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

Operating Leases

Commitments under operating (noncapitalized) leases agreements for facilities and equipment provide for minimum future rental payments as of August 31, 2019, as follows:

Rental expenditures during the year totaled \$1,138,738 for governmental activities, which included month to month leases. The District has operating leases for computer, office equipment, and portable building. Commitments under lease agreements as of August 31, 2019 provide for future minimum lease obligations as follows:

<u>Year Ending August</u>	<u>Operating Leases</u>
2020	\$ 530,578

I. CONTINGENT LIABILITIES

As of August 31, 2019, the District does not have any contingent liabilities.

The District participates in a number of grant programs funded by State and Federal Agencies. These programs are subject to compliance audits by the grantor agencies or their representatives.

Audits of all of these programs for the year ended August 31, 2019, have not been conducted. Accordingly, the District's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

J. DEFINED BENEFIT PENSION PLAN

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

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

Pension Plan Fiduciary Net Position. Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.texas.gov>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

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 benefits are based on statutory provisions of the plan effective for fiscal year 2018. The annual standard annuity is based on the average of the five highest annual creditable salaries multiplied by the years of credited service multiplied by 2.3 percent. For members who are grandfathered, the three highest annual salaries are used in the benefit formula. 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 the date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes, including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan Description above.

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 thru 2017. The 85th Texas Legislature, General Appropriations Act (GAA) affirmed that the employer contribution rates for fiscal years 2018 and 2019 would remain the same. Contribution Rates can be found in the TRS 2018 CAFR, Note 11, on page 76.

Contribution Rates		
	<u>2018</u>	<u>2019</u>
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers	6.8%	6.8%
Current fiscal year employer contributions		\$ 3,118,532
Current fiscal year member contributions		8,044,846
2018 measurement year NECE on-behalf contributions		5,123,409

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

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

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

Employers (including public schools) are required to pay the employer contribution rate in the following instances:

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

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 does not contribute to the Federal Old-Age, Survivors and Disability Insurance (OASDI) Program for certain employees, they must contribute 1.5% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

Actuarial Assumptions.

Roll Forward - A change was made in the measurement date of the total pension liability for the 2018 measurement year. The actuarial valuation was performed as of August 31, 2017. Update procedures were used to roll forward the total pension liability to August 31, 2018. This is the first year using the roll forward procedures.

The total pension liability is determined by an annual actuarial valuation. The actuarial methods and assumptions were selected by the Board of Trustees based upon analysis and recommendations by the System's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the Plan. The active mortality rates were based on 90 percent of the RP 2014 Employee Mortality Tables for males and females. The post-retirement mortality rates were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables.

The following table discloses the assumptions that were applied to this measurement period.

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 Rate	7.25%
Municipal Bond Rate as of August 2018	3.69% - Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity index's "20-Year Municipal GO AA Index."
Last year ending August 31 in Projection Period (100 years)	2116
Inflation	2.3%
Salary Increases	3.05% to 9.05% including inflation
Payroll Growth Rate	2.5%
Benefit Changes During the Year	None
Ad hoc Post-Employment Benefit Changes	None

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

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

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 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 that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on these 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 (see page 52 of the TRS CAFR) are summarized below:

	Target	Long-Term Expected Geometric Real Rate	Expected Contribution to Long-Term
U.S.	18.00%	5.70%	1.04%
Non-U.S. Developed	13.00%	6.90%	0.90%
Emerging Markets	9.00%	8.95%	0.80%
Directional Hedge Funds	4.00%	3.53%	0.14%
Private Equity	13.00%	10.18%	1.32%
Stable Value			
U.S. Treasuries	11.00%	1.11%	0.12%
Absolute Return	0.00%	0.00%	0.00%
Stable Value Hedge Funds	4.00%	3.09%	0.12%
Cash	1.00%	-0.30%	0.00%
Real Return			
Global Inflation Linked Bonds	3.00%	0.70%	0.02%
Real Assets	14.00%	5.21%	0.73%
Energy and Natural Resources	5.00%	7.48%	0.37%
Commodities	0.00%	0.00%	0.00%
Risk Parity			
Risk Parity	5.00%	3.70%	0.18%
Inflation Expectation			2.30%
Volatility Drag***			-0.79%
Total	<u>100%</u>		<u>7.25%</u>

* Target Allocations are based on the FY 2016 policy model

** Capital market assumptions come from Aon Hewitt (2017 Q4)

***The Expected Contribution to Long-Term Portfolio Returns incorporates the volatility drag resulting from the conversion between arithmetic and geometric mean returns.

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

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. The discount rate can be found in the 2018 TRS CAFR, Note 11, page 78.

	1% Decrease in Discount Rate (5.907%)	Discount Rate (6.907%)	1% Increase in Discount Rate (7.907%)
Proportionate share of the net pension liability:	\$ 78,331,003	\$ 51,900,966	\$ 30,504,283

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At August 31, 2019, the District reported a liability of \$51,900,966 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	\$ 51,900,966
State's proportionate share that is associated with the District	<u>83,764,239</u>
Total	<u>\$ 135,665,205</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 employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2017 through August 31, 2018.

At August 31, 2018 the employer's proportion of the collective net pension liability was 0.0942926552%, which was a decrease of -0.0015625122% from its proportion measured as of August 31, 2017.

Changes Since the Prior Actuarial Valuation. Assumptions, methods, and plan changes which are specific to the Pension Trust Fund were updated from the prior year's report. The Net Pension Liability increased significantly since the prior measurement date due to a change in the following actuarial assumptions:

- 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 were updated based on the same experience study.
- The discount rate changed from 8.0 percent as of August 31, 2017 to 6.907 percent as of August 31, 2018.
- The long term assumed rate of return changed from 8.0 percent to 7.25 percent.
- 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 \$15,227,363 and revenue of \$8,290,427 for support provided by the State in the Government Wide Statement of Activities.

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

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 pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experiences	\$ 323,508	\$ 1,273,445
Changes in actuarial assumptions	18,712,798	584,775
Differences between projected and actual investment earnings	-	984,784
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	3,380,885	1,066,558
Contributions paid to TRS subsequent to the measurement date	<u>3,118,532</u>	-
Total as fiscal year-end	<u>\$ 25,535,723</u>	<u>\$ 3,909,562</u>

The net amounts of the employer's balances of deferred outflows and inflows (not including the deferred contribution paid subsequent to the measurement date) of resources related to pensions will be recognized in pension expense as follows:

Year ended August 31,	Pension Expense Amount
2020	\$ 5,088,476
2021	3,016,077
2022	2,446,087
2023	3,000,331
2024	2,959,379
Thereafter	1,997,279

K. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

Plan Description. The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan 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.

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.texas.gov>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

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 system. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may pay premiums to participate in the high-deductible health plans. Eligible Medicare retirees and their dependents may pay premiums to participate in the Medicare Advantage health plans. 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.

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

The 85th Legislature, Regular Session, passed the following statutory changes in HB 3976 which became effective on September 1, 2017. These are described below under the section "Changes in Benefit Terms".

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. These new premium rates for retirees with Medicare Part A and Part B became effective January 1, 2018. (See the TRS CAFR page 70 for plan rates effective from September 1, 2016 - December 31, 2017.)

TRS-Care Plan Premium Rates		
Effective January 1, 2018- December 31, 2018		
	<u>Medicare</u>	<u>Non-Medicare</u>
Retiree or Surviving Spouse	\$135	\$200
Retiree and Spouse	529	689
Retiree or Surviving Spouse and Children	468	408
Retiree and Family	1020	999

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 .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act which is 0.75% of each active employee's pay for fiscal year 2018. The following table shows contributions to the TRS-Care plan by type of contributor:

	<u>2018</u>	<u>2019</u>
Member	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%
Current fiscal year employer contributions		\$ 954,176
Current fiscal year member contributions		675,186
2018 measurement year NECE on-behalf contributions		1,152,501

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (regardless of whether or not they participate in the TRS Care OPEB program). When employers hire a TRS retiree, they are required to pay to TRS-Care, a monthly surcharge of \$535 per retiree. With Senate Bill 1, 85th Legislature, Regular Session, 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. House Bill 30 of the 85th Legislature provided an additional \$212 million in a one-time supplemental funding for the FY 2018-2019 biennium. One-time supplemental contributions during fiscal 2018 totaled \$394.6 million.

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 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	

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% 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
Aging Factors	Based on Plan Specific Experience
Election Rates	Normal Retirement: 70% participation prior to age 65 and 75% after age 65
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Projected Salary Increases	3.05% - 9.05%
Ad-hoc Post Employment Benefit Changes	None

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 percent.
- 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.

Discount Rate. A single discount rate of 3.69% was used to measure the total OPEB liability. There was an increase of .27 percent in the discount rate since the previous year. The Discount Rate can be found in the 2018 TRS CAFR on page 71. Because the plan is essentially a "pay-as-you-go" plan, the single discount

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

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.

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 (3.69%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (2.69%)	Discount Rate (3.69%)	1% Increase in Discount Rate (4.69%)
Proportionate share of the net OPEB liability:	\$ 79,561,885	\$ 66,839,429	\$ 56,775,146

Healthcare Cost Trend Rates Sensitivity Analysis. The following presents the Net OPEB liability of the plan using the assumed healthcare cost trend rate, as well as what the Net OPEB liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the assumed healthcare cost trend rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Proportionate share of the net OPEB liability:	\$ 55,511,234	\$ 66,839,429	\$ 81,758,906

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 \$66,839,429 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	\$ 66,839,429
State's proportionate share that is associated with the District	<u>83,535,495</u>
Total	<u>\$ 150,374,924</u>

The Net OPEB Liability was measured as of 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 employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2017 thru August 31, 2018.

At August 31, 2018 the employer's proportion of the collective Net OPEB liability was 0.1338638166% which was a decrease of -0.0031241561% from its proportion measured as of August 31, 2017.

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

Changes in Actuarial Assumptions 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 changed from 3.42 percent as of August 31, 2017 to 3.69 percent as of August 31, 2018. This change lowered the Total OPEB liability \$2.3 billion.
-

Changes in Benefit Terms: The 85th Legislature, Regular Session, passed the following statutory changes 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.
- 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 \$4,480,929 and revenue of \$3,038,520 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 or resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experiences	\$ 3,546,920.00	\$ 1,054,824
Changes in actuarial assumptions	1,115,369	20,081,413
Differences between projected and actual investment earnings	11,689	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	237	1,715,688
Contributions paid to TRS subsequent to the measurement date	954,176	-
Total as of fiscal year-end	<u>\$ 5,628,391</u>	<u>\$ 22,851,925</u>

DONNA INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

The net amounts of the employer's balances of deferred outflows and inflows (not including the deferred contribution paid subsequent to the measurement date) of resources related to OPEBs will be recognized in OPEB expense as follows:

<u>Year ended August 31,</u>	<u>OPEB Expense</u> <u>Amount</u>
2020	\$ (2,844,036)
2021	(2,844,036)
2022	(2,844,036)
2023	(2,846,246)
2024	(2,847,511)
Thereafter	(3,951,845)

L. RISK MANAGEMENT

Health Care Coverage

The District provides the employees with a health insurance plan. As a self-insured program, premiums of \$505 per month are paid by the District per employee; and employees, at their option authorized payroll withholdings to pay premiums for dependents. The plan was authorized by Article 21.922, Texas Education Code, and was documented by contractual agreement.

Claims Liabilities

The claims for health and dental insurance liability reported in the Internal Service Fund at August 31, 2019 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date the financial statements and the amount of the loss can be reasonably estimated.

Balances related to health and dental insurance are below:

	<u>Health and Dental</u>
Beginning of Fiscal Year Claims Liability	\$ 457,112
Current Year Claims and Charges in Estimates	<u>127,179</u>
End of Fiscal Year Claims Liability	<u>\$ 584,291</u>

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

Worker's Compensation Coverage

District's workers' compensation plan is administered by an independent claims administrator who reviews and processes all workers' compensation claims. The District pays each month an amount equal to the actual paid losses plus a fee based on the number of claimants. The District has in place specific stop loss coverage of \$450 for any one accident or occurrence up to a maximum limit of \$ 1,000,000.

	<u>Workers'</u> <u>Compensation</u>
Claims Payables Beginning of Year	\$ 1,134,000
Current Year Claims and Changes in Estimates	5,066,000
Claims Payments Net of Stop Loss	<u>(5,029,000)</u>
Claims Payable End of Year	<u>\$ 1,171,000</u>

M. CONSTRUCTION COMMITMENTS

At August 31, 2019, the District had no construction commitments.

N. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

Advance on Summary of Finance	\$ 191,780
Advance on Donations	142,728
Refundable Advances	<u>35,930</u>
Total	<u>\$ 370,438</u>

O. USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

P. SHARED SERVICES AGREEMENTS

The District is a member in a Shared Service Arrangement (SSA), with McAllen ISD, which provides deaf education services to district members whose students are enrolled in the Regional Day School Program for the Deaf. According to the SSA agreement, costs incurred by the SSA shall be divided among the members districts in proportion to the number of students of each member district attending the Regional Day School Program. As of August 31, 2019, expenditures allocated to Donna ISD are in the amount of \$329,573.

