



COMPREHENSIVE ANNUAL  
**FINANCIAL**  
REPORT

Fiscal Year Ended June 30, 2019  
Houston, TX



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**FINANCIAL**  
REPORT

Fiscal Year Ended June 30, 2019  
Houston, TX

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2019**

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# INTRODUCTORY SECTION



November 11, 2019

Board of Trustees and Citizens  
Cypress-Fairbanks Independent School District  
10300 Jones Road  
Houston, Texas 77065

Dear Board of Trustees and Citizens:

State law requires that each school district have its fiscal accounts audited annually. A copy of the annual financial report, approved by the Board of Trustees, must be filed with the Texas Education Agency (TEA) by the 150<sup>th</sup> day after the end of the fiscal year. The Comprehensive Annual Financial Report (CAFR) of the Cypress-Fairbanks Independent School District (CFISD or the District) is published to fulfill that requirement for the fiscal year ended June 30, 2019.

The independent audit of the financial statements is part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the District’s separately issued Single Audit Report.

The CAFR consists of management’s representations concerning the finances of the District. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District’s administration. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District’s financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the District’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Weaver and Tidwell, L.L.P., a firm of licensed certified public accountants, has issued an unmodified opinion based upon the audit of the District’s financial statements for the fiscal year ended June 30, 2019. The independent auditors’ report is presented as the first component of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follows the report of the independent auditors and provides a narrative introduction, overview, and analysis to accompany the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.



## **PROFILE OF THE DISTRICT**

During the 1939-40 school year, the voters in the Cypress and Fairbanks school systems approved the creation of the Cypress-Fairbanks Consolidated School District (Consolidated later became Independent). The District is comprised of 56 elementary schools, 18 middle schools, 12 high schools and 5 special program facilities, of which the average daily attendance reached 109,016 for the 2018-19 school year. CFISD is legally recognized as a political subdivision of the State of Texas and is located within Harris County. The District is not included in any other governmental reporting entity and there are no component units.

A seven-member Board of Trustees (the Board) governs the District and has governance responsibilities over all activities related to public elementary and secondary education. Each member is elected to an at-large position for four years in a nonpartisan election. An election is held each November for either three or four positions. Based on legislative authority codified in the Texas Education Code, the Board (1) has exclusive power to manage and govern the District; (2) can acquire and hold real and personal property; (3) shall have power to levy and collect taxes and to issue bonds; (4) can contract for appointed officers, teachers, and other personnel as well as for goods and services; and (5) has the right of eminent domain to acquire real property.

CFISD is a public educational institution which provides services for students from pre-kindergarten through twelfth grade. Some of the programs provided are special education services for children as early as age three through twenty-two years of age and early childhood development services. Programs are also available for four-year old students who require educational services due to limited English proficiency and low economic status. Full-day kindergarten is provided for all five-year olds. Other programs offered by CFISD are a gifted and talented program, compensatory education program for at-risk students, career and technology programs, and cocurricular/extracurricular activities. High school students may also take advantage of earning college credits through College Board Advanced Placement courses, early college, and dual credit programs. CFISD offers a strong, rich, and diverse curriculum for all of our students.

The annual budget serves as the foundation for the District's financial planning and control. The Board adopts an appropriated budget for the general fund, debt service fund, and the National School Breakfast and Lunch Program special revenue fund on a basis consistent with GAAP. Prior to June 19 each year, the District prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them. A meeting of the Board is called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given. Prior to July 1, the budget is formally approved and adopted by the Board. The appropriated budget is prepared by fund and function. Transfers of appropriations between campuses/departments require the approval of the District's management. Increasing any one of the functional spending categories or revenue object accounts and other resources require the approval of the Board.

## **LOCAL ECONOMY**

The District comprises approximately 10% of Harris County, the most populous county of the 254 counties in Texas. There are 186 square miles of land within the boundaries of the District, much of it within or adjacent to the greater Houston area. Approximately 84% of the District's land area is developed. This size makes CFISD the second largest school system in land area out of the 22 districts in Harris County.

The District is primarily residential in character, with an average market value of approximately \$225,718. During the last fiscal year, there were approximately 2,401 new home closings and 2,617 new home starts. The greatest need for classrooms due to student enrollment growth into the foreseeable future continues to be expected in the west and southwest parts of the District.

Located within the District are numerous multi-use developments which include retail shopping centers, low to mid-rise office buildings, hotels, industrial parks, financial institutions, medical facilities, restaurants, and high-density residential projects. The District's taxable assessed value increased to \$50.3 billion in 2018-19 and has shown a significant increase over the past ten years.

The greater Houston area economy, from which most of the District's economic viability is derived, continues to thrive despite uncertainties in the U.S. and global economies. The completion of several key road projects that impact the District, including the completion of the northwest corner of the Grand Parkway and the ongoing expansion of Highway 290, have attracted many large companies to the area. Houston continues to be a leader in industrial engineering and medical research. The Cypress-Fairbanks community expects to maintain steady and sustained economic growth reflective of the greater Houston area.

### **LONG-TERM FINANCIAL PLANNING**

CFISD's student average daily attendance has increased 12 percent over a ten-year period and its enrollment, currently at 116,512, is the third largest in the State. The District remains one of the fastest growing school districts in the county; however, the recent economic conditions have led to a slower growth rate. Enrollment is projected to increase by less than 1 percent during the 2019-20 school year generating a projected increase of approximately 566 students. The District's school buildings range in age from 78 years to two years old. In preparation for a projected student enrollment of 120,000 students, the voters passed a \$1.762 billion bond referendum in May 2019. Proceeds from the referendum are being used to build new schools and ancillary facilities, purchase buses, renovate instructional facilities, enhance safety and security at all campuses, provide technology to accommodate new students and staff, replace aging technology, and increase student access to technology.

The District's approach to coping with the combination of moderate student growth in a restricted funding environment with increasing academic standards has been to ensure that the budget process is instructionally driven and guided by the Goals of the District. The major budget priorities are to provide additional staff for student growth and increased accountability; to ensure that quality staff is retained and competitive hiring practices continue by granting a salary increase and benefit packages; to provide continuous professional development resources; to provide ongoing safety and security measures at all district facilities; and to provide additional funding for utilities and maintenance supplies associated with the bond program. The Board and administration review the Goals of the District every year, focusing on aligning the allocation of resources, both personnel and financial, with the accomplishment of the goals and objectives. This facilitates identification of target areas for both operating cost reductions and increases.

### **RELEVANT FINANCIAL POLICIES**

Budget planning is an integral part of overall program planning to ensure the budget effectively reflects the District's programs and activities and provides the resources to implement them. In the budget planning process, general educational goals, specific program goals, and alternatives for achieving program goals are considered, as well as input from the community, and District and campus-level planning and decision-making committees. Budget planning and evaluation are continuous processes and are a part of each month's activities.

### **MAJOR INITIATIVES**

Currently, CFISD has over 101 languages and dialects that are spoken by students and approximately 13,616 of those students will enroll in the District's ESL/bilingual programs this year. Additionally, 51 percent of the District's students are economically disadvantaged, and 10,954 students will receive special education services. As a result of the change in demographics, the District has responded by providing academic programs adapted to meet the needs of all children. To embrace the cultural differences of students from various ethnic backgrounds, the District provides bilingual programs at 36 elementary campuses and welcomes non-English speaking students at 13 New Arrival Centers, where students are immersed in the English language.

The District continues to meet or surpass state standards in every subject area through the use of differentiated instruction to meet the needs of all students. In fiscal year 2018-19, TEA changed the structure of its accountability rating system from a Met Standards rating system to a letter grading system. Overall, the District received a letter grade of B (89) in the new rating structure.

By reviewing individual student test data and gauging the effectiveness of instructional programs, the District has strengthened and expanded its curriculum beyond the requirements of the state-mandated Texas Essential Knowledge and Skills (TEKS) in order to provide CFISD students with an education that is more enriched and broader in scope. Advanced offerings will be expanded as more students express a desire to participate. CFISD students continue to excel in obtaining a well-rounded education as evidenced by a 96.7 percent graduated/continued rate based on TEA accountability data tables.

### **AWARDS AND ACKNOWLEDGEMENTS**

Cypress-Fairbanks Independent School District received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for its CAFR for the fiscal year ended June 30, 2018. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a CAFR must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe our current report will conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for their review.

The District received the Association of School Business Officials' (ASBO) Certificate of Excellence in Financial Reporting Award for the prior year. This award certifies that the CAFR for the fiscal year ended June 30, 2018, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the ASBO. We believe our current report will conform to the Certificate of Excellence Program requirements, and we are submitting it to the ASBO for their review.

We appreciate the support of the Board, the employees, the citizens of CFISD, and the business community, all of whom work cooperatively to ensure the best education for the students and the continuing development of the District. Special appreciation goes to the District's finance department and the independent auditors' staff. The preparation of this report could not have been accomplished without their efficient and dedicated service.

Respectfully submitted,

Mark Henry, Ed.D.  
Superintendent

Karen W. Smith, CPA, RTSBA  
Associate Superintendent –  
Chief Financial Officer

Connie Morgenroth, CPA, RTSBA  
Assistant Superintendent -  
Business and Financial Services

Mable Isles  
Director of Financial Services

Melissa McAnear  
Director of Business Services

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Government Finance Officers Association

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

Presented to

**Cypress-Fairbanks Independent  
School District, Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morrill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

**Cypress-Fairbanks  
Independent School District**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2018.**

The CAFR meets the criteria established for  
ASBO International's Certificate of Excellence.



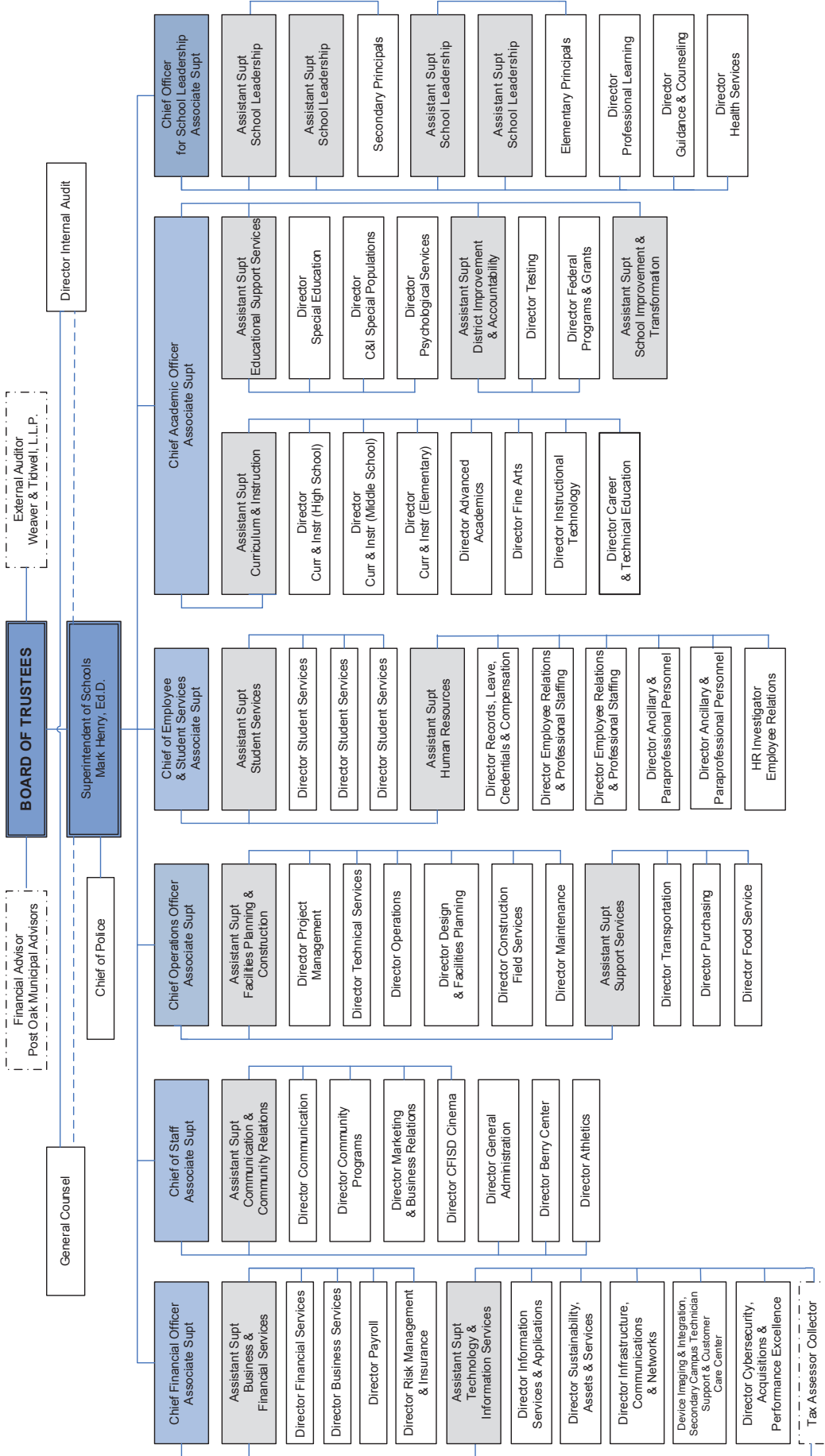
A handwritten signature in black ink, reading 'Tom Wohlleber'.

Tom Wohlleber, CSRM  
President

A handwritten signature in black ink, reading 'Siobhán McMahon'.

Siobhán McMahon, CAE  
Chief Operating Officer

# CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT Organization by Departments



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
***PRINCIPAL SCHOOL DISTRICT OFFICIALS AND ADVISORS***

**Board of Trustees**

Dr. John Ogletree, Jr.	President
Bob R. Covey	Vice-President
Don Ryan	Secretary
Debbie Blackshear	Member
Julie Hinaman	Member
Thomas Jackson	Member
Darcy Mingoia	Member

**Administrative Staff**

Mark Henry, Ed.D.	Superintendent
Karen W. Smith, CPA, RTSBA	Associate Superintendent - Chief Financial Officer
Connie Morgenroth, CPA, RTSBA	Assistant Superintendent - Business and Financial Services
Mable Isles, CPA, RTSBA	Director of Financial Services
Melissa McAnear, CPA, RTSBA	Director of Business Services
Kala Holler, CTSBS	Director of Payroll
Jaime Decantillon, MBA, CSRM	Director of Risk Management and Insurance

**Accountants and Advisors**

Weaver and Tidwell, L.L.P.	Independent Auditors
Bracewell, L.L.P.	Legal Counsel/Co-Bond Counsel
Bates & Coleman, P.C.	Co-Bond Counsel
Thompson & Horton, L.L.P.	Legal Counsel
Post Oak Municipal Advisors, L.L.C.	Financial Advisors
West & Associates, L.L.P.	Disclosure Counsel



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**FINANCIAL**  
SECTION

*Independent Auditor's Report*

The Board of Trustees of  
Cypress-Fairbanks Independent School District  
10300 Jones Road  
Houston, Texas 77065

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Cypress-Fairbanks Independent School District (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Cypress-Fairbanks Independent School District, as of June 30, 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 and the Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Cypress-Fairbanks Independent School District's basic financial statements. The Introductory Section, Supplementary Information, and Statistical Section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 Supplementary Information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections (Other Information) 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 October 22, 2019 on our consideration of the Cypress-Fairbanks Independent School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Cypress-Fairbanks Independent School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cypress-Fairbanks Independent School District's internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Conroe, Texas  
October 22, 2019

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**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the Cypress-Fairbanks Independent School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2019.

**Financial Highlights**

- The liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$412,033,153 (*net position*).
- Unrestricted net position of (\$423,777,512) remains a deficit as a result of prior year adjustments required by GASB Statement No. 75 for OPEB.
- The District's total net position increased by \$25,732,908.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$979,561,848, an increase of \$32,349,086 in comparison with the prior year. The increase in governmental fund balances was primarily due to increases of \$68,266,598 in the general fund and \$4,346,024 in the debt service fund, offset by a decrease of \$40,692,729 in the capital projects fund.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$452,241,483 or 49 percent of total general fund expenditures.
- The District's bonded debt increased by \$91,788,928 (3 percent) during the current fiscal year.

**Overview of the Financial Statements**

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

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

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

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

The government-wide financial statements of the District are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include Instruction, Instructional Resources and Media Services, Curriculum and Instructional Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Cocurricular/Extracurricular Activities, General Administration, Plant Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Interest on Debt, Bond Issuance Costs and Fees, Facilities Repair and Maintenance, Payments to Fiscal Agents SSA, Payments to Juvenile Justice Alternative Education Programs, and Other Intergovernmental Charges. The business-type activities of the District include the operation of a before and after school care program and summer programs reported as Community Programs.

The government-wide financial statements are referenced as Exhibits A-1 and A-2 in this report.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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

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

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

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

The basic governmental fund financial statements are referenced as Exhibits B-1, B-1R, B-2 and B-2R in this report.

**Proprietary funds.** The District maintains two different types of proprietary funds. *Enterprise funds* are used to report activities for which fees are charged to external users for goods or services (*business-type activities*). The function of the District's enterprise fund is to provide before and after school care for elementary school students and summer programs for all students in the District. A fee is charged for these services. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various funds and functions. The District uses an internal service fund to account for its workers' compensation benefits to district employees. Because this service predominantly benefits governmental functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds statements provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary funds financial statements are referenced as Exhibits C-1 through C-3.

**Fiduciary fund.** The fiduciary fund is used to account for assets and activities when a governmental unit is functioning either as a trustee or an agent for another party. The District has one fiduciary fund.

The *agency fund* accounts for resources held for the benefit of students. The agency fund is *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs. The fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operation.

The basic fiduciary fund financial statement is referenced as Exhibit D-1 in this report.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements immediately follow the basic financial statements in this report.

**Required supplementary information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The required supplementary information relates to comparison of the original adopted budget, the final amended budget, and the actual amounts for the fiscal year. This is required supplementary information for the general fund and any major special revenue funds. The District did not have any major special revenue funds; therefore, only the general fund is presented as required supplementary information. The required supplementary information also provides information on the District's cost-sharing multiple-employer pension and OPEB plans of which the District is a participant. The required supplementary information is referenced as Exhibits E-1 through F-4, and the associated notes immediately follow the exhibits in this report.

**Supplementary information.** The combining and individual fund statements and schedules and the compliance schedule comprise the supplementary information and are presented immediately following the required supplementary information. The supplementary information is referenced as Exhibits G-1 through J-1 in this report.



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$412,033,153 at the close of the fiscal year ended June 30, 2019.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT'S NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and Other Assets	\$ 1,208,042,936	\$ 1,156,991,160	\$ 1,224,353	\$ 1,067,706	\$ 1,209,267,289	\$ 1,158,058,866
Capital Assets, net of						
Accumulated Depreciation	2,144,913,493	2,017,447,505	-	-	2,144,913,493	2,017,447,505
<b>Total Assets</b>	<b>3,352,956,429</b>	<b>3,174,438,665</b>	<b>1,224,353</b>	<b>1,067,706</b>	<b>3,354,180,782</b>	<b>3,175,506,371</b>
<b>Total Deferred Outflows of Resources</b>	<b>309,673,909</b>	<b>138,019,956</b>	-	-	<b>309,673,909</b>	<b>138,019,956</b>
Other Liabilities	240,782,035	223,630,054	17,775	40,915	240,799,810	223,670,969
Long-term Liabilities Outstanding	3,671,858,996	3,340,835,973	-	-	3,671,858,996	3,340,835,973
<b>Total Liabilities</b>	<b>3,912,641,031</b>	<b>3,564,466,027</b>	<b>17,775</b>	<b>40,915</b>	<b>3,912,658,806</b>	<b>3,564,506,942</b>
<b>Total Deferred Inflows of Resources</b>	<b>163,229,038</b>	<b>186,785,446</b>	-	-	<b>163,229,038</b>	<b>186,785,446</b>
<b>Net Position:</b>						
Net Investment in Capital Assets	(71,787,597)	(88,571,599)	-	-	(71,787,597)	(88,571,599)
Restricted for Grants - Education	240,497	309,113	-	-	240,497	309,113
Restricted for Grants - Nutrition	14,656,082	14,745,330	-	-	14,656,082	14,745,330
Restricted for Grants - Health	428,491	331,491	-	-	428,491	331,491
Restricted for Debt Service	68,206,886	58,337,188	-	-	68,206,886	58,337,188
Unrestricted	(424,984,090)	(423,944,375)	1,206,578	1,026,791	(423,777,512)	(422,917,584)
<b>Total Net Position (Deficit)</b>	<b>\$ (413,239,731)</b>	<b>\$ (438,792,852)</b>	<b>\$ 1,206,578</b>	<b>\$ 1,026,791</b>	<b>\$ (412,033,153)</b>	<b>\$ (437,766,061)</b>

*Net investment in capital assets* of (\$71.8) million reflects the District's investment of \$2.1 billion in capital assets (e.g., deferred charges and gains on refundings, land, buildings and improvements, furniture and equipment, construction in progress), less any outstanding related debt used to acquire those assets. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. The related debt is adjusted for capital project funds that were expended, but not capitalized. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

*Restricted net position* of \$83,531,956 is an additional portion of the District's net position which represents resources that are subject to external restrictions on how they may be used.

*Unrestricted net position* of (\$423,777,512) remains a deficit due to adjustments made in the prior fiscal year for GASB 75 for OPEB (other post-employment benefit) plans. Although the District reports a deficit, the deficit is primarily due to reporting the District's proportionate share of the net OPEB liability. The total district liability is reported in the governmental activities; however, the actual liability does not require the use of current resources at the fund level, which results in a timing difference since the TRS-Care plan is funded on a pay-as-you-go basis. The District has made all contractually required contributions as noted in the required supplementary information and has sufficient fund balance to meet the District's ongoing obligations to students and creditors.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Governmental activities.** Governmental activities increased the District's net position from operations by \$25,553,121. Key elements of this increase are as follows:

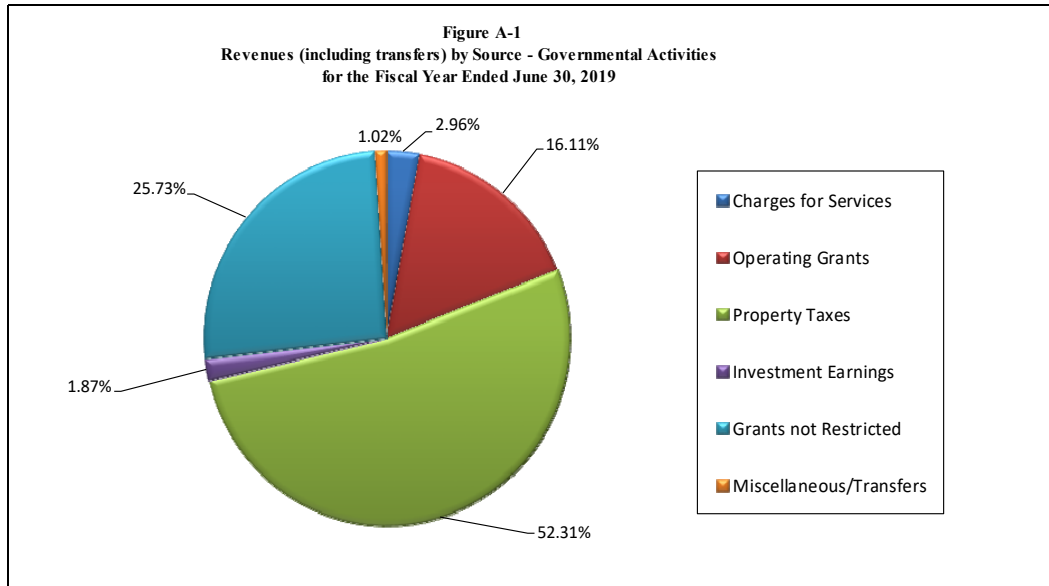
**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT'S CHANGES IN NET POSITION**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 40,673,928	\$ 36,352,318	\$ 8,758,376	\$ 9,724,036	\$ 49,432,304	\$ 46,076,354
Operating Grants and Contributions	221,523,759	(43,825,935)	-	-	221,523,759	(43,825,935)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes	529,309,377	499,875,369	-	-	529,309,377	499,875,369
Property Taxes, Levied for Debt Service	189,987,915	197,262,518	-	-	189,987,915	197,262,518
Investment Earnings	25,743,491	14,758,137	72,746	42,746	25,816,237	14,800,883
Grants and Contributions Not Restricted to Specific Programs	353,839,011	331,264,783	-	-	353,839,011	331,264,783
Miscellaneous	11,533,772	20,559,491	-	-	11,533,772	20,559,491
<b>Total Revenues</b>	<b>1,372,611,253</b>	<b>1,056,246,681</b>	<b>8,831,122</b>	<b>9,766,782</b>	<b>1,381,442,375</b>	<b>1,066,013,463</b>
<b>Expenses:</b>						
Instruction	758,429,763	493,963,770	-	-	758,429,763	493,963,770
Instructional Resources and Media Services	11,768,131	8,764,373	-	-	11,768,131	8,764,373
Curriculum and Instructional Staff Development	24,743,250	16,396,952	-	-	24,743,250	16,396,952
Instructional Leadership	13,249,417	7,970,060	-	-	13,249,417	7,970,060
School Leadership	63,877,326	40,903,700	-	-	63,877,326	40,903,700
Guidance, Counseling, and Evaluation Services	41,818,953	23,659,881	-	-	41,818,953	23,659,881
Social Work Services	1,071,532	908,589	-	-	1,071,532	908,589
Health Services	11,911,758	8,355,799	-	-	11,911,758	8,355,799
Student Transportation	57,730,399	40,013,922	-	-	57,730,399	40,013,922
Food Services	69,283,850	54,113,471	-	-	69,283,850	54,113,471
Cocurricular/Extracurricular Activities	35,663,079	28,434,939	-	-	35,663,079	28,434,939
General Administration	15,733,505	13,155,120	-	-	15,733,505	13,155,120
Plant Maintenance and Operations	80,381,678	64,162,311	-	-	80,381,678	64,162,311
Security and Monitoring Services	14,599,341	8,674,962	-	-	14,599,341	8,674,962
Data Processing Services	14,858,539	10,496,357	-	-	14,858,539	10,496,357
Community Services	10,408,457	4,731,910	-	-	10,408,457	4,731,910
Interest on Debt	100,185,353	99,675,434	-	-	100,185,353	99,675,434
Bond Issuance Costs and Fees	3,828,009	1,582,602	-	-	3,828,009	1,582,602
Facilities Repair and Maintenance	13,383,109	17,548,376	-	-	13,383,109	17,548,376
Payments to Fiscal Agents SSA	1,269,902	1,302,185	-	-	1,269,902	1,302,185
Payments to Juvenile Justice Alternative Education Programs	3,600	3,597	-	-	3,600	3,597
Other Intergovernmental Charges	5,359,181	5,164,085	-	-	5,359,181	5,164,085
Community Programs	-	-	6,151,335	6,960,976	6,151,335	6,960,976
<b>Total Expenses</b>	<b>1,349,558,132</b>	<b>949,982,395</b>	<b>6,151,335</b>	<b>6,960,976</b>	<b>1,355,709,467</b>	<b>956,943,371</b>
Increase in Net Position before Transfers	23,053,121	106,264,286	2,679,787	2,805,806	25,732,908	109,070,092
Transfers	2,500,000	2,500,000	(2,500,000)	(2,500,000)	-	-
Change in Net Position	25,553,121	108,764,286	179,787	305,806	25,732,908	109,070,092
Net Position - Beginning	(438,792,852)	74,158,462	1,026,791	720,985	(437,766,061)	74,879,447
Prior Period Adjustment - Implement GASB 75 for OPEB (a)	-	(621,715,600)	-	-	-	(621,715,600)
Net Position (Deficit) - Beginning, as restated	(438,792,852)	(547,557,138)	1,026,791	720,985	(437,766,061)	(546,836,153)
<b>Net Position (Deficit) - Ending</b>	<b>\$ (413,239,731)</b>	<b>\$ (438,792,852)</b>	<b>\$ 1,206,578</b>	<b>\$ 1,026,791</b>	<b>\$ (412,033,153)</b>	<b>\$ (437,766,061)</b>

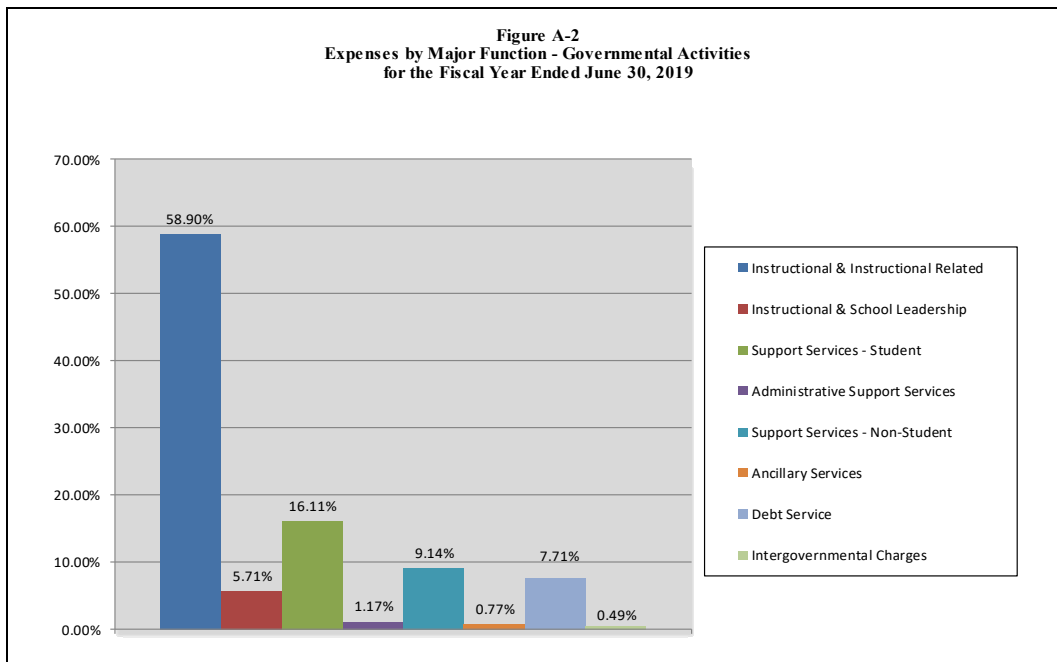
(a) The restatement of the beginning net position is the result of the District implementing GASB Statement No. 75 in fiscal year 2018.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Revenues are generated primarily from two sources (see Figure A-1). Grants and contributions (program and general revenues totaling \$575,362,770) represent 42 percent of total revenues and property taxes (\$719,297,292) represent 52 percent of total revenues. The remaining 6 percent is generated from charges for services, investment earnings, and miscellaneous revenues/transfers. Grants and contributions increased from the prior year primarily due to adjustments to revenue in the prior year for implementation of GASB 75. Property taxes increased primarily due to an increase in property values.



The District's expenses by major function are shown below (see Figure A-2). The primary functional expense of the District is instruction (\$758,429,763), which represents 56 percent of total expenses. Interest on debt (\$100,185,353) represents 7 percent of total expenses, plant maintenance and operations (\$80,381,678) represents 6 percent of total expenses, and food services (\$69,283,850) represents 5 percent of total expenses. The remaining individual functional categories of expenses are each less than 5 percent of total expenses. The increase in functional expenses is primarily due to the effect of adjustments to functional expenses in the prior year to record the State's negative on-behalf contributions for OPEB in conjunction with the implementation of GASB 75.



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Business-type activities.** Business-type activities increased net position by \$2,679,787 due to the operation of the before and after school care program and various summer programs of which \$2,500,000 was transferred to the general fund.

