



# GOOSE CREEK

Consolidated Independent School District

Baytown, Texas



Comprehensive  
Annual Financial Report  
For the Ten Months Ended  
June 30, 2013

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GOOSE CREEK CONSOLIDATED INDEPENDENT  
SCHOOL DISTRICT

BAYTOWN, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE TEN MONTHS ENDED JUNE 30, 2013

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PREPARED BY THE BUSINESS SERVICES DEPARTMENT

Margie M. Grimes, CPA  
Chief Financial Officer

Brigitte Clark, CPA  
Director of Finance

LeAna R. Dixon  
Controller

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**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**JUNE 30, 2013**

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# Introductory Section

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Goose Creek Consolidated Independent School District  
Baytown, Texas



For the Ten Months Ended June 30, 2013

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**CERTIFICATE OF THE BOARD**

GOOSE CREEK CONSOLIDATED ISD  
Name of School District

Harris  
County

101911  
Co. – Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and approved for the ten months ended June 30, 2013 at a meeting of the Board of Trustees of such school district on the 11<sup>th</sup> day of November, 2013.

Agustin Lored, III  
Signature of Board Secretary

Daniel Blackford  
Signature of Board President

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## **GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

November 6, 2013

Board of Trustees and Citizens of  
Goose Creek Consolidated Independent School District  
4544 Interstate 10 East  
Baytown, Texas 77521

Dear Board Members:

The Comprehensive Annual Financial Report (the "CAFR") of the Goose Creek Consolidated Independent School District (the "District") for the ten months ended June 30, 2013, is submitted herewith. The CAFR is the administration's report of financial operations to the Board of Trustees (the "Board"), citizens, grantor agencies, employees, the Texas Education Agency (the "TEA"), and other interested parties. The Government-Wide Financial Statements in this report provide an overview of the District's governmental activities, while detailed Fund Financial Statements describe specific activities of each fund group used in accounting for the District's financial transactions. The District changed its fiscal year end from August 31<sup>st</sup> to June 30<sup>th</sup> during the 2012-2013 school year, therefore this report represents ten months of operations. This report has been prepared by the District's Business Services Department in accordance with U.S. generally accepted accounting principles (GAAP) and reporting standards promulgated by the Governmental Accounting Standards Board (GASB) and the official rules published by the TEA.

The CAFR is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this transmittal letter, a list of principal officials and advisors, and an organizational chart. The Financial Section includes the Independent Auditors' Report, Management's Discussion and Analysis (MD&A), basic financial statements, required supplementary information and other supplementary information. The Statistical Section is designed to reflect social and economic data, financial and fiscal trends, and demographic information.

The District's administration assumes full responsibility for the completeness, fairness, and accuracy of the information contained in this report. We believe that the data presented is accurate in all material respects and is presented in a manner to fairly display the financial position of the District as measured by the financial activity of its various funds. We also believe that all necessary disclosures are included to enable the reader to gain a full understanding of the District's financial activities.

The TEA requires all school districts publish within 150 days of the close of each fiscal year a complete set of financial statements presented in conformity with GAAP and audited in accordance with U.S. generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. The financial statements of the District have been audited by Start & Busch, LLC and the independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the ten months ended June 30, 2013 are fairly presented in conformity with GAAP. In addition to meeting the requirements set forth in state statutes, the audit was designed to also meet the provisions of the OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". The independent auditors' report is presented as the first component of the financial section of this report. The independent auditor reports related specifically to OMB Circular A-133 are included in a separately issued Single Audit report submitted to TEA and Federal Agencies.



## **GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

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

### **PROFILE OF THE DISTRICT**

The District's mission is to pursue academic excellence for every student. The District is committed to an outstanding education for every child by being a nurturing, innovative, and participatory organization that produces citizens who will be equipped to successfully meet the cultural, intellectual, and social challenges of a changing world. The District provides a full range of educational programs to grade levels Pre-K through 12. These include regular and enriched academic education, special education including deaf education, gifted and talented classes and many individualized programs, such as specialized instruction for at-risk students and those with limited English proficiency. These basic programs are supplemented by a wide variety of offerings in career and technology, fine arts, and athletics. The District is fully accredited by the TEA at all levels of instruction.

The District, established in February 1919, is the 57<sup>th</sup> largest school district in Texas encompassing 134 square miles (containing the City of Baytown and the community of Highlands) with a current population of over 101,000. The District is located 27 miles east of downtown Houston, Texas, in eastern Harris and western Chambers counties. The District is governed by a seven member Board which sets the tone for instruction and service to students and patrons with its mission statement and goals.

Over 2,800 full-time employees are employed by the District, which provides a high quality education to approximately 21,700 students. Student population is currently growing at a rate of approximately two percent per year. Approximately 25 percent of Goose Creek teachers hold master's degrees or doctorates. District facilities include one primary school; thirteen elementary schools; five junior schools; three traditional high schools; an early college high school as well as a school/community guidance center; an alternative learning program; a career technical education center; administration building; maintenance, operations, and transportation center; technology management services center; and an instructional support center. In addition, three new elementary schools are currently under construction, scheduled to open August, 2014. The District is also in the planning phase for the construction of a new Early College High School campus.

### **B. FINANCIAL INFORMATION**

#### **Internal and Budgetary Controls**

The District has established a comprehensive internal control framework designed both to protect the District's assets from loss, theft or misuse and to compile reliable information for the preparation of the District's financial statements in conformity with GAAP. The system is designed to provide reasonable assurance that assets are safeguarded against loss, theft, or misuse so transactions are executed in accordance with the administration's authorization and recorded properly. The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by the administration.

As a recipient of federal, state and local grants, the District is also responsible for an adequate internal control structure that ensures compliance with applicable laws and regulations related to the grants. All funded grants are subject to testing as part of the District's Single Audit as mandated by the Office of Management and Budget Circular A-133. The results of the District's Single Audit for the ten months ended June 30, 2013 reported no material weaknesses in the internal control structure or significant violations of applicable laws and regulations.



## **GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

School districts are legally required to adhere to the Texas Education Code by establishing an annual budget. The District follows these legal requirements and an annual budget, prepared on the modified accrual basis of accounting, is adopted for the general fund, child nutrition fund, and the debt service fund. The capital project funds adopt project length budgets as outlined in TEA's *Financial Accountability System Resource Guide*. Budgetary controls are established in accordance with TEA regulations and District policy for all managers with line-item responsibility. TEA regulations set the level of budgetary control at the functional expenditure level. The Board must approve all budget amendments impacting functional expenditures of the General, Debt Service and Child Nutrition Funds. Encumbrances lapse at year-end and all outstanding purchase orders are carried forward into the next fiscal year and re-encumbered. The appropriations for these encumbrances are added to the funds to be appropriated for the next year's budget.

### **C. Long-Term Financial Planning**

In response to state funding shortfalls, the District implemented an austerity program to reduce expenditures and increase operational efficiencies. The austerity program has helped to increase fund balance in the General Fund \$15.1 million in fiscal year 2011-2012. In November 2012, the Board of Trustees approved changing the District's fiscal year end from August 31, 2013 to June 30, 2013. Although the District adopted a balanced budget for the General Fund prior to the change in year end, the General Fund balance was expected to increase due to a shortened (10-month) operating period in 2012-2013. These increases in General Fund balance enable the District to provide for any potential future state funding reductions and meet the challenges of possible future cuts in funding when the Legislature reconvenes in 2015.

With estimated annual student growth rates of approximately 2%, the District must plan ahead. Student enrollment drives the District's planning process along with the administration's commitment to providing the best education possible for our students. The District's strategic planning is an ongoing process lead by the Superintendent and Executive Staff. The planning process begins with statistical analysis of the results of State mandated standardized testing and leads to the development of campus plans and educational programs to achieve the District's goals. This planning process identifies the educational needs of the District to drive the campus plans and the proper allocation of all District resources.

It is the responsibility of the Business Services Department to oversee the financial planning, tracking and accounting for the finances of the District in serving the community and its students. The Superintendent's Office and Executive Staff oversee and coordinate all the elements involved in the strategic and financial planning process for the District on a long-term basis each fiscal year.

The citizens authorized the District to sell bonds in the amount of \$267,540,000 in May 2013 to address its ongoing student growth and facility needs as the age of the District's school buildings range from 4 to 82 years.

### **D. ECONOMIC CONDITION AND OUTLOOK**

Funding for Texas's public schools comes from three main sources: local school district property taxes, state funds, and federal funds. The majority of funding comes from local property taxes and state funding which is based on the number of students in the District, the type of instructional services provided, and the school district's property wealth and tax collection efforts. Total state revenues guarantee school districts a set amount of funds per student. Each legislative biennium, the amount per student may be revised to account for changes in the cost of educating students.

Property tax revenue can be increased by increasing the property tax rate or by an increase in the valuation of property within the District. Any change in local property tax revenue received due to growth in property value is offset by a comparable reduction in State funding. The property tax rate for the school district's maintenance and operations (M&O)



## **GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

rate is capped at a maximum \$1.04 per hundred dollars of valuation without voter approval. The District is taxing at the maximum tax rate without receiving approval from the voters.

Decreases in local M&O property tax revenues increase the amount of State funding that will be received under the “hold-harmless” provisions of the state funding formula. The increase or decrease in property tax revenue triggers a corresponding change in State funding to return the total revenue received for the two primary sources of funding to the target revenue amount. The District’s property values in the current period increased approximately 6.75% over the prior year.

The local economy is showing signs of improvement as the local unemployment rate dropped to 6.7% in June 2013, down from 7.4% in June 2012 compared to the current U.S. rate of 7.4%. The State of Texas is experiencing similar good news as the economy picks up state-wide. The improving economy has generated more tax revenue for the State than was predicted in the last legislative biennium.

Baytown/West Chambers County is situated along the prosperous Texas Gulf Coast and has abundant natural resources of oil, natural gas, seawater, and fresh water. The Baytown/West Chambers area has become the hub of such energy-related industries as oil refining, rubber, chemicals, carbon black plants, and industrial distribution sites. A large part of the U.S. petrochemical production is based in the Houston area, and a significant portion of this industry is located in the Baytown/Highlands area.

Planned new facilities and expansions in West Chambers County will result in significant employment growth within the District’s boundaries. ExxonMobil has both the largest employment and financial base within the District, operating over ten plants in the area, and providing one of the world’s largest industrial complexes. In fact, the Baytown Refinery is the largest in the United States. ExxonMobil is constructing a new manufacturing facility for production of Ethylene at their Baytown Chemiela Plant complex with construction to be completed in the second quarter of 2016.

Another of the most significant planned new expansions in West Chambers County is the ConocoPhillips joint venture with Chevron to spend \$2.3 billion to build one of the first new ethylene production facilities in the U.S. since 2001. The construction process for this ethane cracker will bring in a possible 10,000 workers – staggered over four years, and is scheduled for completion in 2017. There will be approximately 400 permanent jobs created with this project.

The Houston metropolitan area ranks as the fifth-largest metropolitan area in the country. The Houston and Texas economies, to some extent, have resisted the trend of economic decline experienced around the country, but the national and global recession has impacted our local economy. According to Harris County Appraisal District, the Houston area should see modest increases in property values for 2013-2014.

### **SUMMARY OF ACHIEVEMENTS, AWARDS AND ACKNOWLEDGMENTS**

The District’s achievements continue to be heralded in local and state levels. The District enjoys a well-deserved reputation for academic and financial excellence, and continues to receive numerous accolades for the performance of its students. Most recently, the District has been recognized for the following:

- The District received a rating of Superior on the Schools Financial Integrity Rating System of Texas (FIRST) for the eleventh consecutive year.
- The state accountability rating “Met Standard” was received from the Texas Education Agency for all Goose Creek CISD campuses, the highest rating earned by any school district this year. There were no



## **GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

academic accountability ratings issued by TEA for academic year 2011-2012. In 2010-2011 the District was identified as an Academically Acceptable school district. In 2010-2011, 3 campuses were rated as Exemplary, 7 schools were rated as Recognized, and 11 schools were rated Academically Acceptable.

### **Certificates of Achievement for Excellence in Financial Reporting**

The Government Finance Officers Association (GFOA) of the United States and Canada and the Association of School Business Officials International (ASBO) awarded Certificates of Achievement for Excellence in Financial Reporting to the District for its CAFR for the year ended August 31, 2012. In order to be awarded a Certification of Achievement, a government unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. Such reports must satisfy both GAAP and applicable legal requirements.

Each of these awards is valid for a period of one year only. The District has received the GFOA award for fifteen consecutive years and the ASBO award for nineteen consecutive years. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we will once again submit them to the GFOA and the ASBO.

### **Acknowledgments**

We appreciate the support of the Board, the citizens of the District, and the business community, all who work cooperatively to ensure the best education for District students. This cooperation is indicative of strong support for the attainment of excellence in the District's educational programs.

Also, we would like to express appreciation to all employees of the District for their interest and support in planning and conducting the financial affairs of the District in a responsible and progressive manner.

The preparation of this report on a timely basis involves the entire staff of the Finance and Business Services Department. We are grateful for everyone's assistance in making this system work smoothly and efficiently. We also want to express our appreciation to the bookkeepers and administrative assistants for their contributions to the process. We also acknowledge the Technology Department for their help and support they provide in managing our databases and helping us with financial reporting.

We also want to thank our independent auditors, Start & Busch, LLC, whose professional competence and leadership assisted us in developing this award-winning report.

*//Signature on File//*

Dr. Salvador Cavazos, Superintendent of Schools

*//Signature on File//*

Margie M. Grimes, Chief Financial Officer





Goose Creek Consolidated Independent School District  
Baytown, Texas

**Principal Officials and Advisors**

<u>Name</u>	<u>Position</u>	<u>Length of Service</u>	<u>Term Expires May</u>	<u>Occupation</u>
Mr. Daniel Blackford	President – District 7	2 Years	2015	Federal Agent
Mr. Jimmy Smith	Vice President – District 6	2 Years	2015	Business Owner
Mr. Agustin Loredo, III	Secretary – District 2	7 Years	2017	Teacher
Mr. Bryan Graham	Assistant Secretary – District 4	New	2017	Engineer
Mrs. Jenice Coffey	Board Member – District 5	4 Years	2017	Retired
Mr. Howard Sampson	Board Member – District 1	4 Years	2017	Assistant Superintendent
Mr. Ken Martin	Board Member – District 3	5 Years	2015	Safety & Security Supervisor

**Board of Trustees**

**Administrative Staff**

Dr. Salvador Cavazos .....	Superintendent
Randal O'Brien.....	Deputy Superintendent
Dr. Melissa Duarte.....	Assistant Superintendent for Curriculum and Instruction
Nancy Fitzgerald.....	Area Executive Director
Diana Silvas.....	Area Executive Director
Marie Flynn .....	Area Executive Director
Raul Moreno .....	Executive Director of Assessment, Research & Evaluation
Margie M. Grimes, CPA .....	Chief Financial Officer
Matthew Flood.....	Chief Technology Officer
Kathy Clausen.....	Director of Communications

**Accountants and Advisors**

Start & Busch, LLC .....	Auditors
Certified Public Accountants, Baytown, Texas	
Vinson & Elkins L.L.P.....	Bond Counsel
BOSC, Inc.....	Financial Advisor

**Report Preparation**

Margie M. Grimes, CPA .....	Chief Financial Officer
Brigitte Clark, CPA.....	Director of Finance
LeAna R. Dixon.....	Controller



**Government Finance Officers Association**

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

**Presented to**

**Goose Creek Consolidated  
Independent School  
District Texas**

**For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended**

**August 31, 2012**

**Executive Director/CEO**

# Association of School Business Officials International



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

## **Goose Creek Consolidated Independent School District**

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended August 31, 2012*

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



A handwritten signature in black ink, reading 'Ron McCulley', written over a horizontal line.

Ron McCulley, CPPB, RSBO  
President

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

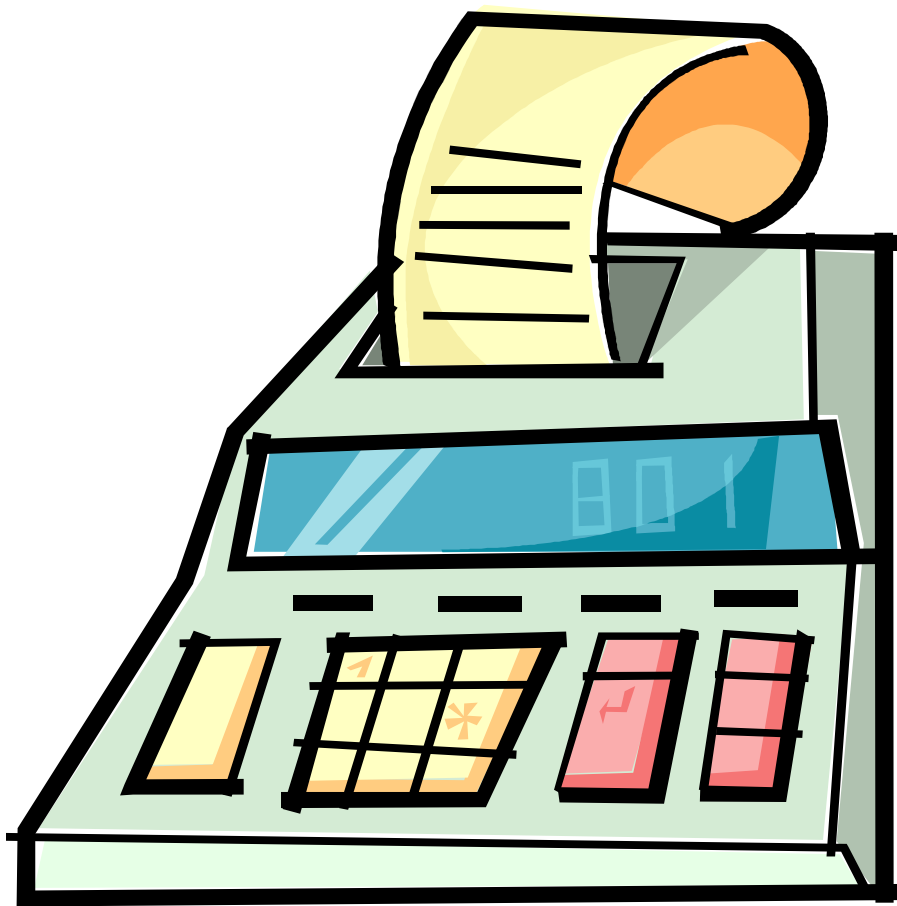
John D. Musso, CAE, RSBA  
Executive Director

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# Financial Section

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Goose Creek Consolidated Independent School District  
Baytown, Texas



For the Ten Months Ended June 30, 2013

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees  
GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
Baytown, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Goose Creek Consolidated Independent School District (the District), as of and for the ten months ended June 30, 2013, 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 U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U. S. generally accepted auditing standards 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the ten months then ended in accordance with U.S. generally accepted accounting principles.

**Change in Accounting Principle**

As described in Note I.B.2. to the financial statements, the District adopted new accounting guidance, Governmental Accounting Standards Board Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

**Other Matters**

*Required Supplementary Information*

U.S. generally accepted accounting principles require that the management's discussion and analysis and budgetary comparison information on pages 19-28 and 69-70 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 U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, compliance schedules required by the Texas Education Agency, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2013, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

  
Start & Busch, LLC

Baytown, Texas  
November 5, 2013



**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

As management of Goose Creek Consolidated Independent School District (the District), we provide this narrative overview of the District's financial performance for the ten months ended June 30, 2013. We encourage readers to consider the information presented below in conjunction with the information included in the independent auditors' report and the District's Basic Financial Statements which follow this section.

**FINANCIAL HIGHLIGHTS**

The District elected to change its fiscal year end to June 30 effective with the fiscal period beginning September 1, 2012. The District's financial statements have been prepared to present the ten-month transitional period from September 1, 2012 through June 30, 2013.

The District's total assets and deferred outflows of resources exceeded liabilities at June 30, 2013 by \$204,728,386 on the government-wide financial statements. Of this amount, \$113,537,142 represents unrestricted net position, which may be used to meet the District's ongoing obligations. The District's total net position increased by \$19,101,733 for the current fiscal period.