DONNA INDEPENDENT SCHOOL DISTRICT

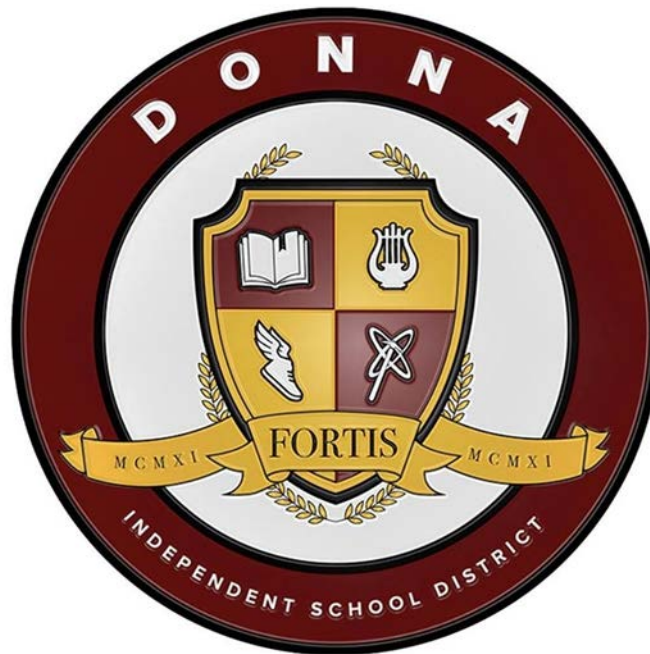
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2019

Q. GENERAL FUND FEDERAL SOURCE REVENUES

Federally financed programs are generally accounted for in the Special Revenue Funds of the District, except for indirect costs charged to federal programs which are accounted for in the General Fund as prescribed by TEA and certain direct revenues. The District recognized in the General Fund such revenues for the year ended August 31, 2019 from various federal sources as follows:

National School Lunch/Breakfast	\$ 11,557,600
Commodity Supplemental Food Program	758,711
Fresh Fruit and Vegetable Program	340,644
Medicaid	3,025,465
Indirect Cost Revenue Various Federal Programs	851,838
E-Rate Infrastructure	<u>196,678</u>
	<u>\$ 16,730,936</u>



"THE DISTRICT"

REQUIRED SUPPLEMENTARY INFORMATION

DONNA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 18,083,545	\$ 19,248,545	\$ 19,062,235	\$ (186,310)
5800 State Program Revenues	122,455,333	122,455,333	123,171,623	716,290
5900 Federal Program Revenues	16,464,437	16,614,437	16,729,936	115,499
5020 Total Revenues	157,003,315	158,318,315	158,963,794	645,479
EXPENDITURES:				
Current:				
0011 Instruction	82,330,547	82,393,526	76,124,548	6,268,978
0012 Instructional Resources and Media Services	1,655,644	1,761,503	1,654,860	106,643
0013 Curriculum and Instructional Staff Development	2,310,537	2,504,009	2,272,820	231,189
0021 Instructional Leadership	1,770,455	1,791,697	1,613,878	177,819
0023 School Leadership	7,191,951	7,154,467	6,833,909	320,558
0031 Guidance, Counseling and Evaluation Services	5,516,323	5,469,640	5,063,038	406,602
0032 Social Work Services	972,141	972,141	860,830	111,311
0033 Health Services	1,831,759	1,833,730	1,452,375	381,355
0034 Student (Pupil) Transportation	5,914,717	6,428,820	5,497,771	931,049
0035 Food Services	12,216,746	13,336,988	11,899,670	1,437,318
0036 Extracurricular Activities	6,277,100	6,523,472	5,890,064	633,408
0041 General Administration	5,237,452	5,475,327	4,191,500	1,283,827
0051 Facilities Maintenance and Operations	16,966,253	16,683,166	13,933,993	2,749,173
0052 Security and Monitoring Services	2,786,050	2,779,535	2,531,176	248,359
0053 Data Processing Services	3,981,384	3,263,731	1,690,766	1,572,965
0061 Community Services	194,047	195,047	168,116	26,931
Debt Service:				
0071 Principal on Long-Term Debt	1,443,777	1,643,604	1,633,563	10,041
0072 Interest on Long-Term Debt	186,333	186,506	184,600	1,906
0073 Bond Issuance Cost and Fees	-	5,000	3,751	1,249
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	200,000	-	200,000
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	113,760	113,760	113,760	-
0099 Other Intergovernmental Charges	247,000	260,423	258,191	2,232
6030 Total Expenditures	159,143,976	160,976,092	143,873,179	17,102,913
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,140,661)	(2,657,777)	15,090,615	17,748,392
OTHER FINANCING SOURCES (USES):				
7912 Sale of Real and Personal Property	-	12,500	12,072	(428)
7913 Capital Leases	-	711,874	711,874	-
8911 Transfers Out (Use)	(2,000,000)	(2,668,000)	(9,185,969)	(6,517,969)
7080 Total Other Financing Sources (Uses)	(2,000,000)	(1,943,626)	(8,462,023)	(6,518,397)
1200 Net Change in Fund Balances	(4,140,661)	(4,601,403)	6,628,592	11,229,995
0100 Fund Balance - September 1 (Beginning)	49,121,038	49,121,038	49,121,038	-
3000 Fund Balance - August 31 (Ending)	\$ 44,980,377	\$ 44,519,635	\$ 55,749,630	\$ 11,229,995

DONNA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2019

	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017	FY 2017 Plan Year 2016
District's Proportion of the Net Pension Liability (Asset)	0.094226552%	0.095855167%	0.097353211%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 51,900,966	\$ 30,649,319	\$ 36,788,331
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	83,764,239	54,803,422	65,026,187
Total	<u>\$ 135,665,205</u>	<u>\$ 85,452,741</u>	<u>\$ 101,814,518</u>
District's Covered Payroll	\$ 104,839,529	\$ 108,113,665	\$ 104,845,274
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	49.51%	28.35%	35.09%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.74%	82.17%	78.00%

Note: GASB 68, Paragraph 81 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, August 31, 2015 for year 2016 and August 31, 2014 for 2015.

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

FY 2016		FY 2015	
Plan Year 2015		Plan Year 2014	
0.1024154%		0.0723063%	
\$	36,202,481	\$	19,314,013
61,977,021		51,381,407	
\$	98,179,502	\$	70,695,420
\$	101,375,603	\$	97,802,467
35.71%		19.75%	
78.43%		83.25%	

DONNA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2019

	2019	2018	2017
Contractually Required Contribution	\$ 3,118,532	\$ 3,212,214	\$ 3,141,617
Contribution in Relation to the Contractually Required Contribution	(3,118,532)	(3,212,214)	(3,141,617)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 102,598,751	\$ 103,963,924	\$ 108,113,665
Contributions as a Percentage of Covered Payroll	3.04%	3.09%	2.91%

Note: GASB 68, Paragraph 81 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding years.

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

2016		2015	
\$	3,092,157	\$	3,032,563
	(3,092,157)		(3,032,563)
\$	-	\$	-
\$	104,845,274	\$	101,375,603
	2.95%		2.99%

DONNA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2019

	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.133863817%	0.136987973%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 66,839,429	\$ 59,570,930
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	83,535,495	80,357,296
Total	<u>\$ 150,374,924</u>	<u>\$ 139,928,226</u>
District's Covered Payroll	\$ 104,839,529	\$ 108,113,665
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	63.75%	55.10%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.57%	0.91%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. Therefore the amounts reported for FY 2019 are for the measurement date August 31, 2018. The amounts for FY 2018 are based on the August 31, 2017 measurement date.

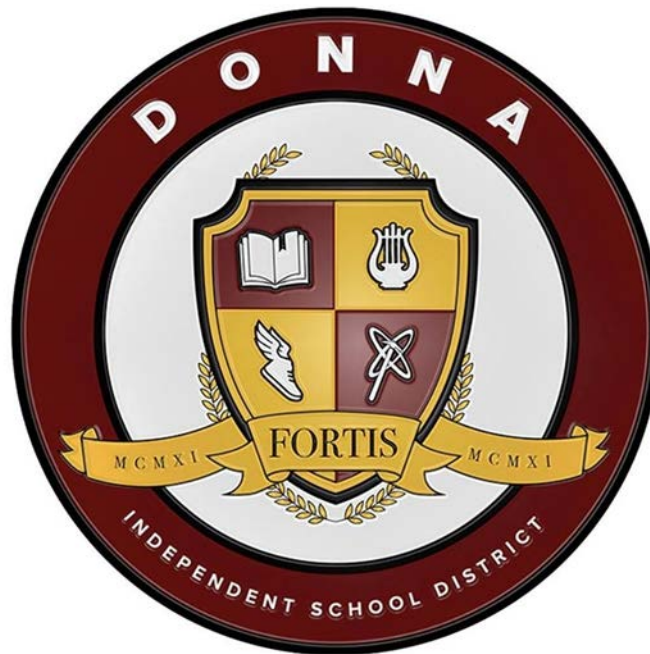
This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

DONNA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2019

	2019	2018
Contractually Required Contribution	\$ 954,176	\$ 905,509
Contribution in Relation to the Contractually Required Contribution	(954,176)	(905,509)
Contribution Deficiency (Excess)	\$ -0-	\$ -0-
District's Covered Payroll	\$ 102,598,751	\$ 103,963,924
Contributions as a Percentage of Covered Payroll	0.93%	0.87%

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

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



“THE DISTRICT”

COMBINING SCHEDULES

DONNA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2019

Data Control Codes		206 ESEA Title X, Pt.C Homeless	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant
ASSETS				
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -
1240	Due from Other Governments	11,808	2,134,038	320,837
1260	Due from Other Funds	-	-	-
1000	Total Assets	<u>\$ 11,808</u>	<u>\$ 2,134,038</u>	<u>\$ 320,837</u>
LIABILITIES				
2110	Accounts Payable	\$ -	\$ 159	\$ -
2160	Accrued Wages Payable	4,631	199,646	46,676
2170	Due to Other Funds	5,685	1,934,233	250,220
2180	Due to Other Governments	-	-	23,941
2300	Unearned Revenue	1,492	-	-
2000	Total Liabilities	<u>11,808</u>	<u>2,134,038</u>	<u>320,837</u>
FUND BALANCES				
Restricted Fund Balance:				
3450	Federal or State Funds Grant Restriction	-	-	-
3470	Capital Acquisition and Contractual Obligation	-	-	-
3600	Unassigned Fund Balance	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 11,808</u>	<u>\$ 2,134,038</u>	<u>\$ 320,837</u>

224 IDEA - Part B Formula	225 IDEA - Part B Preschool	226 IDEA - Part B Discretionary	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	262 Title II, D Education Technology	263 Title III, A English Lang Acquisition	265 Title IV, B Community Learning
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
769,681	9,636	3,775	48,114	124,088	-	110,141	197,887
-	-	-	-	-	-	-	-
<u>\$ 769,681</u>	<u>\$ 9,636</u>	<u>\$ 3,775</u>	<u>\$ 48,114</u>	<u>\$ 124,088</u>	<u>\$ -</u>	<u>\$ 110,141</u>	<u>\$ 197,887</u>
\$ 8	\$ -	\$ -	\$ 1	\$ 1,883	\$ -	\$ -	\$ 464
102,305	618	-	-	-	-	19,441	36,625
667,110	4,683	3,775	48,113	122,205	-	84,872	160,798
258	4,335	-	-	-	-	5,828	-
-	-	-	-	-	-	-	-
<u>769,681</u>	<u>9,636</u>	<u>3,775</u>	<u>48,114</u>	<u>124,088</u>	<u>-</u>	<u>110,141</u>	<u>197,887</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 769,681</u>	<u>\$ 9,636</u>	<u>\$ 3,775</u>	<u>\$ 48,114</u>	<u>\$ 124,088</u>	<u>\$ -</u>	<u>\$ 110,141</u>	<u>\$ 197,887</u>

DONNA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2019

Data Control Codes		274 GEAR UP	276 Title I - SIP Academy Grant	287 Education Jobs Fund	289 Other Federal Special Revenue Funds
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1240	Due from Other Governments	45,798	364,550	31,389	149,559
1260	Due from Other Funds	-	-	-	-
1000	Total Assets	<u>\$ 45,798</u>	<u>\$ 364,550</u>	<u>\$ 31,389</u>	<u>\$ 149,559</u>
LIABILITIES					
2110	Accounts Payable	\$ 619	\$ -	\$ -	\$ 109,954
2160	Accrued Wages Payable	12,024	49,646	-	-
2170	Due to Other Funds	26,509	314,904	31,389	5,166
2180	Due to Other Governments	-	-	-	-
2300	Unearned Revenue	6,646	-	-	34,439
2000	Total Liabilities	<u>45,798</u>	<u>364,550</u>	<u>31,389</u>	<u>149,559</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	-
3470	Capital Acquisition and Contractual Obligation	-	-	-	-
3600	Unassigned Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 45,798</u>	<u>\$ 364,550</u>	<u>\$ 31,389</u>	<u>\$ 149,559</u>

386 Regional Day School for the Deaf	410 State Instructional Materials	429 Other State Special Revenue Funds	480 Aetna Foundation Fund	482 Latchkey Program Fund	483 Children's Defense Fund	484 CCMS Day Care Fund	488 Private Mini Grants
\$ - 38,899 -	\$ 407,725 390 -	\$ 19,295 - -	\$ 1,613 - -	\$ 26,175 - -	\$ 3,909 - -	\$ 141,625 - -	\$ 2,305 - -
<u>\$ 38,899</u>	<u>\$ 408,115</u>	<u>\$ 19,295</u>	<u>\$ 1,613</u>	<u>\$ 26,175</u>	<u>\$ 3,909</u>	<u>\$ 141,625</u>	<u>\$ 2,305</u>
\$ - - 39,200 - -	\$ - - - - 408,115	\$ - - - - 18,420	\$ - - - - 1,613	\$ - - - - 12,770	\$ - - - - 3,909	\$ - - - - 106,779	\$ - - - - 2,305
<u>39,200</u>	<u>408,115</u>	<u>18,420</u>	<u>1,613</u>	<u>12,770</u>	<u>3,909</u>	<u>106,779</u>	<u>2,305</u>
- - (301)	- - -	875 - -	- - -	13,405 - -	- - -	34,846 - -	- - -
<u>(301)</u>	<u>-</u>	<u>875</u>	<u>-</u>	<u>13,405</u>	<u>-</u>	<u>34,846</u>	<u>-</u>
<u>\$ 38,899</u>	<u>\$ 408,115</u>	<u>\$ 19,295</u>	<u>\$ 1,613</u>	<u>\$ 26,175</u>	<u>\$ 3,909</u>	<u>\$ 141,625</u>	<u>\$ 2,305</u>

DONNA INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2019

Data Control Codes		489 Verizon Innovative Project Fund	490 TWC JET Grant	499 Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds
ASSETS					
1110	Cash and Cash Equivalents	\$ 20,505	\$ -	\$ 5,258	\$ 628,410
1240	Due from Other Governments	-	28,406	-	4,388,996
1260	Due from Other Funds	-	-	-	-
1000	Total Assets	<u>\$ 20,505</u>	<u>\$ 28,406</u>	<u>\$ 5,258</u>	<u>\$ 5,017,406</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ 113,088
2160	Accrued Wages Payable	-	-	-	471,612
2170	Due to Other Funds	-	28,406	-	3,727,268
2180	Due to Other Governments	-	-	-	34,362
2300	Unearned Revenue	20,505	-	5,258	622,251
2000	Total Liabilities	<u>20,505</u>	<u>28,406</u>	<u>5,258</u>	<u>4,968,581</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	49,126
3470	Capital Acquisition and Contractual Obligation	-	-	-	-
3600	Unassigned Fund Balance	-	-	-	(301)
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,825</u>
4000	Total Liabilities and Fund Balances	<u>\$ 20,505</u>	<u>\$ 28,406</u>	<u>\$ 5,258</u>	<u>\$ 5,017,406</u>

699 Capital Projects Fund	Total Nonmajor Governmental Funds
\$ 1,639,645	\$ 2,268,055
-	4,388,996
4,800,000	4,800,000
<u>\$ 6,439,645</u>	<u>\$ 11,457,051</u>
\$ 276,472	\$ 389,560
-	471,612
-	3,727,268
-	34,362
-	622,251
<u>276,472</u>	<u>5,245,053</u>
-	49,126
6,163,173	6,163,173
-	(301)
<u>6,163,173</u>	<u>6,211,998</u>
<u>\$ 6,439,645</u>	<u>\$ 11,457,051</u>