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

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

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

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$979,561,848, an increase of \$32,349,086 in comparison with the prior year. The increase in ending governmental fund balances is primarily due to an increase in the general fund balance. Of the combined ending fund balances, \$452,241,483 constitutes unassigned fund balances. The remaining \$527,320,365 is reserved to indicate that it is not available for spending because it has been identified as nonspendable, restricted, committed, or assigned for other purposes.

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 \$452,241,483, while total fund balance reached \$518,686,924. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 49 percent of total general fund expenditures, while total fund balance represents 57 percent of that same amount.

The fund balance of the District's general fund increased by \$68,266,598 during the current fiscal year primarily due to an increase in property values, a one-time increase in the maintenance and operations tax rate of \$0.02 statutorily allowed due to Hurricane Harvey, and additional Hurricane Harvey remediation funding. Overall, the general fund's performance resulted in revenues over expenditures during the fiscal year ended June 30, 2019 of \$74,254,918.

The debt service fund has a total fund balance of \$105,020,474, all of which is restricted for the payment of debt service. The District makes semi-annual debt service payments in February and August of each year. Debt service payments on bonded indebtedness, including bond fees, for the year ended June 30, 2019 were \$209,218,822. The net increase in fund balance of \$4,346,024 relates primarily to the transfer of \$8,700,000 from the general fund to the debt service fund.

The capital projects fund has a total fund balance of \$332,538,765, all of which is restricted for authorized construction, equipment of schools, buses, and technology projects. The net decrease in fund balance during the current year of \$40,692,729 was primarily due to the expenditures related to ongoing capital projects.

**Proprietary funds.** The District's proprietary fund financial statements reflect the District's internal service fund for workers' compensation and the District's enterprise fund for community programs. The increase in net position for workers' compensation is primarily due to the increase in District contributions. The net change in assets of the internal service fund is eliminated and allocated to the governmental expenses in the government-wide financial statements. The increase in net position for the enterprise fund is primarily due to a reduction in expenses.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget of the general fund can be briefly summarized as follows:

<b>Estimated Revenues</b>		
\$	18,200,000	Net increase in local revenue due to higher than expected interest earnings.
	4,002,068	Net increase in state revenue due to TRS on-behalf.
	13,444,744	Increase in federal revenues due to indirect costs on various grant awards and receipt of a SHARS reimbursement earlier than expected.
<b>\$</b>	<b>35,646,812</b>	<b>Total Estimated Revenues Increase</b>
<b>Appropriations</b>		
\$	5,400,000	Increase in functional expenditures for year-end payroll accrual.
	4,981,656	Net increase in capital outlay primarily due to E-rate projects.
	773,406	Increase for other operating expenses.
	332,446	Net miscellaneous increase primarily due to anticipated supply costs.
<b>\$</b>	<b>11,487,508</b>	<b>Total Estimated Appropriations Increase</b>

The review of the final amended budget versus actual for the general fund reflected that revenues were higher than budgetary estimates and expenditures were lower than budgetary estimates. At year end, actual revenues were more than final budgeted amounts by \$37,361,881 primarily due to a one-time state payment to offset declines in property values due to Hurricane Harvey. Operating expenditures were \$25,648,430 less than final budgeted amounts primarily due to payroll and utility costs being less than anticipated.

**Capital Assets and Long-term Liabilities**

**Capital assets.** The District's investment in capital assets for its governmental type activities as of June 30, 2019, amounts to \$2,144,913,493 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and construction in progress. The total increase in the District's investment in capital assets for the current fiscal year was 6 percent.

Major capital asset events during the current fiscal year included the following:

- Repurpose of an existing elementary school for relocation and expansion of the District's alternative high school program.
- Further security enhancements to campus and district facilities.
- Extensive renovations and additions to existing facilities.
- Further enhancements to the District's Local Area Network and technology and computer system operations.

**Construction commitments.** The District has several active construction projects as of June 30, 2019. The projects include the renovation and equipment of school facilities and new construction. At year end, the District's remaining commitments with contractors totaled \$130,861,997 for all ongoing projects.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT'S CAPITAL ASSETS  
(Net of Depreciation)**

	<b>Governmental Activities</b>	
	<b>2019</b>	<b>2018</b>
Land	\$ 127,362,817	\$ 110,504,735
Buildings and Improvements	1,791,254,419	1,723,775,169
Furniture and Equipment	82,772,823	85,594,402
Construction in Progress	143,523,434	97,573,199
<b>Totals</b>	<b>\$ 2,144,913,493</b>	<b>\$ 2,017,447,505</b>

Additional information on the District's capital assets can be found in Note III, item C of the notes to the financial statements.

**Long-term liabilities.** At the end of the current fiscal year, the District had total long-term liabilities outstanding of \$3,671,858,996. Of this amount, \$2,856,188,375 comprises debt backed by the full faith and credit of the District, as further guaranteed by the Texas Permanent School Fund Guarantee Program, \$4,403,153 is a liability for workers' compensation claims, \$6,461,750 is a liability for compensated absences, \$372,979,777 is a liability for pensions, and \$431,825,941 is a liability for OPEB.

The District's bonded debt increased by \$91,788,928 (3 percent) during the current fiscal year.

The District's bonds are sold with an "AAA" rating and are guaranteed through the Texas Permanent School Fund Bond Guarantee Program. The underlying rating of the bonds from S&P Global Ratings is "AA" and from Moody's Investor Service is "Aa1" for outstanding general obligation debt. These ratings are unchanged from the prior year.

The District's net pension liability (NPL) increased by \$162,288,886 and the net OPEB liability increased by \$77,653,832. NPL increased primarily from the change in discount rate. The OPEB liability changed primarily due to adjustments for retirees who discontinued health care coverage, change in healthcare trend rate assumption, changes in demographic and economic assumptions, and changes in discount rate and benefit terms.

The following table provides key pension and OPEB statistics from Teacher Retirement System as of and for the fiscal year ended June 30, 2019:

	<b>Summary of District Pension and OPEB Benefits Information</b>		
	<b>Pension</b>	<b>OPEB</b>	<b>Total</b>
Net Liability	\$ 372,979,777	\$ 431,825,941	\$ 804,805,718
Expense	\$ 54,687,724	\$ 37,165,847	\$ 91,853,571

Additional information on the District's long-term liabilities can be found in Note III, item E and Note IV, items D and E of the notes to the financial statements.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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

The primary factors considered in preparing the District's budget for the 2019-20 fiscal year were school finance reform and property tax relief imposed in House Bill 3 of the 86<sup>th</sup> Texas Legislative Session, a 6.5 percent increase in local property values, and safety and security. The Board of Trustees adopted a \$27.5 million deficit budget for 2019-20, prior to utilizing fund balance accumulated in prior years, which provides for more than the required salary increases in House Bill 3, additional staff for career and technology at Cypress Park and Bridgeland High Schools, and 29 elementary school counselors to enhance safety and security.

The District's 2019-20 adopted tax rate of \$1.37 per \$100 of assessed value reflects a decrease of 7 cents. The total tax rate includes a maintenance and operations tax rate of \$0.97 and an interest and sinking tax rate of \$0.40. House Bill 3 of the 86<sup>th</sup> Texas Legislative Session reduced maintenance and operations tax rates by 7 cents and increased state funding to offset the decrease in property taxes.

Despite challenges, the state of the District is strong because of the dedicated leadership provided by its Board of Trustees, committed staff members, students who take pride in their education, and community members who promote high standards and show tremendous support for the District. The District continues to be recognized for operating efficiently to maximize benefits that flow to students and accommodate student enrollment growth.

**Requests for Information**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Assistant Superintendent of Business and Financial Services, Cypress-Fairbanks Independent School District, 10300 Jones Road, Houston, Texas, 77065.

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## ***BASIC FINANCIAL STATEMENTS***

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

**Exhibit A-1**

Data Control Codes		Primary Government		
		Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>				
1110	Cash and Cash Equivalents	\$ 16,641,659	\$ 63,049	\$ 16,704,708
1120	Current Investments	1,007,552,423	3,675,945	1,011,228,368
1225	Property Taxes Receivable (Net of allowance for uncollectibles)	16,976,496	-	16,976,496
1240	Due from Other Governments	146,388,841	-	146,388,841
1250	Accrued Interest	791,319	-	791,319
1260	Internal Balances	2,514,641	(2,514,641)	-
1290	Other Receivables	6,130,256	-	6,130,256
1300	Inventories, at Cost	7,867,195	-	7,867,195
1410	Prepaid Items	3,180,106	-	3,180,106
	Capital Assets, Not Being Depreciated:			
1510	Land	127,362,817	-	127,362,817
1580	Construction in Progress	143,523,434	-	143,523,434
	Capital Assets, Net of Accumulated Depreciation:			
1520	Buildings and Improvements	1,791,254,419	-	1,791,254,419
1530	Furniture and Equipment	82,772,823	-	82,772,823
1000	Total Assets	<u>3,352,956,429</u>	<u>1,224,353</u>	<u>3,354,180,782</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
1705	Deferred Outflows - Pension	199,245,801	-	199,245,801
1706	Deferred Outflows - OPEB	63,081,399	-	63,081,399
1710	Deferred Charge on Refunding	47,346,709	-	47,346,709
1700	Total Deferred Outflows of Resources	<u>309,673,909</u>	<u>-</u>	<u>309,673,909</u>
<b>LIABILITIES</b>				
2110	Accounts Payable	76,411,981	14,287	76,426,268
2140	Accrued Interest Payable	40,506,125	-	40,506,125
2160	Accrued Wages Payable	111,037,390	2,808	111,040,198
2180	Due to Other Governments	795,276	-	795,276
2300	Unearned Revenue	12,031,263	680	12,031,943
	Noncurrent Liabilities:			
2501	Due within one year	98,544,228	-	98,544,228
2502	Due in more than one year	2,768,509,050	-	2,768,509,050
2540	Net Pension Liability	372,979,777	-	372,979,777
2545	Net OPEB Liability	431,825,941	-	431,825,941
2000	Total Liabilities	<u>3,912,641,031</u>	<u>17,775</u>	<u>3,912,658,806</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
2605	Deferred Inflows - Pension	24,915,935	-	24,915,935
2606	Deferred Inflows - OPEB	136,553,765	-	136,553,765
2610	Deferred Gain on Refunding	1,759,338	-	1,759,338
2600	Total Deferred Inflows of Resources	<u>163,229,038</u>	<u>-</u>	<u>163,229,038</u>
<b>NET POSITION</b>				
3200	Net Investment in Capital Assets	(71,787,597)	-	(71,787,597)
3820	Restricted for Grants - Education	240,497	-	240,497
3821	Restricted for Grants - Nutrition	14,656,082	-	14,656,082
3822	Restricted for Grants - Health	428,491	-	428,491
3850	Restricted for Debt Service	68,206,886	-	68,206,886
3900	Unrestricted	(424,984,090)	1,206,578	(423,777,512)
3000	Total Net Position (Deficit)	<u>\$ (413,239,731)</u>	<u>\$ 1,206,578</u>	<u>\$ (412,033,153)</u>

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

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**Exhibit A-2**

Data Control Codes	Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
	<b>Primary Government:</b>						
	Governmental Activities:						
0011	Instruction	\$ 758,429,763	\$ 20,919,333	\$ 93,032,657	\$ (644,477,773)	\$ -	\$ (644,477,773)
0012	Instructional Resources and Media Services	11,768,131	-	1,024,807	(10,743,324)	-	(10,743,324)
0013	Curriculum and Instructional Staff Development	24,743,250	-	3,714,019	(21,029,231)	-	(21,029,231)
0021	Instructional Leadership	13,249,417	-	1,841,222	(11,408,195)	-	(11,408,195)
0023	School Leadership	63,877,326	-	6,368,239	(57,509,087)	-	(57,509,087)
0031	Guidance, Counseling, and Evaluation Services	41,818,953	-	5,444,721	(36,374,232)	-	(36,374,232)
0032	Social Work Services	1,071,532	-	111,539	(959,993)	-	(959,993)
0033	Health Services	11,911,758	-	1,412,134	(10,499,624)	-	(10,499,624)
0034	Student Transportation	57,730,399	-	5,995,066	(51,735,333)	-	(51,735,333)
0035	Food Services	69,283,850	16,257,713	52,381,369	(644,768)	-	(644,768)
0036	Cocurricular/Extracurricular Activities	35,663,079	1,541,408	4,401,576	(29,720,095)	-	(29,720,095)
0041	General Administration	15,733,505	-	2,075,498	(13,658,007)	-	(13,658,007)
0051	Plant Maintenance and Operations	80,381,678	1,955,474	8,047,567	(70,378,637)	-	(70,378,637)
0052	Security and Monitoring Services	14,599,341	-	1,368,819	(13,230,522)	-	(13,230,522)
0053	Data Processing Services	14,858,539	-	1,876,738	(12,981,801)	-	(12,981,801)
0061	Community Services	10,408,457	-	1,788,721	(8,619,736)	-	(8,619,736)
0072	Interest on Debt	100,185,353	-	8,563,254	(91,622,099)	-	(91,622,099)
0073	Bond Issuance Costs and Fees	3,828,009	-	-	(3,828,009)	-	(3,828,009)
0081	Facilities Repair and Maintenance	13,383,109	-	22,075,813	8,692,704	-	8,692,704
0093	Payments to Fiscal Agents SSA	1,269,902	-	-	(1,269,902)	-	(1,269,902)
0095	Payments to Juvenile Justice Alternative Education Programs	3,600	-	-	(3,600)	-	(3,600)
0099	Other Intergovernmental Charges	5,359,181	-	-	(5,359,181)	-	(5,359,181)
TG	Total Governmental Activities	<u>1,349,558,132</u>	<u>40,673,928</u>	<u>221,523,759</u>	<u>(1,087,360,445)</u>	<u>-</u>	<u>(1,087,360,445)</u>
0001	Business-type Activities:						
	Community Programs	6,151,335	8,758,376	-	-	2,607,041	2,607,041
TP	<b>Total Primary Government</b>	<u>\$ 1,355,709,467</u>	<u>\$ 49,432,304</u>	<u>\$ 221,523,759</u>	<u>(1,087,360,445)</u>	<u>2,607,041</u>	<u>(1,084,753,404)</u>
	General Revenues:						
MT	Property Taxes, Levied for General Purposes				529,309,377	-	529,309,377
DT	Property Taxes, Levied for Debt Service				189,987,915	-	189,987,915
IE	Investment Earnings				25,743,491	72,746	25,816,237
GC	Grants and Contributions Not Restricted to Specific Programs				353,839,011	-	353,839,011
MI	Miscellaneous				11,533,772	-	11,533,772
FR	Transfers				2,500,000	(2,500,000)	-
TR	Total General Revenues and Transfers				<u>1,112,913,566</u>	<u>(2,427,254)</u>	<u>1,110,486,312</u>
CN	Change in Net Position				<u>25,553,121</u>	<u>179,787</u>	<u>25,732,908</u>
NB	Net Position (Deficit) - Beginning				<u>(438,792,852)</u>	<u>1,026,791</u>	<u>(437,766,061)</u>
NE	<b>Net Position (Deficit) - Ending</b>				<u>\$ (413,239,731)</u>	<u>\$ 1,206,578</u>	<u>\$ (412,033,153)</u>

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

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2019**

<u>Data Control Codes</u>		<u>General</u>	<u>Debt Service</u>
<b>ASSETS</b>			
1110	Cash and Cash Equivalents	\$ 15,062,488	\$ -
1120	Current Investments	463,030,490	124,425,263
1225	Property Taxes Receivable (net of allowance for uncollectibles)	12,512,145	4,464,351
1240	Due from Other Governments	134,317,631	-
1250	Accrued Interest	385,063	-
1260	Due from Other Funds	35,240,942	-
1290	Other Receivables	988,486	-
1300	Inventories, at Cost	3,837,025	-
1000	<b>Total Assets</b>	<b>\$ <u>665,374,270</u></b>	<b>\$ <u>128,889,614</u></b>
<b>LIABILITIES</b>			
2110	Accounts Payable	\$ 19,537,645	\$ -
2160	Accrued Wages Payable	103,832,547	-
2170	Due to Other Funds	12,181,570	20,176,603
2180	Due to Other Governments	795,276	-
2300	Unearned Revenues	-	-
2000	<b>Total Liabilities</b>	<b><u>136,347,038</u></b>	<b><u>20,176,603</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
2600	Unavailable Revenue- Property Taxes	10,340,308	3,692,537
	<b>Total Deferred Inflows of Resources</b>	<b><u>10,340,308</u></b>	<b><u>3,692,537</u></b>
<b>FUND BALANCES</b>			
Nonspendable:			
3410	Inventory	3,837,025	-
Restricted For:			
3480	Debt Service	-	105,020,474
3450	Grants - Education	-	-
3451	Grants - Nutrition	-	-
3452	Grants - Health	-	-
3470	Construction Projects	-	-
Committed To:			
3545	Campus Activities	-	-
Assigned To:			
3590	Purchases on Order	2,608,416	-
3590	Future Appropriations over Estimated Revenues	27,518,600	-
3590	Fiscal Stabilization	32,481,400	-
3600	Unassigned:	452,241,483	-
3000	<b>Total Fund Balances</b>	<b><u>518,686,924</u></b>	<b><u>105,020,474</u></b>
4000	<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ <u>665,374,270</u></b>	<b>\$ <u>128,889,614</u></b>

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

Exhibit B-1

<u>Capital Projects</u>	<u>Nonmajor Other Governmental</u>	<u>Total Governmental Funds</u>
\$ -	\$ 859,567	\$ 15,922,055
383,286,848	26,547,019	997,289,620
-	-	16,976,496
-	12,071,210	146,388,841
385,961	10,475	781,499
-	12,181,570	47,422,512
5,124,351	17,419	6,130,256
-	4,030,170	7,867,195
<u>\$ 388,797,160</u>	<u>\$ 55,717,430</u>	<u>\$ 1,238,778,474</u>
\$ 56,012,929	\$ 861,407	\$ 76,411,981
-	7,204,843	111,037,390
245,466	12,304,232	44,907,871
-	-	795,276
-	12,031,263	12,031,263
<u>56,258,395</u>	<u>32,401,745</u>	<u>245,183,781</u>
-	-	14,032,845
<u>-</u>	<u>-</u>	<u>14,032,845</u>
-	-	3,837,025
-	-	105,020,474
-	240,497	240,497
-	14,656,082	14,656,082
-	428,491	428,491
332,538,765	-	332,538,765
-	7,990,615	7,990,615
-	-	2,608,416
-	-	27,518,600
-	-	32,481,400
-	-	452,241,483
<u>332,538,765</u>	<u>23,315,685</u>	<u>979,561,848</u>
<u>\$ 388,797,160</u>	<u>\$ 55,717,430</u>	<u>\$ 1,238,778,474</u>

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**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

**Exhibit B-1R**

**Total Fund Balances - Governmental Funds (Exhibit B-1)** \$ 979,561,848

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The governmental capital assets at year-end consist of:

Governmental Capital Assets Costs	\$ 3,240,932,696	
Accumulated Depreciation of Governmental Capital Assets	<u>(1,096,019,203)</u>	2,144,913,493

Property taxes receivable, which will be collected subsequent to year-end, but are not available soon enough to pay expenditures and, therefore, are deferred in the funds. 14,032,845

Prepaid expenses used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. 3,180,106

Long-term liabilities, including bonds payable, compensated absences, and net pension and OPEB liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Liabilities at year end related to such items consist of:

Bonds Payable, at Original Par	\$ (2,586,595,000)	
Premiums, net of discounts, on Bonds Payable	(269,593,375)	
Deferred Charge on Refunding	47,346,709	
Deferred Gain on Refunding	(1,759,338)	
Accrued Interest on Bonds	(40,506,125)	
Compensated Absences	(6,461,750)	
Net Pension Liability	(372,979,777)	
Net OPEB Liability	<u>(431,825,941)</u>	(3,662,374,597)

Deferred outflows of resources for pension represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditures) until that time. 199,245,801

Deferred inflows of resources for pension represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. (24,915,935)

Deferred outflows of resources for OPEB represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditures) until that time. 63,081,399

Deferred inflows of resources for OPEB represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. (136,553,765)

The internal service fund is used by the District to charge the costs of workers' compensation to the individual funds. The assets and liabilities of the internal service fund are included with governmental activities.

Workers' Compensation Fund		6,589,074
<b>Total Net Position - Governmental Activities (Exhibit A-1)</b>		<u><u>\$ (413,239,731)</u></u>

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

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

<b>Data Control Codes</b>		<b>General</b>	<b>Debt Service</b>
<b>REVENUES</b>			
5700	Local, Intermediate, and Out-of-State	\$ 556,434,166	\$ 193,540,641
5800	State Programs	414,287,408	3,746,518
5900	Federal Programs	21,318,647	4,816,736
5020	Total Revenues	<u>992,040,221</u>	<u>202,103,895</u>
<b>EXPENDITURES</b>			
Current:			
0011	Instruction	599,265,464	-
0012	Instructional Resources and Media Services	7,953,704	-
0013	Curriculum and Instructional Staff Development	10,253,895	-
0021	Instructional Leadership	7,759,542	-
0023	School Leadership	48,655,373	-
0031	Guidance, Counseling, and Evaluation Services	34,830,975	-
0032	Social Work Services	1,049,979	-
0033	Health Services	10,548,683	-
0034	Student Transportation	43,871,000	-
0035	Food Services	-	-
0036	Cocurricular/Extracurricular Activities	21,402,264	-
0041	General Administration	16,656,552	-
0051	Plant Maintenance and Operations	73,454,103	-
0052	Security and Monitoring Services	12,235,541	-
0053	Data Processing Services	14,344,188	-
0061	Community Services	8,547,494	-
Debt Service:			
0071	Principal on Long-term Debt	-	88,520,000
0072	Interest on Debt	-	116,870,813
0073	Bond Issuance Costs and Fees	-	3,828,009
Capital Outlay:			
0081	Facilities Acquisition and Construction	323,863	-
Intergovernmental:			
0093	Payments to Fiscal Agents SSA	1,269,902	-
0095	Payments to Juvenile Justice Alternative Education Programs	3,600	-
0099	Other Intergovernmental Charges	5,359,181	-
6030	Total Expenditures	<u>917,785,303</u>	<u>209,218,822</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>74,254,918</u>	<u>(7,114,927)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
7911	Issuance of Bonds	-	-
7912	Sale of Real and Personal Property	211,680	-
7915	Transfers In	2,500,000	8,700,000
7916	Premium from Issuance of Bonds	-	33,185,742
7901	Issuance of Refunding Bonds	-	420,325,000
8911	Transfers Out	(8,700,000)	-
8949	Payment to Refunded Bonds Escrow Agent	-	(450,749,791)
7080	Total Other Financing Sources (Uses)	<u>(5,988,320)</u>	<u>11,460,951</u>
1200	Net Change in Fund Balances	68,266,598	4,346,024
0100	Fund Balances - Beginning	450,420,326	100,674,450
3000	<b>Fund Balances - Ending</b>	<b>\$ <u>518,686,924</u></b>	<b>\$ <u>105,020,474</u></b>

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



Exhibit B-2

<u>Capital Projects</u>	<u>Nonmajor Other Governmental</u>	<u>Total Governmental Funds</u>
\$ 15,684,132	\$ 32,974,636	\$ 798,633,575
-	8,196,003	426,229,929
-	91,153,543	117,288,926
<u>15,684,132</u>	<u>132,324,182</u>	<u>1,342,152,430</u>
17,441,308	50,158,763	666,865,535
-	186,737	8,140,441
-	11,771,009	22,024,904
-	4,270,420	12,029,962
-	408,153	49,063,526
-	3,690,519	38,521,494
-	-	1,049,979
-	759,430	11,308,113
12,306,881	223,984	56,401,865
-	57,779,374	57,779,374
-	-	21,402,264
-	-	16,656,552
3,035,495	1,011,863	77,501,461
-	163,165	12,398,706
4,110,747	-	18,454,935
-	1,359,069	9,906,563
-	-	88,520,000
-	-	116,870,813
-	-	3,828,009
219,482,430	112,503	219,918,796
-	-	1,269,902
-	-	3,600
-	-	5,359,181
<u>256,376,861</u>	<u>131,894,989</u>	<u>1,515,275,975</u>
<u>(240,692,729)</u>	<u>429,193</u>	<u>(173,123,545)</u>
187,260,000	-	187,260,000
-	-	211,680
-	-	11,200,000
12,740,000	-	45,925,742
-	-	420,325,000
-	-	(8,700,000)
-	-	(450,749,791)
<u>200,000,000</u>	<u>-</u>	<u>205,472,631</u>
(40,692,729)	429,193	32,349,086
373,231,494	22,886,492	947,212,762
<u>\$ 332,538,765</u>	<u>\$ 23,315,685</u>	<u>\$ 979,561,848</u>

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**Exhibit B-2R**

<b>Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2)</b>	<b>\$</b>	<b>32,349,086</b>
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Assets increased	\$ 227,088,535	
Depreciation Expense	<u>(99,570,407)</u>	127,518,128
The net effect of miscellaneous transactions involving capital assets (transfers, adjustments and dispositions) is a decrease to net position.		(52,140)
Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenues decreased by this amount this year.		(1,733,752)
Issuance of bonds provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.		
Par Value	\$ (607,585,000)	
Premium	<u>(45,925,742)</u>	(653,510,742)
Payment to the escrow agent to refund bonds from refunding proceeds reduces long-term liabilities.		450,749,791
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		88,520,000
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The decrease in interest reported in the statement of activities consists of the following:		
Accrued Interest on Bonds Payable decreased	\$ 185,764	
Interest Accreted on the Capital Appreciation Bonds decreased	5,958,493	
Amortization of Bond Premium	15,081,228	
Amortization of Deferred Gain on Refunding	114,599	
Amortization of Deferred Charge on Refunding	<u>(4,654,624)</u>	16,685,460
Prepaid expenses are reported in the governmental funds as expenditures, however, in the statement of activities, such costs are allocated to the period the costs are incurred.		3,180,106
The net decrease in compensated absences is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.		577,913
The net change in net pension liability, deferred outflows, and deferred inflows is reported in the statement of activities, but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. The net change consists of the following:		
Deferred Outflows increased	\$ 118,836,601	
Deferred Inflows decreased	12,727,538	
Net Pension Liability increased	<u>(162,288,886)</u>	(30,724,747)
The net change in net OPEB liability, deferred outflows, and deferred inflows is reported in the statement of activities, but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. The net change consists of the following:		
Deferred Outflows increased	\$ 58,001,452	
Deferred Inflows decreased	11,597,097	
Net OPEB Liability increased	<u>(77,653,832)</u>	(8,055,283)
An internal service fund is used by the District to charge the costs of workers' compensation to the individual funds. The change in net position of the following internal service fund is reported in the government-wide statements:		
Workers' Compensation Fund		<u>49,301</u>
<b>Change in Net Position for Governmental Activities (Exhibit A-2)</b>	<b>\$</b>	<b><u>25,553,121</u></b>

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

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2019**

**Exhibit C-1**

<u>Data Control Codes</u>	<u>Business-type Activities</u>		<u>Governmental Activities</u>
	<u>Enterprise Fund Community Programs</u>		<u>Internal Service Fund Workers' Compensation</u>
<b>ASSETS</b>			
Current Assets:			
1110	Cash and Cash Equivalents	\$ 63,049	\$ 719,604
1120	Current Investments	3,675,945	10,262,803
1250	Accrued Interest	-	9,820
	Total Current Assets	<u>3,738,994</u>	<u>10,992,227</u>
1000	Total Assets	<u>3,738,994</u>	<u>10,992,227</u>
<b>LIABILITIES</b>			
Current Liabilities:			
2110	Accounts Payable	14,287	-
2123	Claims Payable - Due within one year	-	1,734,228
2160	Accrued Wages Payable	2,808	-
2170	Due to Other Funds	2,514,641	-
2300	Unearned Revenues	680	-
	Total Current Liabilities	<u>2,532,416</u>	<u>1,734,228</u>
Noncurrent Liabilities:			
2590	Claims Payable - Due in more than one year	-	2,668,925
	Total Noncurrent Liabilities	<u>-</u>	<u>2,668,925</u>
2000	Total Liabilities	<u>2,532,416</u>	<u>4,403,153</u>
<b>NET POSITION</b>			
3900	Unrestricted	<u>1,206,578</u>	<u>6,589,074</u>
3000	<b>Total Net Position</b>	<u>\$ <b>1,206,578</b></u>	<u>\$ <b>6,589,074</b></u>

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

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**Exhibit C-2**

<u>Data Control Codes</u>	<u>Business-type Activities</u> <u>Enterprise Fund Community Programs</u>	<u>Governmental Activities</u> <u>Internal Service Fund Workers' Compensation</u>
<b>OPERATING REVENUES</b>		
5700 Charges for Services	\$ 8,758,376	\$ -
5700 Contributions from Employer	-	2,184,241
5020 Total Operating Revenues	<u>8,758,376</u>	<u>2,184,241</u>
<b>OPERATING EXPENSES</b>		
6100 Payroll Costs	5,129,909	59,486
6200 Purchased and Contracted Services	315,440	-
6300 Supplies and Materials	69,890	-
6400 Other Operating Expenses	<u>636,096</u>	<u>2,321,055</u>
6030 Total Operating Expenses	<u>6,151,335</u>	<u>2,380,541</u>
1200 Operating Income (Loss)	<u>2,607,041</u>	<u>(196,300)</u>
<b>NONOPERATING REVENUES</b>		
7000 Investment Earnings	<u>72,746</u>	<u>245,601</u>
7950 Total Nonoperating Revenues	<u>72,746</u>	<u>245,601</u>
Income before Transfers	2,679,787	49,301
8911 Transfers Out	<u>(2,500,000)</u>	<u>-</u>
1300 Change in Net Position	179,787	49,301
0100 Net Position - Beginning	<u>1,026,791</u>	<u>6,539,773</u>
3000 <b>Net Position - Ending</b>	<u><b>\$ 1,206,578</b></u>	<u><b>\$ 6,589,074</b></u>

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

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**Exhibit C-3**

	<u>Business-type Activities Enterprise Fund Community Programs</u>	<u>Governmental Activities Internal Service Fund Workers' Compensation</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Employer	\$ -	\$ 2,184,241
Cash Received from Services Provided	8,757,867	-
Cash Payments for Claims	-	(2,451,765)
Cash Payments for Goods and Services	(1,047,374)	-
Cash Payments for Employees	(5,127,101)	(59,486)
Net Cash Provided by (Used for) Operating Activities	<u>2,583,392</u>	<u>(327,010)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers to Other Funds	<u>(2,500,000)</u>	-
Net Cash Used for Noncapital Financing Activities	<u>(2,500,000)</u>	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest and Dividends Received on Investments	72,746	235,781
(Purchase) Sale of Investments	<u>(93,089)</u>	<u>153,682</u>
Net Cash Provided By (Used For) Investing Activities	<u>(20,343)</u>	<u>389,463</u>
Net Increase in Cash and Cash Equivalents	63,049	62,453
Cash and Cash Equivalents at Beginning of Year	-	657,151
Cash and Cash Equivalents at End of Year	<u>\$ 63,049</u>	<u>\$ 719,604</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:</b>		
Operating Income (Loss)	\$ 2,607,041	\$ (196,300)
Change in Assets and Liabilities:		
Decrease in Receivables	1,569	-
Decrease in Accounts Payable/Claims Payable	(25,948)	(130,710)
Increase in Accrued Wages Payable	2,808	-
Decrease in Due to Other Funds	(2,078)	-
Net Cash Provided By (Used For) Operating Activities	<u>\$ 2,583,392</u>	<u>\$ (327,010)</u>

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

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FIDUCIARY FUND**  
**JUNE 30, 2019**

**Exhibit D-1**

<b>Data Control Codes</b>		<b>Agency Fund</b>
	<b>ASSETS</b>	
1110	Cash and Cash Equivalents	\$ 178,776
1120	Current Investments	4,806,132
1250	Accrued Interest	20,891
1000	<b>Total Assets</b>	<b>\$ 5,005,799</b>
	<b>LIABILITIES</b>	
2110	Accounts Payable	\$ 193,574
2190	Due to Student Groups	4,812,225
2000	<b>Total Liabilities</b>	<b>\$ 5,005,799</b>

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

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**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**I. Summary of Significant Accounting Policies**

**A. Reporting Entity**

The Cypress-Fairbanks Independent School District (the District) is governed by a seven-member Board of Trustees (Board), which has governance responsibilities over all activities related to public elementary and secondary education within the District. Because members of the Board are elected by the public; have authority to make decisions; appoint management and significantly influence operations; and have primary accountability for fiscal matters; the District is not included in any other governmental reporting entity. The accompanying financial statements present the operations of the District. There are no component units, entities for which the District is considered to be financially accountable, included within the reporting entity.