The District's governmental funds reported combined ending fund balances of \$138,846,476 at June 30, 2013. Of this amount, \$2,196,671 is non-spendable inventories and prepaid items and \$54,547,312 is unassigned and available to spend at the District's discretion.

At the end of the current fiscal period, the total fund balance for the general fund was \$100,890,364, or 64% of total general fund expenditures. The unassigned fund balance of \$54,547,312 (35% of total general fund expenditures) is available to spend at the District's discretion.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

During 2013, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*" and Statement No. 65, "*Items Previously Reported as Assets and Liabilities*". Due to the implementation of these statements, the components of net position were renamed and the use of deferred outflows and inflows were clarified for financial reporting. The implementation of GASB Statement No. 65 resulted in a prior period adjustment that expensed capitalized bond costs. Certain amounts in Tables I and II have been reclassified to conform with the presentation in the current year financial statements.

*Management's discussion and analysis* (this section) is intended to serve as an introduction to the District's *basic financial statements*. The *basic financial statements* are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's overall financial status.

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

The basic financial statements are followed by a section of other *required supplementary information* that further explains and supports the information in the financial statements. The remainder of this overview section of *management's discussion and analysis* explains the structure and contents of each of the statements.

## **Basic Financial Statements**

### ***Government-Wide Statements***

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. All of the District's services are reported in the government-wide financial statements, including instruction, instructional leadership, student support services, curriculum and staff development, general administration and debt services. Property taxes, state foundation funds and grants finance most of these activities.

The Statement of Net Position includes all of the government's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as total net position. Net position is one way to measure the District's financial health or position. Over time, increases or decreases in the District's net positions are indicators of whether its financial health is improving or deteriorating, respectively. To fully assess the overall health of the District, however, non-financial factors need to be considered as well, such as changes in the District's average daily attendance, its property tax base and the condition of the District's facilities.

The Statement of Activities presents information for all of the current year's revenues and expenses regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

A fund is a group 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

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requirements. The fund financial statements provide more detailed information about the District's most significant funds -- not the District as a whole.

Funds are accounting devices used by the District to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law and by bond covenants. The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has three fund types:

*Governmental funds* - Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, it is useful to compare the information presented for governmental funds, with similar information presented for governmental activities in the government-wide financial statements. In doing so, readers may better understand the long-term impact of the government's near-term financial decisions. To further assist readers, reconciliations are provided that include additional information explaining the relationship (or differences) between the fund financial statements and government-wide financial statements on Exhibits C-2 and C-4.

The District maintains numerous 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 capital project funds, which are considered to be major funds. Data from the other governmental funds are combined in a single, aggregated presentation. The District adopts an annual appropriated budget for its General Fund, Child Nutrition Program, and Debt Service Fund. A budgetary comparison schedule has been provided to demonstrate compliance with these budgets.

*Proprietary funds* – Proprietary funds provide the same type of information as the government-wide financial statements only in more detail. Proprietary funds, like government-wide statements, provide both long- and short-term financial information. The District reports one type of proprietary fund, the Internal Service Fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the various functions. The District uses an internal service fund to report activities for its self-insured workers' compensation program and print shop operations.

*Fiduciary funds* – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The District is the trustee, or fiduciary, for certain funds. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary fund net position. The fiduciary funds are excluded from the activities reported in the District's government-wide financial statements because the District cannot use these assets to finance its operations.

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*Notes to the Financial Statements*

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

*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 results for the fiscal period. 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 during the period.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Presented in Tables I and II below are summarized Statement of Net Position and Statement of Activities for both current period and prior-year data. Our analysis focuses on the current period and the comparison of prior-year amounts on the net position (Table I) and changes in net position (Table II) of the District's governmental activities.

**Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's total financial position. For the ten months ended June 30, 2013, assets and deferred outflows of resources exceed liabilities by \$204,728,388.

**Table I - Net Position Summary**

	Governmental Activities	
	2013	2012
Current and other assets	\$ 138,374,952	\$ 144,667,332
Capital assets	421,222,476	385,495,285
<b>Total Assets</b>	<b>559,597,428</b>	<b>530,162,617</b>
<b>Deferred Outflows of Resources</b>	<b>7,633,532</b>	<b>8,514,995</b>
Current liabilities	26,549,754	19,297,446
Long-term liabilities	335,952,818	333,753,511
<b>Total Liabilities</b>	<b>362,502,572</b>	<b>353,050,957</b>
Net Investment in Capital Assets	57,426,229	54,765,228
Restricted	33,765,017	29,479,808
Unrestricted	113,537,142	101,381,619
<b>Total Net Position</b>	<b>\$ 204,728,388</b>	<b>\$ 185,626,655</b>

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
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Net Investment in Capital Assets used for governmental activities (e.g., land, buildings and improvements, furniture and equipment, and construction in progress) is \$57.4 million as of June 30, 2013. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending.

Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position, which can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, amounted to \$113.5 million at June 30, 2013.

**Changes in Net Position**

The Net Position of the District increased by \$19,101,733 for the ten months ended June 30, 2013. The total revenue from taxpayers, user service fees, grants and other sources for the District was \$222.3 million, a decrease from fiscal year 2012 of \$17.6 million. Total expenses for 2013 (ten-month fiscal period) were \$203.2 million or \$16.4 million less than expenses of fiscal year 2012.

**Table II - Changes in Net Position**

	Governmental Activities	
	2013	2012
<b>Revenues</b>		
<b>Program Revenues:</b>		
Charges for services	\$ 6,039,986	\$ 6,098,715
Operating grants and contributions	27,454,602	33,772,035
<b>General Revenues:</b>		
Property taxes	118,277,042	114,686,659
State and other grants	63,527,360	77,697,063
Other	7,032,111	7,724,250
<b>Total Revenues</b>	<b>\$ 222,331,101</b>	<b>\$ 239,978,722</b>
<b>Expenses</b>		
Instructional	\$ 113,856,310	\$ 119,394,487
Instructional leadership	12,608,468	14,522,804
Student support services	32,594,833	34,203,496
General administration	5,435,733	6,841,895
Support services	3,957,980	3,603,517
Community services	1,424,758	1,630,601
Interest expense & debt service fees	11,225,510	13,774,240
Facilities repairs and maintenance	21,265,038	25,260,819
Intergovernmental charges	860,738	375,900
<b>Total Expenses</b>	<b>\$ 203,229,368</b>	<b>\$ 219,607,759</b>
Increase (decrease) in net position	19,101,733	20,370,963
<b>Beginning Net Position</b>	<b>185,626,655</b>	<b>165,255,692</b>
<b>Ending Net Position</b>	<b>\$ 204,728,388</b>	<b>\$ 185,626,655</b>

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

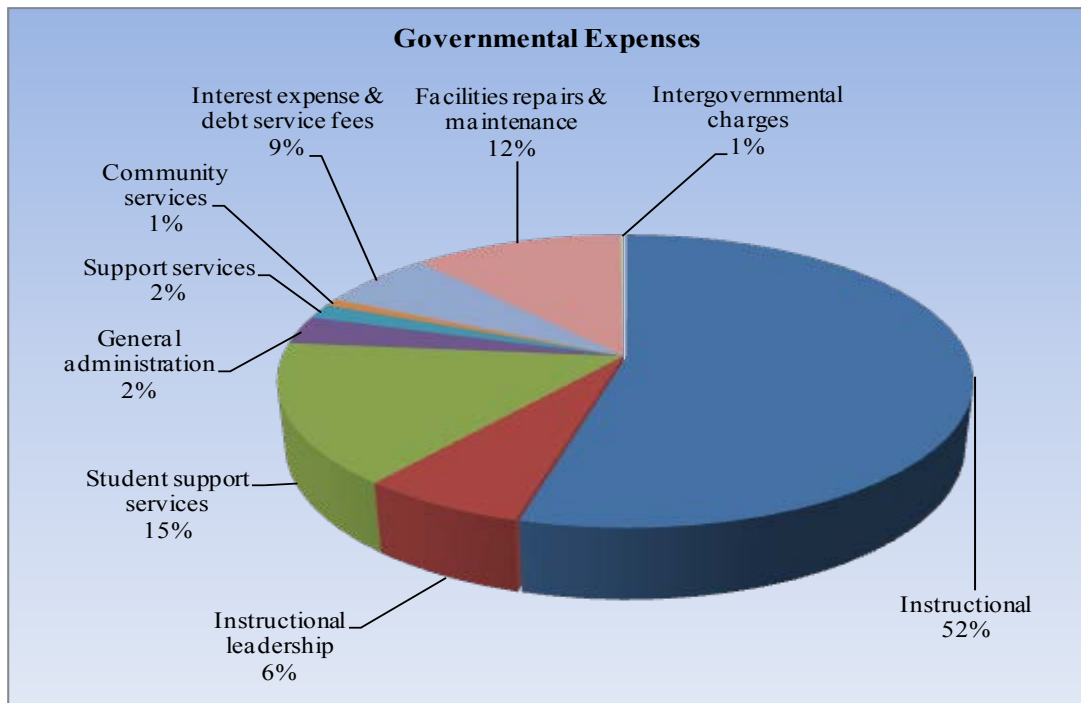
**Governmental Activities**

Total revenues for the District’s governmental activities for the ten-month fiscal period decreased by \$17.6 million or 7 percent from fiscal year 2012. Although local property tax revenues increased by \$3.5 million, state funding and program revenues decreased by \$20.5 million. The decrease in expenditures of \$16.4 million primarily results from ten months of operations compared to the standard twelve months of operations caused by the change in fiscal year.

Approximately 52 percent of the District’s revenues came from property taxes, with an additional 39 percent derived from state aid and operating grants.

Total governmental activities expenses per pupil totaled \$10,084 in 2013 versus \$10,981 in 2012, which is primarily due to the short (ten-month) fiscal period which resulted in lower operating expenditures. As a result, total expenditures for the District’s governmental activities decreased approximately \$19 million.

The District expended 58 percent of total governmental expense for instructional activities. When combined with student and other support services such as transportation, counseling and nursing, 73 percent of the District's expenses were for direct student services.



**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

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

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements, bond covenants, and segregation for particular purposes.

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

As of June 30, 2013, the District's governmental funds (shown on Exhibit C-1) reported a combined ending fund balance of \$138.8 million, an increase of \$16.5 million over the year ended August 31, 2012.

Of the total fund balance, \$54.5 million, or approximately 39 percent, constitutes unassigned fund balance. The remainder of fund balance is nonspendable, restricted, committed or assigned for particular purposes as follows:

<b>Nonspendable:</b>	
Inventories	\$ 508,596
Prepaid items	1,688,075
<b>Restricted:</b>	
Grant Funds	1,974,583
Capital acquisitions and contractual programs	789,191
Debt service	33,552,203
Restricted for other purposes	25,445,080
<b>Committed:</b>	
Construction projects	6,500,000
Capital acquisition for equipment	2,500,000
Committed for other purposes	9,607,233
<b>Assigned:</b>	
Assigned for other purposes	1,734,203
<b>Unassigned:</b>	
Unassigned	<u>54,547,312</u>
<b>Total Fund Balances</b>	<u><u>\$ 138,846,476</u></u>

The General Fund is the primary fund of the District. As of June 30, 2013, unassigned fund balance of the General Fund was \$54.5 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 35 percent of total general fund expenditures for the ten months ended June 30, 2013, while total fund balance represents 64 percent of that same amount.

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

The fund balance of the District's general fund increased \$8.4 million for the ten months ended June 30, 2013. The primary factor relating to the change in fund balance is reduced operating expenditures as a result of the change in fiscal year which represents ten months of operating expenditures opposed to the standard twelve-months.

The Debt Service Fund realized revenues of \$26.4 million and expenditures of \$19 million for the ten months ended June 30, 2013. The debt service payments scheduled on August 15<sup>th</sup> were expended in the following fiscal year, resulting in lower debt service fund expenditures for 2013. The fund balance of the debt service fund, restricted for the payment of the District's debt, increased by \$7.4 million and totaled \$33.5 million as of June 30, 2013.

The Capital Projects Fund incurred construction-related expenditures of \$1,959,746 for the ten months ended June 30, 2013. An operating transfer of \$1.4 million was made from the General Fund to the Capital Projects Fund for expenditures. The transfer will be reimbursed from the \$91.1 million sale of Series 2013 bonds which occurred in July 2013. This sale is the first from a \$267.54 million bond authorization passed by the voters in May of 2013. Fund balance in the Capital Projects Fund at June 30, 2013 was \$789 thousand.

The Proprietary Funds statements (Exhibit D-1 to D-3) provide the same type of information found in the government-wide financial statement but in more detail. The District's internal service funds are used to support governmental activities such as the District's self-insured workers' compensation program and print shop operations. Current year operating income in the District's self-insured workers' compensation program and print shop operations increased total net position to \$4.1 million at June 30, 2013.

**General Fund Budgetary Highlights**

The District originally adopted a balanced budget for fiscal year 2013. Through budget amendments during the year, the District increased its estimated revenues from \$169.2 million to 170 million. In addition, the District increased its expenditures and other sources and uses from \$169.2 million to \$182.3 million, resulting in a deficit budget of \$12.3 million. These budget amendments were primarily for the acquisition of capital improvements and renovations.

For the ten months ended June 30, 2013, actual revenues were less than estimated revenues by \$2 million. In addition, actual expenditures fell below budgeted expenditures and other sources and uses by \$22.7 million. This resulted in a net favorable variance of \$20.6M. This favorable variance resulted primarily from the change in fiscal year which represents ten months of operating expenditures opposed to the standard twelve-months.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2013, the District's investment in capital assets was \$379.8 million, net of accumulated depreciation. The investments in capital assets include a broad range of capital assets, including land, buildings and improvements (including infrastructure), furniture and equipment and construction in progress (see Table III). This amount represents a net decrease (including additions and deductions) of \$5.6 million or 1.5 percent from last year.



**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

**Table III - Capital Asset Summary**

	Governmental Activities	
	2013	2012
Land	\$ 12,538,866	\$ 9,149,138
Buildings and Improvements	485,011,291	478,683,513
Furniture and Equipment	29,581,149	29,502,999
Construction in Progress	897,606	4,373,562
Less Accumulated Depreciation	(148,182,898)	(136,213,927)
<b>Total Capital Assets</b>	<b>\$ 379,846,014</b>	<b>\$ 385,495,285</b>

The most significant addition to capital assets during 2013 was the purchase of land for the construction of a replacement elementary school (Alamo elementary). Additional information on the District's capital assets can be found in Note II.B. of the financial statements.

**Long-Term Liabilities**

At June 30, 2013, the District had long-term liabilities of \$335.9 million. The District also has a loan agreement (LoanSTAR Revolving Loan Program) with the State Energy Conservation Office to reduce consumption of electrical energy throughout the District. The loan totaled \$4.9 million and the project was completed March 2013. The first payment on the loan occurs November 2013.

The District also has Qualified Zone Academy Bonds (QZAB) outstanding for which annual payments are made to sinking funds held at Wells Fargo Bank and Bank of New York to be used to pay the principal on the bonds when they mature. More detailed information about the District's debt is presented in Note II.E. and II.F. of the financial statements.

The District's bonds are rated "AAA" by both Standard and Poor's and Fitch Ratings as a result of the guarantee by the Permanent School Fund of the State of Texas.

**Table IV – District's Outstanding Debt**

Governmental Activities	Beginning			Ending
	Balance	Additions	Reductions	Balance
Bonds Payable (net)	\$ 321,710,000	\$ -	\$ (9,285,000)	\$ 312,425,000
Other Liabilities	22,204,063	5,230,595	(3,906,840)	23,527,818
<b>Total Long-Term Liabilities</b>	<b>\$ 343,914,063</b>	<b>\$ 5,230,595</b>	<b>\$(13,191,840)</b>	<b>\$ 335,952,818</b>

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

**ECONOMIC FACTORS, NEXT YEAR'S BUDGETS AND TAX RATES**

The State of Texas increased the funding of public education by approximately \$3.4 billion for the 2014-2015 biennium. The District anticipates a total increase in state funding of approximately \$6 million for the 2013-2014 school year and \$4.5 million for the 2014-2015 school year.

The District adopted a balanced General Fund budget at the operating level for 2013-2014 of \$177.8 million compared to a \$170 million final adopted budget for fiscal period ended June 30, 2013. The increased budget for 2014 is primarily related to higher budgeted expenditures for added positions and growth in enrollment. The 2013-2014 General Fund Budget includes an average 3% raise per employee (\$4.1 million). The Goose Creek CISD 2013-2014 budget included a maintenance and operations tax rate of \$1.04 and a debt service tax rate of \$.34679 for a total tax rate of \$1.38679 which represents an increase of 5.466 cents from the prior year. The tax increase is to provide funds for payment of the bond principal and interest related to the sale of \$91.1 million bonds sold in July 2013. The initial bonds included funding for three new elementary schools, major renovations to existing facilities, security and technology upgrades. In addition, the Board of Trustees has committed \$9 million for construction and acquisition of capital assets and \$8.5 million for disaster recovery.

The District has entered into agreements pursuant to Tax Code, Chapter 313, Texas Economic Development Act, to strengthen the local economy by expanding the ad valorem property tax base. Long-term financial projections include additional local revenues which will help to improve the overall performance of the District's education system.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's financial services office.

## BASIC FINANCIAL STATEMENTS

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2013

Data Control Codes	Primary Government
	Governmental Activities
<b>ASSETS</b>	
1110 Cash and Cash Equivalents	\$ 81,066,420
1120 Current Investments	28,486,314
1220 Property Taxes Receivable (Delinquent)	21,014,900
1230 Allowance for Uncollectible Taxes	(10,812,744)
1240 Due from Other Governments	15,679,870
1250 Accrued Interest	517,988
1290 Other Receivables, net	225,533
1300 Inventories	508,596
1410 Prepayments	1,688,075
Capital Assets:	
1510 Land	12,538,866
1520 Buildings, Net	356,138,142
1530 Furniture and Equipment, Net	10,271,410
1580 Construction in Progress	897,606
1800 Restricted Assets	16,329,566
1990 Other Assets	25,046,886
1000 Total Assets	559,597,428
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
1701 Deferred Charge for Refunding	7,633,532
1700 Total Deferred Outflows of Resources	7,633,532
<b>LIABILITIES</b>	
2110 Accounts Payable	3,004,432
2150 Payroll Deductions & Withholdings	2,271,187
2160 Accrued Wages Payable	18,599,844
2177 Due to Fiduciary Funds	222,162
2180 Due to Other Governments	286,516
2200 Accrued Expenses	1,429,116
2300 Unearned Revenues	736,497
Noncurrent Liabilities	
2501 Due Within One Year	17,983,083
2502 Due in More Than One Year	317,969,735
2000 Total Liabilities	362,502,572
<b>NET POSITION</b>	
3200 Net Investment in Capital Assets	57,426,229
3820 Restricted for Federal and State Programs	2,109,291
3850 Restricted for Debt Service	30,150,299
3870 Restricted for Campus Activities	1,107,233
3890 Restricted for Other Purposes	398,194
3900 Unrestricted	113,537,142
3000 Total Net Position	\$ 204,728,388

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

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE TEN MONTHS ENDED JUNE 30, 2013

EXHIBIT B-1

Data Control Codes	1	Program Revenues		6
Expenses	3	4	6	Net (Expense) Revenue and Changes in Net Position
Charges for Services	Operating Grants and Contributions	Primary Gov. Governmental Activities		
<b>Primary Government:</b>				
<b>GOVERNMENTAL ACTIVITIES:</b>				
11 Instruction	\$ 108,830,667	\$ 1,262,537	\$ 11,885,367	\$ (95,682,763)
12 Instructional Resources and Media Services	2,077,529	-	60,699	(2,016,830)
13 Curriculum and Staff Development	2,948,114	-	1,120,724	(1,827,390)
21 Instructional Leadership	2,970,345	-	523,533	(2,446,812)
23 School Leadership	9,638,123	-	338,982	(9,299,141)
31 Guidance, Counseling and Evaluation Services	6,168,985	-	537,740	(5,631,245)
32 Social Work Services	1,018,330	-	251,982	(766,348)
33 Health Services	1,622,268	-	57,060	(1,565,208)
34 Student (Pupil) Transportation	6,798,741	113,601	128,735	(6,556,405)
35 Food Services	12,376,722	3,299,688	9,744,195	667,161
36 Extracurricular Activities	4,609,787	1,141,668	1,038,977	(2,429,142)
41 General Administration	6,296,471	-	173,634	(6,122,837)
51 Facilities Maintenance and Operations	21,265,038	81,953	282,265	(20,900,820)
52 Security and Monitoring Services	1,559,954	-	22,796	(1,537,158)
53 Data Processing Services	2,391,926	-	59,169	(2,332,757)
61 Community Services	1,424,758	140,539	1,228,744	(55,475)
72 Debt Service - Interest on Long Term Debt	11,225,510	-	-	(11,225,510)
95 Payments to Juvenile Justice Alternative Ed. Prg.	6,100	-	-	(6,100)
<b>[TP] TOTAL PRIMARY GOVERNMENT:</b>	<b>\$ 203,229,368</b>	<b>\$ 6,039,986</b>	<b>\$ 27,454,602</b>	<b>(169,734,780)</b>