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

Data Control Codes	206 ESEA Title X, Pt.C Homeless	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant
REVENUES:			
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-
5900 Federal Program Revenues	59,221	8,732,182	1,821,394
5020 Total Revenues	59,221	8,732,182	1,821,394
EXPENDITURES:			
Current:			
0011 Instruction	-	4,679,820	1,237,894
0012 Instructional Resources and Media Services	-	692,867	-
0013 Curriculum and Instructional Staff Development	-	1,798,354	-
0021 Instructional Leadership	-	252,566	134,002
0023 School Leadership	-	65,553	63,730
0031 Guidance, Counseling and Evaluation Services	-	13,595	87,887
0032 Social Work Services	59,221	21,149	74,293
0033 Health Services	-	555,877	-
0051 Facilities Maintenance and Operations	-	607	553
0052 Security and Monitoring Services	-	-	-
0061 Community Services	-	651,794	223,035
Capital Outlay:			
0081 Facilities Acquisition and Construction	-	-	-
6030 Total Expenditures	59,221	8,732,182	1,821,394
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-
OTHER FINANCING SOURCES (USES):			
7915 Transfers In	-	-	-
1200 Net Change in Fund Balance	-	-	-
0100 Fund Balance - September 1 (Beginning)	-	-	-
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -

224 IDEA - Part B Formula	225 IDEA - Part B Preschool	226 IDEA - Part B Discretionary	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	262 Title II, D Education Technology	263 Title III, A English Lang. Acquisition	265 Title IV, B Community Learning
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
2,595,412	38,073	20,000	333,941	865,550	-	631,610	890,637
2,595,412	38,073	20,000	333,941	865,550	-	631,610	890,637
2,344,151	38,073	20,000	239,661	16,276	-	348,199	730,591
-	-	-	-	-	-	-	-
190	-	-	-	805,847	-	134,682	3,713
-	-	-	-	10,358	-	110,128	156,333
-	-	-	-	32,920	-	-	-
250,157	-	-	94,280	149	-	-	-
914	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	38,601	-
-	-	-	-	-	-	-	-
2,595,412	38,073	20,000	333,941	865,550	-	631,610	890,637
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

Data Control Codes	274 GEAR UP	276 Title I - SIP Academy Grant	287 Education Jobs Fund	289 Other Federal Special Revenue Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	152,149	1,341,663	287,210	449,203
5020 Total Revenues	152,149	1,341,663	287,210	449,203
EXPENDITURES:				
Current:				
0011 Instruction	149,923	1,271,763	-	275,679
0012 Instructional Resources and Media Services	-	125	-	-
0013 Curriculum and Instructional Staff Development	1,966	5,721	287,210	33,973
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	260	4,758	-	250
0031 Guidance, Counseling and Evaluation Services	-	59,296	-	64,738
0032 Social Work Services	-	-	-	-
0033 Health Services	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	74,563
0061 Community Services	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	152,149	1,341,663	287,210	449,203
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	-	-	-	-
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -

386 Regional Day School for the Deaf	410 State Instructional Materials	429 Other State Special Revenue Funds	480 Aetna Foundation Fund	482 Latchkey Program Fund	483 Children's Defense Fund	484 CCMS Day Care Fund	488 Private Mini Grants
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 495
-	774,723	855	2,376	-	1,091	-	-
-	-	10,025	-	-	-	-	-
-	774,723	10,880	2,376	-	1,091	-	495
-	774,723	3,938	2,376	-	-	-	495
-	-	-	-	-	-	-	-
-	-	6,942	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	1,091	-	-
-	-	-	-	-	-	-	-
-	774,723	10,880	2,376	-	1,091	-	495
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(301)	-	875	-	13,405	-	34,846	-
\$ (301)	\$ -	\$ 875	\$ -	\$ 13,405	\$ -	\$ 34,846	\$ -

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

Data Control Codes	489 Verizon Innovative Project Fund	490 TWC JET Grant	499 Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 28,932	\$ -	\$ -	\$ 29,427
5800 State Program Revenues	-	182,291	-	961,336
5900 Federal Program Revenues	-	-	-	18,228,270
5020 Total Revenues	28,932	182,291	-	19,219,033
EXPENDITURES:				
Current:				
0011 Instruction	24,132	182,291	-	12,339,985
0012 Instructional Resources and Media Services	-	-	-	692,992
0013 Curriculum and Instructional Staff Development	4,800	-	-	3,083,398
0021 Instructional Leadership	-	-	-	663,387
0023 School Leadership	-	-	-	167,471
0031 Guidance, Counseling and Evaluation Services	-	-	-	570,102
0032 Social Work Services	-	-	-	155,577
0033 Health Services	-	-	-	555,877
0051 Facilities Maintenance and Operations	-	-	-	1,160
0052 Security and Monitoring Services	-	-	-	74,563
0061 Community Services	-	-	-	914,521
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	28,932	182,291	-	19,219,033
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	-	-	-	48,825
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ 48,825

699 Capital Projects Fund		Total Nonmajor Governmental Funds	
\$	-	\$	29,427
	-		961,336
	-		18,228,270
	-		19,219,033
	-		12,339,985
	-		692,992
	-		3,083,398
	-		663,387
	-		167,471
	-		570,102
	-		155,577
	-		555,877
	-		1,160
	-		74,563
	-		914,521
	2,866,938		2,866,938
	2,866,938		22,085,971
	(2,866,938)		(2,866,938)
	4,800,000		4,800,000
	1,933,062		1,933,062
	4,230,111		4,278,936
\$	6,163,173	\$	6,211,998

DONNA INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 AUGUST 31, 2019

	752	753	754	771	Total
	Print Shop	Insurance	Computer Operations	Workers' Compensation Fund	Internal Service Funds
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 69,246	\$ 580,187	\$ 460,628	\$ 241,133	\$ 1,351,194
Investments - Current	-	635,758	-	626,527	1,262,285
Due from Other Funds	-	4,923,941	-	965,463	5,889,404
Total Assets	69,246	6,139,886	460,628	1,833,123	8,502,883
LIABILITIES					
Current Liabilities:					
Accounts Payable	-	1,605,177	-	95,609	1,700,786
Due to Other Funds	-	3,589,846	-	-	3,589,846
Accrued Expenses	-	457,112	-	1,134,000	1,591,112
Total Liabilities	-	5,652,135	-	1,229,609	6,881,744
NET POSITION					
Unrestricted Net Position	\$ 69,246	\$ 487,751	\$ 460,628	\$ 603,514	\$ 1,621,139
Total Net Position	\$ 69,246	\$ 487,751	\$ 460,628	\$ 603,514	\$ 1,621,139

DONNA INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2019

	752	753	754	771	Total
	Print Shop	Insurance	Computer Operations	Workers' Compensation Fund	Internal Service Funds
OPERATING REVENUES:					
Local and Intermediate Sources	\$ -	\$ 17,554,876	\$ 11,124	\$ 1,153,750	\$ 18,719,750
Total Operating Revenues	-	17,554,876	11,124	1,153,750	18,719,750
OPERATING EXPENSES:					
Professional and Contracted Services	3	55,000	-	937,138	992,141
Other Operating Costs	-	22,154,134	-	-	22,154,134
Total Operating Expenses	3	22,209,134	-	937,138	23,146,275
Income (Loss) Before Transfers	(3)	(4,654,258)	11,124	216,612	(4,426,525)
Transfer In	-	4,385,969	-	-	4,385,969
Change in Net Position	(3)	(268,289)	11,124	216,612	(40,556)
Total Net Position - September 1 (Beginning)	69,249	756,040	449,504	386,902	1,661,695
Total Net Position - August 31 (Ending)	\$ 69,246	\$ 487,751	\$ 460,628	\$ 603,514	\$ 1,621,139

DONNA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2019

	752	753	754	771	Total
	Print Shop	Insurance	Computer Operations	Workers' Compensation Fund	Internal Service Funds
<u>Cash Flows from Operating Activities:</u>					
Cash Received from User Charges	\$ -	\$ -	\$ 11,124	\$ -	\$ 11,124
Cash Received from Assessments - Other Funds	-	14,116,932	-	1,479,406	15,596,338
Cash Payments for Insurance Claims	-	(19,005,186)	-	(1,420,504)	(20,425,690)
Cash Payments for Suppliers	(3)	115,133	-	-	115,130
Net Cash Provided by (Used for) Operating Activities	(3)	(4,773,121)	11,124	58,902	(4,703,098)
<u>Cash Flows from Non-Capital Financing Activities:</u>					
Operating Transfer In/(Out)	-	4,385,969	-	-	4,385,969
<u>Cash Flows from Investing Activities:</u>					
Interest and Dividends on Investments	-	14,139	-	21,457	35,596
Net Increase (Decrease) in Cash and Cash Equivalents	(3)	(373,013)	11,124	80,359	(281,533)
Cash and Cash Equivalents at Beginning of Year	69,249	953,200	449,504	160,774	1,632,727
Cash and Cash Equivalents at End of Year	<u>\$ 69,246</u>	<u>\$ 580,187</u>	<u>\$ 460,628</u>	<u>\$ 241,133</u>	<u>\$ 1,351,194</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>					
<u>Provided by (Used for) Operating Activities:</u>					
Operating Income (Loss):	\$ (3)	\$ (4,654,258)	\$ 11,124	\$ 216,612	\$ (4,426,525)
Effect of Increases and Decreases in Current Assets and Liabilities:					
Decrease (increase) in Receivables	-	(3,791,082)	-	(124,344)	(3,915,426)
Increase (decrease) in Accounts Payable	-	170,133	-	(11,909)	158,224
Increase (decrease) in Payables	-	3,502,086	-	(21,457)	3,480,629
Net Cash Provided by (Used for) Operating Activities	<u>\$ (3)</u>	<u>\$ (4,773,121)</u>	<u>\$ 11,124</u>	<u>\$ 58,902</u>	<u>\$ (4,703,098)</u>

DONNA INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2019

	BALANCE SEPTEMBER 1 2018	ADDITIONS	DEDUCTIONS	BALANCE AUGUST 31 2019
AGENCY FUND FOR TEXTBOOK WAIVER REFUNDS				
Assets:				
Cash and Temporary Investments	\$ 2,186	\$ 67	\$ -	\$ 2,253
Liabilities:				
Due to Other Governments	\$ 2,186	\$ 67	\$ -	\$ 2,253
STUDENT ACTIVITY ACCOUNT				
Assets:				
Cash and Temporary Investments	\$ 522,193	\$ 1,219,821	\$ 1,262,091	\$ 479,923
Due From Other Governments	87	-	-	87
Total Assets	\$ 522,280	\$ 1,219,821	\$ 1,262,091	\$ 480,010
Liabilities:				
Accounts Payable	\$ 24,664	\$ 1,167,250	\$ 1,173,691	\$ 18,223
Due to Student Groups	497,616	1,162,500	1,198,329	461,787
Total Liabilities	\$ 522,280	\$ 2,329,750	\$ 2,372,020	\$ 480,010
CAMPUS CHECKING ACCOUNT				
Assets:				
Cash and Temporary Investments	\$ 11,917	\$ 71,390	\$ 69,675	\$ 13,632
Other Receivables	1,315	-	-	1,315
Total Assets	\$ 13,232	\$ 71,390	\$ 69,675	\$ 14,947
Liabilities:				
Accounts Payable	\$ 95	\$ 54,346	\$ 53,290	\$ 1,151
Due to Student Groups	13,137	57,303	56,644	13,796
Total Liabilities	\$ 13,232	\$ 111,649	\$ 109,934	\$ 14,947
LIBRARY FUND				
Assets:				
Cash and Temporary Investments	\$ 21,548	\$ 75,137	\$ 78,954	\$ 17,731
Liabilities:				
Accounts Payable	\$ 94	\$ 56,257	\$ 56,351	\$ -
Due to Student Groups	21,454	52,711	56,434	17,731
Total Liabilities	\$ 21,548	\$ 108,968	\$ 112,785	\$ 17,731
CAMPUS STAFF ACCOUNT				
Assets:				
Cash and Temporary Investments	\$ 36,960	\$ 44,625	\$ 45,891	\$ 35,694
Liabilities:				
Accounts Payable	\$ -	\$ 15,712	\$ 15,270	\$ 442
Due to Student Groups	36,960	14,567	16,275	35,252
Total Liabilities	\$ 36,960	\$ 30,279	\$ 31,545	\$ 35,694
TOTAL AGENCY FUNDS				
Assets:				
Cash and Temporary Investments	\$ 594,804	\$ 1,411,041	\$ 1,456,611	\$ 549,234
Due From Other Governments	87	-	-	87
Other Receivables	1,315	-	-	1,315

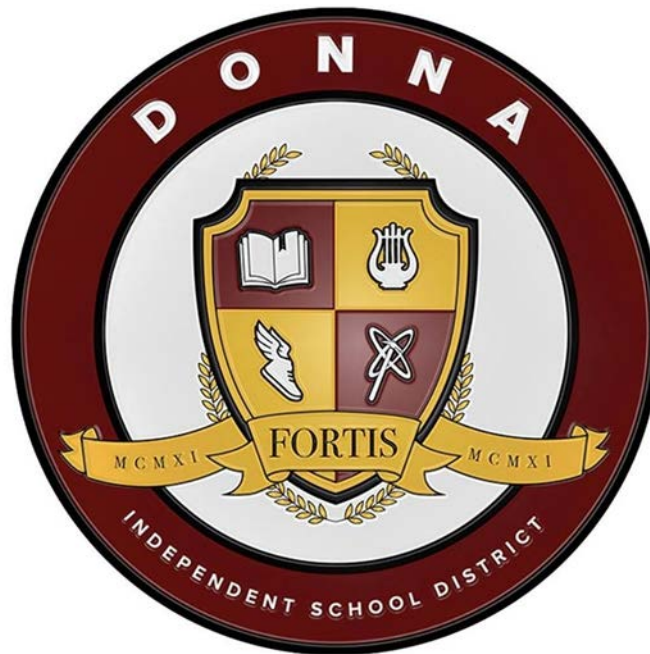
DONNA INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2019

	BALANCE SEPTEMBER 1 2018	ADDITIONS	DEDUCTIONS	BALANCE AUGUST 31 2019
Total Assets	\$ 596,206	\$ 1,411,041	\$ 1,456,611	\$ 550,636
Liabilities:				
Accounts Payable	\$ 24,853	\$ 1,293,565	\$ 1,298,602	\$ 19,816
Due to Other Governments	2,186	67	-	2,253
Due to Student Groups	569,167	1,287,082	1,327,682	528,567
Total Liabilities	\$ 596,206	\$ 2,580,714	\$ 2,626,284	\$ 550,636