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 government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Direct expenses are not eliminated from the various functional categories. Interfund services that are provided and used are not eliminated in the process of consolidation. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Depreciation expense and workers' compensation claims have been allocated to all applicable functions in order to present the expenses of the District more accurately in the statement of activities. *Program revenues* include 1) charges to students or users who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Where applicable, certain indirect costs are included in program expenses reported for individual functions and activities. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

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

The accounting policies of the District comply with the rules prescribed in the Texas Education Agency's (TEA) *Financial Accountability System Resource Guide*. These accounting policies conform to generally accepted accounting principles (GAAP) applicable to state and local governments.

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



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

The fiduciary fund financial statement reflects the District's agency fund. The agency fund reports only assets and liabilities and does not have a measurement focus.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers property tax revenues to be available if they are collected within 60 days and all other revenues within 120 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to pension liability, OPEB liability, compensated absences, and claims and judgments, are recorded only when payment is due.

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

The District's accounting system is organized and operated on the basis of funds, each of which is a separate accounting entity with a self-balancing set of accounts. The District's resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Major revenue sources include local property taxes and state funding under the Foundation School Program. Expenditures include all costs associated with the daily operations of the schools except for programs funded by certain local, state and federal sources, school construction and debt service.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds. The primary revenue source is local property taxes levied specifically for debt service.

The *capital projects fund* is used to account for proceeds from sales of bonds and other revenues to be used for acquiring school sites; constructing, renovating and equipping District facilities; purchasing buses; and technology projects and enhancements.

The District reports the following nonmajor governmental funds:

The *special revenue funds* account for the District's National School Breakfast and Lunch Program, Campus Activity Funds and all federal, state and locally funded grants. These grants are awarded to the District for the purpose of accomplishing specific educational tasks as defined in the grant awards.

The District reports the following proprietary fund types:

The *internal service fund* accounts for the District's workers' compensation plan, which is supported principally by District contributions.

The *enterprise fund* accounts for the District's operation of a before and after school care program and summer programs (Community Programs). This fund is supported principally by revenues generated through program fees.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

The District reports the following fiduciary fund type:

The *agency fund* is used to account for assets held by the District as an agent for student organizations. The fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operation.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services that are provided and used are not eliminated in the process of consolidation.

Amounts reported as *program revenues* include 1) charges to students or users for goods, services, or privileges provided and 2) operating grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes, investment income, and grants and contributions not restricted to specific programs.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service fund are charges to the fund for workers' compensation. Operating expenses for the internal service fund includes the cost of services and administrative expenses. The principal operating revenues of the District's enterprise fund are fees charged for before and after school care for elementary and middle school students and summer programs for all students of the District who elect to participate in the community programs. Operating expenses of the enterprise fund include the cost of payroll, contracted services, supplies, and other miscellaneous operating costs to run the program. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses for the internal service fund and the enterprise fund.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances**

**1. Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand and demand deposits with original maturities of three months or less from date of acquisition.

Investments for the District, except for certain investment pools, are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost or fair value.

**2. Receivables and Payables**

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

Property tax receivables include unpaid property taxes at year-end and are shown net of an allowance for uncollectibles. Net property tax receivables are stated at the amount estimated to be collectible based on the District's collection experience. Revenues from property taxes are recognized when levied to the extent they are available (collected within 60 days after the close of the fiscal year). However, not all outstanding property taxes are expected to be collected within one year of the date of the financial statements.

Property values are determined by the Harris County Appraisal District as of January 1 of each year. Prior to July 1 of each year, the District must adopt its annual budget and as soon thereafter as practicable, shall adopt a tax rate thus creating the tax levy. Property taxes for the current calendar year are levied on approximately

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

October 1 of each year and are payable by January 31 of the following year. Property tax receivables are recorded as of the date levied. Unpaid taxes become delinquent on February 1 and a tax lien on real property is created as of July 1 of each year. Delinquent taxes collected are prorated between the general fund and the debt service fund based on rates adopted for the year of the levy. Deferred inflows of resources are recorded in an amount equal to the net taxes receivable less subsequent 60-day collection at the fund level.

**3. Inventories and Prepaid Items**

Inventories consisting of supplies and materials are valued at weighted average cost when an item is purchased and are subsequently recognized as expenditures when consumed. Food service commodities, transportation and maintenance supplies are charged to expenditures when received or purchased. Food service commodity inventory is recorded at fair market value on the date received. Commodities are recognized as revenues in the period received when all the eligibility requirements are met. A portion of fund balance is reported as nonspendable to reflect minimum inventory quantities considered necessary for the District’s continuing operations.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid expenditures are recorded when purchased rather than when consumed.

**4. Capital Assets**

Capital assets, which include land, construction in progress, buildings and improvements, furniture and equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the governmental activities column in the government-wide financial statements. The District’s infrastructure includes parking lots and roads associated with various buildings. The cost of the infrastructure was initially capitalized with the building cost and is being depreciated over the same useful life as the building. Capital assets are defined by the District as assets with an initial, individual cost that equals or exceeds \$5,000 with a useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Buildings and improvements, and furniture and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	10-40
Furniture and Equipment	3-15

Land and construction in progress are not depreciated.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**5. *Compensated Absences***

It is the District's policy to permit employees to accumulate earned but unused state personal and sick leave days and local sick leave days. Upon retirement, an employee is entitled to full reimbursement for accumulated, unused days if the employee (1) has a minimum of ten (10) years of consecutive service in the District immediately preceding retirement; and (2) is eligible to receive benefits under the Texas Teacher Retirement System (TRS) on an unreduced pension/annuity immediately upon separation from the District. An eligible employee will be reimbursed a maximum of \$18,750 based on 150 of unused personal and sick leave days at \$125 per day. Employees who have been employed five to nine years with the District may draw a reduced benefit. All accumulated personal and sick leave for qualifying employees is reported in the government-wide financial statements. A liability is recorded in the governmental funds for only the amount of personal and sick leave that is due to those employees who had retired but had not yet been paid as of June 30, 2019.

Annual vacation time is granted to 250-day non-professional and professional employees; however, any unused vacation time lapses at the end of each calendar year. A liability is recorded in the government-wide and governmental funds financial statements for only those employees with vacation days that had retired but had not yet been paid as of June 30, 2019.

**6. *Long-term Obligations***

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

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

**7. *Deferred Outflows/Inflows of Resources***

*Deferred outflows of resources* represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until that time. *Deferred inflows of resources* represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension and OPEB activities are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and OPEB plan, except for projected and actual earnings differences on investments which are amortized on a closed basis over a 5-year period.
- Deferred charge/gain on refunding is amortized over the shorter of the life of the refunded or refunding debt.
- Property taxes are recognized in the period the amount becomes available.
- District contributions to the pension and OPEB plans after the measurement date are recognized in the subsequent year.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**8. Net Position Flow Assumptions**

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

**9. Fund Balance Flow Assumptions**

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). It is the District's policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as unrestricted (committed, assigned, and unassigned) fund balance in the governmental funds financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. The District considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any unrestricted fund balance classification could be used.

**10. Fund Balance Policies**

In the fund financial statements, governmental funds report 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 the amounts in the respective governmental funds can be spent. The District reports the following classifications of fund balance:

The *nonspendable* classification accounts for amounts that are not in spendable form. The amounts reported in this category pertain to inventories that the District does not expect to convert to cash.

The *restricted* classification accounts for amounts that have external constraints imposed upon the use of the resources by bondholders, grantors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The amounts reported in this category include funding from external sources such as state and federal grants, tax levies for the repayment of principal and interest on long-term debt, and unspent bond proceeds for the construction and equipment of school facilities.

The *committed* classification accounts for amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board. These amounts can only be used for the purpose intended, which requires formal Board action by passage of a resolution to establish (as noted in Board minutes), unless the Board modifies or removes the specified use by taking the same formal Board action. The amounts reported in this category include the campus activity fund balances in the special revenue fund.

The *assigned* classification accounts for amounts that the District intends to use for a specific purpose. The Board delegates to the Superintendent or designee the responsibility to assign funds. The amounts reported in this category include outstanding encumbrances at the end of the fiscal year, future appropriations over estimated revenues, and funds for fiscal stabilization.

The *unassigned* classification accounts for the residual amount in the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**11. 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 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.

**12. 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.

**13. Use of Estimates**

A number of estimates relating to the reporting of revenues, expenditures, assets and liabilities, and the disclosure of contingent liabilities were used to prepare these financial statements in conformity with GAAP. Actual results could differ from those estimates.

**14. Data Control Codes**

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

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**II. Stewardship, Compliance, and Accountability**

**A. Budgetary Information**

The Board of Trustees adopts an appropriated budget for the general fund, debt service fund, and the National School Breakfast and Lunch Program special revenue fund on a basis consistent with GAAP. Budgetary information for the general fund appears in the required supplementary information subsection where the District compares the final amended budget to actual revenues and expenditures. Per regulatory requirements, the debt service fund and the National School Breakfast and Lunch Program special revenue fund are required to be reported with the original budget, final amended budget and actual revenues and expenditures. These schedules are included in the combining and individual fund financial statements and schedules subsection. All other governmental funds adopt project-length budgets. All annual appropriations lapse at fiscal year-end.

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

1. Prior to June 19 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 1. 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 after ten days' public notice of the meeting has been given.
3. Prior to July 1, the budget is formally approved and adopted by the Board.

The appropriated budget is prepared by fund and function. The District's campus/department heads may make transfers of appropriations within a campus/department. Transfers of appropriations between campuses/ departments require the approval of the District's management. Increasing any one of the functional spending categories, or revenues object accounts and other resources require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level within a fund. The District made several supplemental budgetary revisions throughout the year, primarily in the general fund. These revisions are further detailed in the notes to the required supplementary information.

**B. Encumbrances**

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as restricted, committed, or assigned, as appropriate.

At June 30, 2019, certain amounts which were previously restricted, committed, or assigned for specific purposes have been encumbered in the governmental funds. Significant encumbrances included in governmental fund balances are as follows:

	<b>Encumbrances Included in:</b>		
	<b>Restricted</b>	<b>Committed</b>	<b>Assigned</b>
	<b>Fund Balance</b>	<b>Fund Balance</b>	<b>Fund Balance</b>
General Fund	\$ -	\$ -	\$ 2,608,416
Capital Projects Fund	152,554,124	-	-
Total Nonmajor Funds	907,119	459,055	-
<b>Total Encumbrances</b>	<b>\$ 153,461,243</b>	<b>\$ 459,055</b>	<b>\$ 2,608,416</b>

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**III. Detailed Notes on All Funds**

**A. Deposits and Investments**

*Cash Deposits:* The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas School Depository Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the District's and the depository banks' agent bank. The pledged securities are in compliance with the Texas Government Code, Chapter 2257 "Collateral for Public Funds", and are sufficient to meet the terms agreed to in the current depository contract as approved by TEA.

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

For fiscal year 2019, the District invested in U.S. Government Agency securities, U.S. Treasuries, certificates of deposit, the Texas Local Government Investment Pool (TexPool), Texas CLASS, Texas Association of School Boards Lone Star Investment Pool (Lone Star), and Local Government Investment Cooperative (LOGIC) Investment Pool. TexPool is duly chartered and overseen by the State Comptroller's Office, administered and managed by Federated Investment Counseling. State Street Bank serves as the custodial bank. The portfolio consists of U.S. Government securities; collateralized repurchase and reverse repurchase agreements; no-load money market mutual funds regulated by the Securities and Exchange Commission (SEC) and rated AAAM by Standard and Poor's; and securities lending programs. Texas CLASS is organized under the Eighth Amended and Restated Trust Agreement in accordance with all the requirements contained in section 2256.016 of the Act. Texas CLASS is administered by Public Trust Advisors, LLC and all funds are held by the custodial agent, Wells Fargo N.A. Texas CLASS may invest in obligations of the U.S. or its agencies and instrumentalities; repurchase agreements; SEC-registered money market funds rated in the highest rating category by at least one NRSRO; and commercial paper rated A-1, P-1 or equivalent by two nationally recognized rating agencies. Lone Star is duly chartered by the State of Texas Interlocal Cooperation Act, is administered by First Public, LLC, and managed by Bank of New York (BNY) Mellon Cash Investment Strategies and American Beacon Advisors. BNY Mellon is the custodial bank. Lone Star Corporate Overnight Plus Fund may invest in obligations of the U.S. or its agencies and instrumentalities; other obligations insured by the U.S.; fully collateralized repurchase agreements having a defined termination date, secured by obligations described previously; SEC-regulated no-load money market mutual funds, the assets which consist exclusively of the obligations described above; and commercial paper rated A-1, P-1 or equivalent by two nationally recognized rating agencies. LOGIC is duly chartered by the State of Texas Interlocal Cooperation Act, is administered by Hilltop Securities, Inc. and J.P. Morgan Investment Management, Inc. (JPMIM), and managed by JPMIM, who provides custody, fund accounting and investment management. Transfer agency services are provided by DST Asset Manager Solutions, Inc. LOGIC may invest in obligations of the U.S. or its agencies and instrumentalities; repurchase agreements; SEC-registered money market funds rated in the highest rating category by at least one NRSRO; and commercial paper rated A-1, P-1 or equivalent by two nationally recognized rating agencies.



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2019**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs - other than quoted prices within Level 1 - that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The District’s investment balances, including fiduciary funds, and weighted average maturity of such investments are as follows:

	<u>Current Investments</u>	<u>Fair Value Measurement Using Significant Other Observable Inputs (Level 2)</u>	<u>Percent of Total Investments</u>	<u>Weighted Average Maturity (Days)</u>	<u>Weighted Average Credit Risk</u>
<b>Investments Measured at Amortized Cost</b>					
<b>Investment Pools</b>					
TexPool	\$ 79,146	\$ -	0.01%	35	AAAm*
<b>Investments Measured at Fair Value</b>					
<b>Investment Pools</b>					
Lone Star Corporate Overnight Plus Fund	207,793,630	-	20.45%	49	AAA/S1+*
Texas CLASS	279,624,072	-	27.52%	51	AAAm*
LOGIC	364,810,873	-	35.91%	53	AAAm*
<b>Investments Measured at Fair Value</b>					
<b>Certificates of Deposit</b>	19,100,000	19,100,000	1.88%	982	Not rated
<b>U.S. Government Agencies and Securities:</b>					
Federal Farm Credit Bank	13,727,817	13,727,817	1.35%	278	Aaa/AA+**
Federal Home Loan Bank	25,260,813	25,260,813	2.49%	226	Aaa/AA+**
Federal Home Loan Mortgage Corp.	42,019,478	42,019,478	4.13%	318	Aaa/AA+**
Federal National Mortgage Association	15,333,460	15,333,460	1.51%	240	Aaa/AA+**
U.S. Treasury Notes	48,285,211	48,285,211	4.75%	393	
<b>Total</b>	<b>\$ 1,016,034,500</b>	<b>\$ 163,726,779</b>	<b>100.00%</b>		
<b>Portfolio Weighted Average Maturity</b>				<b>88</b>	

\* S&P rating only

\*\*Moody's and S&P rating

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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*Investment Pools* are measured at amortized cost or fair value and are not subject to level reporting.

*Certificates of Deposit, U.S. Government Agency Securities* and *U.S. Treasury Notes* classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The *TexPool* investment pool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, the investment pool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less and weighted average lives of 120 days or less, investments held are highly rated by nationally recognized statistical rating organizations, have no more than 5% of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. *TexPool* has a redemption notice period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity.

The *Lone Star, Texas CLASS*, and *LOGIC* investment pools are external investment pools measured at fair value. *Lone Star, Texas CLASS*, and *LOGIC*'s strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. The District has no unfunded commitments related to the investment pools. *Lone Star, Texas CLASS*, and *LOGIC* have a redemption notice period of one day and may redeem daily. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national or state emergency that affects the pools' liquidity.

*Interest Rate Risk:* Interest rate risk is the risk that changes in interest rates may adversely affect the value of the investments. The District monitors interest rate risk utilizing weighted average maturity analysis. In accordance with its investment policy, the District reduces its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio as a whole to no more than 547 days (18 months), diversification, and by holding securities to maturity. In addition, the District shall not directly invest in an individual security maturing more than three years from the date of purchase.

*Custodial Credit Risk:* The District's agent holds securities in the District's name; therefore, the District is not exposed to custodial credit risk. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker/dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The District's policy requires that the investments of the District shall be secured through third-party custodial and safekeeping procedures as designated by the District.

*Credit Risk:* State law and the District's investment policy limits investments in all categories to top ratings issued by nationally recognized statistical rating organizations. The credit ratings for the District's investments are disclosed in the table on the previous page.

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

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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The net increase in the fair value of investments during the year ended June 30, 2019, is included in investment earnings as follows:

Investment Earnings	\$ 25,361,192
Net Increase in Fair Value of Investments	455,045
<b>Total Investment Earnings</b>	<b>\$ <u>25,816,237</u></b>

**B. Receivables**

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

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
<b>Receivables:</b>					
Property Taxes	\$ 17,794,598	\$ 6,358,072	\$ -	\$ -	\$ 24,152,670
Due From Other Governments:					
State	133,341,003	-	-	776,877	134,117,880
Federal	976,628	-	-	11,294,333	12,270,961
Accrued Interest	385,063	-	385,961	10,475	781,499
Other Receivables	988,486	-	5,124,351	17,419	6,130,256
Gross Receivables	<u>153,485,778</u>	<u>6,358,072</u>	<u>5,510,312</u>	<u>12,099,104</u>	<u>177,453,266</u>
Less: Allowance for Uncollectibles	(5,282,453)	(1,893,721)	-	-	(7,176,174)
<b>Net Total Receivables</b>	<b>\$ <u>148,203,325</u></b>	<b>\$ <u>4,464,351</u></b>	<b>\$ <u>5,510,312</u></b>	<b>\$ <u>12,099,104</u></b>	<b>\$ <u>170,277,092</u></b>

Sixty percent of property taxes receivable is not scheduled to be collected in the subsequent year.

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period or in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenues reported in the governmental funds were as follows:

	<u>Unearned</u>
Cash Advance for Grants (Nonmajor Governmental Funds)	\$ 12,031,263
<b>Total Unearned Revenues For Governmental Funds</b>	<b>\$ <u>12,031,263</u></b>

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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**C. Capital Assets**

Capital asset activity for the year ended June 30, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers, Adjustments and Dispositions</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
<b>Capital Assets, not being Depreciated:</b>				
Land	\$ 110,504,735	\$ 16,858,082	\$ -	\$ 127,362,817
Construction in Progress	97,573,199	120,232,194	(74,281,959)	143,523,434
<i>Total Capital Assets, not being Depreciated</i>	<u>208,077,934</u>	<u>137,090,276</u>	<u>(74,281,959)</u>	<u>270,886,251</u>
<b>Capital Assets, being Depreciated:</b>				
Buildings and Improvements	2,556,107,035	68,341,345	74,281,959	2,698,730,339
Furniture and Equipment	250,756,599	21,656,914	(1,097,407)	271,316,106
<i>Total Capital Assets, being Depreciated</i>	<u>2,806,863,634</u>	<u>89,998,259</u>	<u>73,184,552</u>	<u>2,970,046,445</u>
<b>Less Accumulated Depreciation for:</b>				
Buildings and Improvements	(832,331,866)	(75,144,054)	-	(907,475,920)
Furniture and Equipment	(165,162,197)	(24,426,353)	1,045,267	(188,543,283)
<i>Total Accumulated Depreciation</i>	<u>(997,494,063)</u>	<u>(99,570,407)</u>	<u>1,045,267</u>	<u>(1,096,019,203)</u>
<i>Total Capital Assets, being Depreciated, net</i>	<u>1,809,369,571</u>	<u>(9,572,148)</u>	<u>74,229,819</u>	<u>1,874,027,242</u>
<i>Governmental Activities Capital Assets, net</i>	<u>\$ 2,017,447,505</u>	<u>\$ 127,518,128</u>	<u>\$ (52,140)</u>	<u>\$ 2,144,913,493</u>

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

<b>Governmental Activities:</b>	
11 Instruction	\$ 44,451,069
12 Instructional Resources and Media Services	3,151,529
23 School Leadership	11,450,578
33 Health Services	4,592
34 Student Transportation	12,250,882
35 Food Services	6,204,700
36 Cocurricular/Extracurricular Activities	13,819,609
41 General Administration	1,702,570
51 Plant Maintenance and Operations	2,108,197
52 Security and Monitoring Services	1,921,300
53 Data Processing Services	2,489,236
61 Community Services	16,145
<i>Total Depreciation Expense</i>	<u>\$ 99,570,407</u>

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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**Construction Commitments**

The District has active construction projects as of June 30, 2019. The projects include the construction and equipment of school facilities. At year-end, the District's active commitments with contractors are as follows:

<b><u>Project</u></b>	<b><u>Remaining Commitment</u></b>
Leonard Brautigam Center (formerly Windfern School of Choice)	\$ 4,800,886
Harold Rowe Middle School	40,187,552
Additions and Renovations to Existing Facilities	83,758,822
Transportation Centers Improvements	593,673
District-wide Security Enhancements	508,962
Moore Elementary School Restoration-Phase 2	786,922
Matzke Elementary School (replacement)	225,180
<b><i>Totals</i></b>	<b>\$ <u><u>130,861,997</u></u></b>

**D. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2019, is as follows:

	<b><u>Interfund Receivables</u></b>	<b><u>Interfund Payables</u></b>
<b>Governmental Funds:</b>		
General Fund	\$ 35,240,942	\$ 12,181,570
Debt Service Fund	-	20,176,603
Capital Projects Fund	-	245,466
Nonmajor Governmental Funds	12,181,570	12,304,232
<b><i>Total Governmental Funds</i></b>	<b><u>47,422,512</u></b>	<b><u>44,907,871</u></b>
<b>Proprietary Funds:</b>		
Enterprise Fund	-	2,514,641
<b><i>Total Proprietary Funds</i></b>	<b><u>-</u></b>	<b><u>2,514,641</u></b>
<b><i>Total - All Funds</i></b>	<b>\$ <u><u>47,422,512</u></u></b>	<b>\$ <u><u>47,422,512</u></u></b>

Interfund balances consist of short-term lending/borrowing arrangements that result primarily from payroll, warehouse ordering and other regularly occurring charges that are paid by the general fund and then charged back to the appropriate other fund. Additionally, some lending/borrowing may occur between two or more nonmajor governmental funds. Interfund balances between governmental funds and proprietary funds are eliminated in the statement of net position and reported as internal balances.

Interfund transfers are defined as “flows of assets without equivalent flow of assets in return and without a requirement for repayment.” The composition of interfund transfers as of June 30, 2019, is as follows:

<b><u>Transfers Out</u></b>	<b><u>Transfers In</u></b>	<b><u>Amount</u></b>
Enterprise Fund	General Fund	\$ 2,500,000
General Fund	Debt Service	\$ 8,700,000

The fund balance in the enterprise fund not needed for operations was transferred to the general fund. The transfer to the debt service fund was assigned from the June 30, 2018 general fund balance to offset the one-year reduction in the debt service tax rate.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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**E. Long-term Liabilities**

The District's long-term liabilities consist of bond indebtedness, workers' compensation, compensated absences, net pension liability and net OPEB liability. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund. Current funding requirements for workers' compensation, pension, and OPEB plans are accounted for in the governmental and proprietary funds. Other unfunded long-term liabilities are generally liquidated with resources of the general fund.

**Changes in Long-term Liabilities**

Long-term liability activity for the year ended June 30, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<i>Governmental Activities:</i>					
<b>Bonds Payable:</b>					
General Obligation Bonds	\$ 2,517,955,000	\$ 607,585,000	\$ (538,945,000)	\$ 2,586,595,000	\$ 94,710,000
Accreted Interest on Capital					
Appreciation Bonds	5,958,493	176,507	(6,135,000)	-	-
Issuance Premiums	240,485,954	45,925,742	(16,818,321)	269,593,375	-
<b>Total Bonds Payable</b>	<b>2,764,399,447</b>	<b>653,687,249</b>	<b>(561,898,321)</b>	<b>2,856,188,375</b>	<b>94,710,000</b>
Workers' Compensation	4,533,863	1,787,041	(1,917,751)	4,403,153	1,734,228
Compensated Absences	7,039,663	1,532,087	(2,110,000)	6,461,750	2,100,000
Net Pension Liability	210,690,891	185,116,268	(22,827,382)	372,979,777	-
Net OPEB Liability	354,172,109	83,620,039	(5,966,207)	431,825,941	-
<b>Total Long-term Liabilities</b>	<b>\$ 3,340,835,973</b>	<b>\$ 925,742,684</b>	<b>\$ (594,719,661)</b>	<b>\$ 3,671,858,996</b>	<b>\$ 98,544,228</b>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities.

**General Obligation Bonds**

The District issues general obligation bonds to provide funds for the construction and equipment of school facilities, purchase of buses, and to refund general obligation bonds.

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These are issued as 10-30 year current interest bonds or capital appreciation bonds (CAB) with various amounts of principal maturing each year. Rates may be fixed or adjustable. 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 indenture. The 2009B taxable series Build America Bonds entitle the District to receive a subsidy payment from the federal government equal to 35% of the amount of each interest payment on these taxable bonds. The 2009B taxable series Build America Bonds were defeased in February 2019, therefore, the District will no longer receive a subsidy on these bonds. The 2010B taxable series qualified school construction bonds entitle the District to receive a subsidy payment from the federal government equal to 100% of the amount of each interest payment on these taxable bonds. As a result of Congressionally-mandated Sequestration, the federal subsidy payments for the qualified school construction bonds will be reduced to 5.9 percent in fiscal year 2020. The reduction represents a decrease from the fiscal year 2019 sequestration rate of 6.2 percent.

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

<u>Series</u>	<u>Interest Rate Payable</u>	<u>Amounts Original Issue</u>	<u>Maturity Date</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Series 2002B	4.00-4.50%	\$ 76,500,000	2024	\$ 25,500,000	\$ -	\$ (25,500,000)	\$ -
Series 2005	2.40-5.00%	150,370,000	2022	81,640,000	-	(67,820,000)	13,820,000
Series 2005A	3.50-5.00%	131,100,000	2030	16,500,000	-	(16,500,000)	-
Series 2007 (CAB)	4.35%	1,385,000	2019	505,000	-	(505,000)	-
Series 2007A	4.00-5.00%	40,380,000	2020	7,040,000	-	(3,410,000)	3,630,000
Series 2009A	3.00-5.00%	33,510,000	2025	19,035,000	-	(19,035,000)	-
Series 2009B	6.53-6.63%	191,465,000	2038	191,465,000	-	(191,465,000)	-
Series 2010A	0.00%	30,000,000	2026	16,000,000	-	(2,000,000)	14,000,000
Series 2010B	5.41%	25,140,000	2026	13,240,000	-	(1,655,000)	11,585,000
Series 2011	2.00-5.00%	28,390,000	2021	11,915,000	-	(7,215,000)	4,700,000
Series 2012	2.00-5.00%	106,920,000	2028	98,705,000	-	(1,085,000)	97,620,000
Series 2012A	2.00-5.00%	75,965,000	2038	68,260,000	-	(3,730,000)	64,530,000
Series 2013	2.00-5.00%	145,845,000	2027	130,020,000	-	(6,475,000)	123,545,000
Series 2014A	2.00-5.00%	40,340,000	2032	37,125,000	-	(985,000)	36,140,000
Series 2014B	2.00-3.00%	114,680,000	2044	114,680,000	-	-	114,680,000
Series 2014C	1.00-5.00%	435,740,000	2044	423,745,000	-	(11,605,000)	412,140,000
Series 2015	4.00-5.00%	308,045,000	2035	301,780,000	-	-	301,780,000
Series 2015A	2.00-5.00%	209,045,000	2040	200,700,000	-	(2,310,000)	198,390,000
Series 2015B	2.00-4.00%	143,745,000	2040	143,745,000	97,755,000	(97,755,000)	143,745,000
Series 2016	4.00-5.00%	446,170,000	2041	431,630,000	-	(11,245,000)	420,385,000
Series 2017A	2.00-3.00%	184,725,000	2043	184,725,000	62,500,000	(68,650,000)	178,575,000
Series 2018	3.00-5.00%	187,260,000	2043	-	187,260,000	-	187,260,000
Series 2019	4.00-5.00%	260,070,000	2038	-	260,070,000	-	260,070,000
<b>Totals</b>				<b>\$ 2,517,955,000</b>	<b>\$ 607,585,000</b>	<b>\$ (538,945,000)</b>	<b>\$ 2,586,595,000</b>

A portion of the bonds sold in Series 2007 were capital appreciation bonds, commonly referred to as “premium compound interest bonds”. These bonds were issued at a discount to their par or maturity value and the interest has been fully accreted.

<u>Description</u>	<u>Accreted Value</u>	<u>Stated Value</u>	<u>Ending Value Accreted Interest</u>
2007	\$ 505,000	\$ 505,000	\$ -

As of June 30, 2019, the District had \$158,810,500 in authorized but unissued bonds remaining from the May 10, 2014 bond election and \$1,762,000,000 in authorized but unissued bonds remaining from the recent May 4, 2019 bond election.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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In November 2018, the District issued \$187,260,000 of unlimited tax school building bonds (Series 2018). The proceeds of this bond sale were used for ongoing construction projects, safety and security, and technology enhancements.

In February 2019, the District issued \$260,070,000 of unlimited tax refunding bonds (Series 2019). The proceeds of the refunding bonds were used to legally defease \$290,170,000 of previously issued District bonds in order to lower its overall debt service requirements. The net carrying value of the old debt exceeded the reacquisition price by \$882,826. This amount is added to the new debt and amortized over the life of the new debt. The refunding resulted in debt service savings of \$38,440,412 and an economic gain of \$29,142,904.

The District has outstanding variable rate unlimited tax school building bonds. These bonds were issued as term bonds scheduled to mature on various dates. Following the initial rate period, the bonds will bear interest at a term rate determined by the remarketing agent with a term rate period of two years unless a different rate period is specified by the District; however, the interest rate mode on the bonds may at the District's option, be converted from time to time to a weekly rate, monthly rate, quarterly rate, semiannual rate, or a different term rate period; or to a flexible rate; or to a fixed rate until maturity. The bonds are subject to mandatory redemption and a mandatory redemption schedule for each subseries has been established.