Data Control Codes	General Revenues:		
	Taxes:		
MT	Property Taxes, Levied for General Purposes		92,571,600
DT	Property Taxes, Levied for Debt Service		25,705,442
SF	State Aid - Formula Grants		59,089,766
GC	Grants and Contributions not Restricted		4,437,594
IE	Investment Earnings		938,809
MI	Miscellaneous Local and Intermediate Revenue		6,093,302
TR	<b>Total General Revenues</b>		<b>188,836,513</b>
CN	Change in Net Position		19,101,733
NB	Net Position - Beginning		187,773,032
PA	Prior Period Adjustment - See Note III. K.		(2,146,377)
NE	Net Position--Ending		<b>\$ 204,728,388</b>

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

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2013

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
<b>ASSETS</b>			
1110 Cash and Cash Equivalents	\$ 65,875,427	\$ 13,103,971	\$ 2,080,170
1120 Investments - Current	24,488,445	3,997,869	-
1220 Property Taxes - Delinquent	17,581,543	3,433,357	-
1230 Allowance for Uncollectible Taxes (Credit)	(9,087,783)	(1,724,961)	-
1240 Receivables from Other Governments	10,106,200	-	-
1250 Accrued Interest	436,021	81,967	-
1260 Due from Other Funds	4,313,324	38,830	-
1290 Other Receivables	224,783	-	-
1300 Inventories	373,888	-	-
1410 Prepayments	1,688,075	-	-
1800 Restricted Assets	-	16,329,566	-
1900 Other Assets	25,046,886	-	-
1000 Total Assets	<u>\$ 141,046,809</u>	<u>\$ 35,260,599</u>	<u>\$ 2,080,170</u>
<b>LIABILITIES</b>			
2110 Accounts Payable	\$ 2,599,819	\$ -	\$ 21,843
2150 Payroll Deductions and Withholdings Payable	2,097,297	-	87
2160 Accrued Wages Payable	16,775,867	-	-
2170 Due to Other Funds	9,895,646	-	1,269,049
2180 Due to Other Governments	286,516	-	-
2300 Unearned Revenues	7,540	-	-
2000 Total Liabilities	<u>31,662,685</u>	<u>-</u>	<u>1,290,979</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
2601 Unavailable Revenue - Property Taxes	8,493,760	1,708,396	-
2600 Total Deferred Inflows of Resources	<u>8,493,760</u>	<u>1,708,396</u>	<u>-</u>
<b>FUND BALANCES</b>			
Nonspendable Fund Balance:			
3410 Inventories	373,888	-	-
3430 Prepaid Items	1,688,075	-	-
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	-	-	-
3470 Capital Acquisition and Contractual Obligation	-	-	789,191
3480 Retirement of Long-Term Debt	-	33,552,203	-
3490 Other Restricted Fund Balance	25,046,886	-	-
Committed Fund Balance:			
3510 Construction	6,500,000	-	-
3530 Capital Expenditures for Equipment	2,500,000	-	-
3545 Other Committed Fund Balance	8,500,000	-	-
Assigned Fund Balance:			
3590 Other Assigned Fund Balance	1,734,203	-	-
3600 Unassigned Fund Balance	54,547,312	-	-
3000 Total Fund Balances	<u>100,890,364</u>	<u>33,552,203</u>	<u>789,191</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 141,046,809</u>	<u>\$ 35,260,599</u>	<u>\$ 2,080,170</u>

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

Non-major Governmental Funds	Total Governmental Funds
\$ 6,852	\$ 81,066,420
-	28,486,314
-	21,014,900
-	(10,812,744)
5,573,670	15,679,870
-	517,988
3,989,153	8,341,307
750	225,533
134,708	508,596
-	1,688,075
-	16,329,566
-	25,046,886
<u>\$ 9,705,133</u>	<u>\$ 188,092,711</u>
\$ 319,299	\$ 2,940,961
173,803	2,271,187
1,823,977	18,599,844
3,044,379	14,209,074
-	286,516
728,957	736,497
<u>6,090,415</u>	<u>39,044,079</u>
-	10,202,156
<u>-</u>	<u>10,202,156</u>
134,708	508,596
-	1,688,075
1,974,583	1,974,583
-	789,191
-	33,552,203
398,194	25,445,080
-	6,500,000
-	2,500,000
1,107,233	9,607,233
-	1,734,203
-	54,547,312
<u>3,614,718</u>	<u>138,846,476</u>
<u>\$ 9,705,133</u>	<u>\$ 188,092,711</u>

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GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
JUNE 30, 2013

<b>Total Fund Balances - Governmental Funds</b>	\$	138,846,476
1 The District uses internal service funds to charge the costs of the District's self-insured workers' compensation plan and print shop. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net assets.		4,153,018
2 Capital assets used in the governmental activities are not financial resources and therefore are not reported in governmental funds. At the end of the year, the cost of these assets was \$528,028,912 and the accumulated depreciation was \$148,182,888. The net effect is an increase to net position (See Note II. B.).		379,846,024
3 Long-term liabilities, including bonds payable, accrued interest, and liabilities associated with long-term debt, are not due and payable in the current period and therefore are not reported in the governmental funds. The effect of these long-term liabilities is a decrease to net position (See Note II. E.).		(335,952,818)
4 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred tax revenues of \$10,202,156 as revenue and eliminating interfund transactions. Deferred charges on refundings totaling \$7,633,532 are not financial resources and therefore, are not reported in the funds. Deferred charges are amortized over the life of the debt. The net effect of these reclassifications is an increase in net assets.		17,835,688
<b>19 Net Position of Governmental Activities</b>	\$	204,728,388

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

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2013

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
<b>REVENUES:</b>			
5700 Total Local and Intermediate Sources	\$ 99,499,668	\$ 26,430,452	\$ 2,004
5800 State Program Revenues	64,128,748	-	-
5900 Federal Program Revenues	4,437,594	-	-
5020 Total Revenues	<u>168,066,010</u>	<u>26,430,452</u>	<u>2,004</u>
<b>EXPENDITURES:</b>			
<b>Current:</b>			
0011 Instruction	93,014,220	-	-
0012 Instructional Resources and Media Services	1,910,588	-	-
0013 Curriculum and Instructional Staff Development	1,740,273	-	-
0021 Instructional Leadership	2,340,998	-	-
0023 School Leadership	8,983,891	-	-
0031 Guidance, Counseling and Evaluation Services	5,427,286	-	-
0032 Social Work Services	487,069	-	-
0033 Health Services	1,525,008	-	-
0034 Student (Pupil) Transportation	6,377,599	-	-
0035 Food Services	-	-	-
0036 Extracurricular Activities	3,389,108	-	-
0041 General Administration	5,017,604	-	-
0051 Facilities Maintenance and Operations	19,124,016	-	66,335
0052 Security and Monitoring Services	1,523,951	-	341,535
0053 Data Processing Services	2,299,008	-	-
0061 Community Services	90,430	-	-
<b>Debt Service:</b>			
0071 Principal on Long Term Debt	-	9,285,000	-
0072 Interest on Long Term Debt	-	9,721,741	-
0073 Bond Issuance Cost and Fees	-	13,800	-
<b>Capital Outlay:</b>			
0081 Facilities Acquisition and Construction	3,911,850	-	1,551,876
<b>Intergovernmental:</b>			
0095 Payments to Juvenile Justice Alternative Ed. Prg.	6,100	-	-
0099 Other Intergovernmental Charges	860,738	-	-
6030 Total Expenditures	<u>158,029,737</u>	<u>19,020,541</u>	<u>1,959,746</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>10,036,273</u>	<u>7,409,911</u>	<u>(1,957,742)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
7914 Non-Current Loans	-	-	-
7915 Transfers In	-	-	1,417,876
8911 Transfers Out (Use)	(1,643,436)	-	-
7080 Total Other Financing Sources (Uses)	<u>(1,643,436)</u>	<u>-</u>	<u>1,417,876</u>
1200 Net Change in Fund Balances	8,392,837	7,409,911	(539,866)
0100 Fund Balance - September 1 (Beginning)	<u>92,497,527</u>	<u>26,142,292</u>	<u>1,329,057</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ 100,890,364</u>	<u>\$ 33,552,203</u>	<u>\$ 789,191</u>

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

Non-major Governmental Funds	Total Governmental Funds
\$ 6,306,784	\$ 132,238,908
1,840,545	65,969,293
18,789,877	23,227,471
<u>26,937,206</u>	<u>221,435,672</u>
9,446,406	102,460,626
12,148	1,922,736
1,049,026	2,789,299
429,050	2,770,048
-	8,983,891
343,928	5,771,214
455,869	942,938
238	1,525,246
-	6,377,599
11,704,183	11,704,183
961,999	4,351,107
57,374	5,074,978
230,241	19,420,592
-	1,865,486
-	2,299,008
1,239,946	1,330,376
-	9,285,000
-	9,721,741
-	13,800
715,249	6,178,975
-	6,100
-	860,738
<u>26,645,657</u>	<u>205,655,681</u>
<u>291,549</u>	<u>15,779,991</u>
715,249	715,249
225,560	1,643,436
-	(1,643,436)
<u>940,809</u>	<u>715,249</u>
1,232,358	16,495,240
<u>2,382,360</u>	<u>122,351,236</u>
<u>\$ 3,614,718</u>	<u>\$ 138,846,476</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
 FOR THE TEN MONTHS ENDED JUNE 30, 2013

<b>Total Net Change in Fund Balances - Governmental Funds</b>	\$	16,495,240
The District uses internal service funds to charge the costs of the District's self-insured workers' compensation plan and print shop to appropriate functions in other funds. The net income of internal service funds is reported with governmental activities. The net effect of this consolidation is to increase in net position.		280,542
Current year capital outlay of \$6,758,247 and long-term debt principal payments, net of loan proceeds, of \$8,569,751, are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2013 capital outlays and debt principal payments and loan proceeds is to increase net position.		15,327,998
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position.		(12,229,761)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing the change in deferred tax revenue of \$895,429 to show the revenue earned from the current year's tax levy and adjustments, eliminating interfund transactions, recognizing the net effect of retirement of capital assets totaling (\$177,746), and recognizing the liabilities and deferred charges for refundings associated with maturing long-term debt and interest of (\$1,489,969). The net effect of these reclassifications and recognitions is to decrease net position.		(772,286)
<b>Change in Net Position of Governmental Activities</b>	<u>\$</u>	<u>19,101,733</u>

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

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2013

EXHIBIT D-1

	Governmental Activities -
	Total Internal Service Funds
<b>ASSETS</b>	
Current Assets:	
Due from Other Funds	\$ 5,645,605
Total Assets	5,645,605
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	63,471
Accrued Expenses	1,429,116
Total Liabilities	1,492,587
<b>NET POSITION</b>	
Unrestricted	4,153,018
Total Net Position	\$ 4,153,018

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

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2013

	Governmental Activities -
	Total Internal Service Funds
<hr/>	
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 938,540
Total Operating Revenues	<u>938,540</u>
OPERATING EXPENSES:	
Payroll Costs	642,294
Supplies and Materials	15,704
Total Operating Expenses	<u>657,998</u>
Operating Income	280,542
Total Net Position - September 1 (Beginning)	<u>3,872,476</u>
Total Net Position - June 30 (Ending)	<u><u>\$ 4,153,018</u></u>

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

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2013

	Governmental Activities -
	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Received from User Charges	\$ 938,540
Cash Payments for Insurance Claims	(532,354)
Net Cash Provided by Operating Activities	<u>406,186</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>	
Decrease (Increase) in Due From Other Funds	<u>(5,645,605)</u>
Net Decrease in Cash and Cash Equivalents	(5,239,419)
Cash and Cash Equivalents at Beginning of the Period	<u>5,239,419</u>
Cash and Cash Equivalents at End of the Period	<u>\$ -</u>
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Income:	\$ 280,542
<u>Effect of Increases and Decreases in Current Assets and Liabilities:</u>	
Decrease (increase) in Inventories	20,068
Increase (decrease) in Accounts Payable	23,955
Increase (decrease) in Accrued Wages Payable	(415)
Increase (decrease) in Due to Other Funds	(1,510)
Increase (decrease) in Accrued Expenses	83,546
Net Cash Provided by Operating Activities	<u>\$ 406,186</u>

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

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2013

EXHIBITE-1

	Private Purpose Trust Fund	Agency Fund
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 1,222	\$ 510,000
Due from Other Funds	155,582	66,580
Other Receivables	-	2,480
Total Assets	156,804	\$ 579,060
<b>LIABILITIES</b>		
Accounts Payable	500	\$ 68,268
Due to Student Groups	-	510,792
Total Liabilities	500	\$ 579,060
<b>NET POSITION</b>		
Held in Trust for Private Purposes	156,304	
Total Net Position	\$ 156,304	

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



GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION  
FIDUCIARY FUNDS  
FOR THE TEN MONTHS ENDED JUNE 30, 2013

	Private Purpose Trust Fund
<b>ADDITIONS:</b>	
Local and Intermediate Sources	\$ 2,159
Total Additions	<u>2,159</u>
<b>DEDUCTIONS:</b>	
Other Operating Costs	<u>3,000</u>
Total Deductions	<u>3,000</u>
Change in Net Position	(841)
Total Net Position - September 1 (Beginning)	<u>157,145</u>
Total Net Position - June 30 (Ending)	<u><u>\$ 156,304</u></u>

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

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**I. Summary of Significant Accounting Policies**

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

**A. Reporting Entity**

The Board of Trustees (the "Board"), a seven member group, has fiscal responsibility over all activities related to public elementary and secondary education within the jurisdiction of the District. The public elects the Board that corporately has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency ("TEA") or to the Texas State Board of Education are reserved for the Board, and TEA may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District is not included in any other governmental "reporting entity" as defined by GASB Statement No. 61, *"The Financial Reporting Entity": Omnibus - an amendment by GASB Statements No. 14 and 34*. There are no component units or entities for which the District is considered financially accountable included within the reporting entity.

**B. Basis of Presentation**

**1. Change in Fiscal Year**

The Texas State Legislature enacted legislation that gives school districts the option to change their fiscal year-end to June 30. The District elected to act on this option and changed its fiscal year-end to June 30 effective with the fiscal period beginning September 1, 2012. The Districts' financial statements have been prepared to present the ten-month-transitional fiscal period from September 1, 2012 through June 30, 2013.

**2. New GASB Pronouncements**

GASB has issued several new pronouncements that the District has reviewed for application to their accounting and reporting.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, is effective for periods beginning after December 31, 2011. This standard provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The District has implemented this reporting for the ten months ended June 30, 2013. The components of net position were renamed to reflect requirements of this statement.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, is effective for financial statements for periods beginning after December 15, 2012. This statement improves financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The District has early implemented this statement for the ten months ended June 30, 2013. As a result, prior year "capitalized bond and other debt issuance costs" of \$2,146,377 have been expensed in the prior period adjustment explained in Note III.K.

**3. Government-Wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. The effects of interfund activities not involving services provided and used have been eliminated in these

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

statements. Governmental activities are generally financed through tax revenues and intergovernmental revenues. The District has no business-type activities that rely, to a significant extent, on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and therefore, are clearly identifiable to a particular function. Indirect costs are allocated based on the ratio of function expense to total expense. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Revenues not classified as program revenues, including taxes, are reported as general revenues.

**4. Fund Financial Statements**

The District presents separate financial statements for governmental funds, proprietary funds, and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are reported in the aggregate as non-major funds.

**C. Fund Accounting**

District financial records are maintained in fund groups that are organized by sub-funds within a separate set of self-balancing accounts. There are three categories of funds: governmental, proprietary and fiduciary.

**1. Governmental Funds**

Most governmental functions of the District are financed through governmental funds. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. The general fund, the debt service fund, and the capital projects fund are the District's major governmental funds.

**General Fund** – This fund accounts for resources which finance the fundamental operations of the District. It includes all financial resources not required to be accounted for in another fund. Major revenue sources include local property taxes and state funding under the Foundation School Program. All expenditures related to the daily operations of the District are included except specific program expenditures funded by the federal or state government, food service, debt service, and capital projects. This is a budgeted fund and any fund balances are considered resources available for current operations.

**Debt Service Fund** – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

**Capital Projects Fund** – This fund accounts for proceeds from the sale of voter-approved bonds and other resources to be used for Board authorized acquisition, construction, and renovations of major capital facilities as well as providing their furnishings and equipment. Upon completion of a bond project, any unused proceeds are transferred to the debt service fund to retire related bond principal.

The other governmental funds of the District account for grants and other resources of the District whose uses are restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a special revenue fund. Generally, unused balances

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

are returned to the grantor at the close of the specified project periods. With respect to the food service and campus activity funds, funds are rolled over from year to year for use in the program.

**2. Proprietary Fund**

The internal service fund is used to charge the costs of certain services and activities to other individual funds of the District on a cost reimbursement basis. The following internal service funds are used by the District:

**Workers' Compensation Fund** – The District's statutory workers' compensation obligations are accounted for in the internal service fund using a cost reimbursement basis. All funds within the District that expend resources for salaries and wages contribute a percentage to the workers' compensation program.

**Print Shop Fund** – The District's printing services were accounted for in the internal service fund using a cost reimbursement basis. The District's printing services included, but were not limited to, photocopying materials, supplies, and services. This fund was discontinued for the ten months ended June 30, 2013.

**3. Fiduciary Funds**

**Private Purpose Trust Fund** – This fund accounts for donations to scholarship funds received by the District for awards to current and former students for post-secondary education purposes.

**Agency Fund** – This fund accounts for the resources of student groups and other campus organizations received by the District in a custodial capacity that do not constitute District property.

**D. Measurement Focus and Basis of Accounting**

**1. Government-Wide Financial Statements**

The government-wide financial statements are prepared using a flow of economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements while agency funds have no measurement focus. All assets and deferred outflows of resources, and liabilities and deferred inflows of resources associated with the operation of the District are included in the statement of net position. 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 recorded as revenues in the year of levy.

**2. Fund Financial Statements**

All governmental fund statements are prepared using a flow of current financial resources measurement focus and the modified accrual basis. Only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. Revenues are recognized when measurable and available. Revenues (excluding property taxes) are considered available if they are expected to be collected during the current budgetary period or within 60 days thereafter to pay liabilities outstanding at the close of the budgetary period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due. To reflect the differences in the manner in which the District accounts for its financial resources in the government-wide financial statements and the fund financial statements, reconciliations are provided in the fund financial statements.

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State of Texas are recognized under the susceptible-to-accrual concept, meaning they must be available and measurable. Miscellaneous revenues, recorded when received, are generally not measurable until actually received; however, interest revenue and building rentals are recorded when earned since they are measurable and available.

Revenues from state and federal grants are considered earned to the extent of expenditures made under the provisions of the grant. Funds received but unearned are reflected as unearned revenues or if required, returned to the grantor agency. Funds expended but not yet received are shown as receivables. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted funds are available.

**E. Assets, Liabilities, and Net Position or Fund Equity**

**1. Deposits and Investments**

Under Texas state law, a bank serving as the school depository must have a bond, or in lieu thereof, deposited or pledged securities with the District or an independent third party agent, in an amount equal to the highest daily balance of all deposits the District may have during the term of the depository contract, less any applicable FDIC insurance.