DONNA INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
PRIVATE PURPOSE TRUST FUNDS
AUGUST 31, 2019

	801 Fine Arts Scholarship Fund	802 REACH Scholarship Fund	804 Superintendent Scholarship Fund	806 Scholarship Fund
<hr/>				
ASSETS				
Cash and Cash Equivalents	\$ 128	\$ 6,710	\$ 38,223	\$ 3,873
Total Assets	<u>128</u>	<u>6,710</u>	<u>38,223</u>	<u>3,873</u>
LIABILITIES				
Due to Student Groups	<u>128</u>	<u>6,710</u>	<u>38,223</u>	<u>3,873</u>
Total Liabilities	<u>128</u>	<u>6,710</u>	<u>38,223</u>	<u>3,873</u>

807 Admin Scholarship Fund	808 School Board Scholarship Fund	809 Chisholm Trail Festival Scholarship	Total Private Purpose Trust Funds
\$ 53,646	\$ -	\$ 1,500	\$ 104,080
53,646	-	1,500	104,080
53,646	-	1,500	104,080
53,646	-	1,500	104,080



"THE DISTRICT"

TEXAS EDUCATION AGENCY REQUIRED SCHEDULES

DONNA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FISCAL YEAR ENDED AUGUST 31, 2019

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2010 and prior years	Various	Various	\$ Various
2011	1.170000	0.007900	967,480,434
2012	1.170000	0.088200	1,010,956,895
2013	1.170000	0.088200	1,021,676,581
2014	1.170000	0.088200	1,038,735,273
2015	1.170000	0.088200	1,157,884,013
2016	1.170000	0.088200	1,148,531,241
2017	1.170000	0.088200	1,236,680,522
2018	1.170000	0.088200	1,429,157,741
2019 (School year under audit)	1.170000	0.088200	1,457,278,404
1000 TOTALS			

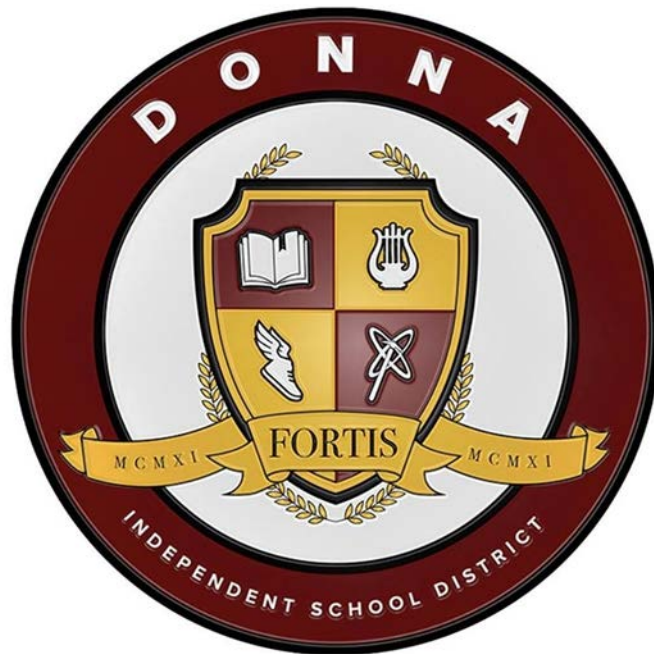
(10) Beginning Balance 9/1/2018	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2019
\$ 1,209,016	\$ -	\$ 99,859	\$ 11,033	\$ (47,739)	\$ 1,050,385
149,264	-	14,835	1,118	(4,899)	128,412
154,158	-	17,296	1,304	(3,897)	131,661
177,054	-	34,851	2,627	(3,622)	135,954
194,160	-	52,860	3,985	3,840	141,155
261,406	-	83,740	6,313	2,024	173,377
368,005	-	130,012	9,801	8,724	236,916
615,514	-	216,216	16,299	(12,957)	370,042
1,250,516	-	532,150	40,116	(39,765)	638,485
-	17,946,700	15,473,314	1,166,449	(44,944)	1,261,993
<u>\$ 4,379,093</u>	<u>\$ 17,946,700</u>	<u>\$ 16,655,133</u>	<u>\$ 1,259,045</u>	<u>\$ (143,235)</u>	<u>\$ 4,268,380</u>

DONNA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 278,192	\$ 278,192	\$ 221,081	\$ (57,111)
5800 State Program Revenues	61,000	61,000	54,353	(6,647)
5900 Federal Program Revenues	11,877,554	11,877,554	12,656,955	779,401
5020 Total Revenues	12,216,746	12,216,746	12,932,389	715,643
EXPENDITURES:				
Current:				
0035 Food Services	12,216,746	13,336,988	11,899,670	1,437,318
6030 Total Expenditures	12,216,746	13,336,988	11,899,670	1,437,318
1200 Net Change in Fund Balances	-	(1,120,242)	1,032,719	2,152,961
0100 Fund Balance - September 1 (Beginning)	4,640,897	4,640,897	4,640,897	-
3000 Fund Balance - August 31 (Ending)	\$ 4,640,897	\$ 3,520,655	\$ 5,673,616	\$ 2,152,961

DONNA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2019

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 1,323,088	\$ 1,418,088	\$ 1,420,951	\$ 2,863
5800 State Program Revenues	4,303,134	4,365,134	4,094,593	(270,541)
5020 Total Revenues	5,626,222	5,783,222	5,515,544	(267,678)
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Debt	6,567,450	3,645,000	3,644,999	1
0072 Interest on Long-Term Debt	-	2,897,450	2,897,450	-
0073 Bond Issuance Cost and Fees	-	28,500	24,250	4,250
6030 Total Expenditures	6,567,450	6,570,950	6,566,699	4,251
1200 Net Change in Fund Balances	(941,228)	(787,728)	(1,051,155)	(263,427)
0100 Fund Balance - September 1 (Beginning)	5,809,615	5,809,615	5,809,615	-
3000 Fund Balance - August 31 (Ending)	\$ 4,868,387	\$ 5,021,887	\$ 4,758,460	\$ (263,427)



“THE DISTRICT”

STATISTICAL SECTION

STATISTICAL SECTION OVERVIEW

(Unaudited)

The Statistical Section of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

CONTENTS

PAGE

Financial Trends Information

These schedules contain information to help the reader understand how the District's financial performance has changed over time.

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Revenue and Expenditure Capacity

This section contains schedules that provide information about the District's most significant major own-source revenue, which is property taxes, and the factors that impact the District's ability to generate such revenue.

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Debt Capacity Information

These schedules contain information to help the reader assess the affordability of the District's current levels of outstanding debt, the District's ability to repay the debt, and the District's ability to issue additional debt in the future.

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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

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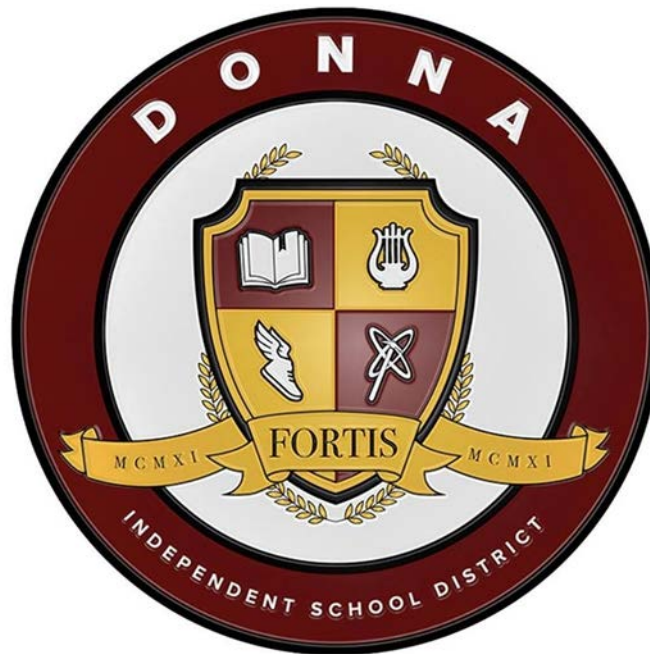
Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial reports relates to the services the District provides and activities it performs.

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SOURCES

Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year. The District implemented GASB Statement No. 34 in 2002; schedules presenting government-wide information include information beginning in that year.



"THE DISTRICT"

FINANCIAL TRENDS INFORMATION

SCHEDULE 1
DONNA INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT

LAST TEN YEARS

(Unaudited)

Governmental Activities				
Fiscal Year	Net Investment in Capital Assets	Restricted	Unrestricted	Total Net Position
2010	\$ 68,706,785	\$ 2,236,837	\$ 38,242,954	\$ 109,186,576
2011	30,391,064	58,937,880	45,796,966	135,125,910
2012	74,864,776	38,562,529	40,866,491	154,293,796
2013	106,407,127	989,488	56,514,620	163,911,235
2014	118,040,932	3,251,004	48,285,898	169,577,834
2015	133,659,906	2,921,505	17,721,993	154,303,404
2016	127,444,937	10,252,062	27,453,797	165,150,796
2017	94,224,776	13,496,375	20,560,236	128,281,387
2018	92,021,898	14,007,345	(60,846,859)	45,182,384
2019	99,637,301	13,561,266	(63,677,930)	49,520,637

Source: The District's Statement of Net Position (Exhibit A-1)

SCHEDULE 2
DONNA INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL ACTIVITIES EXPENSES & PROGRAM REVENUES

LAST TEN YEARS

(Unaudited)

	Fiscal Year			
	2010	2011	2012	2013
Expenses				
Governmental Activities:				
Instruction	\$ 86,639,759	\$ 86,326,231	\$ 77,300,681	\$ 81,972,747
Instructional Resources & Media Services	2,411,943	2,220,169	2,029,449	2,341,117
Curriculum & Staff Development	2,660,923	2,874,356	2,413,753	2,411,339
Instructional Leadership	2,791,505	2,956,089	2,954,997	2,720,745
School Leadership	5,911,981	5,825,824	5,831,746	6,915,932
Guidance, Counseling & Evaluation Services	5,461,383	5,494,943	5,195,801	5,562,415
Social Work Services	779,665	681,714	824,204	922,422
Health Services	1,632,190	2,025,251	1,877,525	2,059,341
Student (Pupil) Transportation	3,498,225	3,713,419	3,831,318	4,408,911
Food Services	9,137,831	9,064,614	9,567,517	10,804,179
Cocurricular/Extracurricular Activities	3,109,095	3,063,751	2,989,869	5,307,959
General Administration	3,651,431	3,613,924	5,723,605	7,562,423
Facilities Maintenance & Operations	14,238,763	13,343,828	13,312,712	13,612,836
Security & Monitoring Services	1,962,748	1,820,604	1,738,595	2,046,844
Data Processing Services	1,274,017	1,236,943	1,439,788	1,605,700
Community Service & ESC (62)	1,133,760	1,057,036	1,063,861	1,153,400
Debt Service - Interest on Long Term Debt	3,304,577	6,225,016	5,401,040	4,540,986
Debt Service - Bond Issuance Cost and Fees	-	-	-	-
Facilities Acquisition and Construction	-	-	-	-
Payments to Juvenile Justice Alternative Ed. Prg.	8,927	113,760	4,661	46,215
Other Inergovernmental Charges				
Total Governmental Activities	149,608,723	151,657,472	143,501,122	155,995,511
Program Revenues				
Charges for Services				
Instruction	7,375	5,375	140,631	101,082
Instructional Resources and Media Services	-	-	-	-
Curriculum and Instructional Staff Development	-	-	-	-
Instructional Leadership	-	-	-	-
School Leadership	-	-	-	-
Guidance, Counseling and Evaluation Services	-	-	-	-
Social Work Services	-	-	-	-
Health Services	47,590	-	-	-
Student (Pupil) Transportation	-	91,265	-	-
Food Services	330,939	341,893	320,851	277,714
Extracurricular Activities	96,467	78,787	130,930	162,165
General Administration	216,284	219,238	46,077	29,646
Facilities Maintenance and Operations	152,172	-	-	-
Security and Monitoring Services	-	-	-	-
Data Processing Services	-	-	-	-
Community Services & ESC (62)	30,284	-	-	-
Debt Service - Interest on Long Term Debt	-	-	-	-
Operating Grants and Contributions	45,690,295	56,434,151	41,122,929	37,169,647
Total Governmental Activities				
Program Revenues	46,571,406	57,170,709	41,761,418	37,740,254
Net Governmental Activities				
Revenue/(Expense)	\$ (103,037,317)	\$ (94,486,763)	\$ (101,739,704)	\$ (118,255,257)

Source: The District's Statement of Activities (Exhibit B-1)

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 87,387,522	\$ 96,168,387	\$ 106,880,247	\$ 100,279,869	\$ 66,199,817	\$ 97,962,868
2,449,631	2,724,239	2,572,520	2,692,165	1,687,837	2,589,036
2,646,150	3,074,859	2,998,637	3,366,957	3,531,680	5,684,353
2,431,218	2,828,873	3,001,216	3,206,101	1,887,763	2,428,533
6,720,242	7,596,144	7,744,313	7,775,839	5,069,773	7,448,193
6,133,190	6,188,167	6,617,835	6,389,294	4,050,082	6,001,786
1,113,654	1,334,917	1,228,680	1,100,464	781,300	1,091,058
2,046,147	2,062,011	2,517,433	2,539,540	1,494,297	2,149,972
4,379,595	4,817,662	6,074,153	6,306,057	4,946,089	6,581,455
10,600,019	11,911,922	12,596,022	12,503,742	11,714,865	12,354,328
5,709,568	6,571,489	6,198,459	6,841,449	4,910,982	6,529,281
4,532,916	5,628,202	6,639,663	6,116,071	5,353,024	8,953,937
14,612,182	15,975,999	16,446,936	15,666,704	12,695,346	14,511,446
2,411,637	2,670,271	3,144,522	3,096,049	1,928,873	2,734,462
1,470,093	1,608,877	2,620,196	3,172,912	2,300,398	2,991,670
1,169,832	1,382,778	1,459,340	1,430,301	738,531	1,159,546
3,854,612	3,694,105	2,670,917	1,561,959	3,323,079	2,844,653
8,463	227,032	207,993	186,248	4,250	28,001
1,606	-	-	-	-	1,342,557
7,224	26,746	15,737	9,976	12,040	113,760
				246,823	258,191
159,685,501	176,492,680	191,634,819	184,241,697	132,876,849	185,759,086
66,834	99,003	361,272	7,750	71,270	209,522
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
282,128	270,549	225,027	241,464	237,415	208,308
118,853	147,426	185,405	155,183	156,292	125,118
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
36,092,850	40,434,599	48,446,740	41,273,927	17,959,396	31,901,409
36,560,665	40,951,577	49,218,444	41,678,324	18,424,373	32,444,357
\$ (123,124,836)	\$ (135,541,103)	\$ (142,416,375)	\$ (142,563,373)	\$ (114,452,476)	\$ (153,314,729)

SCHEDULE 3
DONNA INDEPENDENT SCHOOL DISTRICT
GENERAL REVENUES AND CHANGES IN NET POSITION

LAST TEN YEARS

(Unaudited)