The following is a summary of all variable rate unlimited tax school building bonds issued by the District:

**Variable Rate Unlimited Tax School Building Bonds**

	<b>Principal Amount</b>	<b>Issue Date</b>	<b>Initial/ Current Rate Period</b>	<b>Stated Maturity Date</b>	<b>Initial/ Remarketed Interest Rate</b>	<b>Initial/ Remarketed Yield</b>	<b>Stepped Rate</b>
Series 2014B-1	\$ 37,675,000	3/1/2014	8/15/2019	2/15/2036	3.000%	1.640%	7%
Series 2014B-2	37,625,000	3/1/2014	8/15/2020	2/15/2040	1.400%	1.400%	7%
Series 2014B-3	39,380,000	3/1/2014	8/15/2020	2/15/2044	1.400%	1.400%	7%
Series 2015B-1	49,740,000	11/1/2015	8/15/2021	2/15/2040	2.125%	2.125%	7%
Series 2015B-2	48,015,000	11/1/2015	8/15/2021	2/15/2040	2.125%	2.125%	7%
Series 2015B-3	45,990,000	11/1/2015	8/15/2019	2/15/2040	4.000%	1.400%	8%
Series 2017A-1	62,500,000	10/1/2017	8/15/2021	2/15/2027	2.125%	2.125%	7%
Series 2017A-2	61,715,000	10/1/2017	8/15/2019	2/15/2036	2.500%	1.360%	7%
Series 2017A-3	60,510,000	10/1/2017	8/16/2020	2/15/2043	3.000%	1.500%	7%

The interest rate borne by these bonds cannot exceed the lesser of a maximum rate of 8 percent or the maximum net effective interest rate permitted under Chapter 1204, Texas Government Code, as amended. In the event of a failed remarketing, a step rate will be invoked until such a time as the bonds are successfully remarketed. A failed remarketing will not be considered an event of default.

In August 2018, \$49,740,000 (Series 2015B-1), \$48,015,000 (Series 2015B-2), and \$62,500,000 (Series 2017A-1) of the District's variable rate unlimited tax schoolhouse building bonds were remarketed at a rate of 2.125%. The remarketing was to a new term rate period beginning on the conversion date of August 15, 2018 and ending on August 16, 2021.



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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Annual debt service requirements to maturity for general obligation bonds are as follows:

<b>Year Ending June 30</b>	<b>Principal Value At Maturity</b>	<b>Interest</b>	<b>Total Requirements</b>
2020	\$ 94,710,000	\$ 109,874,989	\$ 204,584,989
2021	106,295,000	109,271,950	215,566,950
2022	115,205,000	108,383,389	223,588,389
2023	120,270,000	104,850,224	225,120,224
2024	120,140,000	99,109,139	219,249,139
2025	125,725,000	93,367,054	219,092,054
2026	128,585,000	87,193,468	215,778,468
2027	134,405,000	81,196,132	215,601,132
2028	139,205,000	74,819,033	214,024,033
2029	146,820,000	68,072,883	214,892,883
2030	153,525,000	61,262,810	214,787,810
2031	104,750,000	53,962,740	158,712,740
2032	109,190,000	49,268,025	158,458,025
2033	113,285,000	44,453,725	157,738,725
2034	117,875,000	39,388,425	157,263,425
2035	122,805,000	34,290,875	157,095,875
2036	97,410,000	28,688,375	126,098,375
2037	98,785,000	24,353,375	123,138,375
2038	102,755,000	20,036,350	122,791,350
2039	74,345,000	15,545,350	89,890,350
2040	77,310,000	12,169,450	89,479,450
2041	58,840,000	8,659,100	67,499,100
2042	46,905,000	5,971,600	52,876,600
2043	48,870,000	3,747,150	52,617,150
2044	28,585,000	1,429,250	30,014,250
<b>Totals</b>	<b>\$ 2,586,595,000</b>	<b>\$ 1,339,364,861</b>	<b>\$ 3,925,959,861</b>

In accordance with the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Rebutable arbitrage is the excess of the amount earned on investments purchased with bond proceeds over the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. Rebutable arbitrage must be paid to the U.S. Treasury at the end of each five-year anniversary of the bond issue and upon final redemption of all outstanding bonds of the issue. As of June 30, 2019, the District does not have rebutable arbitrage liability.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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**F. Revenues from Local, Intermediate, and Out-of-State Sources**

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

	<b>General</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Other Governmental Funds</b>	<b>Totals</b>
Property Taxes	\$ 527,494,002	\$ 189,549,669	\$ -	\$ -	\$ 717,043,671
Penalties, Interest, and Other Tax- Related Income	2,928,544	1,058,829	-	-	3,987,373
Charges for Services	8,015,077	-	-	32,658,851	40,673,928
Investment Earnings	11,763,921	2,913,884	10,560,781	259,304	25,497,890
Other	6,232,622	18,259	5,123,351	56,481	11,430,713
<b>Totals</b>	<b>\$ 556,434,166</b>	<b>\$ 193,540,641</b>	<b>\$ 15,684,132</b>	<b>\$ 32,974,636</b>	<b>\$ 798,633,575</b>

**IV. Other Information**

**A. Risk Management**

**Property and Liability**

The District is exposed to various risks of loss related to property and liability losses for which the District carries commercial insurance. In fiscal year 2019, the District reduced its professional and school liability coverage based on the District's and Texas Association of School Board's historical occurrence data. Settlements have not exceeded coverages for each of the past three fiscal years.

**Workers' Compensation**

The District established a limited risk management program for workers' compensation by participating as a self-funded member of the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and Chapter 504, Texas Labor Code. As a self-funded member of the Fund, Cypress-Fairbanks Independent School District is solely responsible for all claims costs, both reported and unreported. The Fund provides administrative service to its self-funded members including claims administration and customer service.

Transactions related to the plan are accounted for in an internal service fund. The actuarially-determined liability of the fund on June 30, 2019 was \$4,403,153 and has been fully funded through general fund and nonmajor funds contributions.

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Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities also include an estimated amount for claims that have been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from stop-loss or subrogation, are another component of the claims liability estimate. An excess coverage insurance policy covers individual claims in excess of \$600,000 up to the statutory limits for any given claim. There were no significant reductions in insurance coverage from the prior year. Settlements have not exceeded coverages for each of the past three fiscal years. Changes in the balances of claims liabilities during the past two years are as follows:

	<u>Year Ended</u> <u>6/30/2019</u>	<u>Year Ended</u> <u>6/30/2018</u>
<b>Unpaid Claims, Beginning of Fiscal Year</b>	\$ 4,533,863	\$ 4,372,732
Incurred Claims (including IBNRs)	1,787,041	1,914,614
Claim Payments	<u>(1,917,751)</u>	<u>(1,753,483)</u>
<b>Unpaid Claims, End of Fiscal Year</b>	<u><u>\$ 4,403,153</u></u>	<u><u>\$ 4,533,863</u></u>

**B. Contingent Liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

**C. Subsequent Events**

In August 2019, \$37,675,000 (Series 2014B-1), \$45,990,000 (Series 2015B-3), and \$61,715,000 (Series 2017A-2) of the District's variable rate unlimited tax schoolhouse building bonds were remarketed at a rate of 1.25%. The remarketing was to a new term rate period beginning on the conversion date of August 15, 2019 and ending on August 15, 2022.

In September 2019, the Board approved an order authorizing the issuance of \$400,000,000 Series 2019A unlimited tax school building bonds.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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**D. Defined Benefit Pension Plan**

**Plan Description**

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

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

**Pension Plan Fiduciary Net Position**

Detailed information about the TRS's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information. This report also includes information on TRS's measurement focus and basis of accounting and may be obtained on the Internet at [https://www.trs.texas.gov/Pages/about\\_archive\\_cafr.aspx](https://www.trs.texas.gov/Pages/about_archive_cafr.aspx); by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

**Benefits Provided**

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

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**

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Employee contribution rates are set in state statute, Texas Government Code 825.402. The 83rd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for plan fiscal year 2017. The 85<sup>th</sup> Texas Legislature, GAA affirmed that the employer contribution rates for fiscal years 2018 and 2019 would remain the same. Rates for such plan fiscal years are as follows:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Member	7.7%	7.7%	7.7%
Non-Employer Contributing Entity (NECE - State)	6.8%	6.8%	6.8%
Employers/District	6.8%	6.8%	6.8%

The contribution amounts for the District’s fiscal year 2019 are as follows:

District Contributions	\$ 23,962,977
Member Contributions	\$ 58,209,653
NECE On-behalf Contributions (State)	\$ 36,122,428

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

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

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

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

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

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS**

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**Actuarial Assumptions**

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

Valuation Date	August 31, 2017 rolled forward to August 31, 2018
Actuarial Cost Method	Individual entry age normal
Asset Valuation Method	Market value
Single Discount Rate	6.907%
Long-term Expected Rate	7.25%
Municipal Bond Rate as of August 2018	3.69%*
Last year ending August 31 in Projection	
Period (100 years)	2116
Inflation	2.30%
Salary Increases	3.05% to 9.05% including inflation
Ad hoc Post-employment Benefit Changes	None

*\*The 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".*

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

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS**

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**Discount Rate**

A single discount rate of 6.907 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.25 percent and a municipal bond rate of 3.69 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was sufficient to finance the benefit payments until the year 2069. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2069, and the municipal bond rate was applied to all benefit payments after that date. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing 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 TRS’s target asset allocation as of August 31, 2018 are summarized below:

<b>Asset Class</b>	<b>Target Allocation *</b>	<b>Long-Term Expected Arithmetic Real Rate of Return **</b>	<b>Expected Contribution to Long-Term Portfolio Returns</b>
<b>Global Equity</b>			
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%
<b>Stable Value</b>			
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%
<b>Real Return</b>			
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%
<b>Risk Parity</b>			
Risk Parity	5.00%	3.70%	0.18%
<b>Inflation Expectation</b>			2.30%
<b>Volatility Drag ***</b>			-0.79%
<b>Total</b>	100.00%		7.25%

\* Target allocations are based on the FY2016 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.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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**Discount Rate Sensitivity Analysis**

The following schedule presents the District’s proportionate share of net pension liability for TRS calculated using the discount rate of 6.907%, as well as the District’s proportionate share of the respective net pension liability if it was calculated using a discount rate that is 1% less than (5.907%) or 1% greater than (7.907%) the current rate:

	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>
	<b>5.907%</b>	<b>Discount Rate</b>	<b>7.907%</b>
	<b>5.907%</b>	<b>6.907%</b>	<b>7.907%</b>
Single Discount Rate Assumptions	\$ 562,915,920	\$ 372,979,777	\$ 219,215,204

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

At June 30, 2019, the District reported a liability of \$372,979,777 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 are as follows:

District's Proportionate Share of the Net Pension Liability	\$ 372,979,777
State's Proportionate Share of the Net Pension Liability Associated with the District	568,614,728
<b>Total</b>	<b>\$ 941,594,505</b>

TRS determined the total pension liability using an actuarial valuation performed as of August 31, 2017. The actuarial methods and assumptions were selected by the TRS Board of Trustees based upon analysis and recommendations by the System’s actuary. Updated procedures were used to roll forward the total pension liability to August 31, 2018. This is the first year using rollforward procedures. The District’s proportion of the net pension liability was based on the District’s contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2017 through August 31, 2018.

At August 31, 2018, the District’s proportion of the collective net pension liability was .6776223% which was an increase of .0186905% from its proportion measured as of August 31, 2017. The change in the District’s proportion of the net pension liability was primarily due to proportionality adjustments for contributions. Since the proportionality settle-up for the appropriation year (2018) occurs in the following year, the settle-up amounts are excluded from the measurement year (2018) amounts.

**Changes Since the Prior Actuarial Valuation**

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

1. The total pension liability as of August 31, 2018 was developed using a roll-forward method from the August 31, 2017 valuation.
2. 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.
3. Economic assumptions including rates of salary increase for individual participants was updated based on the same experience study.
4. The discount rate changed from 8.0% as of August 31, 2017 to 6.907% as of August 31, 2018.
5. The long-term assumed rate of return changed from 8.0% to 7.25%.
6. The change in long-term assumed rate of return combined with the change in the single discount rate was the primary reason for the increase in net pension liability.



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**

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

For the year ended June 30, 2019, the District recognized total pension expense of \$110,965,427, which includes the on-behalf portion of \$56,277,703 provided by the State.

At June 30, 2019, the District reported the deferred outflows of resources for contributions made after the measurement date and its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences Between Expected and Actual Experience	\$ 2,324,850	\$ 9,151,451
Changes of Assumptions	134,477,175	4,202,415
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	7,077,024
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions (Cost-Sharing Plan)	42,236,173	4,485,045
District Contribution after Measurement Date	20,207,603	-
<b>Totals</b>	<b>\$ 199,245,801</b>	<b>\$ 24,915,935</b>

The \$20,207,603 reported as deferred outflows of resources related to pensions resulting from District contributions paid subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources (deferred inflows of resources) related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>	<b>Pension Expense</b>
2020	\$ 41,584,467
2021	26,691,375
2022	22,549,295
2023	25,352,673
2024	22,561,839
Thereafter	15,382,614
<b>Totals</b>	<b>\$ 154,122,263</b>

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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**E. Defined Other Post-Employment Benefit Plan**

**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**

Detailed 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. The financial report and other benefits information about the plan may be obtained on the Internet at [https://www.trs.texas.gov/Pages/about\\_archive\\_cafr.aspx](https://www.trs.texas.gov/Pages/about_archive_cafr.aspx); by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

**Benefits Provided**

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

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

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

**TRS-Care Monthly Premium Rates**  
**Effective January 1, 2018 - December 31, 2018**

	<u>Medicare</u>	<u>Non-Medicare</u>
Retiree*	\$ 135	\$ 200
Retiree and Spouse	\$ 529	\$ 689
Retiree* and Children	\$ 468	\$ 408
Retiree and Family	\$ 1,020	\$ 999

\* or surviving spouse

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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**Change of Benefit Terms since the Prior Measurement Date**

The 85<sup>th</sup> Legislature, Regular Session, passed several statutory changes effective September 1, 2017 that affected TRS plans. These changes include:

- Created a high-deductible health plan that provides a zero cost for generic prescriptions for certain preventive drugs and 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 eligible retirees and their eligible dependents to enroll in TRS-Care when the retirees reach 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 towards their health insurance premiums.

**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% or not more than 0.75% of the salary of each active employee. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Active Employee	0.65%	0.65%	0.65%
Non-employer Contribution Entity (State)	1.25%	1.25%	1.00%
Employers/District	0.75%	0.75%	0.55%
Federal/Private Funding Remitted by Employers	1.25%	1.25%	1.00%

The contribution amounts for the District’s fiscal year 2019 are as follows:

District Contributions	\$	6,207,411
Member Contributions	\$	4,913,853
NECE On-behalf Contributions (State)	\$	8,922,896

The State of Texas contributed \$2,348,101, \$2,816,934, and \$3,363,688 in 2019, 2018, and 2017, respectively, for on-behalf payments for Medicare Part D.

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

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TRS-Care received supplemental appropriations from the State of Texas as the non-employer contributing entity in the amount of \$182.6 million in fiscal year 2018. The 85<sup>th</sup> Texas Legislature, House Bill 30 provided an additional \$212 million in one-time, supplemental funding for the fiscal year 2018-19 biennium to continue to support the program. This was also received in fiscal year 2018 bringing the total appropriations received in fiscal year 2018 to \$394.6 million.

**Actuarial Assumptions**

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

The actuarial valuation of TRS-Care is similar to the actuarial valuations performed for the pension plan, except that the OPEB valuation is more complex.

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

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

The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females with full generational mortality using Scale BB. The post-retirement mortality rates were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published scale (U-MP).

**Additional Actuarial Methods and Assumptions:**

Valuation Date	August 31, 2017, rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate*	3.69%*
Aging Factors	Based on plan specific experience
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% to 9.05%, including inflation
Healthcare Trend Rates**	8.50% for FY2019, decreasing 0.5% per year to 4.50% for FY2027 and later years
Ad hoc Post-employment Benefit Changes	None

\*Source: 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.

\*\*Initial trend rates are 6.75% for non-Medicare retirees; 9.00% for Medicare retirees and 11.00% for prescriptions for all retirees.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
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In this valuation, the impact of the Cadillac Tax has been calculated as a portion of the trend assumption. Assumptions and methods used to determine the impact of the Cadillac Tax include:

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

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

**Discount Rate**

A single discount rate of 3.69% was used to measure the total OPEB liability. There was a change of .27% in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to *not be able* to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Sensitivity of the Net OPEB Liability:**

**Discount Rate Sensitivity Analysis**

The following table presents the District’s proportionate share of the Net OPEB Liability for TRS-Care if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.69%):

	<b>1% Decrease</b>	<b>Current Single Discount Rate</b>	<b>1% Increase</b>
	<b>2.69%</b>	<b>3.69%</b>	<b>4.69%</b>
Single Discount Rate Assumptions	\$ 514,021,234	\$ 431,825,941	\$ 366,804,165

**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 1% less than and 1% greater than the assumed health care cost trend rate:

	<b>1% Decrease</b>	<b>Current Healthcare Cost Trend Rate</b>	<b>1% Increase</b>
	<b>7.5%</b>	<b>8.5%</b>	<b>9.5%</b>
Healthcare Cost Trend Rate Assumptions	\$ 358,638,476	\$ 431,825,941	\$ 528,215,413

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB**

At June 30, 2019, the District reported a liability of \$431,825,941 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 Net OPEB Liability	\$ 431,825,941
State's Proportionate Share of the Net OPEB Liability Associated with the District	629,657,324
<b>Total</b>	<b>\$ <u>1,061,483,265</u></b>

The net OPEB liability was measured as of August 31, 2017 and rolled forward to August 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District’s proportion of the net OPEB liability was based on the District’s contributions to the OPEB 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 District’s proportion of the collective net OPEB liability was .8648468% which was an increase of .0504006% of the liability measured as of August 31, 2017.

**Changes Since the Prior Actuarial Valuation**

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

1. Adjustments were made for retirees that were known to have discontinued their health coverage in fiscal year 2018.
2. The healthcare trend rate assumption was updated to reflect the anticipated return of the Health Insurer Fee in 2020.
3. Demographic and economic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2017.
4. The discount rate was changed from 3.42% as of August 31, 2017 to 3.69% as of August 31, 2018. This change lowered the total OPEB liability by \$2.3 billion.
5. Change of benefit terms since the prior measurement date made effective September 1, 2017 by the 85<sup>th</sup> Texas Legislature.

For the year ended June 30, 2019, the District recognized total OPEB expense of \$37,165,847, which includes the on-behalf portion of \$14,262,694 from the State.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2019**

At June 30, 2019, the District reported its contribution after the measurement date and its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences Between Expected and Actual Economic Experience	\$ 22,915,397	\$ 6,814,847
Changes of Assumptions	7,206,005	129,738,918
Net Difference Between Projected and Actual Earnings on OPEB Investments	75,521	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions (Cost-Sharing Plan)	27,630,636	-
District Contributions paid after Measurement Date	5,253,840	-
<b>Totals</b>	<b>\$ 63,081,399</b>	<b>\$ 136,553,765</b>

The \$5,253,840 reported as deferred outflows of resources related to OPEB resulting from District contributions paid subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the fiscal year ended June 30, 2020. Other amounts reported as deferred outflows of resources (deferred inflows of resources) related to OPEB will be recognized in OPEB expense as follows:

<b>Year Ending June 30,</b>	<b>OPEB Expense</b>
2020	\$ (13,558,417)
2021	(13,558,417)
2022	(13,558,417)
2023	(13,572,699)
2024	(13,580,868)
Thereafter	(10,897,388)
<b>Totals</b>	<b>\$ (78,726,206)</b>

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2019**

**F. Shared Service Arrangement**

The District is the fiscal agent for a Shared Services Arrangement (SSA) which provides deaf education services to eligible students residing in a member district, who are enrolled in the Regional Day School Program for the Deaf (RDSPD). Effective July 1, 2003, TEA issued revised procedures for RDSPD. Currently RDSPD and special education SSAs are governed by specific requirements found in the Texas Education Code (TEC) and the Texas Administrative Code (TAC). The TEC states that LEAs enter into a written contract to jointly operate their special education programs. Funds are allocated to the SSA in accordance with the SSA agreement. The District, acting as fiscal agent is responsible for budgeting, accounting, and personnel responsibilities related to the arrangement. The District is financially responsible to the TEA. In addition to the District, five other member districts are included in the SSA. According to guidance provided in TEA’s Resource Guide, the District has accounted for the activities of the SSA in Special Revenue fund 435, Regional Day School for the Deaf. The SSA is accounted for using Model #2 in the Accounting and Reporting Treatment Guidance section of the Resource Guide, Update 14.0 – January 2010.

Expenditures of SSA for the fiscal year are summarized below:

Cypress-Fairbanks ISD	\$	1,269,902
Klein ISD		581,846
Spring ISD		19,511
Spring Branch ISD		441,651
Tomball ISD		89,100
Waller ISD		100,141
<b>Totals</b>	<b>\$</b>	<b><u>2,502,151</u></b>

**G. Nonmonetary Transactions**

During 2019, the District received textbooks purchased by the State of Texas for the benefit of the District for a purchase price of \$650,406. The textbooks purchased by the State on behalf of the District have been recorded in the Instructional Materials special revenue fund as both state revenue and expenditures.



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***REQUIRED SUPPLEMENTARY INFORMATION***

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**Exhibit E-1**

Data Control Codes		Budgeted Amounts			Variance with Final Budget Positive (Negative)
		Original	Final Amended	Actual	
<b>REVENUES</b>					
5700	Local, Intermediate, and Out-of-State	\$ 540,370,081	\$ 558,570,081	\$ 556,434,166	\$ (2,135,915)
5800	State Programs	371,661,447	375,663,515	414,287,408	38,623,893
5900	Federal Programs	7,000,000	20,444,744	21,318,647	873,903
5020	Total Revenues	<u>919,031,528</u>	<u>954,678,340</u>	<u>992,040,221</u>	<u>37,361,881</u>
<b>EXPENDITURES</b>					
Current:					
0011	Instruction	606,241,575	607,904,060	599,265,464	8,638,596
0012	Instructional Resources and Media Services	8,082,740	8,335,812	7,953,704	382,108
0013	Curriculum and Instructional Staff Development	10,366,761	10,626,727	10,253,895	372,832
0021	Instructional Leadership	8,556,176	8,615,814	7,759,542	856,272
0023	School Leadership	48,900,142	49,540,135	48,655,373	884,762
0031	Guidance, Counseling, and Evaluation Services	33,646,510	35,463,523	34,830,975	632,548
0032	Social Work Services	1,152,590	1,202,590	1,049,979	152,611
0033	Health Services	11,325,512	11,353,512	10,548,683	804,829
0034	Student Transportation	44,425,432	45,050,341	43,871,000	1,179,341
0036	Cocurricular/Extracurricular Activities	21,354,575	22,080,992	21,402,264	678,728
0041	General Administration	17,136,445	17,811,453	16,656,552	1,154,901
0051	Plant Maintenance and Operations	80,790,560	79,651,426	73,454,103	6,197,323
0052	Security and Monitoring Services	12,643,613	12,773,137	12,235,541	537,596
0053	Data Processing Services	10,955,538	15,344,041	14,344,188	999,853
0061	Community Services	9,613,056	9,798,939	8,547,494	1,251,445
Capital Outlay:					
0081	Facilities Acquisition and Construction	335,000	901,231	323,863	577,368
Intergovernmental:					
0093	Payments to Fiscal Agents SSA	1,000,000	1,500,000	1,269,902	230,098
0095	Payments to Juvenile Justice Alternative Education Programs	55,000	15,000	3,600	11,400
0099	Other Intergovernmental Charges	5,365,000	5,465,000	5,359,181	105,819
6030	Total Expenditures	<u>931,946,225</u>	<u>943,433,733</u>	<u>917,785,303</u>	<u>25,648,429</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(12,914,697)</u>	<u>11,244,607</u>	<u>74,254,918</u>	<u>63,010,311</u>
<b>OTHER FINANCING SOURCES</b>					
7912	Sale of Real and Personal Property	300,000	300,000	211,680	(88,320)
7915	Transfers In	-	2,000,000	2,500,000	500,000
8911	Transfers Out	-	(8,700,000)	(8,700,000)	-
7080	Total Other Financing Sources	<u>300,000</u>	<u>(6,400,000)</u>	<u>(5,988,320)</u>	<u>411,680</u>
1200	Net Change in Fund Balance	(12,614,697)	4,844,607	68,266,598	63,421,991
0100	Fund Balance - Beginning	450,420,326	450,420,326	450,420,326	-
3000	<b>Fund Balance - Ending</b>	<u>\$ 437,805,629</u>	<u>\$ 455,264,933</u>	<u>\$ 518,686,924</u>	<u>\$ 63,421,991</u>

See accompanying notes to the required supplementary information.

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**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**OF A COST-SHARING MULTIPLE-EMPLOYER PENSION PLAN**  
**TEACHER RETIREMENT SYSTEM OF TEXAS (TRS)**  
**FOR THE YEARS ENDED JUNE 30\***

	<u>2019</u>
District's Proportion of the Net Pension Liability	0.6776223%
District's Proportionate Share of the Net Pension Liability	\$ 372,979,777
State's Proportionate Share of the Net Pension Liability Associated with the District	568,614,728
<b>Total</b>	<b>\$ <u>941,594,505</u></b>
District's Covered Payroll	\$ 733,169,312
District's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	50.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.74%

\* The amounts presented for the fiscal year were determined as of the Plan's fiscal year end, August 31 of the prior year. Ten years of data is not available.

See accompanying notes to the required supplementary information.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.6589318%	0.6768072%	0.6471498%	0.4188559%
\$ 210,690,891	\$ 255,755,374	\$ 228,758,840	\$ 111,882,203
335,905,736	391,578,041	368,469,604	321,404,296
<u>\$ 546,596,627</u>	<u>\$ 647,333,415</u>	<u>\$ 597,228,444</u>	<u>\$ 433,286,499</u>
\$ 702,805,721	\$ 680,099,389	\$ 626,151,328	\$ 599,076,682
29.98%	37.61%	36.53%	18.68%
82.17%	78.00%	78.43%	83.25%

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS TO THE PENSION PLAN**  
**TEACHER RETIREMENT SYSTEM OF TEXAS (TRS)**  
**FOR THE YEARS ENDED JUNE 30\***

	<u>2019</u>	<u>2018</u>
Contractually Required Contributions	\$ 23,962,977	\$ 22,641,715
Contributions in Relation to the Contractually Required Contributions	<u>23,962,977</u>	<u>22,641,715</u>
<b>Contribution Deficiency (Excess)</b>	<b><u><u>\$ -</u></u></b>	<b><u><u>\$ -</u></u></b>
District's Covered Payroll	\$ 756,172,768	\$ 728,682,163
Contributions as a Percentage of Covered Payroll	3.17%	3.11%

\* The amounts presented for the fiscal year were determined as of the District's fiscal year end, June 30.  
Ten years of data is not available.

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 21,580,068	\$ 21,172,504	\$ 17,891,734
<u>21,580,068</u>	<u>21,172,504</u>	<u>17,891,734</u>
<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
\$ 699,416,288	\$ 672,248,677	\$ 621,711,093
3.09%	3.15%	2.88%

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**

**Exhibit F-3**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**

**OF A COST- SHARING MULTIPLE-EMPLOYER OPEB PLAN**

**TEACHER RETIREMENT SYSTEM OF TEXAS (TRS)**

**FOR THE YEAR ENDED JUNE 30\***

	<u>2019</u>	<u>2018</u>
District's Proportion of the Net OPEB Liability	0.8648468%	0.8144462%
District's Proportionate Share of the Net OPEB Liability	\$ 431,825,941	\$ 354,172,109
State's Proportionate Share of the Net OPEB Liability Associated with the District	629,657,324	554,705,104
<b>Total</b>	<b><u>\$ 1,061,483,265</u></b>	<b><u>\$ 908,877,213</u></b>
District's Covered Payroll	\$ 733,169,312	\$ 702,805,721
District's Proportionate Share of the Net OPEB Liability as a Percentage of Its Covered Payroll	58.90%	50.39%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.57%	0.91%

\* The amounts presented for the fiscal year were determined as of the Plan's fiscal year end, August 31 of the prior year. Ten years of data is not available.

See accompanying notes to the required supplementary information.



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS TO THE OPEB PLAN**  
**TEACHER RETIREMENT SYSTEM OF TEXAS (TRS)**  
**FOR THE YEAR ENDED JUNE 30\***

**Exhibit F-4**

	<u>2019</u>	<u>2018</u>
Contractually Required Contributions	\$ 6,207,411	\$ 5,700,261
Contributions in Relation to the Contractually Required Contributions	<u>6,207,411</u>	<u>5,700,261</u>
<b>Contribution Deficiency (Excess)</b>	<b>\$ <u><u>-</u></u></b>	<b>\$ <u><u>-</u></u></b>
District's Covered Payroll	\$ 756,172,768	\$ 728,682,163
Contributions as a Percentage of Covered Payroll	0.82%	0.78%

\* The amounts presented for the fiscal year were determined as of the District's fiscal year end, June 30.  
Ten years of data is not available.

See accompanying notes to the required supplementary information.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2019**

**I. Budget**

**A. Budgetary Information**

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures for the general fund, debt service fund, and the National School Breakfast and Lunch Program special revenue fund. The Texas Education Code requires the budget to be prepared not later than June 19 and adopted by June 30 of each year. The budgets are prepared on a basis of accounting that is used for reporting in accordance with generally accepted accounting principles.

The following procedures are followed in establishing the budgetary data reflected in the fund financial schedules:

1. Prior to June 19 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 1. 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 after ten days' public notice of the meeting has been given.
3. Prior to July 1, the budget is formally approved and adopted by the Board.

The appropriated budget is prepared by fund and function. The District's campus/department heads may make transfers of appropriations within a campus or department. Transfers of appropriations between campuses or departments require the approval of the District's management. Increasing any one of the functional spending categories, or revenue object accounts and other resources require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level within a fund. All annual appropriations lapse at fiscal year end.

**B. Variances with Final Budget**

The District's general fund budget differs from the original budget due to budget revisions that were made during the fiscal period: amendments approved shortly after the beginning of the new fiscal year period for amounts restricted, committed, or assigned in the prior year; amendments in early and late spring to revise estimates for local and state revenues based on the latest information on student attendance numbers and tax collections; and amendments during the year for unexpected occurrences.

The net increase of \$35,646,812 to estimated revenues in the final amended budget was primarily due to higher than projected interest earnings and the receipt of a SHARS reimbursement in the current year due to an earlier settlement date.

The net increase of \$11,487,508 to appropriations in the final amended budget was primarily due to the year end payroll accrual and the funding of technology projects from prior year E-Rate reimbursements.

Section 26.08 of the Property Tax Code provides an exception to the tax ratification election requirement for the year following the year in which a disaster occurs when a district is required to increase expenditures to respond to a disaster, including a tornado, hurricane, flood, or other calamity and the governor has requested federal disaster assistance for the area in which the district is located. The District utilized such provision to increase its M&O tax levy by \$0.02 per \$100 of taxable assessed valuation for the 2018-2019 school year. Such increase is effective for one year. The District reduced its I&S tax rate by \$0.02 in order to maintain a stable total tax rate. Reductions in the I&S tax receipts during the one-year period were offset by a transfer from the District's general fund balance.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2019**

**II. Pension**

Actuarial Methods and Assumptions used to determine Contribution Rate - The information presented below was used for determining the actuarially determined Teacher Retirement System of Texas (TRS) contribution rate used for funding purposes, as noted in Exhibit F-2. The methods and assumptions are as follows:

Valuation Date	August 31, 2017
Actuarial Cost Method	Ultimate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Floating
Remaining Amortization Period	33 Years
Asset Valuation Method	5 Year Smoothed Market
Inflation	2.50%
Salary Increases	3.50% to 9.50% including inflation
Investment Rate of Return	8.00%
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition.
Mortality	Active Mortality: 90% of the RP-2014 Employee Mortality Tables for males and females with full generational mortality using Scale BB.
Benefit Changes	None
Assumptions	The assumptions used to determine the ADC are those in effect for the August 31, 2017 valuation. Due to the lag between valuation date and the measurement date, they may not be the same as the assumptions used to measure the Net Pension Liability.

Actuarially determined contribution rates are calculated as of August 31 of the preceding fiscal year. Members and employers contribute based on statutorily fixed rates.