Investments consist of balances in privately managed public funds investment pools and investments in municipal bonds and United States Securities. The District reports all investments at fair value based on quoted market prices at year-end date. The reported value of the pools is the same as the fair value of the pool shares.

**2. Cash and Cash Equivalents**

For purposes of the statement of cash flows for proprietary funds, the District considers cash on hand, demand deposits, and short-term investments with maturities of three months or less from the date of acquisition to be cash and cash equivalents.

**3. Property Taxes**

Property taxes are considered available when collected within the current period. The District levies taxes on October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and become past due, subject to interest and penalty, if not paid by February 1 of the year following the October 1 levy date. On January 1 of each year, a tax lien attaches to property securing payment of all taxes, penalties, and interest ultimately imposed. The tax rates assessed for the ten months ended June 30, 2013 to finance general fund operations and voter approved debt service principal and interest payments were \$1.04 and \$.2921, respectively, per \$100 of assessed valuation.

Current tax collections for the ten months ended June 30, 2013 were 98% of the year-end adjusted levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of levy. A significant portion of delinquent taxes outstanding at any fiscal year end is generally not collected in the ensuing fiscal year. Allowances for uncollectible taxes within the general and debt service funds are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. The property taxes receivable allowance is equal to 51% of outstanding property taxes receivable at June 30, 2013.

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

Property taxes (and payments in lieu of property taxes) collected from three major petrochemical complexes within the District for the ten months ended June 30, 2013 accounted for approximately 26% of the District's total combined revenues.

**4. Due From (To) Other Funds**

Interfund receivables and payables arise from interfund transactions and are recorded in all affected funds in the period in which transactions are executed in the normal course of operations. Interfund receivables and payables are eliminated in the government-wide financial statements as are transfers between funds.

**5. Inventories**

The District reports inventories of supplies using the first-in, first-out method of accounting. Inventories for food, school, maintenance, and custodial supplies are carried at cost and charged to a respective fund expenditure account when consumed. Inventories of food commodities are recorded at fair values. Although commodities are received at no cost, their fair value is provided by the Texas Department of Agriculture and recorded as inventory and unearned revenue when received. When requisitioned, inventory and unearned revenue are relieved, expenditures are charged, and revenue is recognized in an equal amount.

**6. Deferred Expenditures/Expenses**

Certain payments to vendors reflect costs applicable to the next fiscal period and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method.

**7. Capital Assets**

Land, buildings and improvements, furniture, and equipment either acquired or constructed for general purposes through the governmental funds are recorded as capital assets in the government-wide financial statements. Donated assets are recorded at their estimated fair market value on the date of acceptance. Furniture and equipment costing in excess of \$5,000 are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are not capitalized. When assets are retired or disposed of, the related costs or other recorded amounts are removed.

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

<u>Capital Asset:</u>	<u>Years</u>
Land Improvements	20
Buildings	40-60
Building Improvements	20
Furniture, Fixtures & Equipment	7-10
Computer Equipment	5
Automobiles & Light Duty Trucks	7
Buses	15

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**8. Budgetary Data**

The Board adopts an “appropriated budget” for the General Fund, the Child Nutrition Fund (which is included in the Special Revenue Funds) and Debt Service Fund. The District compares the final amended budget to actual revenues and expenditures. The Budgetary Comparison Schedules appear in Exhibits F-1, J-4, and J-5.

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

- a) Prior to August 20 (or June 20), the District prepares an operating budget for the next succeeding fiscal year beginning September 1 (or July 1). The budget includes proposed expenditures and the means of financing them.
- b) A meeting of the Board is then called for the purpose of adopting the proposed budget. At least ten day’s public notice of the meeting must be given.
- c) Prior to September 1 (or July 1), the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after the fiscal year end.
- d) Each budget is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.
- e) Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at June 30, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year’s budget.

**9. Compensated Absences**

District employees earning vacation leave are permitted to accumulate up to five unused days to be used in the next fiscal year. Such days do not vest. Accordingly, no liability has been recorded in the accompanying financial statements.

District employees are entitled to sick leave based on category/class of employment. Sick leave accumulates but does not vest. Therefore, a liability for unused sick leave has not been recorded in the accompanying financial statements.

**10. Long-Term Obligations**

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term indebtedness is reported as a liability. Bond premiums and discounts, as well as defeasance costs, are deferred and amortized over the life of the bonds using the straight-line method in the government-wide financial statements. Bonds payable are reported net of the applicable bond premium, discount, and other costs.

In the fund financial statements, bond premiums (net of discounts) are recognized in the current period and recorded as other financing sources. Issuance costs are recognized in the current period as debt service expenditures. The face amount of the debt issued is reported as other financing source; whereas, bonds refunded during the period are recorded as other financing use.

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

In addition to assets, the financial statements will include a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports deferred charge on refunding in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports unavailable property tax revenue in the fund financial statements.

**12. Fund Balance**

Generally, governmental fund balances represent the difference between the current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources. The government fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective government funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- *Nonspendable* – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. (Inventories and Prepaid Items are considered *Nonspendable* as these items are not expected to be converted to cash or are not expected to be converted to cash within the next year.)
- *Restricted* – includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – includes amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., the Board of Trustees). To be reported as committed, amounts cannot be used for any other purposes unless the District takes the same highest level of action to remove or change the constraint. The District establishes (and modifies or rescinds) fund balance commitments by passage of a resolution or ordinance. A fund balance commitment is further indicated in the budget document as a commitment of the fund. The District has committed 100 percent of Fund 461 Campus Activity Funds' fund balance.
- *Assigned* – includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to the Superintendent or Chief Financial Officer through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the *general fund*.
- *Unassigned* – includes the residual fund balance for amounts that have not been assigned to other funds or restricted, committed, or assigned to a specific purpose within the *general fund*. The *Unassigned* classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of *Assigned* fund balance amounts.



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The Board has adopted a minimum fund balance policy for the *general fund* to have sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. This policy requires the District to maintain total fund balance and unassigned fund balance in the general fund sufficient to cover 33 and 25 percent, respectively, of total general fund operating expenditures.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

**13. Net Position**

Net Position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. The classifications used in the government-wide financial statements are as follows:

- *Net investment in capital assets* – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.
- *Restricted net position* – This amount is restricted by creditors, grantors, contributors, or laws or regulations of other governments.
- *Unrestricted net position* – This amount is the net position that does not meet the definition of “net investment in capital assets” or “restricted net position”.

The District’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**14. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires the use of management’s estimates. Accordingly, actual results could differ from those estimates.

The amount of state foundation revenue a school district earns for a year, can and does vary until the time when final values for each of the factors in the formula become available. Availability can be as late as midway into the next fiscal year. It is at least reasonably possible that the foundation revenue estimate as of June 30 will change and those changes could be material.

**15. Data Control Codes**

The data control codes refer to the account code structure prescribed by TEA in the Resource Guide. The 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.

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
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**II. Detailed Notes On All Funds**

**A. Deposits and Investments**

A summary of the District's cash and investments at June 30, 2013 is shown below: **(000's)**

	<u>Cash and Deposits</u>	<u>Investment Pools</u>	<u>Total Cash &amp; Cash Equivalents</u>	<u>Investment - Municipal Bonds</u>	<u>Total Cash &amp; Investments</u>
Governmental funds:					
General fund	\$ 1,823	\$ 64,053	\$ 65,876	\$ 49,535	\$ 115,411
Debt service fund	-	13,104	13,104	3,998	17,102
Capital projects fund	-	2,080	2,080	-	2,080
Other governmental funds	<u>7</u>	<u>-</u>	<u>7</u>	<u>-</u>	<u>7</u>
Total governmental funds	<u>1,830</u>	<u>79,237</u>	<u>81,067</u>	<u>53,533</u>	<u>134,600</u>
Proprietary funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fiduciary funds	<u>1</u>	<u>510</u>	<u>511</u>	<u>-</u>	<u>511</u>
Total	<u>\$ 1,831</u>	<u>\$ 79,747</u>	<u>\$ 81,578</u>	<u>\$ 53,533</u>	<u>\$ 135,111</u>

At June 30, 2013, the net carrying amount of the District's cash and deposits was \$1,830,775 and the bank balance was \$2,990,378. At June 30, 2013, and during the ten months ended June 30, 2013, the District's combined deposits were fully insured by FDIC insurance or collateralized with securities held by the Bank's agent in the District's name.

The Public Funds Investment Act ("the Act") and Board policy governs the District's investment policies. The Act contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6), maximum allowable stated maturity of portfolio, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date of the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposits. Statutes authorize the District to invest in: (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) securities lending programs, (6) repurchase agreements, (7) bankers acceptances, (8) mutual funds, (9) investment pools, and (10) guaranteed investment contracts.

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The District's cash equivalents and investments at June 30, 2013 are as shown below: (000's)

<u>Investment Type:</u>	<u>Cost</u>	<u>Fair Value **</u>	<u>Investment Maturity in Years</u>	
			<u>Less Than 1</u>	<u>1 - 2 Years</u>
			<u>Year</u>	<u>1 - 2 Years</u>
Cash in Bank	\$ 1,831	\$ 1,831	\$ 1,831	\$ -
Local Government Investment Pools	79,747	79,747	79,747	-
Cash and Cash Equivalents - subtotal	81,578	81,578	81,578	-
Municipal Bonds	53,591	53,533	28,486	25,047
Investments - subtotal	53,591	53,533	28,486	25,047
Total Cash & Investments	\$ 135,169	\$ 135,111	\$ 110,064	\$ 25,047

\*\*The fair value of the position in the external investment pools is the same as the value of the pool shares. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Most investments are reported at amortized cost when the investments have remaining maturities of one year or less at time of purchase. External investment pools are permitted to report short-term debt investments at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer, or other factors. For that purpose, a pool's short-term investments are those with remaining maturities of up to ninety days.

Texas Local Government Investment Pool ("TexPool") is organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, the Act, and Chapter 2256 of the Texas Government Code. The Texas Comptroller of Public Accounts is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company, which is authorized to operate TexPool. During the ten months ended June 30, 2013, Federated Investors, Inc. (Federated), provided administrative and investment services to TexPool, while the Comptroller maintained oversight of the services provided by Federated. In addition, the TexPool Advisory Board advises on TexPool's Investment Policy. As required by the Act, this board is composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool who are qualified to advise TexPool. Only those investments authorized under the Act are invested in by TexPool. State Street Bank serves as custodian to TexPool. TexPool is currently rated AAAM by Standard and Poor's. This rating indicates excellent safety and a superior capacity to maintain principal value and limit exposure to loss. TexPool's securities are marked to market daily to maintain an accurate net asset value and must maintain a ratio between .995 and 1.005. The District's investments in TexPool (\$43,405,601) are stated at cost, which approximates fair value.

The Lone Star Investment Pool ("LSIP") is a Texas public investment pool sponsored by the Texas Association of School Boards (TASB) for investment of funds by state and local government entities. First Public, LLC provides administrative duties to LSIP while the Pool's custodian is the Bank of New York. In addition, American Beacon Advisors and BNY Mellon Cash Investment Strategies provide investment management services to LSIP regarding the investment and reinvestment of the pool's assets. At June 30, 2013, the District's investments at LSIP are in the Corporate Overnight Fund which has earned Standard & Poor's AAA rating which meets the standards set by the Act. The Corporate Overnight Fund seeks to maintain a net asset value of one dollar. All LSIP funds participate only in investments authorized by the Act. The District's fair value in LSIP (\$21,269,836) is the same as the value of the pool shares.

Texas Short Term Asset Reserve Program (TexStar) is a local government investment pool organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. These two acts provide for the creation of public funds investment pools and authorize eligible governmental entities to invest the public funds under their control through the investment pools. JPMorgan Investment Management, Inc. (JPMIM) and First Southwest Company (FSC) serve as co-administrators for TexStar under an agreement with the TexStar board of directors. JPMIM provides investment services and FSC provides participant services and marketing. Custodial, fund accounting and depository services are provided by JPMorgan Chase Bank and/or its subsidiary J.P. Morgan Investor Services Co. Transfer agency services

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are provided by Boston Financial Data Services, Inc. TexStar is currently rated AAAm by Standard & Poor's. The District's investments in TexStar (\$15, 071,430) are stated at cost, which approximates fair value.

The District's sinking funds at June 30, 2013 were invested in the following: (000's)

<u>Investment</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturity</u>
Federal National Mortgage Association Discount Note	\$ 12,947	\$ 13,286	09/16/13
United States Treasury Note	<u>2,993</u>	<u>3,043</u>	11/15/13
Total Restricted Assets	<u>\$ 15,940</u>	<u>\$ 16,329</u>	

Each of the above sinking funds is held in the District's name. The sinking funds were established to invest the annual contributions required for future principal payments on the Series 2001 and Series 2005 Qualified Zone Academy Bonds ("QZAB"). These annual contributions will continue until each of the bonds mature in fiscal years 2015 and 2022, respectively. Use of each of the sinking funds is restricted for the QZAB principal payments only (See Note II. E).

The District management believes that it complied with the requirements of the Act and the District's investment policies.

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

- 1) Credit Risk – State law and the District's Investment Policy restrict time and demand deposits to those fully collateralized or FDIC insured from eligible depositories (banks and savings banks) doing business in Texas. By State law Certificate of Deposits ("CD") are further collateralized to 100%. CD's are limited to a stated maturity of one year. Brokered CD's must be FDIC insured and delivered versus payments to the District's depository. Maximum maturity is one year and FDIC insurance must be verified before purchase. The District's Investment Policy requires 102% with pledged securities (with 110% margin on mortgage backed securities) and all collateral is to be held by an independent custodian. State law and the District's Investment Policy requires inclusion of a procedure to monitor and act as necessary to changes in credit rating on any investment which requires a rating.

State law and the District's Investment Policy limit repurchase agreements to banks and primary dealers. The law requires an industry standard, written master repurchase agreement; independent safekeeping of collateral; and a 102% margin on collateral. Repurchase agreements are limited to a maximum maturity of three months. Fully collateralized flex repurchase agreements are restricted to the use in bond funds and are required to match the expenditure schedule of the bonds.

Commercial paper is restricted by state law and the District's Investment Policy to dual rated A1/P1 paper and is limited by the District's Investment Policy to mature in 90 days or less.

Municipal obligations of the State of Texas or any other state or political subdivision must be rated A or better by at least two nationally recognized securities ratings organizations (NRSRO).

State of Texas local government investment pools, as defined by State law (2256.016) and approved by the District's Investment Policy, are authorized. By State law all local government pools must be rated AAA or equivalent by at least one NRSRO.

The District's Investment Policy allows investment in AAA rated money market mutual fund accounts.

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As of June 30, 2013, the District's portfolio included the following:

<u>Investment Type</u>	<u>Percent of Total Portfolio</u>
Local Government Investment Pools	56%
FDIC fully insured checking accounts	6%
Municipal Obligations rated A or better by at least two NRSRO's	38%

- 2) Custodial Credit Risk – To control custody risk State law and the District's Investment Policy require collateral for all time and demand deposits and repurchase agreements with securities transferred only on a delivery versus payment basis and held by an independent party approved by the District and held in the District's name. The custodian is required to provide original safekeeping receipts and monthly reporting of positions and position descriptions including market value. Repurchase agreements and deposits must be collateralized to 102% (with 110% on mortgage-backed securities) and transactions are required to be executed under a written agreement. As of June 30, 2013, the District was not exposed to custodial credit risk.
- 3) Concentration of Credit Risk – The District's Investment Policy requires diversification on all authorized investment types which are monitored on at least a monthly basis. The District's Investment Policy requires the following diversification:

<u>Type of Investment</u>	<u>Maximum Allowed % of Portfolio</u>	<u>Actual % of Portfolio at June 30, 2013</u>
US Treasury Obligations	100%	n/a
US Agency Obligations	100%	38%
Commercial Paper	25%	n/a
Local Government Investment Pools	100%	56%
Repurchase Agreements	100%	n/a
Certificates of Deposit	40%	n/a
Money Market Mutual Funds	15%	n/a
Money Market Accounts	100%	n/a

- 4) Interest Rate Risk – In order to limit interest and market rate risk from changes in interest rates, the District's Investment Policy sets a maximum maturity of two (2) years (3 years for Bond Funds) and a maximum weighted average maturity (WAM) of 180 days for trust, agency, and debt service funds and 270 days for operating funds. As of June 30, 2013, the portfolio contained two securities with a stated maturity greater than one year. The dollar weighted average maturity of the total portfolio was 119 days.

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
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**B. Capital Assets**

Capital asset activity for the ten months ended June 30, 2013, was as follows: **(000's)**

	<b>Beginning Balances</b>	<b>Additions</b>	<b>Deletions</b>	<b>Transfers</b>	<b>Ending Balances</b>
<b><u>Capital assets not being depreciated:</u></b>					
Land	\$ 9,149	\$ 3,380	\$ -	\$ 10	\$ 12,539
Construction in progress	4,374	861	-	(4,338)	897
Total capital assets not being depreciated	<u>13,523</u>	<u>4,241</u>	<u>-</u>	<u>(4,328)</u>	<u>13,436</u>
<b><u>Capital assets being depreciated:</u></b>					
Buildings and improvements	478,684	2,000	-	4,328	485,012
Furniture and equipment	29,502	517	(439)	-	29,580
Total capital assets being depreciated	<u>508,186</u>	<u>2,517</u>	<u>(439)</u>	<u>4,328</u>	<u>514,592</u>
<b><u>Less accumulated depreciation for:</u></b>					
Buildings and improvements	(118,278)	(10,594)	-	-	(128,872)
Furniture and equipment	(17,935)	(1,636)	261	-	(19,310)
Total accumulated depreciation	<u>(136,213)</u>	<u>(12,230)</u>	<u>261</u>	<u>-</u>	<u>(148,182)</u>
Capital assets, net	<u>\$ 385,496</u>	<u>\$ (5,472)</u>	<u>\$ (178)</u>	<u>\$ -</u>	<u>\$ 379,846</u>

Depreciation expense was charged to the following functions as follows: **(000's)**

Instruction	\$ 6,785
Instructional resources and media services	155
Curriculum and staff development	159
Instructional leadership	200
School leadership	654
Guidance, counseling and evaluation services	398
Social work services	75
Health services	97
Student (pupil) transportation	421
Food services	728
Extracurricular activities	282
General administration	361
Facilities maintenance and operations	1,592
Security and monitoring services	90
Data processing services	139
Community services	94
Total depreciation expense	<u>\$ 12,230</u>

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
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**C. Receivables and Unearned Revenue**

Receivables as of June 30, 2013, for the District's individual major funds and non-major funds including the applicable allowances for uncollectible accounts are as follows: **(000's)**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>	<u>Non-major Governmental Funds</u>	<u>Total</u>
Taxes	\$ 9,577	\$ 2,081	\$ -	\$ -	\$ 11,658
Taxes - penalty & interest	8,005	1,352	-	-	9,357
Due from other governments	10,106	-	-	5,574	15,680
Interest	436	82	-	-	518
Other receivables	225	-	-	-	225
Gross receivables	28,349	3,515	-	5,574	37,438
Less: allowance for uncollectibles	(9,088)	(1,725)	-	-	(10,813)
Net total receivables	<u>\$ 19,261</u>	<u>\$ 1,790</u>	<u>\$ -</u>	<u>\$ 5,574</u>	<u>\$ 26,625</u>

Unearned revenue at June 30, 2013, for the District's governmental funds is as follows: **(000's)**

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable - General Fund	\$ 8,494	\$ -
Delinquent property taxes receivable - Debt Service Fund	1,708	-
Federal food commodities	-	19
Athletic revenue	-	8
Advance funding	-	709
Total unearned revenue	<u>\$ 10,202</u>	<u>\$ 736</u>

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

Interfund transfers in the fund financial statements at June 30, 2013, consisted of the following: **(000's)**

<u>Transfers from</u>	<u>Transfers to</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 226
General Fund	Capital Projects	1,418
Total Transfers		<u>\$ 1,644</u>

The District transferred \$226 thousand from the general fund into a special revenue fund to fund various local programs. The District transferred \$1.418 million from the general fund to the capital projects fund to separately account for expenditures on a project basis.