	Fiscal Year			
	2010	2011	2012	2013
Net Governmental Activities				
Revenue /(Expense)	\$ (103,037,317)	\$ (94,486,763)	\$ (101,739,704)	\$ (118,255,257)
General Revenues and Changes in Net Position:				
Property Taxes - M&O	10,585,331	11,173,904	11,496,760	11,618,705
Property Taxes - Debt Service	65,498	726,431	770,508	799,521
State Aid	104,141,565	106,933,453	98,575,441	103,612,874
Grants & Contributions not Restricted	11,184,701	497,758	9,003,877	9,782,208
Investment Earnings	56,504	383,187	112,235	83,837
Special Item -Misc. Revenue	-	-	-	-
Special - Premium new bond	142,157	1,930	-	-
Special Item - (use)	-	-	-	2,498
Transfer In (Out)	-	-	-	-
Miscellaneous Local and Intermediate Revenue	960,187	709,434	948,769	1,045,009
Total General Revenues	127,135,943	120,426,097	120,907,590	126,944,652
Change in Net Position	\$ 24,098,626	\$ 25,939,334	\$ 19,167,886	\$ 8,689,395

Source: The District's Statement of Activities (Exhibit B-1)

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ (123,124,836)	\$ (135,541,103)	\$ (142,416,375)	\$ (142,563,373)	\$ (114,452,476)	\$ (153,314,729)
11,474,974	13,073,525	13,138,458	14,060,899	16,464,842	16,289,707
874,962	987,689	989,969	1,069,810	1,185,463	1,227,978
110,937,658	122,028,788	121,682,893	121,757,504	122,162,181	116,481,466
3,971,165	3,969,831	8,238,432	9,433,632	564,370	19,839,870
60,972	44,280	194,183	356,753	755,633	1,097,156
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	708,523	-	-	-	-
1,471,704	1,373,592	874,304	205,855	1,242,309	2,726,804
128,791,435	142,186,228	145,118,239	146,884,453	142,374,798	157,662,981
\$ 5,666,599	\$ 6,645,125	\$ 2,701,864	\$ 4,321,080	\$ 27,922,322	\$ 4,348,252

SCHEDULE 4
DONNA INDEPENDENT SCHOOL DISTRICT
FUND BALANCES
GOVERNMENTAL FUNDS

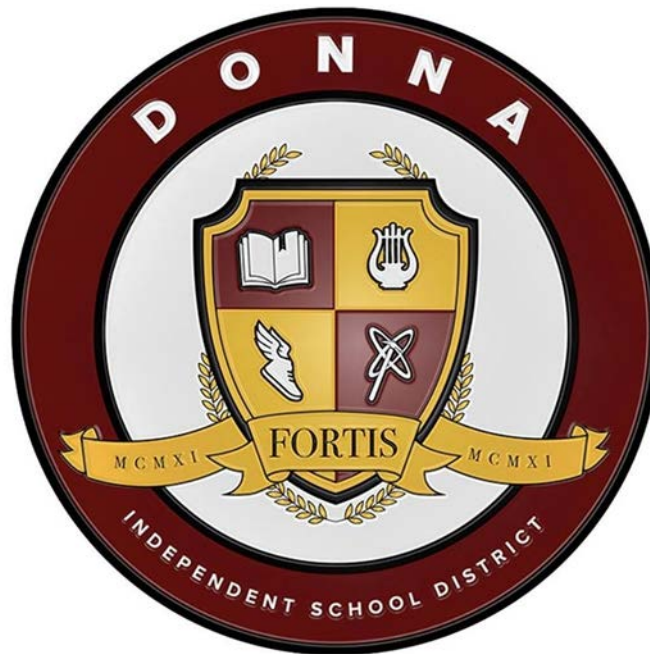
LAST TEN YEARS

(Unaudited)

	Fiscal Year			
	2010	2011	2012	2013
General Fund				
PRE GASB 54				
<i>Reserved Fund Balances:</i>				
Investments in Inventory	\$ 689,410	\$ -	\$ -	\$ -
<i>Unreserved Designated For:</i>				
Claims and Judgments	-	-	-	-
<i>Unreserved and Undesignated:</i>				
Reported in the General Fund	24,664,646	-	-	-
POST GASB 54				
<i>Nonspendable:</i>				
Investments in Inventory	-	514,417	483,272	545,389
<i>Restricted:</i>				
Restricted - Federal or State Funds Grant Restriction	-	-	-	-
<i>Assigned:</i>				
Assigned for Construction	-	10,000,000	19,500,000	2,500,000
<i>Unassigned:</i>				
Reported in the General Fund	-	32,697,987	29,000,803	44,440,834
Reported in the Other Funds	-	-	-	-
Total General Fund Balance	25,354,056	43,212,404	48,984,075	47,486,223
All Other Governmental Funds				
PRE GASB 54				
<i>Reserved, Reported In:</i>				
Special Revenues				
Retirement of Long-Term Debt	869,162	-	-	-
Other Purposes	456,094	-	-	-
Debt Service				
Retirement of Long Term Debt	-	-	-	-
Capital Projects				
Other Purposes	-	-	-	-
<i>Unreserved and Undesignated:</i>				
Reported in the General Fund	-	-	-	-
Reported in the Capital Projects funds	-	-	-	-
Reported in Special Revenue funds	222,171	-	-	-
POST GASB 54				
Special Revenues				
<i>Unassigned:</i>				
Federal or State Funds Grant Restriction	-	274,461	244,696	239,044
Debt Service				
<i>Restricted:</i>				
Retirement of Long-Term Debt	-	660,980	683,308	1,133,673
Other Funds				
<i>Restricted:</i>				
Restricted - Federal or State Funds Grant Restriction	-	-	-	-
Capital Projects				
<i>Restricted:</i>				
Other Purposes	-	456,094	-	-
<i>Assigned:</i>				
Other Assigned Fund Balance	-	47,031,928	17,651,253	-
Total All Other Governmental Fund Balance	1,547,427	48,423,463	18,579,257	1,372,717
Total Government Funds -- Fund Balance	\$ 26,901,483	\$ 91,635,867	\$ 67,563,332	\$ 48,858,940
Governmental Funds				
Beginning Fund Balance	\$ 9,927,837	\$ 26,901,483	\$ 91,635,867	\$ 67,563,332
Net Change in Fund Balance	16,973,646	64,734,384	(24,072,535)	(18,704,392)
Ending Balance	\$ 26,901,483	\$ 91,635,867	\$ 67,563,332	\$ 48,858,940

Source: The District's Governmental Funds Balance Sheets (Exhibit C-1) and Combined Statements of Revenues, Expenditures and changes in Fund Balances (Exhibit C-3 for fiscal years 2005-2013 & 2015-2019) (Exhibit C-2 for fiscal year 2014) .

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
493,935	505,295	516,655	523,010	495,277	604,642
1,873,005	1,415,420	1,450,645	5,985,581	4,570,337	4,523,569
2,500,000	-	-	-	-	588,414
40,604,942	41,962,571	48,482,280	45,799,463	44,055,423	50,033,005
-	-	-	-	-	-
45,471,882	43,883,286	50,449,580	52,308,054	49,121,037	55,749,630
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(23,831)	-	-	-	-	-
-	-	-	-	-	-
1,018,643	1,013,273	8,371,761	6,899,299	5,809,616	4,758,460
359,356	359,356	429,656	477,638	49,126	49,126
-	-	-	-	4,230,111	4,230,111
-	-	-	-	(301)	1,932,761
1,354,168	1,372,629	8,801,417	7,376,937	10,088,552	10,970,458
\$ 46,826,050	\$ 45,255,915	\$ 59,250,997	\$ 59,684,991	\$ 59,209,589	\$ 66,720,088
\$ 48,858,940	\$ 46,826,050	\$ 45,255,915	\$ 59,250,996	\$ 59,684,990	\$ 59,209,589
(2,032,890)	(1,570,135)	13,995,384	433,995	(475,401)	7,510,499
\$ 46,826,050	\$ 45,255,915	\$ 59,251,299	\$ 59,684,991	\$ 59,209,589	\$ 66,720,088



“THE DISTRICT”

REVENUE AND EXPENDITURE CAPACITY

SCHEDULE 5
DONNA INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUND REVENUES BY SOURCE

LAST TEN YEARS

(Unaudited)

Fiscal Year	Local and Intermediate Sources			State Programs			Federal Programs	Total
	Property Tax	Tuition	Other	Per Capita and Foundation	On-behalf TRS Payments	Other		
2010	\$ 11,219,664	\$ 7,375	\$ 2,094,438	\$ 97,051,412	\$ 5,787,869	\$ 15,405,161	\$ 42,672,836	\$ 174,238,755
2011	11,480,135	5,375	1,989,906	95,176,438	5,816,758	18,694,832	44,177,334	177,340,778
2012	12,452,116	2,400	1,741,876	98,575,441	5,628,921	10,528,579	33,932,604	162,861,937
2013	12,824,144	12,145	1,705,761	103,612,874	5,850,791	10,777,220	30,305,391	165,088,326
2014	12,880,563	13,075	1,947,540	110,937,658	6,560,608	3,803,029	29,739,477	165,881,950
2015	14,714,949	7,875	1,773,229	114,156,918	11,552,833	9,968,225	30,755,241	182,929,271
2016	13,256,209	8,450	2,869,110	119,125,645	12,526,382	13,641,489	29,616,401	191,043,686
2017	14,023,916	7,750	2,936,865	121,757,504	6,592,616	7,064,934	35,192,162	187,575,747
2018	15,192,210	-	4,808,578	122,233,721	7,407,823	6,504,037	33,875,170	190,021,539
2019	15,473,314	-	5,039,299	116,543,196	6,628,427	5,055,929	34,958,206	183,698,371

Source: The District's Governmental Funds Statements of Revenues, Expenditures, and Changes in Fund Balances (Exhibit C-3 for fiscal years 2005-2013 & 2015-2019)(Exhibit C-2 for fiscal year 2014); and Notes (12) to Financial Statements.

SCHEDULE 6
DONNA INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUND EXPENDITURES BY FUNCTION

LAST TEN YEARS

(Unaudited)

Fiscal Year	Instruction and Instructional - Related Services	Instructional and School Leadership	Support Services - Student (Pupil)	Administrative Support Services	Support Services - Nonstudent Based	Auxiliary Services
2010	\$ 90,285,205	\$ 8,605,179	\$ 24,000,770	\$ 4,782,368	\$ 19,025,831	\$ 1,126,855
2011	90,021,057	8,696,197	23,976,810	3,988,533	16,055,942	1,051,149
2012	79,886,795	8,791,688	24,718,765	4,288,074	16,124,951	1,057,368
2013	84,282,314	9,571,780	29,371,087	4,326,972	16,778,409	1,146,446
2014	90,593,266	8,786,027	31,164,768	4,344,061	18,369,195	1,140,617
2015	97,496,719	9,838,439	26,829,720	5,322,424	24,113,156	2,859,253
2016	100,910,637	10,258,852	27,941,413	6,349,092	24,872,507	3,930,697
2017	97,654,075	10,522,008	26,658,716	5,920,504	24,852,552	3,897,173
2018	99,535,592	10,145,664	26,701,529	4,660,012	25,859,487	3,276,212
2019	96,168,603	9,278,645	26,055,240	4,191,500	22,430,956	2,773,403

Source: The District's Annual Financial Report - Governmental Funds Statements of Revenues, Fund Expenditures, and Changes in Balances (Exhibit C-3 for fiscal years 2005-2013 & 2015-2019) (Exhibit C-2 for fiscal year 2014).

Note: Operating expenditures excludes capital outlay (Function 81)

Debt Service Principal	Debt Service Interest	Capital Outlay	Inter- Governmental Charges	Total Governmental Fund Expenditures	Ratio of Debt Service to Operating Expenditures
\$ 4,797,355	\$ 3,982,756	\$ 1,666,800	\$ 8,927	\$ 158,282,046	5.94%
6,523,490	4,900,822	9,689,184	113,760	165,016,944	7.95%
6,708,083	4,479,312	40,905,577	4,661	186,965,274	8.30%
6,978,782	3,824,867	29,652,967	46,215	185,979,839	7.43%
6,282,311	3,927,391	5,237,617	7,224	169,852,477	6.61%
7,964,400	3,629,283	3,499,258	26,746	181,579,398	6.96%
7,055,475	3,270,099	6,804,193	15,738	191,408,703	5.93%
7,554,195	3,171,232	2,682,997	9,976	182,923,428	6.33%
7,069,782	3,250,369	938,023	258,863	181,695,533	6.06%
5,306,563	3,082,050	2,866,938	371,951	172,525,849	5.21%

SCHEDULE 7
DONNA INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS OTHER SOURCES, USES
AND CHANGES IN FUND BALANCES

LAST TEN YEARS

(Unaudited)

	Fiscal Year			
	2010	2011	2012	2013
Excess of Revenues Over (Under) Expenditures	\$ 15,956,709	\$ 12,323,834	\$ (24,103,337)	\$ (20,891,513)
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Capital-Related Debt Issued	-	59,945,000	8,630,000	7,150,000
Capital Leases	622,078	-	-	773,493
Prepaid Interest	-	-	-	-
Sale of Real and Personal Property	-	-	-	-
Non-Current Loans	-	-	-	1,391,191
Transfers In	40,000	-	1,850,000	6,812,185
Insurance Recovery	142,157	1,930	-	-
Premium or Discount on Issuance of Bonds	-	1,192,957	904,685	542,817
Other Resources	-	-	-	-
Transfers Out	(40,000)	-	(1,850,000)	(6,812,185)
Non Operating Expenses	-	-	-	-
Other Uses	-	(8,565,118)	(9,392,852)	(7,512,617)
Total Other Financing Sources (Uses)	764,235	52,574,769	141,833	2,344,884
Special Items	-	-	-	-
Net Change in Fund Balances	\$ 16,720,944	\$ 64,898,603	\$ (23,961,504)	\$ (18,546,629)

Source: The District's Governmental Funds Balance Sheets and Combined Statements of Revenues, Expenditures and Changes in Fund Balances (Exhibit C-3 for fiscal years 2005-2013 & 2015-2019) (Exhibit C-2 for fiscal year 2014).