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***SUPPLEMENTARY INFORMATION***

**Combining and Individual Fund  
Financial Statements and Schedules**

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## ***MAJOR GOVERNMENTAL FUNDS***

### ***Debt Service Fund***

The Debt Service Fund is used to account for revenues from property taxes levied specifically for debt service and earnings on temporary investments and the expenditure of these revenues in payment of long-term debt principal, interest, and fees.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**

**Exhibit G-1**

**DEBT SERVICE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2019**

Data Control Codes	Budgeted Amounts			Variance with Final Budget Positive (Negative)	
	Original	Final Amended	Actual		
<b>REVENUES</b>					
5700	Local, Intermediate, and Out-of-State	\$ 196,981,916	\$ 193,281,916	\$ 193,540,641	\$ 258,725
5800	State Programs	3,616,190	3,746,518	3,746,518	-
5900	Federal Programs	4,806,453	4,816,736	4,816,736	-
5020	Total Revenues	<u>205,404,559</u>	<u>201,845,170</u>	<u>202,103,895</u>	<u>258,725</u>
<b>EXPENDITURES</b>					
Debt Service:					
0071	Principal on Long-term Debt	83,713,547	88,520,000	88,520,000	-
0072	Interest on Debt	116,884,559	116,884,559	116,870,813	13,746
0073	Bond Issuance Costs and Fees	4,806,453	3,906,453	3,828,009	78,444
6030	Total Expenditures	<u>205,404,559</u>	<u>209,311,012</u>	<u>209,218,822</u>	<u>92,190</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(7,465,842)</u>	<u>(7,114,927)</u>	<u>350,915</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
7915	Transfers In	-	8,700,000	8,700,000	-
7916	Premium from Issuance of Bonds	-	33,185,743	33,185,742	(1)
7989	Refunding Bonds Issued	-	420,325,000	420,325,000	-
8949	Payment to Refunded Bonds Escrow Agent	-	(450,749,791)	(450,749,791)	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>11,460,952</u>	<u>11,460,951</u>	<u>(1)</u>
1200	Net Change in Fund Balance	-	3,995,110	4,346,024	350,914
0100	Fund Balance - Beginning	<u>100,674,450</u>	<u>100,674,450</u>	<u>100,674,450</u>	<u>-</u>
3000	<b>Fund Balance - Ending</b>	<u>\$ 100,674,450</u>	<u>\$ 104,669,560</u>	<u>\$ 105,020,474</u>	<u>\$ 350,914</u>

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# ***NONMAJOR GOVERNMENTAL FUNDS***

## ***Special Revenue Funds***

Special Revenue Funds are used to account for specific revenue sources which are legally restricted to expenditures for specific purposes.

### Child Care and Development Block Grant

Accounts on a project basis for funds granted for Child Care and Development – the primary federal funding source to help certain low-income families access child care and to improve the quality of child care for all children.

### ESSA, Title X, Part C – Education for the Homeless Children and Youth

Accounts on a project basis for funds granted for a variety of staff development and supplemental services, including in-service training, counseling, psychological services and tutoring.

### ESSA, Title I, Part A – Improving Basic Programs

Accounts on a project basis for funds allocated to the District to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children.

### IDEA – Part B, Formula

Accounts on a project basis for funds granted to operate educational programs for children with disabilities.

### IDEA – Part B, Preschool

Accounts on a project basis for funds granted for preschool children with disabilities.

### IDEA – Part B, Discretionary

Accounts on a project basis for funds granted for targeted support to LEAs.

### National School Breakfast and Lunch Program

Accounts for programs using federal reimbursement revenues originating from the United States Department of Agriculture (USDA).

### Career and Technical – Basic Grant

Accounts on a project basis for funds granted to provide Career and Technical education to develop new and/or improve Career and Technical education programs for paid and unpaid employment.

### ESSA, Title II, Part A – Teacher and Principal Training and Recruiting

Accounts on a project basis for funds granted to provide financial assistance to the District to increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools and to hold the District accountable for improving student academic achievement.

### ESSA, Title III, Part A, English Language Acquisition and Language Enhancement

Accounts on a project basis for funds granted to improve the education of limited English proficient children, by assisting the children to learn English and meet challenging State academic content and student academic achievement standards.



*SPECIAL REVENUE FUNDS (Continued)*

Medicaid Administrative Claiming Program (MAC)

Accounts on a project basis for funds allocated to the District for reimbursement of eligible administrative costs for activities attributed to the implementation of the Medicaid state plan.

Federally Funded Special Revenue Funds

Accounts on a project basis for federally funded special revenue funds that have not been specified above.

Shared Service Arrangements – IDEA – Part B, Discretionary

Accounts on a project basis for the funds used to support Regional Day School for the Deaf programs and other emerging needs.

Shared Services Arrangements – IDEA - Part C, Early Intervention (Deaf)

Accounts on a project basis for funds granted to assist local Regional Day School for the Deaf programs and the Texas School for the Deaf in providing direct services to hearing impaired infants to toddlers, age birth through two years of age. The program provides supplemental and appropriate services to eligible students that are provided by a certified and trained teacher.

State Supplemental Visually Impaired (SSVI)

Accounts for State Supplemental Visually Impaired funds.

Advanced Placement Incentives

Accounts on a project basis for funds awarded to the District under the Texas Advanced Placement Award Incentive Program, Chapter 28, Subchapter C, TEC.

Instructional Materials Fund (IMA)

Accounts on a project basis for funds awarded to school districts under the instructional materials allotment.

State Funded Special Revenue Funds

Accounts for state funded special revenue funds that have not been specified above.

Shared Services Arrangements – Regional Day School for the Deaf

Accounts on a project basis for funds used by the fiscal agent of a shared services arrangement and the expenditure of funds for staff and activities of the Regional Day School Program for the Deaf.

Campus Activity Funds

Accounts for transactions related to a principal's activity fund that are not subject to recall by the District's Board of Trustees into the general fund.

Locally Funded Special Revenue Funds

Locally funded special revenue funds not specified above.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**JUNE 30, 2019**

	203	206	211
<b>Data Control Codes</b>	<b>Child Care and Development Block Grant</b>	<b>ESSA Title X Part C Homeless Children and Youth</b>	<b>ESSA Title I Part A Improving Basic Programs</b>
<b>ASSETS</b>			
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -
1120 Current Investments	-	-	-
1240 Due from Other Governments	-	6,759	4,566,368
1250 Accrued Interest	-	-	-
1260 Due from Other Funds	-	-	-
1290 Other Receivables	-	-	2,701
1300 Inventories, at Cost	-	-	-
1000 <b>Total Assets</b>	<b>\$ -</b>	<b>\$ 6,759</b>	<b>\$ 4,569,069</b>
<b>LIABILITIES</b>			
2110 Accounts Payable	\$ -	\$ -	\$ 76,042
2160 Accrued Wages Payable	-	-	2,710,071
2170 Due to Other Funds	-	6,759	1,782,956
2300 Unearned Revenues	-	-	-
2000 <b>Total Liabilities</b>	<b>-</b>	<b>6,759</b>	<b>4,569,069</b>
<b>FUND BALANCES</b>			
Restricted For:			
3450 Grants - Education	-	-	-
3451 Grants - Nutrition	-	-	-
3452 Grants - Health	-	-	-
Committed To:			
3545 Campus Activities	-	-	-
3000 Total Fund Balances	-	-	-
4000 <b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ 6,759</b>	<b>\$ 4,569,069</b>

224	225	226	240
<u>IDEA Part B Formula</u>	<u>IDEA Part B Preschool</u>	<u>IDEA Part B Discretionary</u>	<u>National School Breakfast and Lunch Program</u>
\$ -	\$ -	\$ -	\$ 401,197
-	-	-	10,949,148
3,852,556	106,987	-	318,984
-	-	-	-
-	-	-	-
131	-	-	5,595
-	-	-	4,030,170
<u>\$ 3,852,687</u>	<u>\$ 106,987</u>	<u>\$ -</u>	<u>\$ 15,705,094</u>
\$ 37,786	\$ -	\$ -	\$ 345,662
2,192,416	70,383	-	516,681
1,622,485	36,604	-	186,669
-	-	-	-
<u>3,852,687</u>	<u>106,987</u>	<u>-</u>	<u>1,049,012</u>
-	-	-	-
-	-	-	14,656,082
-	-	-	-
-	-	-	-
<u>\$ 3,852,687</u>	<u>\$ 106,987</u>	<u>\$ -</u>	<u>\$ 15,705,094</u>

Continued

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**JUNE 30, 2019**

	244	255	263
<b>Data Control Codes</b>	<b>Career and Technical Basic Grant</b>	<b>ESSA Title II Part A Teacher/Principal Train/Recruit</b>	<b>ESSA Title III Part A English Language Acquisition and Enhancement</b>
<b>ASSETS</b>			
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -
1120 Current Investments	-	-	-
1240 Due from Other Governments	572,786	718,587	553,452
1250 Accrued Interest	-	-	-
1260 Due from Other Funds	-	-	-
1290 Other Receivables	-	-	-
1300 Inventories, at Cost	-	-	-
1000 <b>Total Assets</b>	<b>\$ 572,786</b>	<b>\$ 718,587</b>	<b>\$ 553,452</b>
<b>LIABILITIES</b>			
2110 Accounts Payable	\$ 38,056	\$ 111,516	\$ -
2160 Accrued Wages Payable	27,237	372,935	329,898
2170 Due to Other Funds	507,493	234,136	223,554
2300 Unearned Revenues	-	-	-
2000 <b>Total Liabilities</b>	<b>572,786</b>	<b>718,587</b>	<b>553,452</b>
<b>FUND BALANCES</b>			
Restricted For:			
3450 Grants - Education	-	-	-
3451 Grants - Nutrition	-	-	-
3452 Grants - Health	-	-	-
Committed To:			
3545 Campus Activities	-	-	-
3000 Total Fund Balances	-	-	-
4000 <b>Total Liabilities and Fund Balances</b>	<b>\$ 572,786</b>	<b>\$ 718,587</b>	<b>\$ 553,452</b>

272	289	315	340
Medicaid Administrative Claiming Program	Federally Funded Special Revenue Funds	SSA IDEA Part B Discretionary	SSA IDEA Part C Early Intervention (Deaf)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	578,018	19,836	-
-	-	-	-
455,967	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 455,967</u>	<u>\$ 578,018</u>	<u>\$ 19,836</u>	<u>\$ -</u>
\$ -	\$ 1,869	\$ -	\$ -
27,476	286,276	9,660	-
-	63,950	10,176	-
-	-	-	-
<u>27,476</u>	<u>352,095</u>	<u>19,836</u>	<u>-</u>
-	225,923	-	-
-	-	-	-
428,491	-	-	-
-	-	-	-
428,491	225,923	-	-
<u>\$ 455,967</u>	<u>\$ 578,018</u>	<u>\$ 19,836</u>	<u>\$ -</u>

Continued

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**JUNE 30, 2019**

	385	397	410
<b>Data Control Codes</b>	<b>State Supplemental Visually Impaired</b>	<b>Advanced Placement Incentives</b>	<b>Instructional Materials Fund (IMA)</b>
<b>ASSETS</b>			
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ 330,691
1120 Current Investments	-	-	-
1240 Due from Other Governments	-	-	-
1250 Accrued Interest	-	-	-
1260 Due from Other Funds	-	12,348	11,712,550
1290 Other Receivables	-	-	-
1300 Inventories, at Cost	-	-	-
1000 <b>Total Assets</b>	<b>\$ -</b>	<b>\$ 12,348</b>	<b>\$ 12,043,241</b>
<b>LIABILITIES</b>			
2110 Accounts Payable	\$ -	\$ -	\$ 43,416
2160 Accrued Wages Payable	-	-	-
2170 Due to Other Funds	-	-	-
2300 Unearned Revenues	-	12,348	11,999,825
2000 <b>Total Liabilities</b>	<b>-</b>	<b>12,348</b>	<b>12,043,241</b>
<b>FUND BALANCES</b>			
Restricted For:			
3450 Grants - Education	-	-	-
3451 Grants - Nutrition	-	-	-
3452 Grants - Health	-	-	-
Committed To:			
3545 Campus Activities	-	-	-
3000 <b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>
4000 <b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ 12,348</b>	<b>\$ 12,043,241</b>

429	435	461	499	Total Nonmajor Governmental Funds
State Funded Special Revenue Funds	SSA Regional Day School for the Deaf	Campus Activity Funds	Locally Funded Special Revenue Funds	
\$ -	\$ -	\$ 127,679	\$ -	\$ 859,567
-	-	8,299,526	7,298,345	26,547,019
-	776,877	-	-	12,071,210
-	-	10,475	-	10,475
705	-	-	-	12,181,570
-	-	8,992	-	17,419
-	-	-	-	4,030,170
<u>\$ 705</u>	<u>\$ 776,877</u>	<u>\$ 8,446,672</u>	<u>\$ 7,298,345</u>	<u>\$ 55,717,430</u>
\$ -	\$ 851	\$ 206,209	\$ -	\$ 861,407
-	661,810	-	-	7,204,843
-	114,216	249,848	7,265,386	12,304,232
705	-	-	18,385	12,031,263
<u>705</u>	<u>776,877</u>	<u>456,057</u>	<u>7,283,771</u>	<u>32,401,745</u>
-	-	-	14,574	240,497
-	-	-	-	14,656,082
-	-	-	-	428,491
-	-	7,990,615	-	7,990,615
-	-	7,990,615	14,574	23,315,685
<u>\$ 705</u>	<u>\$ 776,877</u>	<u>\$ 8,446,672</u>	<u>\$ 7,298,345</u>	<u>\$ 55,717,430</u>

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	203	206	211
<u>Data Control Codes</u>	<u>Child Care and Development Block Grant</u>	<u>ESSA Title X Part C Homeless Children and Youth</u>	<u>ESSA Title I Part A Improving Basic Programs</u>
<b>REVENUES</b>			
5700 Local, Intermediate, and Out-of-State	\$ -	\$ -	\$ -
5800 State Programs	-	-	-
5900 Federal Programs	22,193	115,045	20,421,379
5020 Total Revenues	<u>22,193</u>	<u>115,045</u>	<u>20,421,379</u>
<b>EXPENDITURES</b>			
Current:			
0011 Instruction	11,278	29,745	13,875,663
0012 Instructional Resources and Media Services	-	-	186,737
0013 Curriculum and Instructional Staff Development	10,977	1,400	4,619,763
0021 Instructional Leadership	(62)	18,156	253,061
0023 School Leadership	-	-	72,636
0031 Guidance, Counseling, and Evaluation Services	-	65,744	1,081,578
0033 Health Services	-	-	-
0034 Student Transportation	-	-	-
0035 Food Services	-	-	-
0051 Plant Maintenance and Operations	-	-	-
0052 Security and Monitoring Services	-	-	-
0061 Community Services	-	-	331,941
Capital Outlay:			
0081 Facilities Acquisition and Construction	-	-	-
6030 Total Expenditures	<u>22,193</u>	<u>115,045</u>	<u>20,421,379</u>
1200 Net Change in Fund Balances	-	-	-
0100 Fund Balances - Beginning	-	-	-
3000 <b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



224	225	226	240
<u>IDEA Part B Formula</u>	<u>IDEA Part B Preschool</u>	<u>IDEA Part B Discretionary</u>	<u>National School Breakfast and Lunch Program</u>
\$ -	\$ -	\$ -	\$ 15,769,466
-	-	-	299,793
18,623,845	395,733	40,000	42,745,233
<u>18,623,845</u>	<u>395,733</u>	<u>40,000</u>	<u>58,814,492</u>
10,204,155	395,311	-	-
-	-	-	-
1,993,951	-	-	-
3,803,489	422	-	-
335,517	-	-	-
1,765,062	-	40,000	-
521,671	-	-	-
-	-	-	-
-	-	-	57,779,374
-	-	-	1,011,863
-	-	-	-
-	-	-	-
-	-	-	112,503
<u>18,623,845</u>	<u>395,733</u>	<u>40,000</u>	<u>58,903,740</u>
-	-	-	(89,248)
-	-	-	14,745,330
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,656,082</u>

Continued

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

<u>Data Control Codes</u>	244	255	263
	<u>Career and Technical Basic Grant</u>	<u>ESSA Title II Part A Teacher/Principal Train/Recruit</u>	<u>ESSA Title III Part A English Language Acquisition and Enhancement</u>
<b>REVENUES</b>			
5700 Local, Intermediate, and Out-of-State	\$ -	\$ -	\$ -
5800 State Programs	-	-	-
5900 Federal Programs	1,261,951	3,022,652	2,304,716
5020 Total Revenues	<u>1,261,951</u>	<u>3,022,652</u>	<u>2,304,716</u>
<b>EXPENDITURES</b>			
Current:			
0011 Instruction	1,042,453	-	766,262
0012 Instructional Resources and Media Services	-	-	-
0013 Curriculum and Instructional Staff Development	195,308	3,022,652	1,478,829
0021 Instructional Leadership	24,190	-	-
0023 School Leadership	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	-	-
0033 Health Services	-	-	-
0034 Student Transportation	-	-	-
0035 Food Services	-	-	-
0051 Plant Maintenance and Operations	-	-	-
0052 Security and Monitoring Services	-	-	-
0061 Community Services	-	-	59,625
Capital Outlay:			
0081 Facilities Acquisition and Construction	-	-	-
6030 Total Expenditures	<u>1,261,951</u>	<u>3,022,652</u>	<u>2,304,716</u>
1200 Net Change in Fund Balances	-	-	-
0100 Fund Balances - Beginning	-	-	-
3000 <b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

272	289	315	340
<u>Medicaid Administrative Claiming Program</u>	<u>Federally Funded Special Revenue Funds</u>	<u>SSA IDEA Part B Discretionary</u>	<u>SSA IDEA Part C Early Intervention (Deaf)</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
334,759	1,657,379	204,567	4,091
<u>334,759</u>	<u>1,657,379</u>	<u>204,567</u>	<u>4,091</u>
-	441,726	92,486	4,091
-	-	-	-
-	223,095	313	-
-	-	111,768	-
-	-	-	-
-	459,495	-	-
237,759	-	-	-
-	223,984	-	-
-	-	-	-
-	-	-	-
-	163,165	-	-
-	226,906	-	-
-	-	-	-
<u>237,759</u>	<u>1,738,371</u>	<u>204,567</u>	<u>4,091</u>
97,000	(80,992)	-	-
331,491	306,915	-	-
<u>\$ 428,491</u>	<u>\$ 225,923</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	385	397	410
<b>Data Control Codes</b>	<b>State Supplemental Visually Impaired</b>	<b>Advanced Placement Incentives</b>	<b>Instructional Materials Fund (IMA)</b>
<b>REVENUES</b>			
5700 Local, Intermediate, and Out-of-State	\$ -	\$ -	\$ -
5800 State Programs	19,296	16,539	6,496,067
5900 Federal Programs	-	-	-
5020 Total Revenues	<u>19,296</u>	<u>16,539</u>	<u>6,496,067</u>
<b>EXPENDITURES</b>			
Current:			
0011 Instruction	19,296	2,960	6,496,067
0012 Instructional Resources and Media Services	-	-	-
0013 Curriculum and Instructional Staff Development	-	13,579	-
0021 Instructional Leadership	-	-	-
0023 School Leadership	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	-	-
0033 Health Services	-	-	-
0034 Student Transportation	-	-	-
0035 Food Services	-	-	-
0051 Plant Maintenance and Operations	-	-	-
0052 Security and Monitoring Services	-	-	-
0061 Community Services	-	-	-
Capital Outlay:			
0081 Facilities Acquisition and Construction	-	-	-
6030 Total Expenditures	<u>19,296</u>	<u>16,539</u>	<u>6,496,067</u>
1200 Net Change in Fund Balances	-	-	-
0100 Fund Balances - Beginning	-	-	-
3000 <b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

429	435	461	499	Total Nonmajor Governmental Funds
State Funded Special Revenue Funds	SSA Regional Day School for the Deaf	Campus Activity Funds	Locally Funded Special Revenue Funds	
\$ -	\$ 2,471,379	\$ 14,664,934	\$ 68,857	\$ 32,974,636
43,750	1,320,558	-	-	8,196,003
-	-	-	-	91,153,543
<u>43,750</u>	<u>3,791,937</u>	<u>14,664,934</u>	<u>68,857</u>	<u>132,324,182</u>
-	3,290,182	13,434,280	52,808	50,158,763
-	-	-	-	186,737
43,750	163,719	-	3,673	11,771,009
-	59,396	-	-	4,270,420
-	-	-	-	408,153
-	278,640	-	-	3,690,519
-	-	-	-	759,430
-	-	-	-	223,984
-	-	-	-	57,779,374
-	-	-	-	1,011,863
-	-	-	-	163,165
-	-	740,597	-	1,359,069
-	-	-	-	112,503
<u>43,750</u>	<u>3,791,937</u>	<u>14,174,877</u>	<u>56,481</u>	<u>131,894,989</u>
-	-	490,057	12,376	429,193
-	-	7,500,558	2,198	22,886,492
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,990,615</u>	<u>\$ 14,574</u>	<u>\$ 23,315,685</u>

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**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**Exhibit H-3**

Data Control Codes	Budgeted Amounts			Variance with Final Budget Positive (Negative)	
	Original	Final Amended	Actual		
<b>REVENUES</b>					
5700	Local, Intermediate, and Out-of-State	\$ 19,629,013	\$ 17,629,013	\$ 15,769,466	\$ (1,859,547)
5800	State Programs	307,402	307,402	299,793	(7,609)
5900	Federal Programs	41,123,886	43,123,886	42,745,233	(378,653)
5020	Total Revenues	<u>61,060,301</u>	<u>61,060,301</u>	<u>58,814,492</u>	<u>(2,245,809)</u>
<b>EXPENDITURES</b>					
Current:					
0035	Food Services	59,986,986	59,986,986	57,779,374	2,207,612
0051	Plant Maintenance and Operations	1,073,315	1,073,315	1,011,863	61,452
0081	Facilities Acquisition and Construction	-	200,000	112,503	87,497
6030	Total Expenditures	<u>61,060,301</u>	<u>61,260,301</u>	<u>58,903,740</u>	<u>2,356,561</u>
1200	Net Change in Fund Balance	-	(200,000)	(89,248)	110,752
0100	Fund Balance - Beginning	<u>14,745,330</u>	<u>14,745,330</u>	<u>14,745,330</u>	-
3000	<b>Fund Balance - Ending</b>	<u><b>\$ 14,745,330</b></u>	<u><b>\$ 14,545,330</b></u>	<u><b>\$ 14,656,082</b></u>	<u><b>\$ 110,752</b></u>

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## ***FIDUCIARY FUND***

### ***Agency Fund***

The District's agency fund is used to account for assets held by the District as an agent for student organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FIDUCIARY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**Exhibit I-1**

<u>AGENCY FUND:</u>					
<b>Data Control Codes</b>		<b>Beginning Balance 7/1/18</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance 6/30/19</b>
	<b>ASSETS</b>				
1110	Cash and Cash Equivalents	\$ 59,505	\$ 9,768,139	\$ 9,648,868	\$ 178,776
1120	Current Investments	4,446,823	4,149,444	3,790,135	4,806,132
1250	Accrued Interest	-	20,891	-	20,891
1290	Other Receivables	10,670	510,187	520,857	-
1000	<b>Total Assets</b>	<b>\$ 4,516,998</b>	<b>\$ 14,448,661</b>	<b>\$ 13,959,860</b>	<b>\$ 5,005,799</b>
	<b>LIABILITIES</b>				
2110	Accounts Payable	\$ 114,405	\$ 5,645,043	\$ 5,565,874	\$ 193,574
2190	Due to Student Groups	4,402,593	5,799,369	5,389,737	4,812,225
2000	<b>Total Liabilities</b>	<b>\$ 4,516,998</b>	<b>\$ 11,444,412</b>	<b>\$ 10,955,611</b>	<b>\$ 5,005,799</b>

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## ***COMPLIANCE SCHEDULE***

### ***Schedule of Delinquent Taxes Receivable***

The Schedule of Delinquent Taxes Receivable is required by the Texas Education Agency and is not a required disclosure in the Comprehensive Annual Financial Report.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF DELINQUENT TAXES RECEIVABLE**  
**FOR THE YEAR ENDED JUNE 30, 2019**

<u>Year Ended June 30</u>	<u>Tax Rates</u>		<u>Assessed Taxable Value For School Tax Purposes</u>
	<u>Maintenance</u>	<u>Debt Service</u>	
2010 and Prior Years	\$ Various	\$ Various	\$ Various
2011	1.04	0.39	30,719,016,084
2012	1.04	0.39	31,160,567,273
2013	1.04	0.41	32,542,953,172
2014	1.04	0.41	35,503,139,379
2015	1.04	0.40	39,903,521,736
2016	1.04	0.40	43,463,150,208
2017	1.04	0.40	46,698,749,097
2018	1.04	0.40	48,750,997,500
2019	1.06	0.38	50,346,242,500
<b>Totals</b>			

<u>Beginning Balance 7/1/18</u>	<u>Current Year's Total Levy</u>	<u>Maintenance Collections</u>	<u>Debt Service Collections</u>	<u>Entire Year's Adjustments</u>	<u>Ending Balance 6/30/19</u>
\$ 3,406,277	\$ -	\$ 59,927	\$ 21,320	\$ (489,933)	\$ 2,835,097
816,726	-	17,764	6,661	(33,423)	758,878
797,419	-	34,721	13,020	(16,700)	732,978
744,834	-	57,125	22,520	76,773	741,962
861,406	-	98,708	38,914	175,337	899,121
999,054	-	163,843	63,017	253,154	1,025,348
1,640,551	-	386,814	148,774	339,222	1,444,185
3,298,714	-	312,605	120,232	(741,286)	2,124,591
10,173,390	-	(321,832)	(123,781)	(7,432,283)	3,186,720
-	724,985,892	526,011,825	188,570,277	-	10,403,790
<u>\$ 22,738,371</u>	<u>\$ 724,985,892</u>	<u>\$ 526,821,500</u>	<u>\$ 188,880,954</u>	<u>\$ (7,869,139)</u>	<u>\$ 24,152,670</u>

**Reconciliation of Ending Balance to Exhibit B-1:**

Ending Balance at 6/30/19	\$ 24,152,670
Less: Uncollectible Taxes	(7,176,174)
Adjusted Ending Balance	<u>16,976,496</u>
<b>Property Taxes Receivable (Net) per Exhibit B-1</b>	<b><u>\$ 16,976,496</u></b>

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# STATISTICAL SECTION

STATISTICAL SECTION

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## ***STATISTICAL SECTION***

The statistical section of the Cypress-Fairbanks Independent School District's Annual Financial Report presents detailed information (both current and historical) as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the District's economic condition and overall financial health. To assist financial statement users, the section is categorized as follows:

### ***Financial Trends***

These schedules contain trend information to assist in understanding how the District's financial performance and position have changed over time.

### ***Revenue Capacity***

These schedules contain information to help assess the factors affecting the District's most significant local revenue source, the property tax.

### ***Debt Capacity***

These schedules present information to assist in assessing the affordability of the District's current debt burden and its ability to issue additional debt in the future. The District is not subject to a legal debt margin.

### ***Demographic and Economic Information***

These schedules offer demographic and economic indicators to aid in understanding the socioeconomic environment in which the District operates and to facilitate comparisons over time.

### ***Operating Information***

These schedules contain information about the District's operations and resources to assist in using the financial statement information to better understand and assess the District's economic condition.

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

Note: GASB Statement No. 44 indicates governments are allowed to and should use alternative indicators for calculating ratios if they are more relevant to their circumstances (Table 9, Table 10, Table 12 and Table 15).



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Governmental Activities:				
Net Investment in Capital Assets	\$ (71,787,597)	\$ (88,571,599)	\$ (89,611,599)	\$ (101,934,887)
Restricted	83,531,956	73,723,122	58,547,432	58,926,214
Unrestricted	<u>(424,984,090)</u>	<u>(423,944,375)</u>	<u>105,222,629</u>	<u>143,999,048</u>
<b>Total Governmental Activities Net Position (Deficit)</b>	<b><u>(413,239,731)</u></b>	<b><u>(438,792,852)</u></b>	<b><u>74,158,462</u></b>	<b><u>100,990,375</u></b>
Business-type Activities:				
Unrestricted	<u>1,206,578</u>	<u>1,026,791</u>	<u>720,985</u>	<u>720,761</u>
<b>Total Business-type Activities Net Position (Deficit)</b>	<b><u>1,206,578</u></b>	<b><u>1,026,791</u></b>	<b><u>720,985</u></b>	<b><u>720,761</u></b>
Primary Government:				
Net Investment in Capital Assets(1)	(71,787,597)	(88,571,599)	(89,611,599)	(101,934,887)
Restricted	83,531,956	73,723,122	58,547,432	58,926,214
Unrestricted	<u>(423,777,512)</u>	<u>(422,917,584) (3)</u>	<u>105,943,614</u>	<u>144,719,809</u>
<b>Total Primary Government Activities Net Position (Deficit)</b>	<b><u>\$ (412,033,153)</u></b>	<b><u>\$ (437,766,061)</u></b>	<b><u>\$ 74,879,447</u></b>	<b><u>\$ 101,711,136</u></b>

- (1) The fluctuations are due to the issuance and non-issuance of debt.  
(2) Net position decreased primarily due to the effects of a prior period adjustment for the implementation of GASB 68 and GASB 71 relating to pensions.  
(3) Net position decreased primarily due to the effects of a prior period adjustment for the implementation of GASB 75 relating to OPEB.