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
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Interfund balances in the fund financial statements at June 30, 2013, consisted of the following: **(000's)**

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund:		
Debt Service Fund	\$ -	\$ 39
Capital Projects Fund	1,269	-
Non-major Governmental Funds	3,044	3,989
Proprietary Funds	-	5,646
Trust & Agency Funds	-	222
Total General Fund	\$ 4,313	\$ 9,896
Debt Service Fund:		
General Fund	\$ 39	\$ -
Capital Projects Fund		
General Fund	\$ -	\$ 1,269
Non-major Governmental Funds:		
General Fund	\$ 3,989	\$ 3,044
Proprietary Funds:		
General Fund	\$ 5,646	\$ -
Trust & Agency Funds:		
General Fund	\$ 222	\$ -

District expenditures are paid from a centralized-pooled operating bank account maintained in the general fund. Since all cash transactions flow through this account, each District fund carries a receivable/payable balance with the general fund. This balance will be repaid within one year.

**E. Long-Term Liabilities**

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These are issued as current interest bonds, term bonds, and capital appreciation bonds (CAB) with various amounts of principal maturing each year. Bonded debt as of June 30, 2013 is as follows: **(000's)**

<u>Description</u>	<u>Interest Rate Payable</u>	<u>Maturity Date</u>	<u>Original Issue</u>	<u>Outstanding June 30, 2013</u>
Unlimited Tax School Building Bonds, Series 2001 QZAB	0%	03/15/15	\$ 16,000	\$ 16,000
Unlimited Tax Refunding Bonds, Series 2003	3.8-5.0%	02/15/16	13,075	8,295
Unlimited Tax Refunding Bonds, Series 2004	4.00-5.00%	02/15/18	31,425	30,630
Unlimited Tax Schoolhouse Bonds, Series 2005	3.5-4.55%	02/15/30	60,000	44,025
Unlimited Tax School Building Bonds, Series 2005A QZAB	0.25%	11/15/21	8,000	8,000
Unlimited Tax Schoolhouse & Refunding Bonds, Series 2006	4.00-5.00%	02/15/30	127,335	95,640
Unlimited Tax Schoolhouse Bonds, Series 2007	3.5-5.00%	02/15/30	54,440	46,050
Unlimited Tax Schoolhouse Bonds, Series 2007A	4.625-6.00%	02/15/30	8,000	7,065
Unlimited Tax Refunding Bonds, Series 2008	3.625-5.00%	02/15/16	13,290	5,990
Unlimited Tax Refunding Bonds, Series 2011	2.0-5.0%	02/15/20	9,890	9,570
Unlimited Tax Refunding Bonds, Series 2012	5.0%	02/15/24	41,160	41,160
			<u>\$ 382,615</u>	<u>\$ 312,425</u>



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The District entered into a loan agreement (LoanSTAR Revolving Loan Program) sponsored by the State Energy Conservation Office (SECO) totaling \$4.8 million to reduce consumption of electrical energy. The loan is payable in quarterly installments of principal and interest and bears interest at 3%. The balance outstanding at June 30, 2013 is \$4,857,124.

Long-term liability activity for the ten months ended June 30, 2013, was as follows: **(000's)**

Governmental Activities	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due within One Year</b>
General Obligation - 2001 (QZAB)	\$ 16,000	\$ -	\$ -	\$ 16,000	\$ -
General Obligation - 2002	1,470	-	(1,470)	-	-
General Obligation - 2003	10,805	-	(2,510)	8,295	2,665
General Obligation - 2004	30,930	-	(300)	30,630	2,565
General Obligation - 2005	44,375	-	(350)	44,025	350
General Obligation - 2005 (QZAB)	8,000	-	-	8,000	-
General Obligation - 2006	96,335	-	(695)	95,640	505
General Obligation - 2007	47,645	-	(1,595)	46,050	1,715
General Obligation - 2007A	7,270	-	(205)	7,065	215
General Obligation - 2008	7,830	-	(1,840)	5,990	1,915
General Obligation - 2011	9,890	-	(320)	9,570	2,535
General Obligation - 2012	41,160	-	-	41,160	-
Total Bonds Payable	321,710	-	(9,285)	312,425	12,465
Other Liabilities:					
Accrued Interest	703	4,407	-	5,110	5,110
Accumulated Accretion on Capital Appreciation Bonds	2,636	109	(2,745)	-	-
Premium on Issuance of Bonds	16,326	-	(1,240)	15,086	-
Discount on Issuance of Bonds	(1,604)	-	78	(1,526)	-
SECO-LoanSTAR Revolving Loan	4,142	715	-	4,857	408
Total Other Liabilities	22,203	5,231	(3,907)	23,527	5,518
Total Long-term Liabilities	\$ 343,913	\$ 5,231	\$ (13,192)	\$ 335,952	\$ 17,983

Long-term debt includes par bonds, capital appreciation (deep discount) serial bonds, contractual obligations and loans. The District has no local policies regarding debt limitation or debt margin, but must comply with State requirements. At June 30, 2013, the District had no outstanding capital appreciation bonds.

During each year while bonds are outstanding, the District is required to levy and collect sufficient ad valorem taxes to provide for the payment of principal and interest through the debt service fund as the payments become due. Principal and interest expenditures for note and loan payables are accounted for in the general fund.

The 2001 QZAB requires annual payments (approximately \$800,000 per year) to a sinking fund held at the Bank of New York, which will be used to pay the principal on the bonds when they mature in fiscal year 2015 (See Note II. A). The 2005 QZAB requires annual payments (approximately \$400,000) to a sinking fund held at Wells Fargo Bank which will be used to pay the principal on the bonds when they mature in fiscal year 2022 (See Note II. A).

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

Debt service requirements at June 30, 2013 were as follows: **(000's)**

Fiscal Year Ending <u>June 30,</u>	General Obligation		Notes and Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 12,465	\$ 13,614	\$ 408	\$ 107	\$ 12,873	\$ 13,721
2015	29,035	13,062	560	127	29,595	13,189
2016	14,490	12,466	577	110	15,067	12,576
2017	14,290	11,745	594	93	14,884	11,838
2018	13,195	11,035	612	75	13,807	11,110
2019-2023	83,350	45,084	2,106	111	85,456	45,195
2024-2028	98,985	24,505	-	-	98,985	24,505
2029-2030	46,615	3,092	-	-	46,615	3,092
Total	<u>\$ 312,425</u>	<u>\$ 134,603</u>	<u>\$ 4,857</u>	<u>\$ 623</u>	<u>\$ 317,282</u>	<u>\$ 135,226</u>

**F. Defeased Debt**

The District has defeased certain general obligation and other bonds in prior years by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2013, bonds outstanding of \$43 million were considered defeased.

**G. Arbitrage**

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of (1) the amount earned on investments purchased with bond proceeds over (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five year anniversary date of the bond issue. As of June 30, 2013, the District does not anticipate any arbitrage liability.

**H. Operating Leases**

The District leases certain equipment and facilities under non-cancelable operating leases. Total rental expenditures for ten months ended June 30, 2013 were \$1.2 million and made from the general fund. Future minimum lease payments are as follows: **(000's)**

Fiscal Year Ending <u>June 30,</u>	Lease <u>Payment</u>
2014	\$ 802
2015	708
2016	115
Total	<u>\$ 1,625</u>

**III. Other Information**

**A. Risk Management**

Property Casualty

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

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
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JUNE 30, 2013**

property casualty insurance to protect against these risks. For the ten months ended June 30, 2013, physical damage to property is limited to an annual aggregate of \$250 million. Additionally, coverage is limited to \$25 million for windstorm and \$25 million for flood damage. Policy deductibles range from \$25 thousand to \$1 million, depending on the nature of the loss. Settled claims have not exceeded the coverage in any of the past three fiscal years.

Workers' Compensation

For the ten months ended June 30, 2013, the District met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the "Fund"). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members and their injured employees.

The District participates in the Fund's reimbursable aggregate deductible program. As such, the District is responsible for a certain amount of claims liability as outlined in the District's Contribution and Coverage Summary document. After the District's deductible has been met, the Fund is responsible for all additional claims.

The Fund and its members are protected against higher than expected claims costs through the purchase of stop-loss coverage for any claim in excess of the Fund's self-insured retention of \$1.5 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of August 31, 2012, the Fund carried a discounted reserve of \$69 million for future development on reported claims and claims that have been incurred but not yet reported. For the ten months ended June 30, 2013, the Fund anticipates no additional liability to member districts beyond their contractual obligations for payment of contributions and reimbursable aggregate deductibles.

The liability estimation, obtained from an actuarial report prepared by Turner Consulting, Inc., requires the estimate of loss development over an extended period of time. During this time numerous internal and external factors will affect the ultimate settlement value of claims. Due to the inherent uncertainty with regard to the impact of these factors, there can be no guarantee that actual losses will not vary, perhaps significantly, from the estimates. The following is a summary of the changes in the balances of claims liabilities for workers' compensation for the ten months ended June 30, 2013 and fiscal year ended August 31, 2012: **(000's)**

	<u>6/30/2013</u>	<u>8/31/2012</u>
Liability, beginning of period	\$ 1,346	\$ 1,463
Changes in the est. for current & prior period claims	610	443
Payments on claims	(527)	(560)
Liability, end of period	\$ 1,429	\$ 1,346

The Fund engages the services of independent auditors to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2012 are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin, Texas.

**B. Health Care**

The District provides medical insurance coverage for its employees through the TRS-Active Care insurance provided by the Texas Retirement System of Texas. This is a premium-based plan: payments are made on a monthly basis for all covered employees. The District contributes \$225 per month for each employee enrolled in the health insurance plan. Employees are able to choose from three types of

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
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coverage and are responsible for premiums in excess of the District subsidy, including dependent coverage.

**C. Retiree Health Plan**

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

*Funding Policy.* Contribution requirements are not actuarially determined but are legally established each biennium by the Texas Legislature. Texas Insurance Code, Sections 1575.202, 203, and 204 establish state, active employee, and public school contributions, respectively. Funding for free basic coverage is provided by the program based upon school district payroll. Funding for optional coverage is provided by those participants selecting the optional coverage. The State's on-behalf contribution is recorded as revenues and expenditures/expenses in the financial statements. Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than 0.25% or greater than 0.75% of the salary of each active employee of the public school. Contribution rates and amounts are shown in the table below for the ten months ended June 30, 2013 and fiscal years ended August 31, 2012 and 2011: **(000's)**

Year	Contribution Rates and Contribution Amounts					
	Member		State		District	
	Rate	Amount	Rate	Amount	Rate	Amount
6/30/2013	0.65%	\$ 668	0.50%	\$ 514	0.55%	\$ 565
8/31/2012	0.65%	809	1.00%	464	0.55%	782
8/31/2011	0.65%	829	1.00%	467	0.55%	702

**D. Medicare Part D – On-Behalf Payments**

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the ten months ended June 30, 2013 and fiscal years ended August 31, 2012 and 2011, the subsidy payments received by TRS-Care on-behalf of the District were \$472,792, \$323,255, and \$294,828, respectively. These payments are recorded as equal revenues and expenditures/expenses in the financial statements.

**E. Pension Plan**

*Plan Description.* The District contributes to the Teacher Retirement System of Texas (TRS), a cost-sharing multiple employer defined benefit pension plan. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. TRS also administers proportional retirement benefits and service credit transfer under Texas Government Code, Title 8, Chapters 803 and 805, respectively. The Texas state legislature has the authority to establish and amend benefit provisions

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

of the pension plan and may, under certain circumstances, grant special authority to the TRS Board of Trustees. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. That report may be obtained by downloading the report from the TRS Internet website, [www.trs.state.tx.us](http://www.trs.state.tx.us), under the TRS Publications heading, by calling the TRS Communications Department at 1-800-223-8778, or by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701.

*Funding Policy.* Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The state funding policy is as follows: (1) The state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10% of the aggregate annual compensation of all members of the system; (2) A state statute prohibits benefit improvements or contribution reductions 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. These rates are set by the General Appropriations Act. The State's on-behalf contribution is recorded as revenues and expenditures/expenses in the financial statements. In certain instances, the reporting district is required to make all or a portion of the state's and/or member's contribution and on the portion of the employees' salaries that exceeded the statutory minimum. Contribution rates and amounts are shown in the table below for the ten months ended June 30, 2013 and fiscal years ended August 31, 2012 and 2011: **(000's)**

<b>Contribution Rates and Contribution Amounts</b>						
<b>Year</b>	<b>Member</b>		<b>State</b>		<b>Statutory Minimum</b>	
	<b>Rate</b>	<b>Amount</b>	<b>Rate</b>	<b>Amount</b>	<b>Amount</b>	
6/30/2013	6.4%	\$ 6,581	6.400%	\$ 4,784	\$ 1,259	
8/31/2012	6.4%	7,970	6.000%	5,433	1,380	
8/31/2011	6.4%	8,166	6.644%	6,090	1,611	

**Money Purchase Pension Plan**

The District also sponsors a defined contribution pension plan, the Goose Creek Consolidated Independent School District Money Purchase Pension Plan, (the "Pension Plan") for all full-time employees with eligibility attained immediately upon employment with the District. The Pension Plan is administered by the District's Chief Financial Officer and a seven member Administrative Committee. The Trustees for the Pension Plan are the same as the Administrative Committee. The Board of Trustees of the School District have the sole right to amend the Pension Plan.

The District annually contributes an amount equal to 6.65% of participating employees' salaries (up to the Social Security wage base). For the ten months ended June 30, 2013, the District's contribution was \$3.9 million, funded from the general and special revenue funds.

Benefits provided are based solely on the amount contributed to a participant's account. Effective July 1, 2009, a participant is immediately 100% vested in his or her account on the date the participant becomes a member on the Pension Plan. The Pension Plan allows employees to make an annual election to participate in the Pension Plan or to receive the District's contribution as part of the employee's annual salary. The Pension Plan issues separate financial statements from the District. This annual financial report and other required disclosure information can be requested in writing from the Goose Creek Consolidated Independent School District Business Office, P.O. Box 30, Baytown, Texas 77522.

Although it has not expressed any intent to do so, the District has the right under the Pension Plan to discontinue its contributions at any time and to terminate the Pension Plan. In the event of the Pension Plan termination, the net assets of the Pension Plan would be distributed to participants and beneficiaries as prescribed by the Pension Plan document. In February 2013, the Board amended the Pension Plan whereby freezing all employer contributions effective July 1, 2013.

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**F. Litigation and Contingencies**

The District is a party to various legal actions none of which the Administration, based on consultation with its legal counsel, believes will have a material effect on the financial condition of the District. Accordingly, no provisions for gains or losses have been recorded in the accompanying government-wide or fund financial statements for contingencies.

The District participates in numerous state and federal grant programs governed by various rules and regulations of the grantor agencies. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. To the extent that the District has not complied with the rules and regulations governing the grants, if any, claims may be disallowed. Any disallowed claims, including amounts already collected, may constitute a liability of the District. In the opinion of the Administration, no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants exist; therefore, no provision has been recorded in the accompanying government-wide or fund financial statements.

**G. Shared Service Arrangements**

The District participates in the East Harris County Cooperative For Deaf Education Regional Day School Program For the Deaf, a Shared Service Arrangement (SSA), with 17 member Districts. The District is acting as the fiscal agent for the parties involved. This program is to provide a system of direct and supportive special education services to eligible hearing impaired students. Funding for this program is provided by the TEA and by the member districts at a per pupil cost of approximately \$9,411. In 2013, approximately 48% of the funding was from the state grant and 52% from the member districts. Revenue from the respective member districts, including the District's contribution, is as follows: **(000's)**

Anahuac ISD	\$	9
Barbers Hill ISD		19
Channelview ISD		114
Cleveland ISD		9
Crosby ISD		59
Dayton ISD		48
Deer Park ISD		114
Devers ISD		1
Galena Park ISD		230
Goose Creek CISD		228
Hardin ISD		1
Hull-Daisetta ISD		1
La Porte ISD		85
Liberty ISD		29
Pasadena ISD		595
Sheldon ISD		29
Tarkington ISD		-
	\$	1,571

As fiscal agent, the District is responsible for reporting all financial activities of the SSA. The District accounts for the activity in Special Revenue Fund #435. No fund balance accumulates in the SSA and there are no separately issued financial statements. The SSA is an annually renewable agreement.

**H. Outstanding Encumbrances**

The District utilizes encumbrance accounting in its governmental funds. Encumbrances represent commitments related to contracts not yet performed (executory contracts), and are used to control expenditures for the year and to enhance cash management. A school district often issues purchase orders or signs contracts for the purchase of goods and services to be received in the future. At the time

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

these commitments are made, which in its simplest form means that when a purchase order is prepared, the appropriate accounts are checked for available funds. If an adequate balance exists, the amount of the order is immediately charged to the account to reduce the available balance for control purposes.

Prior to the end of the year, every effort should be made to liquidate outstanding encumbrances. When encumbrances are outstanding at year end, the school district likely will honor the open purchase orders or contracts that support the encumbrances. For reporting purposes, outstanding encumbrances are not considered expenditures for the fiscal year, only a commitment to expend resources. If the school district allows encumbrances to lapse, even though it plans to honor encumbrances, the appropriations authority expires and the items represented by the encumbrances are usually reappropriated in the following year's budget. Open encumbrances at fiscal year are included in restricted, committed, or assigned fund balance, as appropriate.

At June 30, 2013, 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:

Encumbrances Included in the Following Fund Balance:

Fund	Restricted	Committed	Assigned	Total
General	\$ -	\$ -	\$ 1,734,203	\$ 1,734,203
Capital Projects	211,269	-	-	211,269
Other Governmental Funds	<u>62,052</u>	<u>15,003</u>	-	<u>77,055</u>
Total	<u>\$ 273,321</u>	<u>\$ 15,003</u>	<u>\$ 1,734,203</u>	<u>\$ 2,022,527</u>

**I. Related Organizations**

The Goose Creek CISD Education Foundation (“Foundation”), a non-profit entity which was organized in 2009 to provide funds for District teaching and education programs, is a “related organization” as defined by GASB Statement No. 61. The members of the Board of Directors of the Foundation serve without financial compensation.

**J. Instructional Materials Allotment**

In May 2011, Senate Bill 6, repealed the technology allotment used by Texas schools and created an Instructional Materials Allotment (IMA) for the purchase of instructional materials, technology equipment, and technology related services. Under the IMA, instructional material purchases must be made through TEA’s online requisition system. Instructional materials purchased from IMA totaling \$435,280 are recorded as revenues and expenditures/expenses in the financial statements.

**K. Prior Period Adjustment**

Due to the implementation of GASB Statement No. 65, beginning net position has been decreased by \$2,146,377 from \$187,773,032 to \$185,626,655. The difference represents a restatement for bond issue costs that were amortized under the prior standards but expensed in the period incurred under the new standards.

**L. Construction Commitments**

At June 30, 2013, the District had commitments under construction contracts totaling approximately \$70.5 million.

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**M. Subsequent Events**

In May 2013, District voters approved propositions 1 and 2 totaling \$267.54 million for school district improvements. In July 2013, the District issued Unlimited Tax Schoolhouse Bonds, Series 2013 totaling \$91,100,000. The bonds were issued at a premium of \$9,731,489 and issuance costs of \$831,489. The bonds bear interest from 2% to 5% and are due in annual installments ranging from \$695,000 to \$7,010,000 through February 15, 2038. Proceeds from the sale of the bonds, together with other available District funds, will be used (i) for the construction, acquisition and equipment of school facilities; (ii) for technology improvements to District facilities; (iii) for security to District facilities; and (iv) to pay costs of issuance related to the bonds.

The District has evaluated subsequent events through November 5, 2013, the date the financials were available to be issued.