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ (3,970,527)	\$ 1,409,873	\$ (365,017)	\$ 4,652,319	\$ 8,326,010	\$ 11,172,522
-	-	-	7,595,000	-	-
-	12,390,000	-	-	-	-
2,937,637	2,635,015	-	-	104,434	711,874
-	-	-	-	-	-
-	16,003	-	13,036	-	12,072
-	-	8,066,551	-	-	-
7,348,514	3,800,000	500,000	-	5,309,994	4,800,000
-	-	-	-	-	-
-	949,336	-	795,374	-	-
-	-	-	-	-	-
(8,348,514)	(9,635,000)	(2,351,980)	(3,703,731)	(9,651,241)	(9,185,969)
-	-	-	-	-	-
-	(13,135,376)	-	(8,213,137)	-	-
1,937,637	(2,980,022)	6,214,571	(3,513,458)	(4,236,813)	(3,662,023)
-	14	-	-	-	-
\$ (2,032,890)	\$ (1,570,135)	\$ 5,849,554	\$ 1,138,861	\$ 4,089,197	\$ 7,510,499

SCHEDULE 8
DONNA INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUND EXPENDITURES BY FUNCTION
PER AVERAGE DAILY ATTENDANCE

LAST TEN YEARS

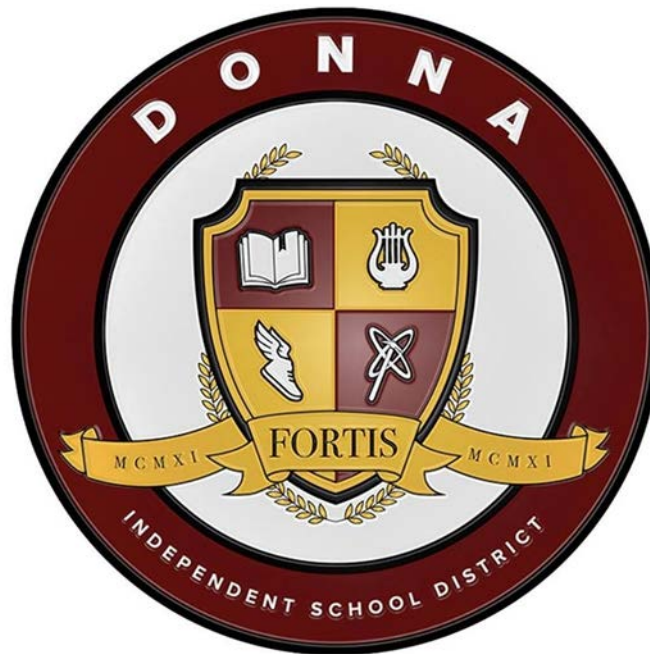
(Unaudited)

Fiscal Year	Average Daily Attendance *	Instruction and Instructional Related Services	Instructional and School Leadership	Support Services Student (Pupil)	Administrative Support Services	Support Services Nonstudent Based
2010	14,175	\$ 6,369	\$ 607	\$ 1,693	\$ 337	\$ 1,342
2011	14,306	6,293	608	1,676	279	1,122
2012	13,785	5,795	638	1,793	311	1,170
2013	13,941	6,046	687	2,107	310	1,204
2014	14,203	6,378	619	2,194	306	1,293
2015	14,182	6,875	694	1,892	375	1,700
2016	14,220	7,096	721	1,965	446	1,749
2017	14,154	6,899	743	1,883	418	1,756
2018	13,643	7,296	744	1,957	342	1,895
2019	13,606	7,068	682	1,915	308	1,649

Source: Average Daily Attendance provided by the District's PEIMS and A.E.I.S. reports. Function expenditures are from the Governmental Funds Statements of Revenues, Expenditures, and Changes in Fund Balances (Exhibit C-3 for fiscal years 2005-2013 & 2015-2019) (Exhibit C-2 for fiscal year 2014-2015).

Note: * Average Daily Attendance - the average daily attendance of eligible enrollees, district-wide, over the official number of instructional days.

Ancillary Services	Debt Service Principal	Debt Service Interest and Other	Capital Outlay	Inter- Governmental Charges	Total
\$ 79	\$ 338	\$ 281	\$ 118	\$ 1	\$ 11,166
73	456	343	677	8	11,535
77	487	325	2,967	-	13,563
82	501	274	2,127	3	13,340
80	442	277	369	1	11,959
202	562	256	247	2	12,804
276	496	230	478	1	13,461
275	534	224	190	1	12,924
240	518	238	69	19	13,318
204	390	227	211	27	12,680



“THE DISTRICT”

DEBT CAPACITY INFORMATION

SCHEDULE 9
DONNA INDEPENDENT SCHOOL DISTRICT
ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY

LAST TEN YEARS

(Unaudited)

Fiscal Year	Assessed Taxable Value			Estimated Actual Market Value	Ratio of Total Assessed To Total Estimated Actual Value	*Total Direct Tax Rate
	Real Property	Personal Property	Total			
2010	\$ 1,037,839,373	\$ 93,463,676	\$ 1,131,303,049	\$ 1,551,657,766	72.91%	\$ 1.177900
2011	1,202,480,951	89,993,799	1,292,474,750	1,541,491,832	83.85%	1.258200
2012	1,262,532,049	88,453,799	1,350,985,848	1,617,194,609	83.54%	1.258200
2013	1,277,941,251	88,541,924	1,366,483,175	1,629,388,176	83.86%	1.258200
2014	1,303,693,450	90,062,105	1,393,755,555	1,650,616,629	84.44%	1.258200
2015	1,433,897,740	95,948,529	1,529,846,269	1,815,558,170	84.26%	1.258200
2016	1,513,838,292	89,746,558	1,603,584,850	1,883,969,328	85.12%	1.258200
2017	1,575,877,688	130,224,878	1,706,102,566	1,976,485,528	86.32%	1.258200
2018	1,744,648,335	170,674,662	1,915,322,997	2,207,727,301	86.76%	1.258200
2019	1,810,086,320	151,740,197	1,961,826,517	2,240,503,960	87.56%	1.258200

Source: Hidalgo County Appraisal District

* Per \$100 of assessed value

SCHEDULE 10
DONNA INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN YEARS

(Unaudited)

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2010	\$ 11,202,344	\$ 9,765,659	87.18%	\$ 1,558,733	\$ 11,324,392	101.09%	\$ 5,946,949	53.09%
2011	11,758,170	10,362,750	88.13%	1,283,486	11,646,236	99.05%	5,951,578	50.62%
2012	12,337,441	11,055,434	89.61%	1,404,764	12,460,198	100.99%	5,718,284	46.35%
2013	12,462,349	11,362,097	91.17%	1,462,047	12,824,144	102.90%	5,267,265	42.27%
2014	12,715,480	11,902,563	93.61%	1,597,113	13,499,676	106.17%	4,677,860	36.79%
2015	14,195,490	13,198,549	92.98%	1,516,562	14,715,111	103.66%	4,122,138	29.04%
2016	14,098,249	13,259,351	94.05%	1,004,458	14,263,809	101.17%	4,036,285	28.63%
2017	15,236,606	14,044,276	92.17%	1,061,051	15,105,327	99.14%	4,306,249	28.26%
2018	17,612,741	16,209,002	92.03%	1,225,259	17,434,261	98.99%	4,379,092	24.86%
2019	17,946,700	16,655,133	92.80%	1,259,045	17,914,178	99.82%	4,268,380	23.78%

Source: Donna Independent School District Annual Financial and Compliance Reports (Exhibit J-1)/Hidalgo County Tax Assessor-Collector

Note (1): The tax levy shown above is the adjusted tax levy as of the fiscal year end.

Note (2): Total Tax Collections include only the taxes collected for current and prior year. Penalty charges and interest are not included in Total Tax Collections.

SCHEDULE 11
DONNA INDEPENDENT SCHOOL DISTRICT
ALLOCATION OF PROPERTY TAX RATES AND LEVIES

LAST TEN YEARS

(Unaudited)

Fiscal Year	Tax Rates (Per \$100 of Assessed Value)			Tax Levies		
	General Fund	Debt Service Fund	Total	General Fund	Debt Service Fund	Original Levy Total
2010	\$ 1.170000	\$ 0.007900	\$ 1.177900	\$ 10,918,701	\$ 283,643	\$ 11,202,344
2011	1.170000	0.088200	1.258200	10,904,852	853,318	11,758,170
2012	1.170000	0.088200	1.258200	11,445,777	891,664	12,337,441
2013	1.170000	0.088200	1.258200	11,588,737	873,612	12,462,349
2014	1.170000	0.088200	1.258200	11,824,123	891,357	12,715,480
2015	1.170000	0.088200	1.258200	13,200,386	995,104	14,195,490
2016	1.170000	0.088200	1.258200	13,109,962	1,000,976	14,098,249
2017	1.170000	0.088200	1.258200	14,168,520	1,081,799	15,236,606
2018	1.170000	0.088200	1.258200	16,378,088	1,250,505	17,612,741
2019	1.170000	0.088200	1.258200	16,688,636	1,274,216	17,946,700

Source: Donna Independent School District Annual Financial and Compliance Reports

Note: The basis for the property tax rate is \$100 assessed valuation.

SCHEDULE 12
DONNA INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 ASSESSED VALUATION)

LAST TEN YEARS

(Unaudited)

Fiscal Year	Tax Year	Direct Tax Rate	Overlapping Tax Rates						Total Direct and Overlapping Tax Rate
		Donna Independent School District	South Texas ISD	City of Donna	Donna Water District #1	Hidalgo County	Drainage District #1	South Texas College	
2010	2009	\$ 1.177900	\$ 0.049200	\$ 1.038320	\$ 0.210000	\$ 0.590000	\$ 0.072500	\$ 0.149100	\$ 3.287020
2011	2010	1.258200	0.049200	1.125900	0.210000	0.590000	0.072500	0.149700	3.455500
2012	2011	1.258200	0.049200	1.252300	0.210000	0.590000	0.073300	0.150700	3.583700
2013	2012	1.258200	0.049200	1.252376	0.210000	0.590000	0.075000	0.150700	3.585476
2014	2013	1.258200	0.049200	1.252376	0.210000	0.590000	0.095700	0.150000	3.605476
2015	2014	1.258200	0.049200	0.982828	0.210000	0.590000	0.095100	0.185000	3.370328
2016	2015	1.258200	0.049200	0.923201	0.210000	0.590000	0.095100	0.185000	3.310701
2017	2016	1.258200	0.049200	0.798855	0.210000	0.580000	0.095100	0.185000	3.176355
2018	2017	1.258200	0.049200	0.798855	0.210000	0.580000	0.095100	0.185000	3.176355
2019	2018	1.258200	0.049200	0.798855	0.210000	0.580000	0.095100	0.185000	3.176355

Source: Hidalgo County Tax Assessor-Collector

SCHEDULE 13
DONNA INDEPENDENT SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS PRIOR

(Unaudited)

Taxpayer	Type of Business	Fiscal Year 2019			Fiscal Year 2010		
		Tax Year 2018 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Tax Year 2009 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Wal-Mart Real Estate Business Trust	Retail	\$ 21,916,052	1	0.98%			0.00%
MHC Victoria Palms LLC	RV Park - Hotel	13,746,813	2	0.61%			0.00%
Wal Mart Property Tax Department	Retail	7,318,964	3	0.33%			0.00%
AEP Texas INC	Electricity Utility	5,757,180	4	0.26%			0.00%
W Silver Recycling Inc	Recycling Center	5,465,924	5	0.24%			0.00%
BH Hester Donna LLC	Real Estate Sales	4,106,540	6	0.18%			0.00%
Packaging Corporation of America	Packaging and Containers	3,822,206	7	0.17%			0.00%
Wonderful Citrus Packing LLC	Bererage Industry	3,604,065	8	0.16%			0.00%
Alcan Primary Products LLC	Metals & Mining	3,085,110	9	0.14%			0.00%
Securcare Moveit McAllen LLC	Storage	2,996,765	10	0.13%			0.00%
Victoria Palms I LP	RV Park - Hotel	-		0.00%	9,064,358	1	0.58%
AEP Texas Central CO	Electricity Utility	-		0.00%	3,204,100	2	0.21%
Arbor Cove LTD	Residential	-		0.00%	3,159,033	3	0.20%
Bland Farms, LLC	Produce Industry	-		0.00%	2,851,286	4	0.18%
Interstate Furit and Vegetables CO	Produce Industry	-		0.00%	2,838,951	5	0.18%
SH Hester Donna LLC	Packaging and Containers	-		0.00%	2,468,074	6	0.16%
Victoria Palms II LP	RV Park - Hotel	-		0.00%	2,398,434	7	0.15%
H.E. Butt Grocery Company	Produce Industry	-		0.00%	2,232,566	8	0.14%
Southwestern Bell Tele	Telephone Utility	-		0.00%	2,133,450	9	0.14%
Grande Valley Homes, LLC	Real Estate Sales	-		0.00%	2,071,145	10	0.13%
		<u>\$ 71,819,619</u>		<u>3.21%</u>	<u>\$ 32,421,397</u>		<u>2.09%</u>

Source: Hidalgo County Appraisal District

SCHEDULE 14
DONNA INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE

LAST TEN YEARS

(Unaudited)

<u>Fiscal Year</u>	<u>Bonds Payable</u>	<u>Notes Payable</u>	<u>Capital Lease Payable</u>	<u>Unamortized Bond Premium</u>	<u>Accreted Interest</u>	<u>Total Debt</u>
2010	\$ 62,640,000	\$ 560,000	\$ 5,018,471	\$ -	\$ 1,042,216	\$ 69,260,687
2011	110,080,000	435,000	3,079,981	-	1,087,195	114,682,176
2012	105,225,000	300,000	1,345,802	-	1,134,098	108,004,900
2013	100,215,000	1,079,176	727,529	2,550,111	1,528,040	106,099,856
2014	95,135,000	466,323	3,075,708	2,416,391	1,590,452	102,683,874
2015	89,045,000	-	4,160,563	3,232,007	1,655,275	98,092,845
2016	83,885,000	8,066,551	2,415,762	1,990,728	1,722,558	98,080,599
2017	77,265,000	7,354,761	1,317,507	3,355,121	396,276	89,688,665
2018	71,625,000	6,623,397	727,771	2,974,803	206,667	82,157,638
2019	67,980,000	5,871,920	1,139,095	2,594,485	210,000	77,795,500

Source: Donna Independent School District Annual Financial and Compliance Reports

* Note: See Estimated Actual Property Value and Average Daily Membership amounts in Demographic and Economic Information Schedule in Demographic and Economic Information section of this report.