**Table 1**

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ (102,396,644)	\$ (103,738,940)	\$ (96,589,301)	\$ (87,334,638)	\$ (78,394,299)	\$ (81,466,161)
34,049,131	27,239,374	26,060,650	-	-	-
127,217,274	170,562,613	78,562,371	35,994,025	6,777,642	1,451,257
<u>58,869,761</u>	<u>94,063,047</u>	<u>8,033,720</u>	<u>(51,340,613)</u>	<u>(71,616,657)</u>	<u>(80,014,904)</u>
719,810	718,915	284,681	170,301	9,709	(147,245)
<u>719,810</u>	<u>718,915</u>	<u>284,681</u>	<u>170,301</u>	<u>9,709</u>	<u>(147,245)</u>
(102,396,644)	(103,738,940)	(96,589,301)	(87,334,638)	(78,394,299)	(81,466,161)
34,049,131	27,239,374	26,060,650	-	-	-
127,937,084 (2)	171,281,528	78,847,052	36,164,326	6,787,351	1,304,012
<u>\$ 59,589,571</u>	<u>\$ 94,781,962</u>	<u>\$ 8,318,401</u>	<u>\$ (51,170,312)</u>	<u>\$ (71,606,948)</u>	<u>\$ (80,162,149)</u>

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

<b>Expenses</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Governmental Activities:</b>				
Instruction	\$ 758,429,763	\$ 493,963,770	\$ 698,333,067	\$ 645,636,860
Instructional Resources and Media Services	11,768,131	8,764,373	10,873,350	10,125,744
Curriculum and Instructional Staff Development	24,743,250	16,396,952	22,058,882	17,319,578
Instructional Leadership	13,249,417	7,970,060	11,997,375	11,460,319
School Leadership	63,877,326	40,903,700	57,630,018	54,664,995
Guidance, Counseling, and Evaluation Services	41,818,953	23,659,881	35,865,818	32,678,851
Social Work Services	1,071,532	908,589	1,036,437	1,054,963
Health Services	11,911,758	8,355,799	10,885,642	10,527,342
Student Transportation	57,730,399	40,013,922	50,791,730	47,259,045
Food Services	69,283,850	54,113,471	64,439,209	61,105,272
Cocurricular/Extracurricular Activities	35,663,079	28,434,939	31,606,116	25,794,825
General Administration	15,733,505	13,155,120	17,428,978	16,922,372
Plant Maintenance and Operations	80,381,678	64,162,311	77,861,018	74,767,976
Security and Monitoring Services	14,599,341	8,674,962	11,435,763	10,636,933
Data Processing Services	14,858,539	10,496,357	14,726,806	17,800,115
Community Services	10,408,457	4,731,910	10,727,096	9,560,523
Interest on Debt	100,185,353	99,675,434	95,624,106	93,226,524
Bond Issuance Costs and Fees	3,828,009	1,582,602	3,164,626	2,794,902
Facilities Repair and Maintenance	13,383,109	17,548,376	7,873,909	2,225,983
Payments to Fiscal Agents SSA	1,269,902	1,302,185	823,895	1,121,872
Payments to Juvenile Justice Alternative Ed. Prog.	3,600	3,597	7,120	3,600
Other Intergovernmental Charges	5,359,181	5,164,085	4,947,598	4,726,563
<b>Total Governmental Activities Expenses</b>	<b>1,349,558,132 (1)</b>	<b>949,982,395</b>	<b>1,240,138,559</b>	<b>1,151,415,157</b>
<b>Business-type Activities:</b>				
Community Programs	6,151,335	6,960,976	10,288,180	9,711,935
<b>Total Primary Government Expenses</b>	<b>1,355,709,467</b>	<b>956,943,371</b>	<b>1,250,426,739</b>	<b>1,161,127,092</b>
<b>Program Revenues</b>				
<b>Governmental Activities:</b>				
<b>Charges for Services:</b>				
Instruction	20,919,333	19,047,364	19,236,988	18,184,622
Food Services	16,257,713	13,539,334	17,946,936	17,452,940
Cocurricular/Extracurricular Activities	1,541,408	1,524,210	1,566,431	1,501,742
General Administration	-	-	541,082	310,135
Other Activities	1,955,474	2,241,410	1,903,768	2,635,334
Operating Grants and Contributions	221,523,759 (2)	(43,825,935)	147,853,651	147,905,436
<b>Total Governmental Activities Program Revenues</b>	<b>262,197,687</b>	<b>(7,473,617)</b>	<b>189,048,856</b>	<b>187,990,209</b>
<b>Business-type Activities:</b>				
Charges for Services	8,758,376	9,724,036	10,809,379	10,701,748
<b>Total Primary Government Program Revenues</b>	<b>270,956,063</b>	<b>2,250,419</b>	<b>199,858,235</b>	<b>198,691,957</b>
<b>Net (Expense)/Revenue</b>				
<b>Total Primary Government Net Expense</b>	<b>\$ (1,084,753,404)</b>	<b>\$ (954,692,952)</b>	<b>\$ (1,050,568,504)</b>	<b>\$ (962,435,135)</b>
<b>General Revenues and Other Changes in Net Position</b>				
<b>Governmental Activities:</b>				
Property Taxes, Levied for General Purposes	\$ 529,309,377 (3)	\$ 499,875,369	\$ 482,598,888	\$ 448,965,096
Property Taxes, Levied for Debt Service	189,987,915 (3)	197,262,518	186,052,714	172,948,374
Investment Earnings	25,743,491	14,758,137	8,825,837	4,665,229
Grants and Contributions Not Restricted to Specific Programs	353,839,011	331,264,783	337,586,938	372,830,990
Miscellaneous	11,533,772 (4)	20,559,491	8,656,413	5,138,873
Transfers	2,500,000	2,500,000	537,000	997,000
<b>Total Governmental Activities General Revenues/Transfers</b>	<b>1,112,913,566</b>	<b>1,066,220,298</b>	<b>1,024,257,790</b>	<b>1,005,545,562</b>
<b>Business-type Activities:</b>				
Investment Earnings	72,746	42,746	16,025	8,138
Transfers	(2,500,000)	(2,500,000)	(537,000)	(997,000)
<b>Total Business-type Activities General Revenues/Transfers</b>	<b>(2,427,254)</b>	<b>(2,457,254)</b>	<b>(520,975)</b>	<b>(988,862)</b>
<b>Total Primary Government Revenues</b>	<b>\$ 1,110,486,312</b>	<b>\$ 1,063,763,044</b>	<b>\$ 1,023,736,815</b>	<b>\$ 1,004,556,700</b>
<b>Change in Net Position</b>				
Governmental Activities	\$ 25,553,121	\$ 108,764,286	\$ (26,831,913)	\$ 42,120,614
Business-type Activities	179,787	305,806	224	951
<b>Total Change in Net Position</b>	<b>\$ 25,732,908</b>	<b>\$ 109,070,092</b>	<b>\$ (26,831,689)</b>	<b>\$ 42,121,565</b>

(1) The increase in expenses reflects effects of allocation of negative on-behalf contributions for GASB 75 in the prior year.

(2) The increase in operating grants and contributions reflects the effects of prior year negative on-behalf contribution allocations for GASB 75 and the receipt of remediation funding for Hurricane Harvey.

**Table 2**

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 581,664,409	\$ 555,173,230	\$ 507,256,467	\$ 503,690,999	\$ 531,351,407	\$ 535,190,691
9,441,162	9,278,735	8,501,349	8,100,073	8,506,537	7,939,098
16,027,899	14,727,033	13,207,813	13,043,559	17,867,155	20,714,929
12,129,832	11,475,146	11,720,258	11,569,818	11,949,159	12,841,819
49,456,275	47,777,917	45,584,610	46,464,583	49,428,554	43,683,711
28,522,749	26,680,850	24,365,712	23,833,046	24,448,879	25,546,410
984,274	1,029,061	949,256	888,564	978,219	988,726
9,219,906	8,310,591	7,973,461	7,668,538	8,588,045	8,226,837
45,283,427	37,321,531	34,870,129	33,533,462	34,315,296	32,793,347
55,990,991	52,578,899	49,841,436	47,906,107	46,811,570	44,040,313
21,681,671	24,063,915	22,659,734	22,177,952	22,667,440	21,816,470
13,452,199	13,869,245	12,056,790	11,204,164	12,199,997	12,323,898
67,729,057	61,463,394	59,752,450	61,194,579	66,010,640	68,969,231
8,716,454	8,055,928	6,564,760	5,120,296	4,811,537	4,969,447
15,526,773	9,155,608	12,148,343	6,928,234	4,532,730	4,426,216
8,951,229	7,913,945	5,695,008	5,491,411	3,763,869	3,401,357
87,696,344	87,477,077	81,810,935	88,865,289	91,520,109	91,417,981
4,600,958	1,220,255	4,250,725	364,840	453,400	522,006
825,796	34,313	25,838	135	50,495	49,116
1,144,645	989,728	1,110,321	1,188,981	913,679	952,062
2,160	6,064	356	45,780	41,580	-
4,511,372	3,873,790	3,745,906	3,741,286	3,791,579	3,594,061
<u>1,043,559,582</u>	<u>982,476,255</u>	<u>914,091,657</u>	<u>903,021,696</u>	<u>945,001,876</u>	<u>944,407,726</u>
9,472,204	8,020,085	7,074,326	4,946,475	4,129,381	147,282
<u>1,053,031,786</u>	<u>990,496,340</u>	<u>921,165,983</u>	<u>907,968,171</u>	<u>949,131,257</u>	<u>944,555,008</u>
16,939,546	15,872,335	15,176,617	14,575,458	13,740,003	12,964,195
18,201,344	18,341,813	19,499,351	19,254,750	18,603,198	19,411,312
1,823,102	1,494,538	1,590,401	2,027,681	1,920,820	1,596,516
504,830	471,551	441,285	407,981	371,336	547,437
2,459,251	2,593,771	3,018,504	2,118,397	1,802,405	1,543,535
126,852,388	124,163,500	118,369,676	121,255,728	182,704,870	171,461,221
<u>166,780,461</u>	<u>162,937,508</u>	<u>158,095,834</u>	<u>159,639,995</u>	<u>219,142,632</u>	<u>207,524,216</u>
10,428,063	9,452,505	8,185,670	6,603,989	5,654,545	-
<u>177,208,524</u>	<u>172,390,013</u>	<u>166,281,504</u>	<u>166,243,984</u>	<u>224,797,177</u>	<u>-</u>
<u>\$ (875,823,262)</u>	<u>\$ (818,106,327)</u>	<u>\$ (754,884,479)</u>	<u>\$ (741,724,187)</u>	<u>\$ (724,334,080)</u>	<u>\$ (737,030,792)</u>
\$ 415,497,287	\$ 374,123,198	\$ 341,647,771	\$ 325,607,783	\$ 320,037,878	\$ 332,493,637
159,173,200	147,360,448	134,247,202	121,618,732	119,871,547	117,352,659
2,229,522	822,177	1,510,221	1,798,594	2,300,811	4,303,296
393,330,199	376,049,342	340,733,020	310,802,392	288,140,419	270,882,974
7,405,056	6,212,909	3,411,310	2,330,244	2,536,836	3,740,172
957,000	1,000,000	1,000,000	1,500,000	1,370,000	-
<u>978,592,264</u>	<u>905,568,074</u>	<u>822,549,524</u>	<u>763,657,745</u>	<u>734,257,491</u>	<u>728,772,738</u>
2,036	1,814	3,036	3,078	1,790	37
(957,000)	(1,000,000)	(1,000,000)	(1,500,000)	(1,370,000)	-
<u>(954,964)</u>	<u>(998,186)</u>	<u>(996,964)</u>	<u>(1,496,922)</u>	<u>(1,368,210)</u>	<u>37</u>
<u>\$ 977,637,300</u>	<u>\$ 904,569,888</u>	<u>\$ 821,552,560</u>	<u>\$ 762,160,823</u>	<u>\$ 732,889,281</u>	<u>\$ 728,772,775</u>
\$ 101,813,143	\$ 86,029,327	\$ 66,553,701	\$ 20,276,044	\$ 8,398,247	\$ (8,110,772)
895	434,234	114,380	160,592	156,954	(147,245)
<u>\$ 101,814,038</u>	<u>\$ 86,463,561</u>	<u>\$ 66,668,081</u>	<u>\$ 20,436,636</u>	<u>\$ 8,555,201</u>	<u>\$ (8,258,017)</u>

(3) See *Required Supplementary Information-Variances with Final Budget*.

(4) The decrease in miscellaneous revenue is due to prior year insurance recovery proceeds related to Hurricane Harvey.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)</u>
General Fund (2)				
Nonspendable	\$ 3,837,025	\$ 3,175,312	\$ 3,045,063	\$ 3,155,866
Committed	-	-	-	-
Assigned	35,089,816	24,688,441	20,370,119	4,931,341
Unassigned	452,241,483	422,556,573	404,083,416	393,710,323
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total General Fund	<u>\$ 491,168,324</u>	<u>\$ 450,420,326</u>	<u>\$ 427,498,598</u>	<u>\$ 401,797,530</u>
All Other Governmental Funds (2)				
Nonspendable	\$ -	\$ -	\$ 3,842,202	\$ -
Restricted (3)	452,884,309	489,291,878	488,918,035	576,965,377
Committed	7,990,615	7,500,558	6,550,376	6,693,520
Reserved	-	-	-	-
Total All Other Governmental Funds	<u>\$ 460,874,924</u>	<u>\$ 496,792,436</u>	<u>\$ 499,310,613</u>	<u>\$ 583,658,897</u>

(1) Due to the implementation of GASB 54, fund balances are classified differently than in 2010 and prior years.

(2) The variances in the fiscal year fund balances are explained in the governmental funds section of the Management's Discussion and Analysis.

(3) The fluctuations were primarily due to the outlay of bond proceeds for capital projects.

**Table 3**

<u>2015 (1)</u>	<u>2014 (1)</u>	<u>2013 (1)</u>	<u>2012 (1)</u>	<u>2011 (1)</u>	<u>2010</u>
\$ 2,973,123	\$ 3,234,177	\$ 3,000,267	\$ 2,859,753	\$ 3,467,961	\$ -
-	-	-	-	8,003,653	-
1,999,218	1,716,737	1,819,729	4,499,583	314,078	-
343,117,367	275,322,894	210,896,033	152,150,650	120,363,224	-
-	-	-	-	-	4,407,128
-	-	-	-	-	98,314,811
<u>\$ 348,089,708</u>	<u>\$ 280,273,808</u>	<u>\$ 215,716,029</u>	<u>\$ 159,509,986</u>	<u>\$ 132,148,916</u>	<u>\$ 102,721,939</u>
\$ 2,762,638	\$ 2,607,155	\$ 2,525,059	\$ 2,778,135	\$ 1,879,068	\$ -
516,911,124	328,694,727	226,571,099	230,898,805	263,672,796	-
5,723,155	5,271,424	4,614,299	4,303,499	4,038,048	-
-	-	-	-	-	380,706,911
<u>\$ 525,396,917</u>	<u>\$ 336,573,306</u>	<u>\$ 233,710,457</u>	<u>\$ 237,980,439</u>	<u>\$ 269,589,912</u>	<u>\$ 380,706,911</u>

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2019	2018	2017	2016
<b>REVENUES</b>				
Local, Intermediate, and Out-of-State	\$ 798,633,575 (1)	\$ 764,168,908	\$ 729,698,529	\$ 672,608,044
State Programs	426,229,929 (2)	381,935,747	385,515,556	422,098,848
Federal Programs	117,288,926	113,695,603	93,212,660	86,741,325
Total Revenues	<u>1,342,152,430</u>	<u>1,259,800,258</u>	<u>1,208,426,745</u>	<u>1,181,448,217</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	666,865,535	665,430,416	640,499,476	599,183,399
Instructional Resources and Media Services	8,140,441	8,296,212	7,939,560	7,653,374
Curriculum and Instructional Staff Development	22,024,904	21,962,920	20,516,031	17,117,948
Instructional Leadership	12,029,962	11,255,728	11,391,373	11,264,554
School Leadership	49,063,526	48,217,775	46,211,215	44,953,409
Guidance, Counseling, and Evaluation Services	38,521,494	36,642,413	34,500,788	31,720,288
Social Work Services	1,049,979	1,081,852	1,042,265	1,027,402
Health Services	11,308,113	11,518,045	10,688,515	10,264,567
Student Transportation	56,401,865 (3)	42,800,153	48,465,451	43,682,524
Food Services	57,779,374	55,497,606	55,696,757	57,641,339
Cocurricular/Extracurricular Activities	21,402,264	20,620,595	19,126,777	16,587,296
General Administration	16,656,552	16,222,364	15,628,958	14,994,574
Plant Maintenance and Operations	77,501,461	78,935,180	76,013,594	71,911,847
Security and Monitoring Services	12,398,706	12,125,976	10,051,945	9,756,772
Data Processing Services	18,454,935 (4)	13,578,640	24,744,213	41,802,259
Community Services	9,906,563	9,733,623	11,014,310	9,660,075
Debt Service:				
Principal on Long-term Debt	88,520,000	86,205,000	69,970,000	55,430,767
Interest on Debt	116,870,813	108,538,328	104,504,040	110,901,194
Bond Issuance Costs and Fees	3,828,009	1,582,602	21,339,626	2,794,902
Capital Outlay:				
Facilities Acquisition and Construction	219,918,796 (5)	174,142,080	305,660,426	219,153,320
Intergovernmental:				
Payments to Fiscal Agents SSA	1,269,902	1,302,185	823,895	1,121,872
Payments to Juvenile Justice Alternative Education Programs	3,600	3,597	7,120	3,600
Other Intergovernmental Charges	5,359,181	5,164,085	4,947,598	4,726,563
Total Expenditures	<u>1,515,275,975</u>	<u>1,430,857,375</u>	<u>1,540,783,933</u>	<u>1,383,353,845</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(173,123,545)</u>	<u>(171,057,117)</u>	<u>(332,357,188)</u>	<u>(201,905,628)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of Bonds	187,260,000	261,730,000	446,170,000	352,790,000
Issuance of Refunding Bonds	420,325,000	-	-	-
Premium from Issuance of Bonds	45,925,742	4,013,104	75,007,691	23,981,341
Sale of Real and Personal Property	211,680	222,564	244,564	304,159
Transfers In	11,200,000	2,500,000	537,000	997,000
Refund EDA Overpayment to State	-	-	-	-
Payment to Refunded Bonds Escrow Agent	(450,749,791)	(77,005,000)	(248,249,283)	(64,197,070)
Transfers Out	(8,700,000)	-	-	-
Total Other Financing Sources (Uses)	<u>205,472,631</u>	<u>191,460,668</u>	<u>273,709,972</u>	<u>313,875,430</u>
<b>Net Change in Fund Balances</b>	<u>\$ 32,349,086</u>	<u>\$ 20,403,551</u>	<u>\$ (58,647,216)</u>	<u>\$ 111,969,802</u>

**Debt Service (Principal and Interest) as a Percentage of  
Noncapital Expenditures (6)**

15.94%	15.37%	14.32%	14.75%
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(1) Increase due to an increase in property values.

(2) Increase primarily due to state disaster recovery funding.

(3) Increase due to the purchase of buses.

(4) Increase due to network security upgrades.

(5) Increase due to construction and renovation schedules.

(6) Noncapital expenditures are determined by reducing total expenditures noted above by those expenditures capitalized per Exhibit B-2R.

**Table 4**

2015	2014	2013	2012	2011	2010
\$ 621,336,705	\$ 563,956,318	\$ 518,092,722	\$ 492,284,045	\$ 483,387,095	\$ 492,120,921
439,206,260	412,496,140	380,201,588	358,940,890	338,992,459	319,709,635
89,387,398	87,579,693	78,823,922	75,090,522	131,852,828	122,634,558
<u>1,149,930,363</u>	<u>1,064,032,151</u>	<u>977,118,232</u>	<u>926,315,457</u>	<u>954,232,382</u>	<u>934,465,114</u>
579,868,996	532,067,403	486,715,240	478,207,965	504,328,816	507,580,793
7,390,967	7,297,219	6,557,308	6,165,498	6,541,108	6,406,263
16,606,977	14,750,455	13,255,807	12,990,805	18,026,706	20,747,106
12,436,167	11,718,412	11,766,593	11,537,869	13,443,595	14,676,395
42,103,446	40,120,566	38,145,701	38,884,124	41,697,351	37,586,238
29,205,744	26,709,487	24,508,687	23,724,514	24,422,905	25,409,969
987,456	1,029,532	950,806	887,370	977,504	987,069
9,394,227	8,315,015	7,989,554	7,637,426	8,579,925	8,187,827
46,504,370	33,034,889	32,484,979	27,776,303	29,752,313	28,348,348
53,558,536	51,149,123	47,506,592	44,903,978	44,670,435	42,227,739
16,987,733	15,130,587	13,515,163	13,211,561	14,450,553	14,555,957
13,457,297	12,609,040	10,794,657	9,869,947	10,947,579	11,046,634
67,260,981	61,080,568	59,766,180	59,880,902	64,951,693	68,006,831
8,498,594	8,529,798	7,832,850	4,549,171	4,901,980	4,557,526
30,472,626	8,912,582	11,183,155	6,116,890	6,174,164	3,618,371
9,531,634	8,065,005	7,047,298	5,470,214	3,794,738	3,398,262
41,522,623	40,180,987	38,037,537	37,133,086	49,985,000	37,120,000
110,907,985	103,765,309	106,116,817	104,965,984	86,731,216	81,892,390
4,600,958	1,220,255	4,250,725	1,110,787	104,230	2,589,775
116,923,827	73,762,669	54,821,094	36,009,036	98,385,243	171,350,963
1,144,645	989,728	1,110,321	1,188,981	913,679	952,062
2,160	6,064	356	45,780	41,580	-
4,511,372	3,873,790	3,745,906	3,741,286	3,791,579	3,594,061
<u>1,223,879,321</u>	<u>1,064,318,483</u>	<u>988,103,326</u>	<u>936,009,477</u>	<u>1,037,613,892</u>	<u>1,094,840,579</u>
(73,948,958)	(286,332)	(10,985,094)	(9,694,020)	(83,381,510)	(160,375,465)
743,785,000	155,020,000	221,810,000	135,310,000	-	280,115,000
-	-	-	-	-	-
112,919,433	11,196,340	41,364,292	23,826,300	-	2,779,288
426,351	490,620	496,850	184,807	321,488	1,051,146
957,000	1,000,000	1,000,000	1,500,027	1,370,000	441,947
-	-	-	(1,973,290)	-	-
(527,499,315)	-	(201,749,987)	(141,103,310)	-	-
-	-	-	(12,298,917)	-	(441,947)
<u>330,588,469</u>	<u>167,706,960</u>	<u>62,921,155</u>	<u>5,445,617</u>	<u>1,691,488</u>	<u>283,945,434</u>
<b>\$ 256,639,511</b>	<b>\$ 167,420,628</b>	<b>\$ 51,936,061</b>	<b>\$ (4,248,403)</b>	<b>\$ (81,690,022)</b>	<b>\$ 123,569,969</b>
14.22%	14.67%	15.66%	15.85%	14.74%	12.87%



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

**Actual Value**

<b>Fiscal Year</b> <b>Ended 6/30:</b>	<b>Actual Value</b>					
	<b>Residential</b>	<b>Vacant Land</b>	<b>Acreage</b> <b>Farm &amp; Ranch</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Utilities</b>
2019	\$ 36,731,159,523	\$ 996,352,776	\$ 92,412,245	\$ 17,332,655,864	\$ 7,251,416,437	\$ 385,211,379
2018	35,651,892,935	1,033,110,317	67,223,712	16,442,451,245	7,307,981,216	373,814,361
2017	33,640,490,726	1,015,207,211	91,799,304	15,775,507,341	7,828,075,318	362,490,182
2016	30,897,898,755	952,224,800	129,145,979	14,578,642,360	8,547,228,879	337,023,358
2015	27,378,153,309	918,102,059	187,505,407	12,866,640,450	7,962,078,449	339,771,575
2014	27,483,955,959	906,905,586	202,515,912	13,067,221,741	7,993,712,806	339,574,432
2013	22,806,904,414	704,324,036	206,654,807	11,675,308,415	6,994,344,749	354,261,575
2012	23,018,751,027	586,506,326	371,906,732	10,178,007,300	4,814,791,244	331,482,124
2011	22,681,014,902	586,925,449	342,510,694	9,570,436,774	3,932,524,375	336,512,138
2010	22,604,791,778	655,706,503	664,768,829	9,798,152,097	5,095,308,121	340,065,804

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

Source: Harris County (Texas) Appraisal District provides the District's tax office with appraised values for properties within the District's taxing authority. Actual value equals appraised value. Actual value less exemptions equals taxable assessed value. Taxable assessed value times the tax rate set by the District's Board of Trustees each fall equals the tax levy.

**Table 5**

<b>Actual Value</b>						<b>Total Taxable Assessed Value</b>	<b>Total Direct Rate (1)</b>
<b>Railroads, Pipelines, &amp; Cable TV</b>	<b>Residential Inventory</b>	<b>Minerals</b>	<b>Miscellaneous</b>	<b>Less: Exemptions</b>			
\$ 119,982,622	\$ 329,386,868	\$ 1,415,760	\$ 3,407,275,882	\$ 16,301,026,856	\$	50,346,242,500	\$ 1.440
107,342,842	210,671,184	1,473,600	3,368,521,218	15,813,485,130		48,750,997,500	1.440
111,266,750	396,934,237	1,374,550	2,391,171,965	14,915,568,487		46,698,749,097	1.440
110,144,604	310,426,114	3,194,610	2,275,710,506	14,678,489,757		43,463,150,208	1.440
104,168,783	240,861,103	7,958,390	2,415,471,053	12,517,188,842		39,903,521,736	1.440
104,168,783	77,478,299	7,497,200	147,521,331	14,827,412,670		35,503,139,379	1.450
102,145,933	120,354,489	7,674,280	111,507,876	10,540,527,402		32,542,953,172	1.450
100,159,250	138,622,452	14,989,380	108,140,221	8,502,788,783		31,160,567,273	1.430
105,019,558	182,011,712	11,508,115	119,524,351	7,148,971,984		30,719,016,084	1.430
121,635,513	155,532,338	16,626,070	2,334,375,817	10,324,775,281		31,462,187,589	1.410

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**(PER \$100 OF ACTUAL TAXABLE VALUE)**  
**LAST TEN FISCAL YEARS**

<b>Taxing Authority</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b><u>Overlapping Rates:</u></b>				
City of Houston	\$0.5883	\$0.5842	\$0.5864	\$0.6011
Jersey Village	0.7425	0.7425	0.7425	0.7425
Harris County (1)	0.6352	0.6352	0.6352	0.6354
Harris County Dept. of Education	0.5190	0.5195	0.5200	0.5422
Harris Co Flood Control District	0.2877	0.2831	0.2829	0.2733
HC Emerg Srv Dist 003	0.1000	0.1000	0.0600	0.0600
HC Emerg Srv Dist 009	0.0527	0.0527	0.0533	0.0550
HC ID 003	0.1350	0.1375	0.1400	0.1500
Lone Star College District (2)	0.1078	0.1078	0.1078	0.1079
<b>Utility Districts:</b>				
Cypress Creek UD	0.3475	0.2050	0.2050	0.1800
Emerald Forest UD	0.6550	0.6550	0.6600	0.6600
HC UD 006	0.2300	0.2200	0.2200	0.2300
Lake Forest UD	0.2500	0.2500	0.2500	0.2500
Langham Creek UD	0.6300	0.6300	0.6300	0.6300
Malcomson Road UD	0.4400	0.4400	0.4400	0.4400
Prestonwood Forest UD	0.3500	0.3500	0.3500	0.3500
Rolling Creek UD	0.7000	0.7000	0.7800	0.8500
Windfern Forest UD	0.4800	0.4900	0.4900	0.5000
<b>Municipal Utility Districts:</b>				
Barker Cypress MUD	0.8200	0.8400	0.8400	0.8900
Camfield MUD	0.5000	0.5000	0.5000	0.5000
Chimney Hill MUD	0.7800	0.7800	0.7900	0.7900
Clay Road MUD	0.7100	0.7100	0.7100	0.7800
Cy Champ PUD	0.3700	0.3700	0.3700	0.3700
Cypress Forest PUD	0.2900	0.2900	0.2800	0.2930
Cypress Hill MUD 1	0.7500	0.7500	0.7700	0.7900
Faulkey-Gully MUD	0.3800	0.3800	0.3800	0.4200
Grant Road PUD	0.6050	0.5850	0.5850	0.5850
HC FWSD 61	0.3000	0.3100	0.3200	0.3300
HCMUD 6	0.5200	0.5200	0.5400	0.5900
HCMUD 18	0.3800	0.3600	0.3600	0.4000
HCMUD 23	0.4600	0.4600	0.4700	0.4700
HCMUD 25	0.6650	0.7000	0.7000	0.7200
HCMUD 69	0.3800	0.3800	0.3900	0.4000
HCMUD 70	0.6300	0.6500	0.7000	0.7300
HCMUD 102	0.6200	0.6400	0.6400	0.6900
HCMUD 105	0.8000	0.8000	0.8300	0.8500
HCMUD 127	0.6600	0.6800	0.7100	0.7800
HCMUD 130	0.4690	0.5000	0.5300	0.5800
HCMUD 136	0.1630	0.1640	0.1640	0.1780
HCMUD 144	0.5650	0.5700	0.6000	0.6150
HCMUD 149	0.3550	0.3550	0.3650	0.4800
HCMUD 155	0.8700	0.8900	0.9300	0.9300
HCMUD 156	0.7500	0.7700	0.7700	0.8700
HCMUD 157	0.6450	0.6800	0.7100	0.7300
HCMUD 162	0.4950	0.4950	0.4950	0.5000
HCMUD 163	0.1750	0.1700	0.0000	0.0970
HCMUD 165	1.0500	1.1000	1.1500	1.2000

**Table 6**  
**Page 1 of 3**

<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
\$0.6311	\$0.6388	\$0.6388	\$0.6388	\$0.6388	\$0.6388
0.7425	0.7425	0.7425	0.7425	0.7425	0.7425
0.6360	0.6363	0.6366	0.6366	0.6360	0.6360
0.5999	0.6358	0.6617	0.6581	0.6581	0.6050
0.2736	0.2827	0.2809	0.2809	0.2923	0.2922
0.0578	0.0569	0.0600	0.0300	0.0300	0.0300
0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
0.1500	0.1500	0.1500	0.1500	0.1500	0.1500
0.1081	0.1160	0.1210	0.1210	0.1176	0.1101
0.1800	0.1800	0.1800	0.1800	0.1700	0.0900
0.6800	0.6900	0.6900	0.6700	0.6700	0.6600
0.2350	0.2400	0.2400	0.2400	0.2400	0.2400
0.2500	0.2500	0.2500	0.2500	0.2500	0.2500
0.6635	0.6800	0.6800	0.6800	0.6800	0.6500
0.4800	0.5300	0.5300	0.5300	0.5300	0.5000
0.3500	0.3500	0.3500	0.3500	0.3500	0.3500
0.8800	0.9600	0.9700	0.9700	0.9800	0.9900
0.5200	0.5200	0.4800	0.4800	0.4300	0.4300
0.9000	0.9500	0.9500	0.9300	0.9300	0.9000
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
0.8500	0.8800	0.8800	0.8800	0.8700	0.8700
0.8700	0.9000	0.9000	0.9100	0.9100	0.8700
0.4680	0.5100	0.5100	0.5100	0.5100	0.4800
0.3219	0.3240	0.3240	0.3240	0.3100	0.3100
0.8700	0.9200	0.9600	0.9800	0.9900	0.9900
0.4900	0.5260	0.5260	0.5180	0.4900	0.4600
0.6250	0.6700	0.6800	0.6800	0.6700	0.6300
0.3400	0.3500	0.3700	0.3900	0.4100	0.4300
0.6100	0.6500	0.6500	0.6500	0.6500	0.5400
0.4200	0.4200	0.4000	0.3170	0.3240	0.3240
0.4800	0.4800	0.4800	0.4800	0.4800	0.4800
0.7850	0.7600	0.8600	0.9000	0.8800	0.8800
0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
0.7900	0.8400	0.8900	0.9300	0.9300	0.9300
0.7000	0.7000	0.7000	0.6500	0.5850	0.5500
0.9000	0.9300	0.9300	0.9300	0.9300	0.9300
0.8700	0.9000	0.9000	0.8700	0.8700	0.8500
0.6200	0.6700	0.6700	0.6700	0.7000	0.7000
0.1960	0.2150	0.2150	0.2150	0.2150	0.2700
0.6300	0.6300	0.6500	0.6500	0.6500	0.6000
0.5200	0.5900	0.6600	0.6600	0.6600	0.6200
0.9200	0.9200	0.8850	0.8850	0.8500	0.8500
0.9000	0.9700	0.9700	1.0000	1.0500	1.1200
0.8000	0.8450	0.8450	0.8200	0.8200	0.8200
0.5500	0.5665	0.5665	0.5665	0.5600	0.5600
0.1000	0.0000	0.0000	0.0000	0.0000	0.0000
1.3200	1.3200	1.3200	1.3200	1.3200	1.3200