## REQUIRED SUPPLEMENTARY INFORMATION

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GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE TEN MONTHS ENDED JUNE 30, 2013

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ 95,319,500	\$ 95,558,480	\$ 99,499,668	\$ 3,941,188
5800 State Program Revenues	70,595,000	70,595,000	64,128,748	(6,466,252)
5900 Federal Program Revenues	3,245,000	3,870,000	4,437,594	567,594
5020 Total Revenues	169,159,500	170,023,480	168,066,010	(1,957,470)
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	94,741,703	95,848,946	93,014,220	2,834,726
0012 Instructional Resources and Media Services	2,158,729	2,158,730	1,910,588	248,142
0013 Curriculum and Instructional Staff Development	2,060,175	2,071,428	1,740,273	331,155
0021 Instructional Leadership	3,331,909	3,492,525	2,340,998	1,151,527
0023 School Leadership	10,818,447	10,819,607	8,983,891	1,835,716
0031 Guidance, Counseling and Evaluation Services	5,928,864	5,939,547	5,427,286	512,261
0032 Social Work Services	631,520	631,520	487,069	144,451
0033 Health Services	1,656,807	1,656,799	1,525,008	131,791
0034 Student (Pupil) Transportation	7,357,137	7,357,137	6,377,599	979,538
0036 Extracurricular Activities	3,739,502	3,762,910	3,389,108	373,802
0041 General Administration	6,193,913	6,444,654	5,017,604	1,427,050
0051 Facilities Maintenance and Operations	23,408,766	24,519,796	19,124,016	5,395,780
0052 Security and Monitoring Services	1,680,068	3,086,714	1,523,951	1,562,763
0053 Data Processing Services	2,007,890	2,799,503	2,299,008	500,495
0061 Community Services	131,592	131,592	90,430	41,162
Debt Service:				
0071 Principal on Long Term Debt	500,000	500,000	-	500,000
0072 Interest on Long Term Debt	102,000	102,000	-	102,000
Capital Outlay:				
0081 Facilities Acquisition and Construction	1,029,330	7,814,065	3,911,850	3,902,215
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed.	34,000	34,000	6,100	27,900
0099 Other Intergovernmental Charges	1,022,148	1,022,148	860,738	161,410
6030 Total Expenditures	168,534,500	180,193,621	158,029,737	22,163,884
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	625,000	(10,170,141)	10,036,273	20,206,414
<b>OTHER FINANCING SOURCES (USES):</b>				
8911 Transfers Out (Use)	(625,000)	(1,785,000)	(1,643,436)	141,564
8949 Other (Uses)	-	(350,000)	-	350,000
7080 Total Other Financing Sources (Uses)	(625,000)	(2,135,000)	(1,643,436)	491,564
1200 Net Change in Fund Balances	-	(12,305,141)	8,392,837	20,697,978
0100 Fund Balance - September 1 (Beginning)	92,497,527	92,497,527	92,497,527	-
3000 Fund Balance - June 30 (Ending)	\$ 92,497,527	\$ 80,192,386	\$ 100,890,364	\$ 20,697,978

**GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE TEN MONTHS ENDED JUNE 30, 2013**

Compliance

**Budgetary Information**

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

Expenditures may not legally exceed budgeted appropriations at the function or activity level. Expenditure requests which would require an increase in total budgeted appropriations must be approved by the Trustees through formal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available or estimated revenues. State law also prohibits amendment of the budget after fiscal year end. Supplemental appropriations were made to the General Fund budget during the ten months ending June 30, 2013.

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

The official school budget was prepared for adoption for budgeted governmental fund types by June 30, 2013. The budget was adopted by the Board of Trustees at a duly advertised public meeting prior to the expenditure of funds. The final amended budget is filed with the Texas Education Agency (TEA) through inclusion in the comprehensive annual financial report.

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

COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES

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## Non-major Governmental Funds

### Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for particular purposes. Most, but not all, of these funds must be applied for through the Standard Application System (SAS).

- 211 **ESEA, Title I, Part A, Improving Basic Programs** – Provide supplemental educational opportunities to help economically disadvantaged children master state academic standards.
- 212 **ESEA, Title I, Part C, Migrant Program** – Develop programs to meet the special educational needs of children of migratory agricultural workers.
- 224 **IDEA, Title VI, Part B, Formula** – Provide instructional personnel, supplies, equipment and related services to students with disabilities.
- 225 **IDEA, Title VI, Part B, Preschool** – Provide instructional personnel, supplies, equipment and related services to preschool students with disabilities.
- 240 **Child Nutrition Program** – Support programs using federal reimbursement revenues from the United States Department of Agriculture (USDA).
- 244 **Career and Technical – Basic Grant** – Provide educational programs which allow students the opportunity to apply academic skills in a vocational setting.
- 255 **ESEA, Title II, Part A Teacher and Principal Training and Recruiting Fund** – To increase student 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.
- 263 **ESEA, Title III, LEP** – To improve the education of limited English proficient students.
- 265 **Title IV, Part B - 21st Century Community Learning** – Provide funds to rural and inner-city public schools to enable them to plan, implement or expand projects that benefit the educational, health, social services, cultural and recreational needs of the community.
- 289 **Title VI, Part A, Summer LEP Program** – Providing funding for summer program for students with limited English proficiency.
- 315 **SSA - IDEA-Part B, Discretionary Deaf** – To supplement the level of state and local funds for students with disabilities. This program serves several member districts including Goose Creek CISD.

## Non-major Governmental Funds

### Special Revenue Funds

- 316 **SSA - IDEA-Part B, Deaf** – To provide an equitable education to all students with disabilities. This program serves several member districts including Goose Creek CISD.
- 317 **SSA - IDEA-Part B, Preschool Deaf** – To supplement the level of state and local funds for three through five-year old students with disabilities. This program serves several member districts including Goose Creek CISD.
- 340 **SSA - IDEA-Part C, Early Intervention Deaf** – Provide funding for early intervention programs for infants and toddlers who are deaf.
- 397 **Advanced Placement Incentives** – Reward campuses for performance on the Advanced Placement and International Baccalaureate Examinations.
- 404 **Student Success Initiative** –To implement scientific, research-based programs for students who have been identified as unlikely to achieve the third grade TAKS reading standard by the end of the third grade.
- 410 **State Instructional Materials Fund** – To account for funds awarded to school districts under the textbook allotment.
- 429 **Read To Succeed** – Funds provided by state through the sale of specialty license plates for public school libraries and to strengthen campus reading programs.
- 435 **SSA – Regional Day School for the Deaf** – Provide funding for staff and activities of the Regional Day School for the Deaf. This program serves several member districts including Goose Creek CISD.
- 461 **Campus Activity Funds** – To account for transactions related to the principals’ activity funds.
- 482 **PEP Childcare Program** – Provide free childcare for children of Goose Creek students to enable them to remain in school.
- 484 **ExxonMobil Math Program** – To enhance the math program by providing funding for teacher training.
- 485 **Education Foundation** – An initiative to provide resources to enrich teaching, inspire learning, and provide opportunities for excellence in education.
- 487 **AVID Program** – Provide funding through Lee College from the GEAR UP Program to prepare first generation potential college students for entrance into higher education.



## Non-major Governmental Funds

### Special Revenue Funds

- 489 **State Energy Conservation Program** – LoneSTAR revolving loan program to provide funding for efficiencies in energy related consumption.
- 490 **Houston Endowment Inc.** – An initiative to increase the college going rate at Goose Creek CISD.
- 491 **Instructional Excellence Grant** – To help students develop skills necessary for a better understanding of mathematical concepts.
- 492 **ExxonMobil Science Program Donations** – To enhance the science program by providing funding for field trips for students and training for teachers.
- 493 **Houston A+ Challenge** – An initiative to provide administrators and teachers in schools and classrooms with the training and tools necessary to ensure that students achieve.
- 495 **Drop-Out Prevention Program** – To provide the opportunity for eligible students to recover lost credits who are at risk of losing credit due to excessive absences.
- 496 **Getting Attitudes Positive** – Provides after school and summer programs for students at all age levels.
- 499 **Local Funded Special Revenue Funds** – Locally funded special revenue funds not specified above.

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NON MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2013

Data Control Codes	211 ESEA Title I Part A, Imprv Basic Program	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
<b>ASSETS</b>				
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1240 Receivables from Other Governments	1,616,871	433,487	1,289,768	40,588
1260 Due from Other Funds	-	-	-	-
1290 Other Receivables	-	-	750	-
1300 Inventories	-	-	-	-
1000 Total Assets	<u>\$ 1,616,871</u>	<u>\$ 433,487</u>	<u>\$ 1,290,518</u>	<u>\$ 40,588</u>
<b>LIABILITIES</b>				
2110 Accounts Payable	\$ 14,487	\$ 3,618	\$ 13,160	\$ 22,420
2150 Payroll Deductions and Withholdings Payable	43,299	10,668	66,982	1,095
2160 Accrued Wages Payable	545,527	76,907	362,731	5,381
2170 Due to Other Funds	1,013,558	342,294	847,645	11,692
2300 Unearned Revenues	-	-	-	-
2000 Total Liabilities	<u>1,616,871</u>	<u>433,487</u>	<u>1,290,518</u>	<u>40,588</u>
<b>FUNDBALANCES</b>				
Nonspendable Fund Balance:				
3410 Inventories	-	-	-	-
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	-	-	-	-
3490 Other Restricted Fund Balance	-	-	-	-
Committed Fund Balance:				
3545 Other Committed Fund Balance	-	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities and Fund Balances	<u>\$ 1,616,871</u>	<u>\$ 433,487</u>	<u>\$ 1,290,518</u>	<u>\$ 40,588</u>

EXHIBIT G-1

240 Child Nutrition Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A EnglishLang. Acquisition	265 Title IV, B Community Learning	289 Title VI, Part A SummerLEP	315 SSA IDEA, Part B Discretionary	316 SSA IDEA, Part B Deaf
\$ 6,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
240,051	108,806	232,066	68,766	13,328	-	36,975	27,762
2,189,119	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
134,708	-	-	-	-	-	-	-
<u>\$ 2,570,730</u>	<u>\$ 108,806</u>	<u>\$ 232,066</u>	<u>\$ 68,766</u>	<u>\$ 13,328</u>	<u>\$ -</u>	<u>\$ 36,975</u>	<u>\$ 27,762</u>
\$ 8,889	\$ 42,504	\$ 3,052	\$ 8,712	\$ -	\$ -	\$ -	\$ 693
20,626	1,034	14,475	3,432	17	-	2,530	731
412,727	11,560	73,254	15,394	711	-	12,099	4,199
-	53,708	141,285	41,228	12,600	-	22,346	22,139
19,197	-	-	-	-	-	-	-
<u>461,439</u>	<u>108,806</u>	<u>232,066</u>	<u>68,766</u>	<u>13,328</u>	<u>-</u>	<u>36,975</u>	<u>27,762</u>
134,708	-	-	-	-	-	-	-
1,974,583	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>2,109,291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,570,730</u>	<u>\$ 108,806</u>	<u>\$ 232,066</u>	<u>\$ 68,766</u>	<u>\$ 13,328</u>	<u>\$ -</u>	<u>\$ 36,975</u>	<u>\$ 27,762</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NON MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2013

Data Control Codes	317 SSA - IDEA, B Preschool Deaf	340 SSA - IDEA C Deaf - Early Intervention	397 Advanced Placement Incentives	404 Student Success Initiative	
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1240	Receivables from Other Governments	5,486	-	-	64,872
1260	Due from Other Funds	-	-	39,739	-
1290	Other Receivables	-	-	-	-
1300	Inventories	-	-	-	-
1000	<b>Total Assets</b>	<u>\$ 5,486</u>	<u>\$ -</u>	<u>\$ 39,739</u>	<u>\$ 64,872</u>
<b>LIABILITIES</b>					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ -
2150	Payroll Deductions and Withholdings Payable	324	-	-	-
2160	Accrued Wages Payable	2,003	-	-	-
2170	Due to Other Funds	3,159	-	-	64,872
2300	Unearned Revenues	-	-	39,739	-
2000	<b>Total Liabilities</b>	<u>5,486</u>	<u>-</u>	<u>39,739</u>	<u>64,872</u>
<b>FUNDBALANCES</b>					
Nonspendable Fund Balance:					
3410	Inventories	-	-	-	-
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	-
3490	Other Restricted Fund Balance	-	-	-	-
Committed Fund Balance:					
3545	Other Committed Fund Balance	-	-	-	-
3000	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	<b>Total Liabilities and Fund Balances</b>	<u>\$ 5,486</u>	<u>\$ -</u>	<u>\$ 39,739</u>	<u>\$ 64,872</u>

EXHIBIT G-1

410 Instructional Materials Allotment	429 Read to Succeed	435 SSA Regional Day School - Deaf	461 Campus Activity Funds	482 PEP Childcare Program	484 ExxonMobil Math Program	485 Education Foundation Grants	487 AVID Program
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	914,067	-	-	-	129,261	-
207,854	1,931	-	1,136,312	18,371	2,134	-	28,977
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 207,854</u>	<u>\$ 1,931</u>	<u>\$ 914,067</u>	<u>\$ 1,136,312</u>	<u>\$ 18,371</u>	<u>\$ 2,134</u>	<u>\$ 129,261</u>	<u>\$ 28,977</u>
\$ 1,889	\$ -	\$ 48,400	\$ 29,079	\$ -	\$ -	\$ 4,958	\$ 16,422
-	-	7,866	-	605	-	-	-
-	-	290,025	-	9,417	-	-	-
-	-	164,951	-	4,372	-	76	-
205,965	1,931	402,825	-	-	2,134	-	12,555
<u>207,854</u>	<u>1,931</u>	<u>914,067</u>	<u>29,079</u>	<u>14,394</u>	<u>2,134</u>	<u>5,034</u>	<u>28,977</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	3,977	-	124,227	-
-	-	-	1,107,233	-	-	-	-
-	-	-	1,107,233	3,977	-	124,227	-
<u>\$ 207,854</u>	<u>\$ 1,931</u>	<u>\$ 914,067</u>	<u>\$ 1,136,312</u>	<u>\$ 18,371</u>	<u>\$ 2,134</u>	<u>\$ 129,261</u>	<u>\$ 28,977</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NON MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2013

Data Control Codes	489 State Energy Conservation Program	490 Houston Endowment	491 Instructional Excellence Grant	492 ExxonMobil Science Program	
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1240	Receivables from Other Governments	291,501	-	19,765	-
1260	Due from Other Funds	-	30,912	-	135,290
1290	Other Receivables	-	-	-	-
1300	Inventories	-	-	-	-
1000	<b>Total Assets</b>	<u>\$ 291,501</u>	<u>\$ 30,912</u>	<u>\$ 19,765</u>	<u>\$ 135,290</u>
<b>LIABILITIES</b>					
2110	Accounts Payable	\$ -	\$ -	\$ 513	\$ 6,000
2150	Payroll Deductions and Withholdings Payable	-	-	-	1
2160	Accrued Wages Payable	-	-	-	2,042
2170	Due to Other Funds	291,501	-	6,953	-
2300	Unearned Revenues	-	30,912	12,299	-
2000	<b>Total Liabilities</b>	<u>291,501</u>	<u>30,912</u>	<u>19,765</u>	<u>8,043</u>
<b>FUNDBALANCES</b>					
Nonspendable Fund Balance:					
3410	Inventories	-	-	-	-
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	-
3490	Other Restricted Fund Balance	-	-	-	127,247
Committed Fund Balance:					
3545	Other Committed Fund Balance	-	-	-	-
3000	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,247</u>
4000	<b>Total Liabilities and Fund Balances</b>	<u>\$ 291,501</u>	<u>\$ 30,912</u>	<u>\$ 19,765</u>	<u>\$ 135,290</u>

493 Houston A+ Challenge	495 Drop-out Prevention Program	496 Getting Attitudes Positive	499 Other Local Special Revenue Funds	Total Non-major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 6,852
-	40,250	-	-	5,573,670
1,400	53,889	113	143,112	3,989,153
-	-	-	-	750
-	-	-	-	134,708
<u>\$ 1,400</u>	<u>\$ 94,139</u>	<u>\$ 113</u>	<u>\$ 143,112</u>	<u>\$ 9,705,133</u>
\$ -	\$ 94,134	\$ -	\$ 369	\$ 319,299
-	5	113	-	173,803
-	-	-	-	1,823,977
-	-	-	-	3,044,379
1,400	-	-	-	728,957
<u>1,400</u>	<u>94,139</u>	<u>113</u>	<u>369</u>	<u>6,090,415</u>
-	-	-	-	134,708
-	-	-	-	1,974,583
-	-	-	142,743	398,194
-	-	-	-	1,107,233
<u>-</u>	<u>-</u>	<u>-</u>	<u>142,743</u>	<u>3,614,718</u>
<u>\$ 1,400</u>	<u>\$ 94,139</u>	<u>\$ 113</u>	<u>\$ 143,112</u>	<u>\$ 9,705,133</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NON MAJOR GOVERNMENTAL FUNDS  
 FOR THE TEN MONTHS ENDED JUNE 30, 2013

Data Control Codes	211 ESEA Title I Part A, Imprv Basic Program	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	4,055,168	819,352	2,975,005	65,908
5020 Total Revenues	<u>4,055,168</u>	<u>819,352</u>	<u>2,975,005</u>	<u>65,908</u>
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	2,588,151	545,104	2,582,763	65,670
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	434,454	3,544	4,370	-
0021 Instructional Leadership	4,567	227,267	196,878	-
0031 Guidance, Counseling and Evaluation Services	-	19,499	190,994	-
0032 Social Work Services	-	-	-	-
0033 Health Services	-	-	-	238
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	241	-	-
0061 Community Services	1,027,996	23,697	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	<u>4,055,168</u>	<u>819,352</u>	<u>2,975,005</u>	<u>65,908</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
7914 Non-Current Loans	-	-	-	-
7915 Transfers In	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



240 Child Nutrition Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	265 Title IV, B Community Learning	289 Title VI, Part A SummerLEP	315 SSA IDEA, Part B Discretionary	316 SSA IDEA, Part B Deaf
\$ 3,306,376	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
187,278	-	-	-	-	-	-	-
9,556,917	208,964	667,460	165,040	63,634	25,653	90,266	79,830
13,050,571	208,964	667,460	165,040	63,634	25,653	90,266	79,830
-	190,287	42,612	164,470	-	25,653	90,266	73,430
-	-	-	-	-	-	-	-
-	7,539	567,474	570	-	-	-	-
-	338	-	-	-	-	-	-
-	10,800	-	-	-	-	-	6,400
-	-	-	-	63,634	-	-	-
-	-	-	-	-	-	-	-
11,704,183	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	57,374	-	-	-	-	-
230,000	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
11,934,183	208,964	667,460	165,040	63,634	25,653	90,266	79,830
1,116,388	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,116,388	-	-	-	-	-	-	-
992,903	-	-	-	-	-	-	-
\$ 2,109,291	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE TEN MONTHS ENDED JUNE 30, 2013

Data Control Codes	317 SSA - IDEA, B Preschool Deaf	340 SSA - IDEA C Deaf - Early Intervention	397 Advanced Placement Incentives	404 Student Success Initiative
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	3,017	75,518
5900 Federal Program Revenues	13,639	3,041	-	-
5020 Total Revenues	<u>13,639</u>	<u>3,041</u>	<u>3,017</u>	<u>75,518</u>
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	13,639	3,041	1,496	75,518
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	-	1,521	-
0021 Instructional Leadership	-	-	-	-
0031 Guidance, Counseling and Evaluation Services	-	-	-	-
0032 Social Work Services	-	-	-	-
0033 Health Services	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0061 Community Services	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	<u>13,639</u>	<u>3,041</u>	<u>3,017</u>	<u>75,518</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
7914 Non-Current Loans	-	-	-	-
7915 Transfers In	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EXHIBIT G-2

410 Instructional Materials Allotment	429 Read to Succeed	435 SSA Regional Day School - Deaf	461 Campus Activity Funds	482 PEP Childcare Program	484 ExxonMobil Math Program	485 Education Foundation Grants	487 AVID Program
\$ -	\$ -	\$ 1,215,210	\$ 945,097	\$ 135,972	\$ 7,789	\$ 129,261	\$ 20,128
435,280	-	1,139,452	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>435,280</u>	<u>-</u>	<u>2,354,662</u>	<u>945,097</u>	<u>135,972</u>	<u>7,789</u>	<u>129,261</u>	<u>20,128</u>
435,280	-	2,244,385	-	-	6,573	4,789	5,378
-	-	-	-	-	-	245	-
-	-	1,963	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	108,314	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	946,033	-	1,216	-	14,750
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	185,806	-	-	-
-	-	-	-	-	-	-	-
<u>435,280</u>	<u>-</u>	<u>2,354,662</u>	<u>946,033</u>	<u>185,806</u>	<u>7,789</u>	<u>5,034</u>	<u>20,128</u>
-	-	-	(936)	(49,834)	-	124,227	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	(936)	(49,834)	-	124,227	-
-	-	-	1,108,169	53,811	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,107,233</u>	<u>\$ 3,977</u>	<u>\$ -</u>	<u>\$ 124,227</u>	<u>\$ -</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NON MAJOR GOVERNMENTAL FUNDS  
 FOR THE TEN MONTHS ENDED JUNE 30, 2013