<u>* Total Debt as % of Personal Income</u>	<u>* Total Debt Per Capita Income</u>	<u>* Ratio of Total Debt to Estimated Actual Property Value</u>	<u>* Total Debt Per Average Daily Membership</u>
0%	\$ 3,196	4.46%	\$ 4,661
1%	5,135	7.44%	7,644
1%	4,767	6.68%	7,247
1%	4,619	6.51%	6,946
1%	4,323	6.22%	6,916
0%	4,009	5.40%	6,390
0%	3,874	5.21%	6,396
0%	3,616	4.54%	5,951
0%	3,312	3.72%	5,544
0%	2,946	3.47%	5,380

SCHEDULE 15
DONNA INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION BONDS

As of August 31, 2019

(Unaudited)

Political Subdivision	Net Debt Amounts		As of	Estimated Percentage Applicable	Estimated Share of Overlapping Debt	Net Taxable Value
Hidalgo County	\$ 350,540,000	A	08/31/19	4.57%	\$ 16,019,678	32,547,686,165
Hidalgo County Drainage District No. 1	193,650,000	A	08/31/19	4.76%	9,217,740	34,732,762,896
City of Donna	52,085,000	A	08/31/19	100.00%	52,085,000	620,957,884
South Texas College	136,110,000	A	08/31/19	4.29%	5,839,119	32,725,531,154
					<u>\$ 83,161,537</u>	
Donna ISD Direct Debt		B	08/31/19	100.00%	<u>\$ 67,980,000</u>	1,961,826,517
Total Direct and Overlapping Debt					<u><u>\$ 151,141,537</u></u>	
A - Municipal Advisory Council of Texas						
B - Long-Term Liabilities Note						

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

SCHEDULE 16
DONNA INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF LEGAL DEBT MARGIN

LAST TEN YEARS

(Unaudited)

	Fiscal Year			
	2010	2011	2012	2013
Assessed Valuation	\$ 1,131,303,049	\$ 1,292,474,750	\$ 1,350,985,848	\$ 1,366,483,175
Debt Limit - 10% of Assessed Valuation	\$ 113,130,305	\$ 129,247,475	\$ 135,098,585	\$ 136,648,318
General Obligation Bonds Deduct Amount Available in Debt Service Fund	62,640,000	110,080,000	105,225,000	100,215,000
	869,162	660,980	683,308	713,237
Applicable Debt	61,770,838	109,419,020	104,541,692	99,501,763
Legal Debt Margin	\$ 51,359,467	\$ 19,828,455	\$ 30,556,892	\$ 37,146,555
Debt Margin as a Percentage of the Debt Limit	45.40%	15.34%	22.62%	27.18%

Source: Donna Independent School District Annual Financial and Compliance Reports: Assessed Valuation (Exhibit J-1); General Obligations Bonds (Notes to Financial Statements); and Debt Service Fund, Amount Available in Debt Service (Exhibit C-1).

Note: Texas statutes do not prescribe a debt limit; however, by custom, a practical economic debt limit of 10% of the assessed valuation is used.

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 1,393,755,555	\$ 1,529,846,269	\$ 1,603,584,850	\$ 1,706,102,566	\$ 1,915,322,997	\$ 1,961,826,517
\$ 139,375,556	\$ 152,984,627	\$ 160,358,485	\$ 170,610,257	\$ 191,532,300	\$ 196,182,652
95,135,000	89,045,000	83,885,000	77,265,000	71,625,000	67,980,000
1,018,643	1,013,273	8,371,761	6,899,299	5,809,616	4,758,460
94,116,357	88,031,727	75,513,239	70,365,701	65,815,384	63,221,540
\$ 45,259,199	\$ 64,952,900	\$ 84,845,246	\$ 100,244,556	\$ 125,716,916	\$ 132,961,112
32.47%	42.46%	52.91%	58.76%	65.64%	67.77%

SCHEDULE 17
DONNA INDEPENDENT SCHOOL DISTRICT
RATIO OF NET GENERAL OBLIGATION BONDED DEBT
TO ESTIMATED ACTUAL VALUE AND
PER AVERAGE DAILY MEMBERSHIP

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Membership	Estimated Actual Value	Total Bonded Debt	Debt Service Fund Balance	Net Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt Per Average Daily Membership
2010	14,859	\$ 1,551,657,766	\$ 69,260,687	\$ 869,162	\$ 68,391,525	4.41%	\$ 4,603
2011	15,002	1,541,491,832	114,682,176	660,980	114,021,196	7.40%	7,600
2012	14,904	1,617,194,609	108,004,900	683,308	107,321,592	6.64%	7,201
2013	15,276	1,629,388,176	106,099,856	713,237	105,386,619	6.47%	6,899
2014	14,848	1,650,616,629	102,683,874	1,018,643	101,665,231	6.16%	6,847
2015	15,351	1,815,558,170	98,092,845	1,013,273	97,079,572	5.35%	6,324
2016	15,334	1,883,969,328	98,080,599	8,371,761	89,708,838	4.76%	5,850
2017	15,072	1,976,485,528	89,688,665	6,899,299	82,789,366	4.19%	5,493
2018	14,818	2,207,727,301	82,157,638	5,809,616	76,348,022	3.46%	5,152
2019	14,459	2,240,503,960	77,795,500	4,758,460	73,037,040	3.26%	5,051

Source: Average Daily Membership provided by the District's PEIMS Office. Estimated Actual Value obtained from the Hidalgo County Tax Assessor-Collector.

Note (1): Average Daily Membership represents the average daily enrollment of students, district-wide, over the official number of instructional days.

Note (2): Estimated actual property value and average daily membership are used because they are more relevant to the school district than personal income and population

SCHEDULE 18
DONNA INDEPENDENT SCHOOL DISTRICT
RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT
TO TOTAL GENERAL FUND EXPENDITURES

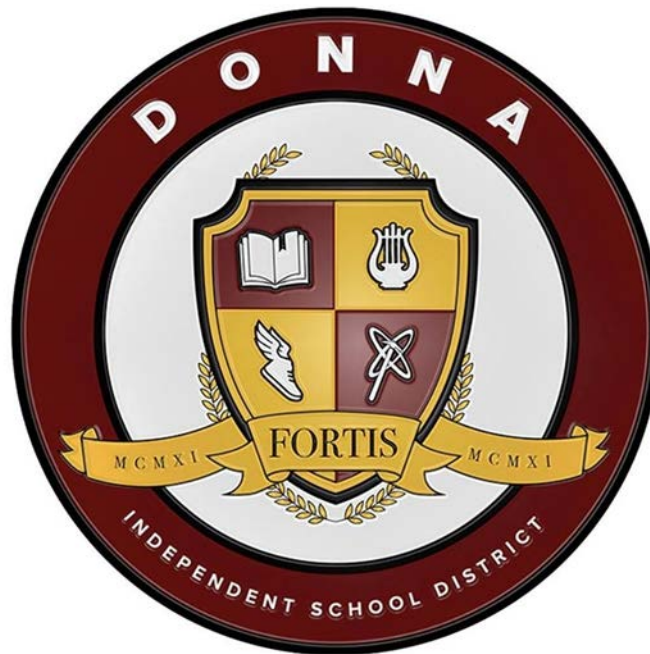
LAST TEN YEARS

(Unaudited)

Fiscal Year	Principal	Interest*	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service To General Fund Expenditures
2010	\$ 4,797,355	\$ 3,982,759	\$ 8,780,114	\$ 114,338,882	7.68%
2011	6,523,490	4,900,822	11,424,312	112,835,006	10.12%
2012	6,708,083	4,479,312	11,187,395	125,212,435	8.93%
2013	6,978,782	4,255,232	11,234,014	135,452,557	8.29%
2014	6,282,311	3,918,928	10,201,239	143,841,864	7.09%
2015	7,964,400	3,629,283	11,593,683	153,823,458	7.54%
2016	7,055,475	3,270,099	10,325,574	164,081,358	6.29%
2017	7,554,195	3,171,232	10,725,427	155,268,904	6.91%
2018	7,069,782	3,250,369	10,320,151	154,594,066	6.68%
2019	5,306,563	3,082,050	8,388,613	143,873,179	5.83%

Source: Donna Independent School District Annual Financial and Compliance Reports

Note: * Excludes Other Fees



"THE DISTRICT"

DEMOGRAPHIC AND ECONOMIC INFORMATION

SCHEDULE 19
DONNA INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC INFORMATION

LAST TEN YEARS

(Unaudited)

Calendar Year	Population *	Personal Income *	Per Capita Income*	Average Daily Attendance	Unemployment Rate **
2010	779,194	\$16,886,696,000	\$ 21,672	14,175	12.2%
2011	795,303	17,761,750,000	22,333	14,306	12.1%
2012	807,725	18,301,724,000	22,658	13,785	11.1%
2013	818,942	18,810,847,000	22,970	13,941	10.5%
2014	831,073	19,740,566,000	23,753	14,203	9.1%
2015	842,304	20,702,876,000	24,579	14,182	7.8%
2016***	867,573	21,323,962,280	25,316	14,220	7.7%
2017	849,843	21,080,611,000	24,805	14,154	7.9%
2018	849,843	21,080,611,000	24,805	13,643	5.5%
2019	865,939	22,869,448,990	26,410	13,606	6.6%

Source: * Statistics for Population, Personal Income, and Per Capita Income, were taken from the Bureau of Economic Analysis based on the McAllen-Edinburg-Mission, TX Metropolitan Area (BEARFACTS) Based on Hidalgo County reports last updated November 16,2017.

** The unemployment rates for the McAllen-Edinburg-Mission, TX Metropolitan Area were used as reported by the Bureau of Labor Statistics

*** The information was not available by the time of printing. Therefore a 3% increase was added to the 2015 amounts.

SCHEDULE 20
DONNA INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS PRIOR

(Unaudited)

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Donna ISD	2,500	1	15.14%	2,280	1	7.86%
A&E Health Services, Inc.	568	2	3.44%			
Walmart	323	3	1.96%			
Idea Public Schools	170	4	1.03%	161	2	0.56%
HEB Food Store	155	5	0.94%	115	3	0.40%
City of Donna	100	6	0.61%	92	4	0.32%
Bland Distribution	100	7	0.61%			
Paramount Citrus	79	8	0.48%			
Victoria Palms Resort	71	9	0.43%	40	6	0.14%
McDonalds	60	10	0.36%	18	8	0.06%
Whataburger	58	11	0.35%	20	7	0.07%
Wells Fargo				14	10	0.05%
Burger King				16	9	0.06%
Rio Grande Container						
Rio Grande Canning Company				48	5	0.17%
Total	<u>4,184</u>		<u>25.21%</u>	<u>2,804</u>		<u>9.67%</u>

Source:

(1) *City of Donna EDC information and direct communication with employers.

(2) *Census.gov Est. Population is 16,638 and Unemployment Rate is 6.0%. Population x Unemployment Rate = Unemployed.

Population: July 1, 2017 estimate 16,638 increased by 5.7% for 2010 data.

Unemployed: 16,638 x 6.0%=998

SCHEDULE 21
DONNA INDEPENDENT SCHOOL DISTRICT
CONSTRUCTION AND PROPERTY VALUES

LAST TEN YEARS

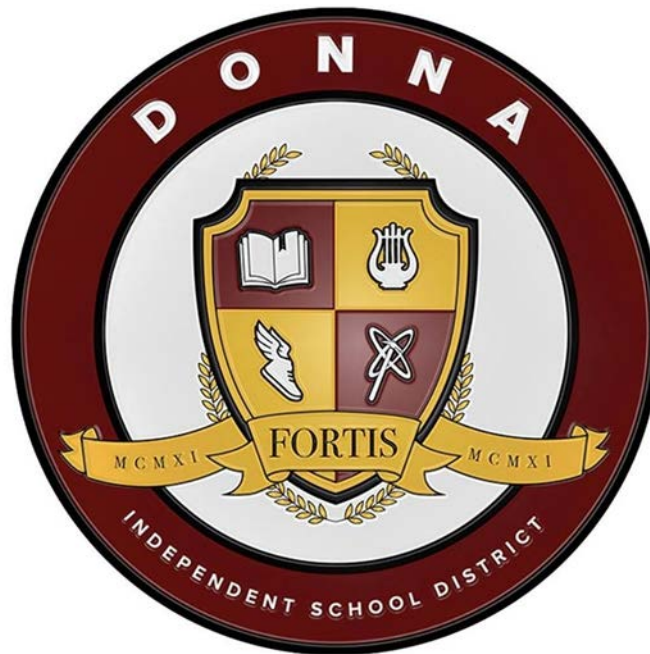
(Unaudited)

Fiscal Year	Single-Family Construction Permits	Average Construction Value	Total Property Value
2010	30	\$ 58,900	\$ 1,551,657,766
2011	45	58,335	1,541,491,832
2012	49	59,230	1,617,194,609
2013	23	54,068	1,629,388,176
2014	25	54,756	1,650,616,629
2015	36	58,370	1,815,558,170
2016*	31	N/A	1,883,969,328
2017*	37	N/A	1,976,485,528
2018	35	67,524	2,207,727,301
2019	32	69,550	2,240,503,960

Source: City of Donna

* Information from "socds.huduser.gov/permits/" as of 2018

*Average Construction Value was not available for 2019 at the time of publication. The value was increased by 3% from prior year.



"THE DISTRICT"

OPERATING INFORMATION

SCHEDULE 22
DONNA INDEPENDENT SCHOOL DISTRICT
WORK FORCE COMPOSITION BY EMPLOYEE CLASSIFICATION

LAST TEN YEARS

(Unaudited)

Classification	Fiscal Year			
	2010	2011	2012	2013
Number of Employees				
Teachers	995	999	941	944
Professional Support	196	202	200	216
Campus Administration	52	50	49	50
Central Administration	5	6	5	5
Educational Aides	310	239	229	220
Auxiliary Staff	769	773	857	889
Total Employees	2,326	2,269	2,280	2,324
Percent of Total				
Teachers	42.77%	44.02%	41.26%	40.62%
Professional Support	8.42%	8.92%	8.76%	9.29%
Campus Administration	2.23%	2.18%	2.15%	2.15%
Central Administration	0.21%	0.26%	0.22%	0.22%
Educational Aides	13.32%	10.55%	10.05%	9.47%
Auxiliary Staff	33.05%	34.06%	37.57%	38.25%
	100.00%	100.00%	100.00%	100.00%

Source: Texas Academic Performance Report

The District's Human Resources Department and the Academic Excellence Indicator System (AEIS).

Data taken from P.E.I.M.S. report(s).

Fiscal Year					
2014	2015	2016	2017	2018	2019
1,023	1,067	1,068	1,058	1,064	1,029
261	257	269	299	284	265
45	45	45	45	44	44
18	20	17	19	17	17
267	275	288	289	298	260
867	879	916	898	843	780
2,481	2,544	2,603	2,608	2,550	2,395
41.23%	41.96%	41.03%	40.57%	41.73%	42.97%
10.52%	10.10%	10.33%	11.46%	11.14%	11.08%
1.81%	1.77%	1.73%	1.73%	1.73%	1.83%
0.73%	0.79%	0.65%	0.73%	0.67%	0.71%
10.76%	10.82%	11.06%	11.08%	11.69%	10.85%
34.95%	34.56%	35.19%	34.43%	33.06%	32.56%
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

SCHEDULE 23
DONNA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF TEACHER INFORMATION

LAST TEN YEARS

(Unaudited)

Fiscal Year	Teacher Hiring Salaries		Average Teacher Salary	Average Years of Experience	Bachelor's Education	Master's Education
	Minimum	Maximum				
2010	\$ 40,000	\$ 56,475	\$ 46,748	8.8	89.0%	9.8%
2011	40,500	54,959	47,031	9.0	88.5%	10.6%
2012	40,500	54,244	46,363	8.8	88.1%	10.8%
2013	42,650	54,844	47,652	8.8	87.2%	11.8%
2014	43,000	54,876	48,117	7.9	86.2%	12.6%
2015	44,000	55,176	48,754	8.4	85.6%	13.0%
2016	45,500	56,676	49,025	8.7	86.5%	13.0%
2017	45,086	62,506	50,703	9.2	85.2%	13.9%
2018	45,086	62,506	50,464	9.8	85.2%	14.9%
2019	46,320	60,415	50,169	10.1	83.4%	15.5%

Source: Texas Academic Performance Reports (TAPR) FY 2013-2019 &
Academic Excellence Indicator System (AEIS) FY2006-2012

SCHEDULE 24
DONNA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF ATTENDANCE AND MEMBERSHIP

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Attendance *	Average Daily Membership	Percent of Attendance
2010	14,175	14,859	95.40%
2011	14,306	15,002	95.36%
2012	13,785	14,904	92.49%
2013	13,941	15,276	91.26%
2014	14,203	14,848	95.66%
2015	14,182	15,351	92.38%
2016	14,220	15,334	92.74%
2017	14,154	15,072	93.91%
2018	13,643	14,818	92.07%
2019	13,606	14,459	94.10%

Source: The District's PEIMS Office

* Average Daily Attendance - the average daily attendance of eligible enrollees, district-wide, over the official number of instructional days.