Continued

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**(PER \$100 OF ACTUAL TAXABLE VALUE)**  
**LAST TEN FISCAL YEARS**

<b>Taxing Authority</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
HCMUD 166	\$0.7900	\$0.7900	\$0.8200	\$0.8700
HCMUD 167	1.0400	1.0600	1.0900	1.1400
HCMUD 168	0.5000	0.5000	0.5200	0.5300
HCMUD 170	0.2700	0.2700	0.2700	0.2700
HCMUD 172	0.7300	0.7400	0.7400	0.7800
HCMUD 173	0.4950	0.5200	0.5400	0.5700
HCMUD 179	0.2550	0.2600	0.2622	0.2800
HCMUD 183	0.4800	0.4800	0.4900	0.5100
HCMUD 185	0.5100	0.5375	0.5575	0.5450
HCMUD 186	0.2200	0.2200	0.2300	0.2400
HCMUD 188	0.3700	0.3800	0.4000	0.4400
HCMUD 191	0.2500	0.2400	0.2400	0.2450
HCMUD 196	0.6200	0.6200	0.6200	0.6400
HCMUD 208	0.4100	0.4100	0.4200	0.4400
HCMUD 220	0.8000	0.8500	0.9500	1.0500
HCMUD 222	0.3350	0.3450	0.3650	0.3700
HCMUD 230	0.5000	0.5000	0.5100	0.5200
HCMUD 239	0.6400	0.6400	0.6700	0.6900
HCMUD 248	0.4600	0.4900	0.5200	0.5500
HCMUD 250	1.1500	1.1500	1.1800	1.2300
HCMUD 255	0.2800	0.2800	0.2700	0.2700
HCMUD 257	0.5500	0.5500	0.5500	0.5500
HCMUD 261	0.5000	0.5000	0.5000	0.5200
HCMUD 264	0.3850	0.3650	0.3500	0.3600
HCMUD 276	0.5400	0.5500	0.6300	0.6800
HCMUD 284	0.8400	0.8600	0.8900	0.9400
HCMUD 286	0.1300	0.1300	0.1300	0.1300
HCMUD 322	0.5000	0.5200	0.5400	0.5700
HCMUD 341	0.3400	0.3400	0.3400	0.3700
HCMUD 354	0.4450	0.4450	0.4600	0.5450
HCMUD 358	0.6100	0.6100	0.7000	0.8050
HCMUD 360	0.3200	0.3400	0.3700	0.3800
HCMUD 364	0.4550	0.4550	0.4550	0.4550
HCMUD 365	0.4700	0.4700	0.4800	0.4850
HCMUD 370	0.3400	0.3400	0.3250	0.3450
HCMUD 371	0.8650	0.8750	0.8750	0.8800
HCMUD 374	0.8500	0.8500	0.9200	0.9200
HCMUD 389	0.9400	0.9500	1.0500	1.1500
HCMUD 391	1.1100	1.1100	1.1100	1.1400
HCMUD 396	0.6200	0.7100	0.7900	0.8900
HCMUD 397	0.6500	0.6500	0.7200	0.7600
HCMUD 419	0.9400	0.9400	0.9400	0.9700
HC ESD 13	0.1000	0.1000	0.0917	0.0883
HC ESD 16	0.0496	0.0495	0.0500	0.0500
HC ESD 20	0.1000	0.1000	0.1000	0.1000
HC ESD 21	0.1000	0.1000	0.1000	0.1000
HC ESD 29	0.1000	0.1000	0.0892	0.0903
HC ESD 48	0.1000	0.1000	0.1000	0.0890
HCWCID 109	0.2500	0.2500	0.2500	0.2500
HCWCID 113	0.7528	0.7466	0.7600	0.7400
HCWCID 116	0.2380	0.2150	0.2150	0.1000

**Table 6**  
**Page 2 of 3**

<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
\$0.9300	\$0.9300	\$0.9300	\$1.0000	\$1.0000	\$1.0000
1.2000	1.2500	1.2500	1.2500	1.2500	1.2500
0.5800	0.5800	0.6000	0.5950	0.5950	0.5700
0.2900	0.3000	0.3000	0.3000	0.3200	0.3200
0.8700	0.8900	0.8900	0.8900	0.8900	0.8900
0.6300	0.6700	0.6900	0.7000	0.7000	0.7100
0.2900	0.3000	0.3000	0.3000	0.3000	0.3000
0.5300	0.5400	0.5400	0.5400	0.5400	0.5200
0.6150	0.5475	0.5250	0.5150	0.5000	0.5000
0.2800	0.3100	0.3150	0.4300	0.4300	0.4300
0.4900	0.5300	0.5500	0.5500	0.7000	0.7000
0.2600	0.2800	0.3000	0.3000	0.3000	0.3000
0.6800	0.7400	0.7400	0.7400	0.7100	0.7000
0.4900	0.5900	0.6000	0.6000	0.6000	0.6000
1.1800	1.3000	1.3000	1.3000	1.3000	1.3000
0.4200	0.5400	0.5700	0.5800	0.5800	0.5800
0.5300	0.5700	0.5800	0.5800	0.5800	0.5800
0.7700	0.7700	0.7700	0.7600	0.7600	0.7600
0.5500	0.5500	0.6300	0.6300	0.7500	0.7500
1.2600	1.2600	1.2600	1.2600	1.2600	1.3100
0.2800	0.3500	0.5000	0.5000	0.5000	0.5000
0.5000	0.4000	0.4000	0.4000	0.4000	0.5100
0.5600	0.6200	0.6200	0.5700	0.5700	0.5900
0.2500	0.2500	0.2600	0.7000	0.7600	0.7100
0.7100	0.7900	0.7900	0.7900	0.7900	0.7900
1.0300	1.1500	1.1500	1.1500	1.1500	1.1500
0.1600	0.1800	0.1800	0.1800	0.1800	0.1800
0.6000	0.6200	0.6200	0.6300	0.6300	0.6300
0.3900	0.4200	0.4500	0.4600	0.4600	0.4600
0.6000	0.6450	0.6450	0.6450	0.6450	0.6450
0.8050	0.8100	0.8100	0.8100	0.8100	0.8100
0.3900	0.3900	0.3900	0.3900	0.3900	0.3900
0.4850	0.5000	0.5300	0.5300	0.5300	0.5300
0.4950	0.5200	0.5200	0.5200	0.5200	0.5000
0.3800	0.4300	0.4600	0.4800	0.4800	0.4800
0.8900	0.8950	0.9000	0.9000	0.9100	0.9300
0.9300	0.9500	0.9500	0.9500	0.9500	0.9500
1.3100	1.3500	1.3500	1.3500	1.3500	1.3500
1.2600	1.3100	1.3400	1.3800	1.3800	1.3800
1.0600	1.2000	1.2500	1.2800	1.3000	1.5000
0.8800	0.9800	1.0000	1.0900	1.1200	1.1800
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
0.0872	0.0882	0.0900	0.0900	0.0500	0.0500
0.0492	0.0492	0.0500	0.0500	0.0500	0.0500
0.1000	0.1000	0.1000	0.0940	0.0824	0.0700
0.0500	0.0500	0.0500	0.0500	0.0495	0.0490
0.0963	0.0978	0.1000	0.1000	0.0761	0.0655
0.0920	0.0920	0.0905	0.0840	0.0838	0.0817
0.2500	0.2500	0.2500	0.2500	0.2500	0.2500
0.7900	0.8790	0.8910	0.8910	0.8910	0.8550
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000

Continued

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**(PER \$100 OF ACTUAL TAXABLE VALUE)**  
**LAST TEN FISCAL YEARS**

<u>Taxing Authority</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
HCWCID 136	\$0.8300	\$0.8100	\$0.7900	\$0.7400
HCWCID 145	0.0574	0.0574	0.0574	0.0574
HCWCID 155	0.1350	0.1400	0.1500	0.1600
HCWCID 157	0.4475	0.4650	0.4650	0.4800
Horsepen Bayou MUD	0.5500	0.5500	0.5500	0.5500
Jackrabbit Road PUD	0.3000	0.3000	0.3000	0.3000
Mills Road MUD	0.6700	0.7000	0.7600	0.8200
Northwest HCMUD 5	0.7700	0.7800	0.7800	0.7900
Northwest HCMUD 6	0.3830	0.3830	0.3830	0.3900
Northwest HCMUD 9	0.4400	0.4550	0.4850	0.5150
Northwest HCMUD 10	0.6600	0.6700	0.7100	0.7650
Northwest HCMUD 12	0.8000	0.8500	0.9300	0.9800
Northwest HCMUD 16	1.1200	1.1200	1.1200	1.1600
Northwest HCMUD 29	0.1900	0.2900	0.3000	0.3500
Port of Houston Authority	0.0116	0.0126	0.0133	0.1342
Reid Road MUD 1	0.5000	0.5000	0.5010	0.5136
Reid Road MUD 2	0.3400	0.3500	0.3500	0.3700
Remington MUD #1	0.5150	0.4800	0.4800	0.5200
Rolling Fork PUD	0.3850	0.3850	0.3900	0.3900
Spencer Road PUD	0.3600	0.3600	0.3700	0.3800
Timberlake ID	0.4200	0.4200	0.4200	0.4900
West HCMUD 1	0.2500	0.2500	0.2600	0.2800
West HCMUD 9	0.4500	0.4500	0.4700	0.4700
West HCMUD 10	0.6200	0.6500	0.7000	0.7100
West HCMUD 11	0.4700	0.4700	0.4700	0.5000
West HCMUD 14	0.5450	0.5450	0.5600	0.5800
West HCMUD 15	0.2500	0.2500	0.2500	0.2500
West HCMUD 21	0.6000	0.6600	0.7600	0.8500
White Oak Bend MUD	0.8300	0.8300	0.8500	0.9400
<u>District Direct Rates: (3)</u>				
Maintenance and Operations	\$1.0600	\$1.0400	\$1.0400	\$1.0400
Debt Service	0.3800	0.4000	0.4000	0.4000
<b>Total District Direct Rates</b>	<b>\$1.4400</b>	<b>\$1.4400</b>	<b>\$1.4400</b>	<b>\$1.4400</b>

- (1) Includes Hospital District, Board of Education and Port of Houston.
- (2) Formerly known as North Harris-Montgomery Community College District.
- (3) The District is not subject to a legal debt margin.

Sources: District Tax Office, Harris County (Texas) Appraisal District

**Table 6**  
**Page 3 of 3**

<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
\$0.7800	\$0.8300	\$0.8300	\$0.6300	\$0.4900	\$0.3600
0.0589	0.0600	0.0699	0.0648	0.0598	0.0549
0.1700	0.1950	0.2000	0.2050	0.2150	0.2150
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
0.7000	0.7500	0.7500	0.7500	0.7500	0.7500
0.3000	0.2500	0.2500	0.3450	0.3450	0.3450
0.9200	0.9880	0.9200	0.9100	0.8800	0.8800
0.7900	0.7900	0.7900	0.7900	0.8000	0.8000
0.3900	0.3900	0.3900	0.3900	0.3900	0.3900
0.5350	0.5900	0.6000	0.6000	0.6000	0.5800
0.8500	0.8700	0.8700	0.8700	0.8700	0.8400
1.0400	1.0600	1.0600	1.0600	1.0100	0.9600
1.1900	1.2100	1.2100	1.2100	1.2000	1.2000
0.3700	0.4000	0.4500	0.4500	0.4700	0.4700
0.1531	0.1716	0.1952	0.1856	0.2054	0.1636
0.5650	0.5700	0.5700	0.5700	0.5700	0.5700
0.4000	0.4200	0.4200	0.4000	0.4000	0.4000
0.5700	0.6350	0.6500	0.6350	0.6300	0.5900
0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
0.4100	0.4800	0.4900	0.4950	0.5000	0.5000
0.5400	0.5400	0.5400	0.5400	0.5400	0.5400
0.2800	0.3650	0.4100	0.4500	0.4500	0.4900
0.5200	0.5700	0.6000	0.6000	0.6500	0.6500
0.7100	0.7200	0.7100	0.6700	0.6500	0.6500
0.5500	0.6800	0.7300	0.7300	0.7300	0.7300
0.6300	0.6600	0.6800	0.6700	0.6600	0.6600
0.2700	0.2900	0.2900	0.2900	0.2900	0.2900
0.9500	1.0500	1.1500	1.1500	1.1500	1.1500
0.9900	1.0100	1.0100	1.0100	1.0100	1.0100
\$1.0400	\$1.0400	\$1.0400	\$1.0400	\$1.0400	\$1.0400
0.4000	0.4100	0.4100	0.3900	0.3900	0.3700
<u>\$1.4400</u>	<u>\$1.4500</u>	<u>\$1.4500</u>	<u>\$1.4300</u>	<u>\$1.4300</u>	<u>\$1.4100</u>



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

**Table 7**

Taxpayer	2019			2010		
	Taxable Assessed Value (1)	Rank	Percentage of Taxable Assessed Value (2)	Taxable Assessed Value (1)	Rank	Percentage of Taxable Assessed Value (3)
Prologis	\$ 521,664,089	1	1.04%	\$ -	-	-
National Oilwell, Inc.	425,162,946	2	0.84%	231,167,176	1	0.73%
Centerpoint Energy Inc.	332,319,983	3	0.66%	228,197,507	2	0.73%
H-E-B Grocery Co. LP	307,613,050	4	0.61%	85,588,415	9	0.27%
GGP Willowbrook LP	232,981,904	5	0.46%	112,548,551	6	0.36%
Dril Quip Inc.	227,358,100	6	0.45%	152,168,626	4	0.48%
Liberty Property	199,020,063	7	0.40%	-	-	-
CPG Houston Holdings	173,427,295	8	0.34%	85,990,206	8	0.27%
Fedex Ground Package System Inc.	171,133,421	9	0.34%	-	-	-
Chevron Chemical	142,928,135	10	0.28%	-	-	-
Letourneau Technologies Drilling Systems	-	-	-	178,316,640	3	0.57%
Wal-Mart	-	-	-	135,194,565	5	0.43%
Comcast of Houston LLC	-	-	-	87,144,540	7	0.28%
BG Distribution Partners	-	-	-	85,385,901	10	0.27%
<b>TOTALS</b>	<b>\$ 2,733,608,986</b>		<b>5.42%</b>	<b>\$ 1,381,702,127</b>		<b>4.39%</b>

(1) Taxable assessed value equals actual/appraised value after exemptions.

(2) Taxable assessed value equals: \$ 50,346,242,500

(3) Taxable assessed value equals: \$ 31,462,187,589

Source: Harris County (Texas) Appraisal District

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

**Table 8**

Fiscal Year Ended 6/30:	Net Tax Levy for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections (Refunds) in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Net Tax Levy		Amount	Percent of Total Tax Collections To Net Tax Levy
2019	\$ 724,985,892	\$ 714,582,102	98.56%	\$ -	\$ 714,582,102	98.56%
2018	694,582,081	691,840,974	99.61%	(445,613)	691,395,361	99.54%
2017	662,892,483	662,225,557	99.90%	(1,457,665)	660,767,892	99.68%
2016	620,440,581	618,065,629	99.62%	930,767	618,996,396	99.77%
2015	569,737,068	567,273,857	99.57%	1,437,863	568,711,720	99.82%
2014	514,318,774	512,659,663	99.68%	759,990	513,419,653	99.83%
2013	472,293,733	468,178,162	99.13%	3,373,609	471,551,771	99.84%
2012	445,835,577	441,362,619	99.00%	3,739,980	445,102,599	99.84%
2011	439,821,040	434,053,777	98.69%	5,008,375	439,062,152	99.83%
2010	442,975,203	437,126,121	98.68%	5,622,221	442,748,342	99.95%

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

Source: Harris County (Texas) Appraisal District provides the District's tax office with appraised values for properties within the District's taxing authority, and District financial records.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

**Table 9**

<u>Governmental Activities</u>			
<u>Fiscal Year Ended 6/30:</u>	<u>General Obligation Bonds (1)</u>	<u>Ratio of Debt to Taxable Assessed Value (2)</u>	<u>Debt per Student (3)</u>
2019	\$ 2,856,188,375	5.67%	\$ 24,514
2018	2,764,399,447	5.67%	23,756
2017	2,675,810,167	5.73%	23,300
2016	2,502,802,713	5.76%	21,974
2015	2,270,896,891	5.69%	20,099
2014	1,980,864,869	5.58%	17,781
2013	1,878,847,297	5.77%	17,084
2012	1,862,808,087	5.98%	17,259
2011	1,885,444,719	6.14%	17,776
2010	1,930,834,555	6.14%	18,533

(1) Details regarding the District's outstanding debt includes premiums, discounts, and adjustments which can be found in the Notes to the Financial Statements.

(2) See Table 5 for taxable assessed value data.

(3) See Table 12 for student enrollment data.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

**Table 10**

<b>Fiscal Year Ended 6/30:</b>	<b>General Obligation Bonds (1)</b>	<b>Less Amounts Available in Debt Service Fund (2)</b>	<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Taxable Assessed Value (3)</b>	<b>Net Bonded Debt per Student (4)</b>
2019	\$ 2,856,188,375	\$ 105,020,474	\$ 2,751,167,901	5.46%	\$ 23,613
2018	2,764,399,447	100,674,450	2,663,724,997	5.46%	22,891
2017	2,675,810,167	89,366,687	2,586,443,480	5.54%	22,522
2016	2,502,802,713	85,700,138	2,417,102,575	5.56%	21,222
2015	2,270,896,891	68,959,526	2,201,937,365	5.52%	19,489
2014	1,980,864,869	60,003,611	1,920,861,258	5.41%	17,242
2013	1,878,847,297	49,606,001	1,829,241,296	5.62%	16,633
2012	1,862,808,087	51,495,973	1,811,312,114	5.81%	16,782
2011	1,885,444,719	67,744,393	1,817,700,326	5.92%	17,137
2010	1,930,834,555	70,821,028	1,860,013,527	5.91%	17,854

(1) Details regarding the District's outstanding debt including premiums, discounts, and adjustments can be found in the Notes to the Financial Statements.

(2) These are the resources that are restricted for the principal payments of general obligation debt per the Debt Service Fund.

(3) See Table 5 for taxable assessed value data.

(4) See Table 12 for student enrollment data.

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF JUNE 30, 2019**

<b>Taxing Authority</b>	<b>Gross Debt Outstanding</b>	<b>Percent Overlapping (1)</b>	<b>Amount Applicable to School District</b>
<b><u>Overlapping:</u></b>			
Barker Cypress MUD	\$ 17,920,000	100.00%	\$ 17,920,000
Champions MUD	4,210,000	100.00%	4,210,000
Chimney Hill MUD	12,315,000	100.00%	12,315,000
Clay Road MUD	4,315,000	100.00%	4,315,000
Cy-Champ PUD	14,850,000	100.00%	14,850,000
Cypress Creek UD	7,015,000	98.21%	6,889,432
Cypress Forest PUD	1,130,000	10.95%	123,735
Cypress Hill MUD #1	54,685,000	100.00%	54,685,000
Emerald Forest UD	8,755,000	100.00%	8,755,000
Faulkey Gully MUD	7,025,000	49.50%	3,477,375
Grant Road PUD	19,360,000	100.00%	19,360,000
Harris County	2,050,758,022	11.57%	237,272,703
Harris Co Dept. of Education	6,320,000	11.57%	731,224
Harris Co Flood Control District	83,075,000	11.57%	9,611,778
Harris Co FWSD #61	31,255,000	100.00%	31,255,000
Harris Co Hosp Dist	57,300,000	11.57%	6,629,610
Harris Co MUD #025	1,225,000	100.00%	1,225,000
Harris Co MUD #070	11,720,000	100.00%	11,720,000
Harris Co MUD #102	9,750,000	100.00%	9,750,000
Harris Co MUD #105	50,480,000	99.48%	50,217,504
Harris Co MUD #127	10,390,000	100.00%	10,390,000
Harris Co MUD #130	3,170,000	100.00%	3,170,000
Harris Co MUD #144	1,840,000	100.00%	1,840,000
Harris Co MUD #149	1,120,000	100.00%	1,120,000
Harris Co MUD #155	2,150,000	100.00%	2,150,000
Harris Co MUD #156	9,650,000	100.00%	9,650,000
Harris Co MUD #157	37,715,000	100.00%	37,715,000
Harris Co MUD #162	1,045,000	100.00%	1,045,000
Harris Co MUD #165	119,650,000	100.00%	119,650,000
Harris Co MUD #166	9,395,000	100.00%	9,395,000
Harris Co MUD #167	75,935,000	100.00%	75,935,000
Harris Co MUD #168	17,610,000	100.00%	17,610,000
Harris Co MUD #170	1,895,000	100.00%	1,895,000
Harris Co MUD #172	21,010,000	100.00%	21,010,000
Harris Co MUD #173	16,485,000	100.00%	16,485,000
Harris Co MUD #183	3,465,000	100.00%	3,465,000
Harris Co MUD #185	1,595,000	98.06%	1,564,057
Harris Co MUD #188	11,705,000	100.00%	11,705,000
Harris Co MUD #196	33,445,000	100.00%	33,445,000
Harris Co MUD #208	1,420,000	100.00%	1,420,000
Harris Co MUD #220	7,690,000	100.00%	7,690,000
Harris Co MUD #222	735,000	100.00%	735,000
Harris Co MUD #230	19,460,000	100.00%	19,460,000
Harris Co MUD #239	11,960,000	100.00%	11,960,000
Harris Co MUD #248	16,940,000	100.00%	16,940,000
Harris Co MUD #250	1,875,000	100.00%	1,875,000
Harris Co MUD #257	12,985,000	100.00%	12,985,000
Harris Co MUD #261	1,655,000	100.00%	1,655,000
Harris Co MUD #264	3,000,000	100.00%	3,000,000
Harris Co MUD #276	13,055,000	100.00%	13,055,000
Harris Co MUD #284	16,050,000	100.00%	16,050,000
Harris Co MUD #322	4,965,000	100.00%	4,965,000
Harris Co MUD #341	3,490,000	100.00%	3,490,000
Harris Co MUD #354	11,580,000	100.00%	11,580,000
Harris Co MUD #358	15,685,000	100.00%	15,685,000
Harris Co MUD #360	3,565,000	100.00%	3,565,000

Table 11

Taxing Authority	Gross Debt Outstanding	Percent Overlapping (1)	Amount Applicable to School District
<b><u>Overlapping:</u></b>			
Harris Co MUD #364	\$ 11,120,000	100.00%	\$ 11,120,000
Harris Co MUD #365	7,505,000	100.00%	7,505,000
Harris Co MUD #370	13,185,000	100.00%	13,185,000
Harris Co MUD #371	14,165,000	100.00%	14,165,000
Harris Co MUD #374	37,675,000	100.00%	37,675,000
Harris Co MUD #389	12,155,000	100.00%	12,155,000
Harris Co MUD #391	50,730,000	100.00%	50,730,000
Harris Co MUD #396	15,535,000	100.00%	15,535,000
Harris Co MUD #397	18,825,000	100.00%	18,825,000
Harris Co MUD #419	128,070,000	100.00%	128,070,000
Harris Co MUD #433	55,355,000	100.00%	55,355,000
Harris Co MUD #489	9,200,000	100.00%	9,200,000
Harris Co MUD #500	19,862,369	100.00%	19,862,369
Harris Co MUD #501	91,455,024	100.00%	91,455,024
Harris Co MUD #502	34,784,668	100.00%	34,784,668
Harris Co MUD #531	18,320,000	100.00%	18,320,000
Harris Co WC&ID #109	5,305,000	8.04%	426,522
Harris Co WC&ID #113	1,515,000	100.00%	1,515,000
Harris Co WC&ID #116	5,200,000	70.09%	3,644,680
Harris Co WC&ID #155	2,475,000	99.80%	2,470,050
Harris Co WC&ID #157	61,545,000	97.56%	60,043,302
Horsepen Bayou MUD	15,725,000	100.00%	15,725,000
Houston, City of	3,541,325,000	3.42%	121,113,315
Jersey Village, City of	10,995,000	100.00%	10,995,000
Langham Creek UD	24,760,000	100.00%	24,760,000
Lone Star College System	609,845,000	29.64%	180,758,058
Mills Road MUD	1,195,000	100.00%	1,195,000
NW Harris Co MUD #05	129,035,000	44.37%	57,252,830
NW Harris Co MUD #09	4,095,000	100.00%	4,095,000
NW Harris Co MUD #10	41,715,000	100.00%	41,715,000
NW Harris Co MUD #12	18,240,000	99.86%	18,214,464
NW Harris Co MUD #16	11,370,000	100.00%	11,370,000
NW Harris Co MUD #29	1,600,000	100.00%	1,600,000
Port of Houston Authority	593,754,397	11.57%	68,697,384
Reid Road MUD #1	8,105,000	100.00%	8,105,000
Reid Road MUD #2	7,070,000	100.00%	7,070,000
Remington MUD #1	47,580,000	100.00%	47,580,000
Rolling Creek UD	17,920,000	85.93%	15,398,656
Rolling Fork PUD	1,860,000	100.00%	1,860,000
Spencer Road PUD	2,550,000	100.00%	2,550,000
Timberlake ID	5,060,000	100.00%	5,060,000
West Harris Co MUD #09	15,025,000	100.00%	15,025,000
West Harris Co MUD #10	12,765,000	100.00%	12,765,000
West Harris Co MUD #11	31,040,000	100.00%	31,040,000
West Harris Co MUD #14	2,075,000	100.00%	2,075,000
West Harris Co MUD #15	665,000	100.00%	665,000
West Harris Co MUD #21	7,600,000	100.00%	7,600,000
White Oak Bend MUD	580,000	100.00%	580,000
Windfern Forest UD	4,115,000	100.00%	4,115,000
<b>SUBTOTAL, OVERLAPPING DEBT</b>			<b>2,355,683,738</b>
<b><u>Direct:</u></b>			
Cypress-Fairbanks Independent School District		100.00%	2,856,188,375
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>			<b>\$ 5,211,872,113</b>

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. The percentage of overlapping debt is estimated using taxable assessed property values. Percentages were estimated by determining the portion of the overlapping taxing authorities taxable assessed value that is within the District's boundaries and dividing it by the overlapping taxing authorities' total taxable assessed value.

Source: Texas MAC

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

**Table 12**

<b>Fiscal Year Ended 6/30:</b>	<b>Residential Units (1)</b>	<b>Taxable Assessed Value of Residential Units (1)</b>	<b>Average Taxable Assessed Value Per Residential Unit</b>	<b>Enrollment (2)</b>	<b>Average Daily Attendance (2)</b>	<b>Unemployment Rate (3)</b>
2019	159,088	\$ 36,731,159,523	\$ 230,886	116,512	109,016	4.0%
2018	155,884	35,651,892,935	228,708	116,368	108,715	4.7%
2017	152,808	33,640,490,726	220,149	114,842	107,934	5.5%
2016	150,156	30,897,898,755	205,772	113,897	107,182	4.9%
2015	147,258	27,378,153,309	185,920	112,986	106,406	4.5%
2014	144,280	27,483,955,959	190,490	111,404	104,638	5.7%
2013	143,040	22,806,904,414	159,444	109,975	103,041	6.4%
2012	141,532	23,018,751,027	162,640	107,932	101,243	7.6%
2011	139,255	22,681,014,902	162,874	106,067	99,124	8.5%
2010	133,473	22,604,791,778	169,359	104,182	97,766	8.4%

(1) Source: Harris County (Texas) Appraisal District

(2) Source: District Records and TEA website

(3) Source: Texas LMI of Texas Workforce Commission; Unemployment rate is for Harris County

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

**Table 13**

Employer	2019			2010		
	Employees	Rank	Percentage of Total Employment (1)	Employees	Rank	Percentage of Total Employment (2)
Wal-Mart	31,000	1	1.39%	30,535	1	1.66%
Memorial Hermann Healthcare System	27,211	2	1.22%	20,990	2	1.14%
H-E-B Grocery Co. LP	26,956	3	1.21%	13,575	4	0.74%
The Methodist Hospital System	23,669	4	1.06%	12,408	6	0.68%
McDonald's Corp.	16,100	5	0.72%	-	-	-
Kroger	15,902	6	0.72%	15,117	3	0.82%
Cypress-Fairbanks ISD	15,190	7	0.68%	13,440	5	0.73%
Landry's	11,800	8	0.53%	-	-	-
Whataburger	9,053	9	0.41%	-	-	-
Walgreens Company	5,862	10	0.26%	6,516	8	0.36%
Target	-	-	-	5,248	9	0.29%
National Oilwell, Inc.	-	-	-	7,746	7	0.42%
Academy Sports & Outdoors	-	-	-	4,500	10	0.25%
	<b>182,743</b>		<b>8.20%</b>	<b>130,075</b>		<b>7.09%</b>

(1) Total Employment for 2019: 2,228,890

(2) Total Employment for 2010: 1,833,724

Source: Houston Chronicle Top 100 List; Employee data is for Houston area



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**DISTRICT EMPLOYEES BY POSITION (HEADCOUNT)**  
**LAST TEN FISCAL YEARS**

<b>POSITION:</b>	<b>2019 (1)</b>	<b>2018 (1)</b>	<b>2017 (1)</b>
Administrator: superintendent, associate/assistant superintendent	21	20	20
Curriculum coordinators, supervisors, teacher facilitators	214	182	189
Directors, supervisors, assistant directors, support staff	314	306	294
Special education	232	252	248
Principals and assistant principals	356	352	341
Directors of instruction	32	33	33
Counselors, psychologists, attendance officers, testing, academic specialists	289	286	273
School media specialists	91	91	81
School nurses, LVN	90	89	85
Vocational support	3	4	4
Classroom teachers	6,803	6,674	6,560
Special education teachers	768	760	729
Deaf education teachers	24	26	31
School secretaries, assistant secretaries, clerks, campus TA	566	547	526
Central administration, annex secretaries, clerks	159	168	166
Maintenance secretaries	18	17	17
Food service secretaries	15	15	15
Transportation secretaries	18	19	18
Regular aides	1,006	974	965
Special and deaf education aides	842	868	831
Bus drivers	752	720	728
Mechanics	56	51	54
Custodians	700	699	674
Maintenance	173	168	166
Security	113	96	96
Distribution	31	32	31
Food Service	1,187	1,204	1,183
Community Programs	317	448	582
<b>Total Employees</b>	<b>15,190</b>	<b>15,101</b>	<b>14,940</b>

(1) The District changed the categories in which some of the positions were previously reported.

Source: District Human Resource Records

Table 14

<u>2016 (1)</u>	<u>2015 (1)</u>	<u>2014 (1)</u>	<u>2013 (1)</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
20	20	20	19	17	19	19
175	168	168	129	54	51	51
285	215	210	210	230	249	252
245	238	231	229	121	119	119
332	330	320	313	313	311	310
31	31	32	30	29	29	28
264	314	315	303	249	255	255
88	90	85	79	80	79	79
84	96	94	88	86	91	93
5	4	4	4	3	3	3
6,519	6,485	6,167	5,888	5,885	6,102	6,154
680	685	675	643	645	645	645
24	26	31	34	34	36	36
515	516	522	522	537	537	526
167	221	231	230	179	181	186
18	16	17	15	15	15	14
15	15	15	14	14	14	14
16	16	16	16	16	16	13
966	939	853	728	705	739	772
771	686	683	692	704	722	740
725	823	826	878	928	940	1,000
56	52	52	52	34	34	34
651	640	634	621	614	648	687
168	169	170	160	165	165	161
94	90	78	59	46	38	36
28	37	37	35	41	41	40
1,147	1,072	1,061	1,055	1,210	1,175	1,173
626	528	448	443	372	192	-
<b><u>14,715</u></b>	<b><u>14,522</u></b>	<b><u>13,995</u></b>	<b><u>13,489</u></b>	<b><u>13,326</u></b>	<b><u>13,446</u></b>	<b><u>13,440</u></b>

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year Ended 6/30:</u>	<u>Enrollment (3)</u>	<u>Operating Expenditures (1)</u>	<u>Cost Per Student</u>	<u>Percentage Change</u>	<u>Government Wide Expenses</u>
2019	116,512	\$ 1,086,138,357	\$ 9,322	2.30%	\$ 1,355,709,467
2018	116,368	1,060,389,365	9,112	0.69%	956,943,371
2017	114,842	1,039,309,841	9,050	3.59%	1,250,426,739
2016	113,897	995,073,662	8,737	3.93%	1,161,127,092
2015	112,986	949,923,928	8,407	10.78%	1,053,031,786
2014	111,404	845,389,263	7,589	6.33%	990,496,340
2013	109,975	784,877,153	7,137	1.78%	921,165,983
2012	107,932	756,790,584	7,012	-7.31%	907,968,171
2011	106,067	802,408,203	7,565	-1.71%	949,131,257
2010	104,182	801,887,451	7,697	3.90%	944,555,008

(1) Operating expenditures (Table 4) are total expenditures less debt service and capital outlay.

(2) Percentage change from prior year is due to adjustments to government - wide expenses for GASB 75 negative State on-behalf pension expense.

(3) See Table 12 for student enrollment data.