Data Control Codes	489 State Energy Conservation Program	490 Houston Endowment	491 Instructional Excellence Grant	492 ExxonMobil Science Program	
<b>REVENUES:</b>					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ 45,176	\$ 38,000
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	-	-	-	-
5020	Total Revenues	<u>-</u>	<u>-</u>	<u>45,176</u>	<u>38,000</u>
<b>EXPENDITURES:</b>					
Current:					
0011	Instruction	-	-	39,148	24,386
0012	Instructional Resources and Media Services	-	-	-	-
0013	Curriculum and Instructional Staff Development	-	-	4,738	12,649
0021	Instructional Leadership	-	-	-	-
0031	Guidance, Counseling and Evaluation Services	-	-	-	-
0032	Social Work Services	-	-	-	-
0033	Health Services	-	-	-	-
0035	Food Services	-	-	-	-
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0061	Community Services	-	-	1,290	-
Capital Outlay:					
0081	Facilities Acquisition and Construction	<u>715,249</u>	<u>-</u>	<u>-</u>	<u>-</u>
6030	Total Expenditures	<u>715,249</u>	<u>-</u>	<u>45,176</u>	<u>37,035</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(715,249)</u>	<u>-</u>	<u>-</u>	<u>965</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
7914	Non-Current Loans	715,249	-	-	-
7915	Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
7080	Total Other Financing Sources (Uses)	<u>715,249</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net Change in Fund Balance	-	-	-	965
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>126,282</u>
3000	Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 127,247</u>

493 Houston A+ Challenge	495 Drop-out Prevention Program	496 Getting Attitudes Positive	499 Other Local Special Revenue Funds	Total Non-major Governmental Funds
\$ 6,100	\$ 40,250	\$ 126,425	\$ 291,000	\$ 6,306,784
-	-	-	-	1,840,545
-	-	-	-	18,789,877
<u>6,100</u>	<u>40,250</u>	<u>126,425</u>	<u>291,000</u>	<u>26,937,206</u>
-	-	-	224,367	9,446,406
-	-	-	11,903	12,148
-	-	-	10,204	1,049,026
-	-	-	-	429,050
6,100	-	-	1,821	343,928
-	265,810	126,425	-	455,869
-	-	-	-	238
-	-	-	-	11,704,183
-	-	-	-	961,999
-	-	-	-	57,374
-	-	-	-	230,241
-	-	-	1,157	1,239,946
-	-	-	-	715,249
<u>6,100</u>	<u>265,810</u>	<u>126,425</u>	<u>249,452</u>	<u>26,645,657</u>
-	(225,560)	-	41,548	291,549
-	-	-	-	715,249
-	225,560	-	-	225,560
-	225,560	-	-	940,809
-	-	-	41,548	1,232,358
-	-	-	101,195	2,382,360
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 142,743</u>	<u>\$ 3,614,718</u>

## **Proprietary Funds**

### **Internal Service Fund – District Print Shop**

The District's printing services were accounted for in the internal service fund using a cost reimbursement basis. The District's printing services include, but were not limited to, photocopying materials, supplies, and services. This fund was discontinued for the ten months ended June 30, 2013.

### **Internal Service Fund – Workers' Compensation**

The District's statutory workers' compensation obligations are accounted for in the internal service fund using a cost reimbursement basis. All funds within the District that expend resources for salaries and wages contribute a percentage to the workers' compensation program.

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2013

EXHIBITH-1

	752 Internal Service Fund Print Shop	773 Internal Service Fund Workers' Comp	Total Internal Service Funds
<b>ASSETS</b>			
Current Assets:			
Due from Other Funds	\$ -	\$ 5,645,605	\$ 5,645,605
Total Assets	<u>-</u>	<u>5,645,605</u>	<u>5,645,605</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	-	63,471	63,471
Accrued Expenses	-	1,429,116	1,429,116
Total Liabilities	<u>-</u>	<u>1,492,587</u>	<u>1,492,587</u>
<b>NET POSITION</b>			
Unrestricted	-	4,153,018	4,153,018
Total Net Position	<u>\$ -</u>	<u>\$ 4,153,018</u>	<u>\$ 4,153,018</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE TEN MONTHS ENDED JUNE 30, 2013

	752 Internal Service Fund Print Shop	773 Internal Service Fund Workers' Comp	Total Internal Service Funds
<b>OPERATING REVENUES:</b>			
Local and Intermediate Sources	\$ -	\$ 938,540	\$ 938,540
Total Operating Revenues	<u>-</u>	<u>938,540</u>	<u>938,540</u>
<b>OPERATING EXPENSES:</b>			
Payroll Costs	-	642,294	642,294
Supplies and Materials	15,704	-	15,704
Total Operating Expenses	<u>15,704</u>	<u>642,294</u>	<u>657,998</u>
Operating Income (Loss)	(15,704)	296,246	280,542
Total Net Position - September 1 (Beginning)	<u>15,704</u>	<u>3,856,772</u>	<u>3,872,476</u>
Total Net Position June 30 (Ending)	<u>\$ -</u>	<u>\$ 4,153,018</u>	<u>\$ 4,153,018</u>



GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE TEN MONTHS ENDED JUNE 30, 2013

	752	773	
	Internal	Internal	Total
	Service Fund	Service Fund	Internal
	Print Shop	Workers' Comp	Service Funds
<u>Cash Flows from Operating Activities:</u>			
Cash Received from User Charges	\$ -	\$ 938,540	\$ 938,540
Cash Payments for Insurance Claims	-	(532,354)	(532,354)
Net Cash Provided by Operating Activities	-	406,186	406,186
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Decrease (Increase) in Due From Other Funds	-	(5,645,605)	(5,645,605)
Net Decrease in Cash and Cash Equivalents	-	(5,239,419)	(5,239,419)
Cash and Cash Equivalents at Beginning of the Period	-	5,239,419	5,239,419
Cash and Cash Equivalents at End of the Period	\$ -	\$ -	\$ -
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided by Operating Activities:</u>			
Operating Income (Loss):	\$ (15,704)	\$ 296,246	\$ 280,542
Effect of Increases and Decreases in Current Assets and Liabilities:			
Decrease (increase) in Inventories	20,068	-	20,068
Increase (decrease) in Accounts Payable	(2,439)	26,394	23,955
Increase (decrease) in Accrued Wages Payable	(415)	-	(415)
Increase (decrease) in Due to Other Funds	(1,510)	-	(1,510)
Increase (decrease) in Accrued Expenses	-	83,546	83,546
Net Cash Provided by Operating Activities	\$ -	\$ 406,186	\$ 406,186

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND  
FOR THE TEN MONTHS ENDED JUNE 30, 2013

	BALANCE SEPTEMBER 1 2012	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30 2013
<b>STUDENT ACTIVITY ACCOUNT</b>				
Assets:				
Cash and Temporary Investments	\$ 536,715	\$ -	\$ 26,715	\$ 510,000
Due From Other Funds	-	66,580	-	66,580
Other Receivables	-	2,480	-	2,480
Total Assets	<u>\$ 536,715</u>	<u>\$ 69,060</u>	<u>\$ 26,715</u>	<u>\$ 579,060</u>
Liabilities:				
Accounts Payable	\$ 62,641	\$ 5,627	\$ -	\$ 68,268
Due to Student Groups	474,074	36,718	-	510,792
Total Liabilities	<u>\$ 536,715</u>	<u>\$ 42,345</u>	<u>\$ -</u>	<u>\$ 579,060</u>
<b>TOTAL AGENCY FUNDS</b>				
Assets:				
Cash and Temporary Investments	\$ 536,715	\$ -	\$ 26,715	\$ 510,000
Due From Other Funds	-	66,580	-	66,580
Other Receivables	-	2,480	-	2,480
Total Assets	<u>\$ 536,715</u>	<u>\$ 69,060</u>	<u>\$ 26,715</u>	<u>\$ 579,060</u>
Liabilities:				
Accounts Payable	\$ 62,641	\$ 5,627	\$ -	\$ 68,268
Due to Student Groups	474,074	36,718	-	510,792
Total Liabilities	<u>\$ 536,715</u>	<u>\$ 42,345</u>	<u>\$ -</u>	<u>\$ 579,060</u>

## COMPLIANCE SCHEDULES

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE  
 FOR THE TEN MONTHS ENDED JUNE 30, 2013

Last 10 Years	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2004 and prior years	Various	Various	\$ Various
2005	1.500000	0.183710	7,016,913,245
2006	1.500000	0.227500	7,508,776,945
2007	1.330000	0.265620	8,627,872,865
2008	1.000000	0.301960	8,532,304,585
2009	1.040000	0.242130	8,813,382,486
2010	1.040000	0.242130	8,363,261,562
2011	1.040000	0.262130	7,379,255,424
2012	1.040000	0.292130	7,754,582,202
2013 (School year under audit)	1.040000	0.292130	8,323,350,976
1000 TOTALS			

(10) Beginning Balance 9/1/2012	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2013
\$ 3,224,023	\$ -	\$ 78,620	\$ 10,394	\$ (283,650)	\$ 2,851,359
507,165	-	29,444	3,606	(14,260)	459,855
589,454	-	35,777	5,426	(12,674)	535,577
589,981	-	72,445	14,468	(3,538)	499,530
583,637	-	81,126	24,497	20,876	498,890
739,351	-	145,449	33,863	25,205	585,244
1,057,379	-	139,972	32,588	(54,955)	829,864
1,273,709	-	319,259	80,469	348,648	1,222,629
2,022,761	-	384,874	108,109	63,036	1,592,814
-	110,877,855	89,551,583	25,154,523	6,410,076	2,581,825
<u>\$ 10,587,460</u>	<u>\$ 110,877,855</u>	<u>\$ 90,838,549</u>	<u>\$ 25,467,943</u>	<u>\$ 6,498,764</u>	<u>\$ 11,657,587</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DELINQUENT TAXES RECEIVABLE  
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2013

Last 10 Years	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2004 and prior years	Various	Various	\$ Various
2005	1.500000	0.183710	7,016,913,245
2006	1.500000	0.227500	7,508,776,945
2007	1.330000	0.265620	8,627,872,865
2008	1.000000	0.301960	8,532,304,585
2009	1.040000	0.242130	8,813,382,486
2010	1.040000	0.242130	8,363,261,562
2011	1.040000	0.262130	7,379,255,424
2012	1.040000	0.292130	7,754,582,202
2013 (School year under audit)	1.040000	0.292130	8,323,350,976
1000 TOTALS			

(NOTE) The District changed its fiscal year end from August 31 to June 30. In the first year of implementaion, the District is required to include an additional schedule containing supplemental financial data reporting tax collections for the twelve-month period beginning September 1st and ending August 31st.

(10) Beginning Balance 9/1/2012	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2013
\$ 3,224,023	\$ -	\$ 87,654	\$ 11,568	\$ (280,589)	\$ 2,844,212
507,165	-	41,408	5,071	(13,537)	447,149
589,454	-	49,671	7,533	(12,033)	520,217
589,981	-	83,170	16,610	(3,171)	487,030
583,637	-	95,810	28,931	22,207	481,103
739,351	-	172,930	40,261	26,489	552,649
1,057,379	-	152,655	35,541	(73,789)	795,394
1,273,709	-	343,832	86,662	335,691	1,178,906
2,022,761	-	451,232	126,749	47,346	1,492,126
-	110,877,855	89,840,453	25,235,665	6,207,470	2,009,207
<u>\$ 10,587,460</u>	<u>\$ 110,877,855</u>	<u>\$ 91,318,815</u>	<u>\$ 25,594,591</u>	<u>\$ 6,256,084</u>	<u>\$ 10,807,993</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES FOR COMPUTATIONS OF INDIRECT COST FOR 2014-2015  
 GENERAL AND SPECIAL REVENUE FUNDS  
 FOR THE TEN MONTHS ENDED JUNE 30, 2013

**FUNCTION 41 AND RELATED FUNCTION 53 - GENERAL ADMINISTRATION, 99 - APPRAISAL DISTRICT COST**

Account Number	Account Name	1	2	3	4	5	6	7
		(702) School Board	(703) Tax Collections	(701) Supt's Office	(750) Indirect Cost	(720) Direct Cost	(other) Miscellaneous	Total
611X-6146	PAYROLL COSTS	\$ 50,323	\$ -	\$ 233,221	\$ 3,493,873	\$ -	\$ 273,842	\$ 4,051,259
6149	Leave for Separating Employees in Fn 41 & 53	-	-	-	78,444	-	-	78,444
6149	Leave - Separating Employees not in 41 & 53	-	-	-	-	-	-	-
6211	Legal Services	-	-	391,524	-	-	-	391,524
6212	Audit Services	-	-	-	100,750	-	-	100,750
6213	Tax Appraisal/Collection - Appraisal in Fn 99	-	860,738	-	-	-	-	860,738
6214	Lobbying	-	-	-	-	-	-	-
621X	Other Professional Services	-	-	-	-	-	-	-
6220	Tuition and Transfer Payments	-	-	-	-	-	-	-
6230	Education Service Centers	-	-	901	-	-	-	901
6240	Contr. Maint. and Repair	-	-	-	-	690,463	-	690,463
6250	Utilities	-	-	-	-	-	-	-
6260	Rentals	-	-	-	74,250	-	-	74,250
6290	Miscellaneous Contr.	1,336	-	296,633	274,150	-	95,246	667,365
6320	Textbooks and Reading	-	-	654	7,238	-	-	7,892
6330	Testing Materials	-	-	-	-	-	-	-
63XX	Other Supplies Materials	4,430	-	16,200	447,552	-	12,972	481,154
6410	Travel, Subsistence, Stipends	25,778	-	16,150	43,237	-	691	85,856
6420	Ins. and Bonding Costs	-	-	-	-	-	1,715	1,715
6430	Election Costs	49,773	-	-	-	-	-	49,773
6490	Miscellaneous Operating	13,559	-	36,061	165,519	-	176	215,315
6500	Debt Service	-	-	-	-	-	-	-
6600	Capital Outlay	-	-	-	-	-	45,541	45,541
6000	<b>TOTAL</b>	<b>\$ 145,199</b>	<b>\$ 860,738</b>	<b>\$ 991,344</b>	<b>\$ 4,685,013</b>	<b>\$ 690,463</b>	<b>\$ 430,183</b>	<b>\$ 7,802,940</b>

Total expenditures/expenses for General and Special Revenue Funds: (9) \$ 184,675,394

LESS: Deductions of Unallowable Costs

FISCAL YEAR

Total Capital Outlay (6600)	(10)	\$ 4,922,785
Total Debt & Lease(6500)	(11)	-
Plant Maintenance (Function 51, 6100-6400)	(12)	19,136,030
Food (Function 35, 6341 and 6499)	(13)	5,679,966
Stipends (6413)	(14)	-
Column 4 (above) - Total Indirect Cost		4,685,013

SubTotal: 34,423,794

Net Allowed Direct Cost \$ 150,251,600

CUMULATIVE

Total Cost of Buildings before Depreciation (1520)	(15)	\$ 485,011,291
Historical Cost of Building over 50 years old	(16)	-
Amount of Federal Money in Building Cost (Net of #16)	(17)	-
Total Cost of Furniture & Equipment before Depreciation (1530 & 1540)	(18)	\$ 2,958,149
Historical Cost of Furniture & Equipment over 16 years old	(19)	\$ 500,249
Amount of Federal Money in Furniture & Equipment (Net of #19)	(20)	\$ 968,221

(8) NOTE A: \$1,867,224 in Function 53 expenditures are included in this report on administrative costs.  
 \$860,738 in Function 99 expenditures for appraisal district costs are included in this report on administrative costs.



GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM  
 FOR THE TEN MONTHS ENDED JUNE 30, 2013

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ 4,448,101	\$ 4,448,101	\$ 3,306,376	\$ (1,141,725)
5800 State Program Revenues	241,034	241,034	187,278	(53,756)
5900 Federal Program Revenues	8,620,815	8,702,815	9,556,917	854,102
5020 Total Revenues	13,309,950	13,391,950	13,050,571	(341,379)
<b>EXPENDITURES:</b>				
0035 Food Services	13,309,120	13,192,324	11,704,183	1,488,141
0051 Facilities Maintenance and Operations	-	230,000	230,000	-
6030 Total Expenditures	13,309,120	13,422,324	11,934,183	1,488,141
1200 Net Change in Fund Balances	830	(30,374)	1,116,388	1,146,762
0100 Fund Balance - September 1 (Beginning)	992,903	992,903	992,903	-
3000 Fund Balance - June 30 (Ending)	\$ 993,733	\$ 962,529	\$ 2,109,291	\$ 1,146,762

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - DEBT SERVICE FUND  
 FOR THE TEN MONTHS ENDED JUNE 30, 2013

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
<b>REVENUES:</b>					
5700	Total Local and Intermediate Sources	\$ 24,830,000	\$ 24,650,000	\$ 26,430,452	\$ 1,780,452
5020	Total Revenues	24,830,000	24,650,000	26,430,452	1,780,452
<b>EXPENDITURES:</b>					
Debt Service:					
0071	Principal on Long Term Debt	10,459,148	10,459,148	9,285,000	1,174,148
0072	Interest on Long Term Debt	16,518,807	16,518,807	9,721,741	6,797,066
0073	Bond Issuance Cost and Fees	50,000	50,000	13,800	36,200
6030	Total Expenditures	27,027,955	27,027,955	19,020,541	8,007,414
1200	Net Change in Fund Balances	(2,197,955)	(2,377,955)	7,409,911	9,787,866
0100	Fund Balance - September 1 (Beginning)	26,142,292	26,142,292	26,142,292	-
3000	Fund Balance - June 30 (Ending)	\$ 23,944,337	\$ 23,764,337	\$ 33,552,203	\$ 9,787,866

# Statistical Section

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Goose Creek Consolidated Independent School District  
Baytown, Texas



For the Ten Months Ended June 30, 2013

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**Statistical Section  
(Unaudited)**

This section of the Goose Creek Independent School District’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information represents about the District’s overall financial health.

**Page**

**Financial Trends .....104**

These schedules include trend information to assist the reader in following the District’s financial performance and condition over a period of time.

**Revenue Capacity.....112**

These schedules contain information to help evaluate the District’s most significant local revenue source, the property tax.

**Debt Capacity .....117**

These schedules present information to assess the District’s current outstanding debt level. This information may also be useful in measuring the District’s ability to issue additional debt.

**Demographic and Economic Information .....122**

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

**Operating Information .....125**

These schedules contain service and infrastructure data to aid in evaluating how the information in the District’s comprehensive annual financial report relates to the services the District provides and the activities it performs.

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN YEARS  
(accrual basis of accounting)  
(Unaudited)

	8/31/2004	8/31/2005	8/31/2006	8/31/2007
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$ 70,707,109	\$ 77,423,136	\$ 77,913,026	\$ 96,245,296
Restricted for Federal and State Programs	1,463,735	1,686,245	1,872,374	2,341,517
Restricted for Debt Service	5,040,847	5,547,406	7,581,958	9,244,765
Restricted for Capital Projects	4,877,262	1,591,065	5,913,256	14,155,683
Restricted for Campus Activities	-	-	-	-
Restricted for Other Purposes	-	-	-	-
Unrestricted	37,586,468	44,133,997	49,418,265	42,660,731
Total Net Position	<u>\$ 119,675,421</u>	<u>\$ 130,381,849</u>	<u>\$ 142,698,879</u>	<u>\$ 164,647,992</u>

Source of Information: Goose Creek Consolidated Independent School District's Financial Statements

Due to the fiscal year change from August 31 to June 30 in 2013, balances for 2013 and future years will be reflected as June 30.

Net asset components for fiscal years prior to 2013 have been renamed to reflect GASB Statement No. 63 requirements for comparative purposes.

In 2013, the District implemented GASB Statement No. 65 "Items Previously Reported as Assets and Liabilities." The prior years were not restated.