SCHEDULE 25
DONNA INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Attendance	Operating Expenditures	Cost per Pupil	Percent Change	Operating Expenses	Cost per Pupil	Percent Change
2010	14,175	\$ 110,787,496	\$ 7,816	-5.95%	\$ 146,295,219	\$ 10,321	1.29%
2011	14,306	106,536,179	7,447	-4.72%	145,318,696	10,158	-1.58%
2012	13,785	115,765,601	8,398	12.77%	138,095,421	10,018	-1.38%
2013	13,941	127,656,743	9,157	9.04%	151,408,310	10,861	8.41%
2014	14,203	137,468,113	9,679	5.70%	155,813,596	10,970	1.01%
2015	14,182	147,921,208	10,430	7.76%	172,544,797	12,166	10.90%
2016	14,220	155,724,118	10,951	4.99%	188,740,172	13,273	9.09%
2017	14,154	150,795,387	10,654	-2.71%	182,483,514	12,893	-2.86%
2018	13,643	152,583,784	11,184	4.98%	129,537,480	9,495	-26.36%
2019	13,606	141,679,314	10,413	-6.89%	181,171,924	13,316	40.24%

Source: Average Daily Attendance provided by the District's PEIMS and A.E.I.S. reports.
Operating Expenditures and Expenses obtained from the District's Annual Financial Reports.

SCHEDULE 26
DONNA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF STUDENT INFORMATION

LAST TEN YEARS

(Unaudited)

Fiscal Year	Teacher / Student Ratio	Percentage of Free and Reduced Lunch	No. of Economically Disadvantaged Students	Percentage of Economically Disadvantaged Students
2010	14.9	89%	14,404	96.9%
2011	15.0	89%	14,571	97.0%
2012	15.9	89%	14,527	97.2%
2013	16.2	89%	14,818	97.0%
2014	15.0	100%	14,941	97.2%
2015	14.4	100%	12,502	81.6%
2016	14.3	100%	14,230	92.9%
2017	14.2	100%	14,095	93.7%
2018	13.9	100%	14,095	93.7%
2019	14.0	100%	13,587	94.1%

Source: 2018- 2016/2017 Texas Academic Performance Report

Academic Excellence Indicator System (AEIS) & District's PEIMS office.

The District currently has Provision 2 status with Texas Department of Agriculture for the percentage of Free and Reduced Lunch.

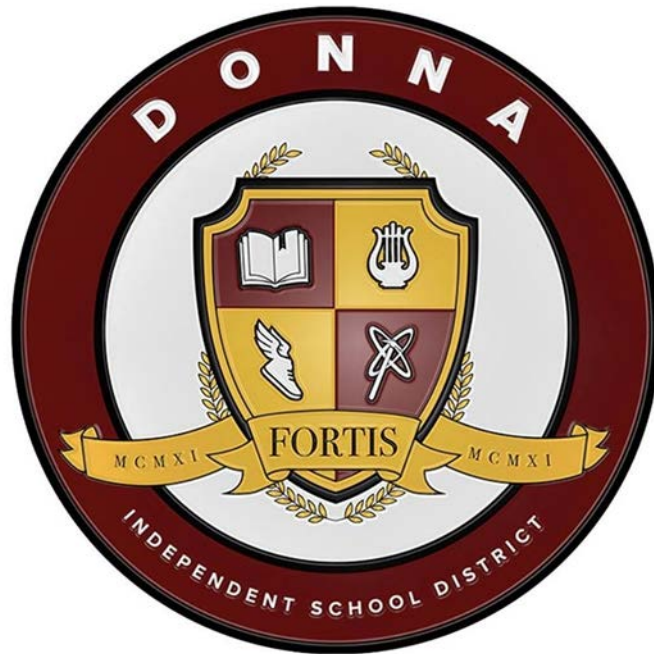
SCHEDULE 27
DONNA INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF SCHOOL BUILDINGS

(Unaudited)

	Estimated Square Footage	Recommended Capacity		Estimated Square Footage	Recommended Capacity
HIGH SCHOOLS			ELEMENTARY SCHOOLS		
DONNA HIGH SCHOOL	321,801	1,800	ADAME	86,069	880
DONNA NORTH HIGH SCHOOL	321,000	2,400	CACERES	57,390	704
TOTAL	642,801	4,200	GARZA	76,438	1,056
			GUZMAN	51,227	616
			LENOIR	86,733	528
			MUNOZ	76,438	968
MIDDLE SCHOOLS			OCHOA	62,811	638
A.P. SOLIS	139,150	1,700	PRICE	52,752	575
SAUCEDA	147,500	1,248	RIVAS	59,396	616
VETERANS	149,872	1,300	RUNN	59,096	616
W.A. TODD	118,099	825	SALAZAR	63,663	682
TOTAL	554,621	5,073	SALINAS	87,467	1,012
			SINGLETERRY	63,404	638
			STAINKE	64,873	660
SPECIAL CAMPUSES			TOTAL	947,757	10,189
3-D ACADEMY	16,435	328			
DONNA ALTERNATIVE ED. PROGRAM	19,571	165			
TOTAL	36,006	493			

Source: DISD Facilities School Building Information

Note: The information presented above is as of August 31, 2018 and are indicators of the volume and usage of the District's buildings, which are the material capital assets. Ten years of data is not available for presentation.



"THE DISTRICT"

FEDERAL AWARDS SECTION



Cascos & Associates, PC

Certified Public Accountants

Audit/Accounting/Tax/Consulting

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Board of Trustees
Donna Independent School District
Donna, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Donna Independent School District as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise Donna Independent School District's basic financial statements, and have issued our report thereon dated December 18, 2019.

Internal Control over Financial Reporting

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

A handwritten signature in cursive script that reads "Cascos & Associates, PC".

Cascos & Associates, PC
Brownsville, Texas
December 18, 2019



Cascos & Associates, PC

Certified Public Accountants

Audit/Accounting/Tax/Consulting

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

The Board of Trustees
Donna Independent School District
Donna, Texas

Report on Compliance for Each Major Federal Program

We have audited Donna 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 Donna Independent School District's major federal programs for the year ended August 31, 2019. Donna 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Donna 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 Donna 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 Donna Independent School District's compliance.

Opinion on Each Major Federal Program

In our opinion, Donna 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 Donna 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 Donna 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 Donna 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 consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Cascos & Associates, PC
Brownsville, Texas
December 18, 2019

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

I. Summary of the Auditors' Results:

Financial Statements:

The type of auditors' report on financial statements: Unmodified

Internal control over financial reporting:

Material weakness(es) identified: No

Significant Deficiency(ies) identified that are not considered to be material weakness(es)?

None reported

Noncompliance which is material to the basic financial statements

No

Federal Awards:

Internal control over major programs:

Material weakness(es) identified? No

Significant Deficiency(ies) identified that are not considered to be material weakness(es)?

None reported

Type of auditors' report on compliance with major programs:

Unmodified

Findings and questioned costs for federal awards as defined in 2CFR 200.516(a)?:

No

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Low risk auditee:

No

Identification of major programs :

CFDA Numbers :

84.010A

Name of Federal Program or Cluster

ESEA, Title I, Part A, Improving Basic Programs

84.011A

ESEA, Title I, Part C, Migratory Children

84.027A, 84.173A

Special Education Cluster

84.377A

Title I, SIP Academy Grant

II. Finds Relating to the Financial Statements which are Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

None

III. Findings and Questioned Costs for Federal Awards.

None

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

Finding 2018-01

Condition:

At year end the district did not accurately maintain general ledgers, schedules of debt, schedules of depreciation. Preparation of some of the years-end adjusting journal entries and schedules and the review and reconciliation of those amounts for accuracy was not complete.

Current status:

The finding has been corrected

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

(1)	(2)	(3)	(4)
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA No.	Pass-Through Entity Identifying No.	Total Federal Expenditures & Indirect Cost
U.S. DEPARTMENT OF DEFENSE			
<i>Direct Programs</i>			
J.R.O.T.C.	12.U01	N/A	\$ 29,987
Total U.S. Department of Defense			<u>29,987</u>
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through State Department of Education:</i>			
ESEA Title X, PLC Homeless	84.196	194600057110022	60,410
Total CFDA No. 84.196			<u>60,410</u>
ESEA, Title I, Part A-Improving Basic Programs	84.010A	19610101108902	8,939,843
Total CFDA No. 84.010A			<u>8,939,843</u>
ESEA Title I, Part C - Migrant	84.011A	19615001108902	1,863,854
Total CFDA No. 84.011A			<u>1,863,854</u>
*SSA IDEA Part B Formula	84.027A	176600011089026000	177,549
*SSA IDEA Part B Formula	84.027A	196600011089026000	2,473,892
Total CFDA No. 84.027A			<u>2,651,441</u>
*SSA IDEA Part B Preschool	84.173A	196600011089026000	38,980
Total CFDA No. 84.173A			<u>38,980</u>
Career and Technical - Basic Grant	84.048	19420006108902	341,319
Total CFDA No. 84.048			<u>341,319</u>
Title IV, Part B 21st Century Community Learning Centers	84.287	196950247110008	907,717
Total CFDA No. 84.287			<u>907,717</u>
Title III, Part A English Language Acquisition	84.365A	19671001108902	646,327
Total CFDA No. 84.365A			<u>646,327</u>
ESEA Title II, Part A-Teacher & Principal Training & Recruitment	84.367A	19694501108902	885,532
Total CFDA No. 84.367A			<u>885,532</u>
Title I, SIP Academy Grant	84.377A	166107317110003	1,370,398
Total CFDA No. 84.377A			<u>1,370,398</u>
Title IV, Part A-Subpart 1	84.424	19680101108902	450,215
Total CFDA No. 84.424			<u>450,215</u>
LEP Summer School	84.369	69551802	10,013
Total CFDA No. 84.369			<u>10,013</u>
*Evaluation Capacity Program	84.027A	196600317110001	20,000
Total CFDA No. 84.027A			<u>20,000</u>
Total Passed Through State Department of Education			<u>18,186,049</u>
<i>Passed Through Region One Education Service Center:</i>			
Project Rise	84.374A	U384A16002-17A	287,210
Total CFDA No. 84.374A			<u>287,210</u>
Gaining Early Awareness and Readiness for Undergraduate Programs "GEAR UP"	84.334A	P334A110180	152,149
Total CFDA No. 84.334A			<u>152,149</u>
Total Passed Through Region One Education Service Center			<u>439,359</u>
Total U.S. Department of Education			<u>18,625,408</u>

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

(1)	(2)	(3)	(4)
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA No.	Pass-Through Entity Identifying No.	Total Federal Expenditures & Indirect Cost
U.S. DEPARTMENT OF HEALTH AND SERVICES			
<i>Passed Through Texas Department of Human Services:</i>			
Medicaid Administrative Claiming Program - MAC	93.778	108902	<u>66,958</u>
Total U.S. Department of Health and Human Services			<u>66,958</u>
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Texas Education Agency:</i>			
**National School Breakfast Program	10.553	71301901	4,411,572
**National School Lunch Program - Cash Assistance	10.555	71301901	<u>7,560,715</u>
Total Passed Through Texas Education Agency			<u>11,972,287</u>
<i>Passed Through Texas Department of Agriculture:</i>			
**National School Lunch Program - Non-Cash Assistance	10.555	3001801	758,711
Fresh Fruit and Vegetable Program	10.582	0564	<u>340,644</u>
Total Passed Through Texas Department of Agriculture			<u>1,099,355</u>
Total U.S. Department of Agriculture			<u>13,071,642</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 31,793,995</u></u>

* Total Special Education Cluster - \$2,710,421

** Total Child Nutrition Cluster - \$12,730,998

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

1. GENERAL

The Schedule of Expenditures of Federal Awards presents the activity of all applicable federal award programs of Donna ISD. The District's reporting entity is defined in Note I of the financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

In accordance with TEA instructions, federal funds for the School Health and Related Services (SHARS) have been excluded from the Schedule of Expenditures of Federal Awards.

Federal program revenues for R.O.T.C, the Child Nutrition Cluster, School Health and Related Service (SHARS), Medicaid Administrative Claims (MAC), and reimbursement of indirect costs are reported in the General Fund. All other federal programs are accounted for and reported in Special Revenue Funds.

2. BASIS OF ACCOUNTING AND PRESENTATION

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. The District's significant accounting policies, including the modified accrual basis of accounting, are presented in Note 1 of the basic financial statements.

The Schedule of Expenditures of Federal Awards is presented in accordance with the 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). Therefore, some of the amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

3. PASS-THROUGH EXPENDITURES

None of the federal programs expended by the District were provided to subrecipients.

4. INDIRECT COSTS

The District has received a negotiated indirect cost rate from TEA and may not elect to use a de minimis cost rate of 10% as described at 2 CFR §200.414(f)—Indirect (F&A) costs.

5. The following is the reconciliation of federal revenues and the Schedule of Expenditures of Federal Awards for the year ended August 31, 2019.

Federal revenues per the Statement of Revenues, Expenditures and Changes in Fund Balance- Government Funds (Exhibit C-3)	\$ 34,958,206
Less:	
ERATE	195,679
SHARS	2,958,507
Project Lead The Way	10,025
	<u>3,164,211</u>
Federal expenditures	<u>\$ 31,793,995</u>

SCHOOLS FIRST QUESTIONNAIRE

DONNA INDEPENDENT SCHOOL DISTRICT

Fiscal Year 2019

SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF4	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	Yes
SF8	Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?	Yes
SF10	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end.	\$210,000
SF11	Net Pension Assets (1920) at fiscal year-end.	\$ -
SF12	Net Pension Liabilities (2540) at fiscal year-end.	\$51,900,966
SF13	Pension Expense (6147) at fiscal year-end.	