(4) See Table 14 for District staffing data.

(5) Source: District Nutritional Service records.

Table 15

<u>Cost Per Student</u>	<u>Percentage Change</u>	<u>Teaching Staff (4)</u>	<u>Student to Teacher Ratio</u>	<u>Percentage of Students in Free/Reduced Lunch Program (5)</u>
\$ 11,636	41.50% (2)	7,595	15.34	55.4%
8,223	-24.47% (2)	7,460	15.60	55.3%
10,888	6.80%	7,320	15.69	51.5%
10,195	9.39%	7,223	15.77	50.3%
9,320	4.83%	7,196	15.70	49.0%
8,891	6.15%	6,873	16.21	49.7%
8,376	-0.43%	6,565	16.75	49.7%
8,412	-5.99%	6,564	16.44	48.0%
8,948	-1.30%	6,783	15.64	45.0%
9,066	3.73%	6,835	15.24	41.9%

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**TEACHER BASE SALARIES**  
**LAST TEN FISCAL YEARS**

**Table 16**

<b>Fiscal Year Ended 6/30:</b>	<b>District</b>			<b>County Average Salary (2)</b>	<b>Statewide Average Salary (2)</b>
	<b>Minimum Salary (1)</b>	<b>Maximum Salary (1)</b>	<b>Average Salary (1)</b>		
2019	\$ 54,000	\$ 85,116	\$ 59,546	\$ 57,423	\$ 54,122
2018	53,000	82,637	58,472	56,943	53,334
2017	52,025	80,230	57,286	55,888	52,525
2016	51,500	78,657	56,552	55,791	51,892
2015	50,025	76,657	54,536	54,284	50,715
2014	48,000	70,257	53,124	52,356	49,692
2013	46,325	70,038	50,454	51,124	48,821
2012	45,250	69,748	49,756	50,536	48,375
2011	45,250	69,748	49,535	50,712	48,639
2010	43,000	66,612	49,753	50,236	48,263

(1) Source: District Human Resource records

(2) Source: Texas Education Agency website

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**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION (1)**  
**LAST TEN FISCAL YEARS**

<b>Building</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>HIGH SCHOOLS</b>				
Bridgeland (2017)				
Square Footage	573,468			
Capacity	3,304	3,304	-	-
Enrollment	2,133	1,276	-	-
Cypress Creek (1977)				
Square Footage	526,213	-		
Capacity	3,525	3,525	3,525	3,525
Enrollment	3,209	3,357	3,346	3,469
Cy-Fair (1941)				
Square Footage	485,985			
Capacity	3,660	3,660	3,660	3,660
Enrollment	3,391	3,526	3,630	3,665
Cypress Falls (1992)				
Square Footage	558,751			
Capacity	3,276	3,276	3,276	3,276
Enrollment	3,223	3,499	3,653	3,726
Cypress Lakes (2008)				
Square Footage	498,708			
Capacity	3,219	3,219	3,219	3,219
Enrollment	3,341	3,523	3,669	3,704
Cypress Park (2016)				
Square Footage	590,057			
Capacity	3,304	3,304	3,304	-
Enrollment	1,927	1,216	551	-
Cypress Ranch (2008)				
Square Footage	513,307			
Capacity	3,219	3,219	3,219	3,219
Enrollment	3,054	3,114	3,715	3,666
Cypress Ridge (2002)				
Square Footage	493,348			
Capacity	3,217	3,217	3,217	3,217
Enrollment	3,088	3,114	3,084	3,014
Cypress Springs (1997)				
Square Footage	477,079			
Capacity	3,219	3,219	3,219	3,219
Enrollment	2,717	3,027	3,140	3,148
Cypress Woods (2006)				
Square Footage	490,257			
Capacity	3,219	3,219	3,219	3,219
Enrollment	3,431	3,548	3,447	3,347
Jersey Village (1972)				
Square Footage	510,401			
Capacity	3,484	3,484	3,484	3,484
Enrollment	3,471	3,521	3,610	3,560
Langham Creek (1985)				
Square Footage	526,662			
Capacity	3,293	3,293	3,293	3,293
Enrollment	3,080	3,126	3,219	3,201

**Table 17**  
**Page 1 of 8**

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
-	-	-	-	-	-
-	-	-	-	-	-
3,525	3,525	3,525	3,525	3,525	3,380
3,377	3,491	3,566	3,660	3,622	3,652
3,660	3,660	3,660	3,660	3,660	3,340
3,656	3,526	3,440	3,363	3,316	3,194
3,276	3,276	3,276	3,276	3,276	3,110
3,667	3,544	3,560	3,383	3,377	3,360
3,219	3,219	3,219	3,219	3,219	3,090
3,599	3,514	3,402	3,369	3,208	2,389
-	-	-	-	-	-
-	-	-	-	-	-
3,219	3,219	3,219	3,219	3,219	3,090
3,456	3,257	3,041	2,575	2,292	1,497
3,217	3,217	3,217	3,217	3,217	3,060
3,030	2,962	2,968	3,013	3,000	2,962
3,219	3,219	3,219	3,219	3,219	3,090
2,942	2,716	2,520	2,521	2,497	2,899
3,219	3,219	3,219	3,219	3,219	3,090
3,286	3,152	3,080	2,810	2,681	3,158
3,484	3,484	3,484	3,484	3,484	3,340
3,461	3,449	3,378	3,266	3,149	2,960
3,293	3,293	3,293	3,293	3,293	3,160
3,211	3,139	3,113	3,034	2,914	3,143

Continued



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION (1)**  
**LAST TEN FISCAL YEARS**

<b>Building</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>MIDDLE SCHOOLS</b>				
Anthony (2015)				
Square Footage	244,123			
Capacity	1,559	1,559	1,559	1,559
Enrollment	1,566	1,471	1,421	1,332
Aragon (2000)				
Square Footage	216,749			
Capacity	1,539	1,539	1,539	1,539
Enrollment	1,584	1,603	1,630	1,506
Arnold (1956)				
Square Footage	206,091			
Capacity	1,464	1,464	1,464	1,464
Enrollment	1,459	1,406	1,356	1,553
Bleyl (1973)				
Square Footage	226,483			
Capacity	1,612	1,612	1,612	1,612
Enrollment	1,546	1,535	1,505	1,515
Campbell (1978)				
Square Footage	228,967			
Capacity	1,600	1,600	1,600	1,600
Enrollment	1,321	1,271	1,302	1,263
Cook (1986)				
Square Footage	202,725			
Capacity	1,590	1,590	1,590	1,590
Enrollment	1,531	1,584	1,504	1,609
Dean (1954)				
Square Footage	213,572			
Capacity	1,700	1,700	1,700	1,527
Enrollment	1,651	1,653	1,610	1,527
Goodson (2000)				
Square Footage	218,801			
Capacity	1,539	1,539	1,539	1,539
Enrollment	1,388	1,366	1,384	1,258
Hamilton (1992)				
Square Footage	189,679			
Capacity	1,560	1,560	1,560	1,560
Enrollment	1,491	1,396	1,402	1,582
Hopper (2007)				
Square Footage	226,178			
Capacity	1,539	1,539	1,539	1,539
Enrollment	1,346	1,352	1,334	1,404
Kahla (2005)				
Square Footage	218,529			
Capacity	1,539	1,539	1,539	1,539
Enrollment	1,363	1,348	1,358	1,445

**Table 17**  
**Page 2 of 8**

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
1,559	-	-	-	-	-
1,224	-	-	-	-	-
1,539	1,539	1,539	1,539	1,539	1,480
1,548	1,647	1,673	1,656	1,651	1,658
1,464	1,464	1,464	1,464	1,464	1,400
1,545	1,591	1,579	1,585	1,533	1,507
1,612	1,612	1,612	1,612	1,612	1,550
1,503	1,572	1,606	1,563	1,575	1,551
1,600	1,600	1,600	1,600	1,600	1,560
1,341	1,237	1,266	1,296	1,232	1,407
1,590	1,590	1,590	1,590	1,590	1,530
1,581	1,614	1,578	1,595	1,627	1,435
1,527	1,527	1,527	1,527	1,527	1,480
1,480	1,546	1,573	1,470	1,453	1,368
1,539	1,539	1,539	1,539	1,539	1,480
1,265	1,208	1,151	1,139	1,753	1,668
1,560	1,560	1,560	1,560	1,560	1,500
1,641	1,547	1,525	1,619	1,619	1,642
1,539	1,539	1,539	1,539	1,539	1,480
1,369	1,395	1,371	1,420	1,370	1,443
1,539	1,539	1,539	1,539	1,539	1,480
1,450	1,451	1,417	1,350	1,351	1,352

Continued

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION (1)**  
**LAST TEN FISCAL YEARS**

<b>Building</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Labay (1984)				
Square Footage	190,510			
Capacity	1,578	1,578	1,578	1,578
Enrollment	1,322	1,279	1,280	1,448
Salyards (2012)				
Square Footage	237,508			
Capacity	1,559	1,559	1,559	1,559
Enrollment	1,593	1,601	1,635	1,645
Smith (2009)				
Square Footage	227,015			
Capacity	1,539	1,539	1,539	1,539
Enrollment	1,555	1,447	1,254	1,055
Spillane (2005)				
Square Footage	226,673			
Capacity	1,509	1,509	1,509	1,509
Enrollment	1,540	1,592	1,647	1,383
Thornton (1993)				
Square Footage	191,987			
Capacity	1,559	1,559	1,559	1,559
Enrollment	1,845	1,653	1,513	1,487
Truitt (1990)				
Square Footage	206,202			
Capacity	1,558	1,558	1,558	1,558
Enrollment	1,305	1,366	1,417	1,370
Watkins (1982)				
Square Footage	217,165			
Capacity	1,389	1,389	1,389	1,389
Enrollment	1,383	1,370	1,360	1,374
<b>ELEMENTARY SCHOOLS</b>				
Adam (1972)				
Square Footage	101,641			
Capacity	1,040	1,040	1,040	944
Enrollment	889	843	850	840
Andre (2006)				
Square Footage	92,476			
Capacity	1,092	1,092	1,092	1,092
Enrollment	936	966	1,169	1,166
Ault (1994)				
Square Footage	90,376			
Capacity	1,037	1,037	1,037	1,037
Enrollment	1,087	1,045	1,034	1,037
Bane (1972)				
Square Footage	106,804			
Capacity	1,005	1,005	1,005	1,005
Enrollment	916	935	900	887

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
1,578	1,578	1,578	1,578	1,578	1,490
1,478	1,522	1,517	1,594	1,603	1,528
1,559	1,559	1,559	1,559	-	-
1,544	1,494	1,460	1,361	-	-
1,539	1,539	1,539	1,539	1,539	1,480
959	1,851	1,694	1,563	1,354	1,106
1,509	1,509	1,509	1,509	1,509	1,450
1,393	1,310	1,269	1,106	1,730	1,704
1,559	1,559	1,559	1,559	1,559	1,470
1,391	1,329	1,292	1,317	1,296	1,200
1,558	1,558	1,558	1,558	1,558	1,500
1,412	1,406	1,506	1,457	1,444	1,367
1,389	1,389	1,389	1,389	1,389	1,340
1,305	1,278	1,232	1,257	1,294	1,284
944	944	944	944	944	900
867	947	938	901	904	882
1,092	1,092	1,092	1,092	1,092	1,040
1,235	1,296	1,356	1,227	1,172	1,138
1,037	1,037	1,037	1,037	1,037	990
1,010	969	882	906	953	975
1,005	1,005	1,005	1,005	1,005	960
932	893	943	971	933	896

Continued

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION (1)**  
**LAST TEN FISCAL YEARS**

<b>Building</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Bang (1990)</b>				
Square Footage	86,241			
Capacity	1,037	1,037	1,037	1,037
Enrollment	1,021	1,054	949	977
<b>Birkes (2003)</b>				
Square Footage	94,200			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,124	1,154	1,164	1,180
<b>Black (2006)</b>				
Square Footage	95,848			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,117	1,045	1,070	1,049
<b>Copeland (1992)</b>				
Square Footage	84,782			
Capacity	1,037	1,037	1,037	1,037
Enrollment	979	1,011	1,013	1,063
<b>Danish (2005)</b>				
Square Footage	94,980			
Capacity	1,092	1,092	1,092	1,092
Enrollment	969	986	1,012	1,041
<b>Duryea (2004)</b>				
Square Footage	94,887			
Capacity	1,092	1,092	1,092	1,092
Enrollment	905	949	977	981
<b>Emery (2010)</b>				
Square Footage	95,366			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,122	1,060	1,029	974
<b>Emmott (1985)</b>				
Square Footage	74,322			
Capacity	827	827	827	827
Enrollment	852	875	859	864
<b>Farney (2000)</b>				
Square Footage	93,500			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,009	1,079	1,090	1,078
<b>Fiest (1989)</b>				
Square Footage	85,477			
Capacity	1,037	1,037	1,037	1,037
Enrollment	992	1,131	1,149	1,124
<b>Francone (1979)</b>				
Square Footage	78,422			
Capacity	861	861	861	861
Enrollment	934	979	977	936

**Table 17**  
**Page 4 of 8**

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
1,037	1,037	1,037	1,037	1,037	990
959	1,011	1,033	971	905	953
1,092	1,092	1,092	1,092	1,092	1,040
1,246	1,305	1,335	1,329	1,356	1,390
1,092	1,092	1,092	1,092	1,092	1,040
1,077	1,021	1,031	1,043	1,042	1,066
1,037	1,037	1,037	1,037	1,037	990
1,056	1,054	1,031	996	1,094	1,352
1,092	1,092	1,092	1,092	1,092	1,040
1,040	1,107	1,107	1,137	1,145	1,224
1,092	1,092	1,092	1,092	1,092	1,040
1,021	1,028	1,055	1,103	1,094	1,153
1,092	1,092	1,092	1,092	1,092	-
913	883	932	863	837	-
827	827	827	827	827	790
852	832	877	915	850	836
1,092	1,092	1,092	1,092	1,092	1,040
1,123	1,125	1,123	1,128	1,161	1,115
1,037	1,037	1,037	1,037	1,037	990
1,130	1,129	1,111	1,079	1,013	1,060
861	861	861	861	861	820
1,068	1,019	1,084	1,009	955	870

Continued

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION (1)**  
**LAST TEN FISCAL YEARS**

<b>Building</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Frazier (1982)				
Square Footage	76,628			
Capacity	838	838	838	838
Enrollment	693	702	721	745
Gleason (2000)				
Square Footage	91,424			
Capacity	1,092	1,092	1,092	1,092
Enrollment	925	957	1,020	998
Hairgrove (1991)				
Square Footage	85,052			
Capacity	1,037	1,037	1,037	1,037
Enrollment	727	797	726	801
Hamilton (1990)				
Square Footage	86,620			
Capacity	1,037	1,037	1,037	1,037
Enrollment	1,068	1,083	955	982
Hancock (1973)				
Square Footage	79,579			
Capacity	856	856	856	856
Enrollment	851	831	941	1,000
Hemmenway (2008)				
Square Footage	96,483			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,035	1,061	1,066	1,059
Holbrook (1968)				
Square Footage	93,985			
Capacity	976	976	976	976
Enrollment	961	1,020	971	992
Holmsley (1985)				
Square Footage	75,560			
Capacity	827	827	827	827
Enrollment	857	846	884	870
Hoover (2017)				
Square Footage	112,519			
Capacity	1,092	1,092	-	-
Enrollment	880	844	-	-
Horne (1979)				
Square Footage	78,665			
Capacity	975	975	975	975
Enrollment	993	955	1,049	1,035
Jowell (1986)				
Square Footage	73,726			
Capacity	827	827	827	827
Enrollment	740	786	879	925

**Table 17**  
**Page 5 of 8**

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
838	838	838	838	838	800
773	1,071	1,092	1,035	1,048	1,105
1,092	1,092	1,092	1,092	1,092	1,040
1,004	887	898	962	943	931
1,037	1,037	1,037	1,037	1,037	990
835	946	909	869	899	905
1,037	1,037	1,037	1,037	1,037	990
966	980	947	907	909	960
856	856	856	856	856	820
959	1,050	1,076	1,076	1,062	1,020
1,092	1,092	1,092	1,092	1,092	1,040
1,026	830	853	809	841	991
976	976	976	976	976	740
1,106	1,123	1,194	1,087	988	968
827	827	827	827	827	790
884	902	915	979	1,008	1,020
-	-	-	-	-	-
-	-	-	-	-	-
975	975	975	975	975	930
1,091	1,092	1,055	1,130	1,084	1,025
827	827	827	827	827	790
965	953	1,022	1,041	1,072	1,114

Continued



**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION (1)**  
**LAST TEN FISCAL YEARS**

<b>Building</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Keith (2004)				
Square Footage	92,446			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,000	1,016	1,218	1,134
Kirk (2000)				
Square Footage	93,897			
Capacity	1,092	1,092	1,092	1,092
Enrollment	898	952	975	1,022
Lamkin (1970)				
Square Footage	112,086			
Capacity	1,029	1,029	1,029	1,029
Enrollment	896	922	913	922
Lee (2005)				
Square Footage	93,816			
Capacity	1,092	1,092	1,092	1,092
Enrollment	859	884	964	986
Lieder (1978)				
Square Footage	74,582			
Capacity	881	881	881	881
Enrollment	874	910	1,003	984
Lowery (1982)				
Square Footage	74,006			
Capacity	858	858	858	858
Enrollment	922	941	875	882
Matzke (1965)				
Square Footage	124,682			
Capacity	1,092	1,092	1,092	818
Enrollment	1,046	1,054	998	994
McFee (2007)				
Square Footage	99,395			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,102	1,150	1,127	1,117
Metcalf (1991)				
Square Footage	85,120			
Capacity	1,037	1,037	1,037	1,037
Enrollment	810	877	943	973
Millsap (1977)				
Square Footage	74,252			
Capacity	861	861	861	861
Enrollment	801	823	733	745
Moore (1980)				
Square Footage	83,063			
Capacity	974	974	974	974
Enrollment	846	834	1,115	1,073

**Table 17**  
**Page 6 of 8**

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
1,092 1,091	1,092 850	1,092 819	1,092 813	1,092 831	1,040 845
1,092 934	1,092 963	1,092 850	1,092 929	1,092 985	1,040 855
1,029 965	1,029 969	1,029 994	1,029 973	1,029 950	840 958
1,092 1,011	1,092 923	1,092 910	1,092 919	1,092 967	1,040 1,171
881 995	881 1,015	881 1,002	881 1,054	881 1,051	840 900
858 890	858 860	858 880	858 890	858 923	820 824
818 984	818 934	818 973	818 970	818 1,027	780 909
1,092 1,113	1,092 1,234	1,092 1,181	1,092 1,073	1,092 1,016	1,040 1,191
1,037 995	1,037 958	1,037 1,002	1,037 1,037	1,037 1,083	990 1,125
861 722	861 780	861 773	861 794	861 826	820 815
974 1,069	974 940	974 924	974 967	974 931	930 938

Continued

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION (1)**  
**LAST TEN FISCAL YEARS**

<b>Building</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Owens (1983)				
Square Footage	74,838			
Capacity	827	827	827	827
Enrollment	865	882	947	927
Pope (2014)				
Square Footage	112,970			
Capacity	1,092	1,092	1,092	1,092
Enrollment	788	779	1,137	1,051
Post (1960)				
Square Footage	101,780			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,131	1,146	1,100	1,117
Postma (2006)				
Square Footage	95,848			
Capacity	1,092	1,092	1,092	1,092
Enrollment	977	862	1,110	1,094
Reed (1991)				
Square Footage	85,404			
Capacity	1,017	1,017	1,017	1,017
Enrollment	995	1,053	1,100	1,123
Rennell (2010)				
Square Footage	110,549			
Capacity	1,092	1,092	1,092	1,092
Enrollment	984	818	841	603
Robinson (2008)				
Square Footage	93,924			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,182	1,140	1,143	1,160
Robison (2003)				
Square Footage	92,346			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,061	1,106	878	865
Sampson (2002)				
Square Footage	91,488			
Capacity	1,092	1,092	1,092	1,092
Enrollment	975	972	969	1,021
Sheridan (1992)				
Square Footage	85,194			
Capacity	1,037	1,037	1,037	1,037
Enrollment	1,097	1,155	1,026	1,095
Swenke (2009)				
Square Footage	101,770			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,160	1,189	1,238	1,216
Tipps (2003)				
Square Footage	94,047			
Capacity	1,092	1,092	1,092	1,092
Enrollment	942	1,028	1,025	1,038

**Table 17**  
**Page 7 of 8**

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
827	827	827	827	827	790
971	967	1,003	1,012	1,086	1,028
1,092	1,092	-	-	-	-
995	965	-	-	-	-
1,092	1,092	1,092	1,092	1,092	1,040
1,127	1,101	1,020	993	952	913
1,092	1,092	1,092	1,092	1,092	1,040
1,136	1,004	898	808	766	1,217
1,017	1,017	1,017	1,017	1,017	970
1,106	975	984	995	1,020	957
1,092	1,092	1,092	1,092	1,092	-
1,174	1,102	980	914	821	-
1,092	1,092	1,092	1,092	1,092	1,040
1,101	1,027	962	971	1,004	1,033
1,092	1,092	1,092	1,092	1,092	1,040
935	937	972	1,009	998	1,042
1,092	1,092	1,092	1,092	1,092	1,040
1,093	1,166	1,196	1,261	1,318	1,378
1,037	1,037	1,037	1,037	1,037	990
1,022	865	877	899	846	1,192
1,092	1,092	1,092	1,092	1,092	1,040
1,195	1,276	1,108	972	855	716
1,092	1,092	1,092	1,092	1,092	1,040
1,167	1,287	1,311	1,309	1,232	1,257

Continued

**CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION (1)**  
**LAST TEN FISCAL YEARS**

<b>Building</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Walker (2000)				
Square Footage	93,713			
Capacity	1,092	1,092	1,092	1,092
Enrollment	943	952	935	1,012
Warner (2007)				
Square Footage	92,307			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,346	1,309	1,236	1,177
Wells (2017)				
Square Footage	122,878			
Capacity	1,092	1,092	-	-
Enrollment	738	548	-	-
Willbern (1992)				
Square Footage	89,993			
Capacity	1,037	1,037	1,037	1,037
Enrollment	859	884	926	921
Wilson (1983)				
Square Footage	74,240			
Capacity	827	827	827	827
Enrollment	930	947	929	871
Woodard (2015)				
Square Footage	115,438			
Capacity	1,092	1,092	1,092	1,092
Enrollment	1,063	1,089	987	959
Yeager (1975)				
Square Footage	74,114			
Capacity	861	861	861	861
Enrollment	986	1,012	1,021	955
<b>SPECIAL CAMPUSES</b>				
Maybelline Carpenter Center (1984)				
Square Footage	20,351			
Enrollment (6)	-	-	-	-
Alternative Learning Ctr - East (1984)				
Square Footage	20,350			
Enrollment (6)	-	-	-	-
Alternative Learning Ctr - West (2009)				
Square Footage	50,839			
Enrollment (6)	-	-	-	-
Carlton Center (2006)				
Square Footage	37,977			
Enrollment (6)	-	-	-	-
Leonard Brautigam Center* (1995)				
Square Footage	50,022			
Enrollment (6)	-	-	-	-
Total Square Footage (2)	15,442,481	-	-	
Total Capacity (3)	124,947	124,947	119,459	115,612
Total Enrollment (4)	116,512	116,368	114,842	113,897
Total Capacity Utilization (5)	93%	93%	96%	98%

\* Formerly Windfern School of Choice

(1) Source: District records, TEA website

(2) Square Footage comprises the total enclosed space of each campus as calculated by a professional surveyor and issued August 2018.

(3) Capacity is the recommended planning capacity for each campus as determined by the Planning and Research Department.

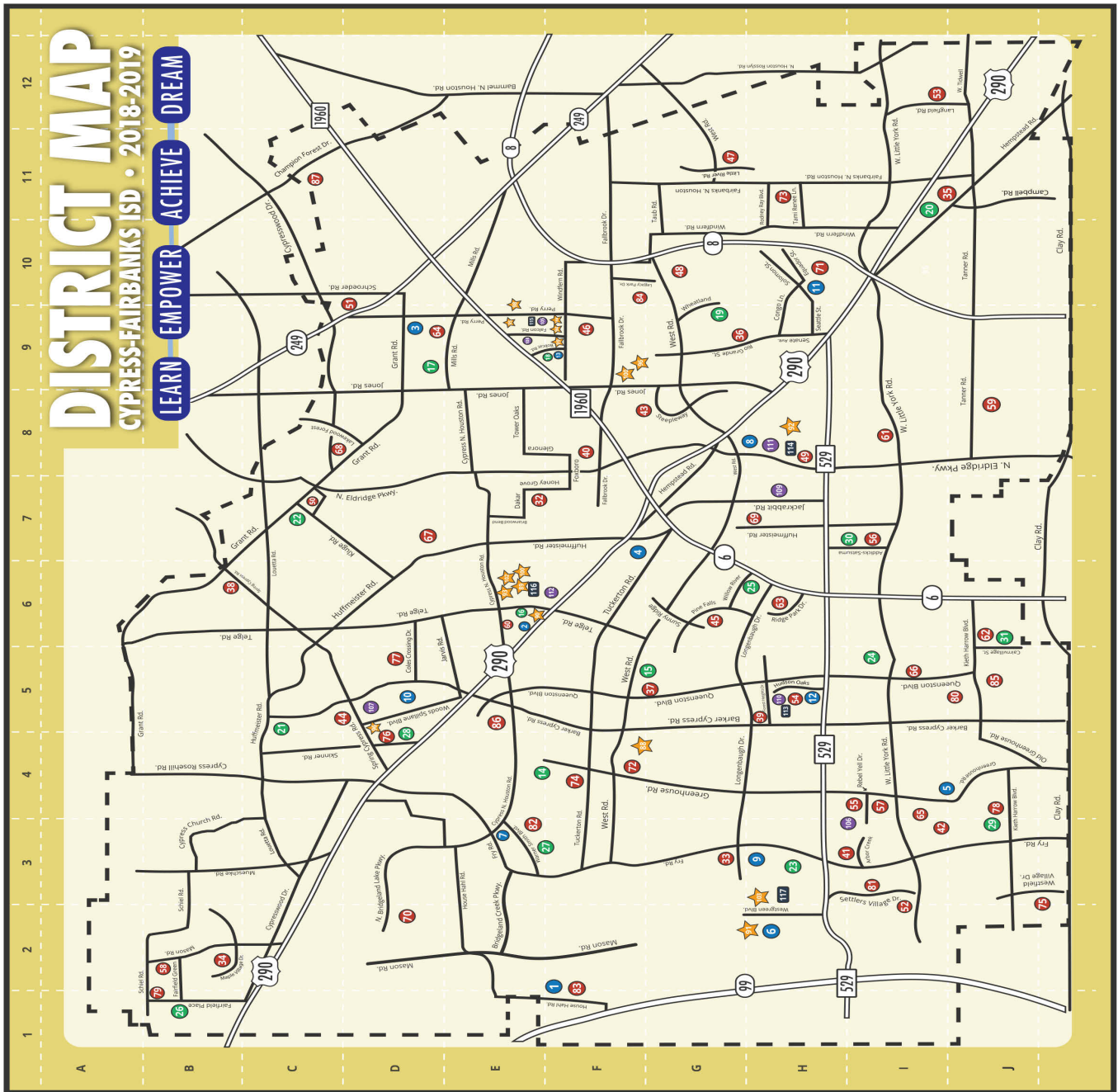
(4) Enrollment is the ending enrollment as of the end of the indicated school year.

(5) Capacity Utilization is a calculation dividing Total Enrollment by Total Capacity.

(6) Enrollment included with home campus.

**Table 17**  
**Page 8 of 8**

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
1,092 1,071	1,092 1,095	1,092 1,116	1,092 1,098	1,092 1,079	1,040 1,071
1,092 1,095	1,092 940	1,092 1,582	1,092 1,381	1,092 1,229	1,040 1,188
- -	- -	- -	- -	- -	- -
1,037 931	1,037 968	1,037 992	1,037 968	1,037 977	990 1,036
827 861	827 1,056	827 1,061	827 1,042	827 1,031	790 1,067
- -	- -	- -	- -	- -	- -
861 985	861 1,046	861 1,029	861 1,066	861 1,054	820 1,173
- -	- -	- -	- -	- -	- -
- -	- -	- -	- -	- -	- -
- -	- -	- -	- -	- -	- -
- -	- -	- -	- -	- -	- -
- -	- -	- -	- -	- -	- -
114,520 112,986 99%	112,961 111,404 99%	111,869 109,975 98%	111,869 107,932 96%	110,310 106,067 96%	102,910 104,182 101%



# DISTRICT MAP

CYPRESS-FAIRBANKS ISD • 2018-2019

LEARN EMPOWER ACHIEVE DREAM

- **High Schools**
  1. Bridgeland, F2
  2. Cy-Fair, E6
  3. Cypress Creek, D9
  4. Cypress Falls, F7
  5. Cypress Lakes, I4
  6. Cypress Park, H2
  7. Cypress Ranch, E3
  8. Cypress Ridge, H8
  9. Cypress Springs, H3
  10. Cypress Woods, D5
  11. Jersey Village, H10
  12. Langham Creek, H5
  13. Windfern School of Choice, F9
- **Middle Schools**
  14. Anthony, F4
  15. Argon, G5
  16. Arnold, E6
  17. Bleyl, D9
  18. Campbell, F9
  19. Cook, G9
  20. Dean, I11
  21. Goodson, C5
  22. Hamilton, C7
  23. Hopper, H3
  24. Kahla, I5
  25. Labay, H6
  26. Salyards, B1
  27. Smith, F3
  28. Spillane, D5
  29. Thornton, J3
  30. Truitt, I7
  31. Watkins, J6
- **Elementary Schools**
  32. Adam, E7
  33. Andre', G3
  34. Ault, B2
  35. Bane, I11
  36. Bang, G9
  37. Birkes, G5
  38. Black, B6
  39. Copeland, H5
  40. Danish, F8
  41. Dureya, I3
  42. Emery, I3
  43. Emmott, G8
  44. Farney, D5
  45. Frest, G6
  46. Francone, F9
  47. Frazer, G11
  48. Gleason, G10
  49. Halgrove, H8
  50. Hamilton, C7
  51. Hancock, D10
  52. Hemmenway, I2
  53. Holbrook, I12
  54. Holmsley, H5
  55. Hoover, I4
  56. Home, I7
  57. Jowell, I4
  58. Keith, B2
  59. Kirk, J8
  60. Lamkin, E6
  61. Lee, I8
- ★ **District Facilities**
  88. Berry Center and Cy-Fair FCU Stadium, F4
  89. CFISD Police Dept. / Security, E6
  90. Cy-Fair Annex, E6
  91. Cy-Fair Community Health Ctr., H2
  92. Eldridge Ag-Science Ctr., H8
  93. Exhibit Center, E6
  94. Falcon Annex, F9
  95. Food Production Ctr., E9
  96. Food Service Cold Storage, D5
  97. Instructional Support Ctr., F9
  98. Maintenance Ctr., E10
  99. Pidgeon Stadium and Natatorium, F9
  100. Science Resource Ctr., E6
  101. Tax Office, F9
  102. Telge Ag-Science Ctr., E6
  103. Westgreen Ag-Science Ctr., H3
  104. Windfern Annex/Print Ctr., F9
- **Special Program Facilities**
  105. Carpenter Center and ALC East, E9
  106. ALC West, I3
  107. Carlton Center, D5
  108. ELC 1, E9
  109. ELC 2, H7
  110. ELC - Barker, H5
  111. ELC - Eldridge, H8
  112. ELC - Telge, F6
- **Transportation Facilities**
  113. Barker, H5
  114. Eldridge, H8
  115. Falcon, E9
  116. Telge, E6
  117. Westgreen, H3



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