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN YEARS  
(accrual basis of accounting)  
(Unaudited)

	8/31/2008	8/31/2009	8/31/2010	8/31/2011	8/31/2012	6/30/2013
\$	86,323,324	\$ 79,955,505	\$ 74,454,021	\$ 68,207,444	54,765,228	57,426,229
	2,429,343	2,287,044	1,656,564	1,444,526	992,903	2,109,291
	11,177,265	12,061,453	11,376,054	13,144,470	27,097,448	30,150,299
	-	-	-	-	-	-
	695,259	979,820	1,084,451	1,146,958	1,108,169	1,107,233
	-	-	3,143,215	501,859	281,288	398,194
	57,952,738	63,298,628	63,357,137	83,004,421	103,527,996	113,537,142
\$	<u>158,577,929</u>	<u>\$ 158,582,450</u>	<u>\$ 155,071,442</u>	<u>\$ 167,449,678</u>	<u>\$ 187,773,032</u>	<u>\$ 204,728,388</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN YEARS  
(accrual basis of accounting)  
(Unaudited)

	8/31/2004	8/31/2005	8/31/2006	8/31/2007
<b>Governmental Activities Expenses:</b>				
Instruction	\$ 80,177,907	\$ 83,497,576	\$ 91,014,357	\$ 95,065,297
Facilities Acquisition and Construction	2,158,703	1,167,709	2,467,645	5,100,836
Instructional Resources and Media Services	1,973,054	1,998,851	2,225,164	2,268,931
Curriculum and Staff Development	2,171,213	2,096,749	2,464,911	2,503,966
Instructional Leadership	2,264,063	2,493,783	2,760,728	2,834,236
School Leadership	7,769,557	8,170,274	8,458,796	8,743,692
Guidance, Counseling and Evaluation Services	5,609,766	5,699,537	6,040,698	5,000,160
Social Work Services	1,221,079	1,452,034	1,569,249	1,624,792
Health Services	1,154,843	1,219,890	1,297,163	1,306,277
Student (Pupil) Transportation	3,794,476	4,160,627	4,578,961	4,989,255
Food Services	7,559,900	8,367,789	8,697,947	9,444,275
Cocurricular/Extracurricular Activities	3,189,527	3,584,437	3,372,122	3,500,807
General Administration	5,243,188	5,464,038	5,687,757	5,876,011
Facilities Maintenance and Operations	17,618,636	17,809,802	21,213,744	23,058,584
Security and Monitoring Services	848,328	883,076	1,085,818	1,138,839
Data Processing Services	1,722,455	1,629,677	1,967,227	1,856,997
Community Services	1,101,771	1,333,553	1,275,851	1,311,456
Debt Service	7,587,243	7,351,963	11,266,698	15,683,646
Intergovernmental - Shared Service Arrangements	-	-	-	-
Intergovernmental - Juvenile Justice Alt Ed Prg	12,241	13,894	3,241	5,087
Intergovernmental - County Appraisal Districts	-	-	-	-
<b>Total Governmental Activities Expenses</b>	<b>\$ 153,177,949</b>	<b>\$ 158,395,259</b>	<b>\$ 177,448,077</b>	<b>\$ 191,313,144</b>
<b>Governmental Activities Program Revenues:</b>				
Charges for Services:				
Instruction	\$ 685,051	\$ 816,453	\$ 845,194	\$ 906,608
Instructional Leadership	49,680	66,444	77,151	59,935
School Leadership	12,578	12,036	9,493	-
Guidance, Counseling and Evaluation Services	16,272	20,739	30,032	135,169
Student (Pupil) Transportation	114,022	84,381	62,805	91,247
Food Services	2,587,612	2,638,536	2,784,555	3,129,619
Extracurricular Activities	649,510	649,002	187,638	235,932
General Administration	-	291,715	168,281	209,299
Facilities Maintenance & Operations	74,552	80,899	69,593	858,658
Data Processing Services	-	-	-	73,255
Community Services	125,777	144,429	151,885	-
Operating Grants and Contributions	22,877,022	25,044,534	29,869,558	27,076,734
<b>Total Governmental Activities Program Revenues</b>	<b>27,192,076</b>	<b>29,849,168</b>	<b>34,256,185</b>	<b>32,776,456</b>
<b>Total Governmental Activities Net Expenses</b>	<b>\$ (125,985,873)</b>	<b>\$ (128,546,091)</b>	<b>\$ (143,191,892)</b>	<b>\$ (158,536,688)</b>
<b>Governmental Activities General Revenues and Other</b>				
<b>Changes in Net Assets:</b>				
Property Taxes - General	102,750,036	107,276,830	113,259,667	115,373,738
Property Taxes - Debt Service	12,668,527	13,204,289	17,230,558	22,753,694
State Aid - Formula Grants	11,582,134	12,888,193	11,873,462	24,559,511
Grants and Contributions not Restricted	477,369	474,741	1,655,319	607,548
Investment Earnings	785,059	2,315,418	7,936,325	12,583,388
Miscellaneous	2,135,003	3,093,048	3,553,587	4,607,922
Special Item:				
Gain (loss) on Disposition of Capital Assets	(56,854)	-	-	-
<b>Total Governmental Activities General Revenues and Other</b>	<b>128,398,988</b>	<b>147,172,509</b>	<b>156,288,911</b>	<b>183,532,812</b>
<b>Changes in Net Assets</b>	<b>\$ 130,341,274</b>	<b>\$ 139,252,519</b>	<b>\$ 155,508,918</b>	<b>\$ 180,485,801</b>
<b>Changes in Net Assets</b>	<b>\$ 4,355,401</b>	<b>\$ 10,706,428</b>	<b>\$ 12,317,026</b>	<b>\$ 21,949,113</b>

Source of Information: Goose Creek Consolidated Independent School District's Financial Statements

Due to the fiscal year change there are ten months for the 2013 fiscal period.

In 2013, the District implemented GASB Statement No. 65 "Items Previously Reported as Assets and Liabilities." The prior years were not restated.



GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 CHANGES IN NET POSITION  
 LAST TEN YEARS  
 (accrual basis of accounting)  
 (Unaudited)

	8/31/2008	8/31/2009	8/31/2010	8/31/2011	8/31/2012	6/30/2013
\$	110,121,461	\$ 113,590,565	\$ 120,182,389	\$ 119,150,241	\$ 113,969,625	\$ 108,830,667
	6,171,671	729,185	-	-	-	-
	2,508,398	2,548,650	2,803,948	2,330,545	2,813,407	2,077,529
	2,819,730	2,558,346	2,863,752	2,441,088	2,611,455	2,948,114
	3,276,102	4,858,913	3,473,690	3,380,904	3,453,276	2,970,345
	10,576,520	11,221,000	11,809,372	11,366,458	11,069,528	9,638,123
	6,322,310	6,694,847	7,066,868	6,882,313	6,772,661	6,168,985
	1,518,986	1,294,189	1,237,309	1,083,403	1,085,807	1,018,330
	1,565,918	1,618,504	1,734,571	1,708,388	1,689,956	1,622,268
	6,119,006	5,774,167	6,773,261	6,785,717	7,007,457	6,798,741
	10,429,483	10,828,376	11,419,538	12,868,101	12,805,743	12,376,722
	3,802,916	4,714,827	5,272,188	4,940,612	4,841,872	4,609,787
	6,723,930	5,887,902	6,312,786	6,970,645	6,841,895	6,296,471
	26,892,771	27,100,297	28,022,912	23,814,240	25,260,819	21,265,038
	1,347,928	1,358,817	1,548,343	1,543,394	1,571,309	1,559,954
	2,135,838	2,114,207	2,212,660	2,115,301	2,032,208	2,391,926
	1,324,037	1,402,576	1,513,932	1,740,979	1,630,601	1,424,758
	17,587,872	14,596,632	15,234,934	15,078,247	13,821,849	11,225,510
	195,600	324,004	317,955	166,708	375,000	-
	22,340	8,779	4,506	13,355	900	6,100
	-	1,037,957	1,006,628	-	-	-
\$	<u>221,462,817</u>	<u>220,262,740</u>	<u>230,811,542</u>	<u>224,380,639</u>	<u>219,655,368</u>	<u>203,229,368</u>
\$	1,321,782	\$ 1,390,298	\$ 1,475,167	\$ 1,566,228	\$ 1,261,531	\$ 1,262,537
	40,810	88,132	45,105	-	-	-
	-	-	-	-	-	-
	40,810	44,066	90,209	-	-	-
	-	63,177	152,160	120,707	-	113,601
	3,361,950	3,302,714	3,432,050	3,094,851	3,129,428	3,299,688
	205,216	226,140	250,113	1,515,241	1,219,805	1,141,668
	225,552	211,979	211,042	-	269,824	-
	396,873	428,278	547,142	52,801	59,583	81,953
	-	-	-	-	-	-
	162,964	185,123	199,870	-	158,544	140,539
	28,981,161	31,496,481	38,527,389	39,740,211	33,772,035	27,454,602
	34,737,118	37,436,388	44,930,247	46,090,039	39,870,750	33,494,588
\$	<u>(186,725,699)</u>	<u>(182,826,352)</u>	<u>(185,881,295)</u>	<u>(178,290,600)</u>	<u>(179,784,618)</u>	<u>(169,734,780)</u>
	88,985,560	97,749,888	90,820,085	80,662,393	89,812,714	92,571,600
	26,920,116	22,706,494	21,111,355	20,365,552	24,873,945	25,705,442
	50,013,133	51,200,913	62,822,847	82,076,154	74,130,858	59,089,766
	726,072	1,542,580	1,530,490	2,365,003	3,566,205	3,677,262
	8,763,643	3,642,065	1,124,782	815,806	918,457	938,809
	4,865,551	5,951,310	4,960,728	4,383,928	6,805,793	6,853,634
	381,561	37,623	-	-	-	-
\$	<u>180,655,636</u>	<u>182,830,873</u>	<u>182,370,287</u>	<u>190,668,836</u>	<u>200,107,972</u>	<u>188,836,513</u>
\$	<u>(6,070,063)</u>	<u>4,521</u>	<u>(3,511,008)</u>	<u>12,378,236</u>	<u>20,323,354</u>	<u>19,101,733</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN YEARS  
 (modified accrual basis of accounting)  
 (Unaudited)

	8/31/2004	8/31/2005	8/31/2006	8/31/2007	8/31/2008
<b>General Fund:</b>					
Nonspendable	\$ 1,074,631	\$ 948,670	\$ 615,473	\$ 706,393	\$ 492,590
Restricted	-	-	-	-	-
Committed	-	-	11,000,000	21,500,000	11,500,000
Assigned	1,050,669	931,293	1,597,550	2,860,979	2,381,982
Unassigned	36,483,752	45,890,010	42,874,423	50,795,209	54,509,908
<b>Total General Fund</b>	<b><u>\$ 38,609,052</u></b>	<b><u>\$ 47,769,973</u></b>	<b><u>\$ 56,087,446</u></b>	<b><u>\$ 75,862,581</u></b>	<b><u>\$ 68,884,480</u></b>
<b>All Other Governmental Funds:</b>					
<b>Debt Service Fund:</b>					
Restricted	\$ 5,040,847	\$ 5,547,406	\$ 7,581,958	\$ 9,244,765	\$ 11,177,265
<b>Total Debt Service Fund</b>	<b><u>\$ 5,040,847</u></b>	<b><u>\$ 5,547,406</u></b>	<b><u>\$ 7,581,958</u></b>	<b><u>\$ 9,244,765</u></b>	<b><u>\$ 11,177,265</u></b>
<b>Capital Projects Funds</b>					
Nonspendable	\$ -	\$ -	\$ 1,558,595	\$ 1,749,072	\$ 895,778
Assigned	-	-	-	-	-
Restricted	4,877,262	52,462,012	152,181,570	127,830,407	58,774,409
<b>Total Capital Projects Funds</b>	<b><u>\$ 4,877,262</u></b>	<b><u>\$ 52,462,012</u></b>	<b><u>\$ 153,740,165</u></b>	<b><u>\$ 129,579,479</u></b>	<b><u>\$ 59,670,187</u></b>
<b>Special Revenue Funds</b>					
Nonspendable	\$ 19,946	\$ -	\$ -	\$ -	\$ -
Restricted	812,461	1,114,493	1,252,362	1,779,657	2,429,343
Committed	631,330	571,752	620,012	561,860	695,259
<b>Total Special Revenue Funds</b>	<b><u>\$ 1,463,737</u></b>	<b><u>\$ 1,686,245</u></b>	<b><u>\$ 1,872,374</u></b>	<b><u>\$ 2,341,517</u></b>	<b><u>\$ 3,124,602</u></b>
<b>Total All Other Governmental Funds</b>	<b><u>\$ 11,381,846</u></b>	<b><u>\$ 59,695,663</u></b>	<b><u>\$ 163,194,497</u></b>	<b><u>\$ 141,165,761</u></b>	<b><u>\$ 73,972,054</u></b>

Source of Information: Goose Creek Consolidated Independent School District's Financial Statements

This statement was updated August 31, 2011 in accordance with Fund Balance classifications per GASB 54,

accordingly, fiscal years 2004-2010 were restated.

Changes in Fund Balances are explained in Management Discussion and Analysis section of this CAFR.

Due to the fiscal year change from August 31 to June 30 in 2013, balances for 2013 and future years will be reflected as of June 30.

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN YEARS  
 (modified accrual basis of accounting)  
 (Unaudited)

8/31/2009	8/31/2010	8/31/2011	8/31/2012	6/30/2013
\$ 432,498	\$ 458,669	\$ 391,744	\$ 1,392,732	\$ 2,061,963
-	-	-	-	25,046,886
11,500,000	5,500,000	10,500,000	18,500,000	17,500,000
8,932,480	21,511,356	543,799	2,901,274	1,734,203
43,742,066	33,075,340	65,990,802	69,703,521	54,547,312
<u>\$ 64,607,044</u>	<u>\$ 60,545,365</u>	<u>\$ 77,426,345</u>	<u>\$ 92,497,527</u>	<u>\$ 100,890,364</u>
<u>\$ 12,061,453</u>	<u>\$ 11,416,815</u>	<u>\$ 13,209,898</u>	<u>\$ 26,142,292</u>	<u>\$ 33,552,203</u>
<u>\$ 12,061,453</u>	<u>\$ 11,416,815</u>	<u>\$ 13,209,898</u>	<u>\$ 26,142,292</u>	<u>\$ 33,552,203</u>
\$ 154,534	\$ -	\$ -	\$ -	\$ -
10,012,500	-	-	-	-
<u>23,131,293</u>	<u>22,051,196</u>	<u>14,741,785</u>	<u>1,329,057</u>	<u>789,191</u>
<u>\$ 33,298,327</u>	<u>\$ 22,051,196</u>	<u>\$ 14,741,785</u>	<u>\$ 1,329,057</u>	<u>\$ 789,191</u>
\$ -	\$ 277,123	\$ 217,458	\$ 157,811	\$ 134,708
5,287,044	4,522,656	1,728,927	1,116,380	2,372,777
979,820	1,084,451	1,146,958	1,108,169	1,107,233
<u>\$ 6,266,864</u>	<u>\$ 5,884,230</u>	<u>\$ 3,093,343</u>	<u>\$ 2,382,360</u>	<u>\$ 3,614,718</u>
<u>\$ 51,626,644</u>	<u>\$ 39,352,241</u>	<u>\$ 31,045,026</u>	<u>\$ 29,853,709</u>	<u>\$ 37,956,112</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN YEARS  
 (modified accrual basis of accounting)  
 (unaudited)

	8/31/2004	8/31/2005	8/31/2006	8/31/2007
<b>Revenues:</b>				
Local:				
Property Tax	\$ 114,405,998	\$ 119,620,627	\$ 128,804,398	\$ 137,029,670
Other	8,783,771	11,320,840	16,681,391	25,712,801
Total Local Revenue	123,189,769	130,941,467	145,485,789	162,742,471
State Revenue	19,967,995	21,324,881	21,221,561	34,724,002
Federal Revenue	14,675,259	17,130,594	22,118,729	17,462,191
Total Revenues	157,833,023	169,396,942	188,826,079	214,928,664
<b>Expenditures By Function:</b>				
Current:				
Instruction	76,404,946	79,399,622	86,077,644	88,463,419
Instructional Resources and Media Services	1,857,006	1,880,380	2,037,909	2,182,094
Curriculum and Instructional Staff Development	2,099,160	2,021,804	2,371,284	2,377,460
Instructional Leadership	2,159,260	2,390,130	2,573,473	2,641,585
School Leadership	7,310,200	7,689,106	7,897,030	8,041,012
Guidance, Counseling and Evaluation Services	5,305,839	5,392,120	5,666,188	4,649,060
Social Work Services	1,195,526	1,425,325	1,569,249	1,581,410
Health Service	1,086,833	1,147,535	1,203,536	1,198,959
Student (Pupil) Transportation	3,570,640	4,177,923	4,298,079	4,598,414
Food Services	7,550,442	8,389,569	8,697,947	9,539,103
Extracurricular Activities	3,031,071	3,399,173	3,192,692	3,297,300
General Administration	4,935,868	5,143,144	5,410,794	5,417,826
Facilities Maintenance And Operations	16,857,759	17,421,546	20,210,190	22,221,406
Security and Monitoring Services	798,186	849,336	1,031,841	1,061,847
Data Processing Services	1,636,958	2,071,542	2,049,972	1,759,137
Community Services	1,101,394	1,333,180	1,275,851	1,311,062
Debt Service:				
Principal on Long Term Debt	12,327,020	6,070,685	5,095,000	7,040,000
Interest on Long Term Debt	6,550,314	7,065,322	10,955,355	15,482,019
Bond Issuance Cost and Fees	418	853,057	1,189,116	497,475
Capital Outlay:				
Facilities Acquisition and Construction	10,065,469	14,464,769	24,381,625	96,940,788
Intergovernmental Charges	11,511	13,062	3,241	5,087
Total Expenditures	165,855,820	172,598,330	197,188,016	280,306,463
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,022,797)	(3,201,388)	(8,361,937)	(65,377,799)
<b>Other Financing Sources (Uses):</b>				
Refunding Bonds Issued	-	31,425,000	19,715,000	-
Bonds Issued	-	60,000,000	115,620,000	62,440,000
Sale of Real and Personal Property	52,000	77,857	52,161	50,210
Non-Current Loans	-	-	-	-
Transfers In	7,781,113	383,301	365,340	1,150,481
Premium or Discount on Issuance of Bonds	-	4,036,912	5,303,943	559,992
Prepaid Interest	-	-	411,900	73,996
Transfers Out (Use)	(7,870,639)	(400,726)	(365,340)	(1,150,481)
Payment to Bond Refunding Escrow Agent (Use)	-	(34,601,490)	(20,924,760)	-
Other Uses	(288,631)	(244,727)	-	-
Total Other Financing Sources (Uses)	(326,157)	60,676,127	120,178,244	63,124,198
Net Change in Fund Balances	\$ (8,348,954)	\$ 57,474,739	\$ 111,816,307	\$ (2,253,601)
Debt Service as a percentage of NonCapital Expenditures	12.00%	8.89%	9.92%	12.32%

Source of Information: Goose Creek Consolidated Independent School District's Financial Statements

This table includes all governmental fund types of the Goose Creek Consolidated Independent School District. Expenditure classifications are in accordance with those prescribed by the Texas Education Agency.

Due to the fiscal year change there are ten months for the 2013 fiscal period.

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN YEARS  
 (modified accrual basis of accounting)  
 (unaudited)

8/31/2008	8/31/2009	8/31/2010	8/31/2011	8/31/2012	6/30/2013
\$ 116,446,720	\$ 119,096,988	\$ 110,808,234	\$ 99,857,358	\$ 106,266,574	\$ 114,706,106
21,212,536	16,197,017	14,359,890	17,670,089	17,101,032	17,532,802
137,659,256	135,294,005	125,168,124	117,527,447	123,367,606	132,238,908
61,005,773	62,807,640	72,920,041	91,014,162	84,549,679	65,969,293
18,685,490	21,426,639	29,960,685	30,699,593	26,632,075	23,227,471
217,350,519	219,528,284	228,048,850	239,241,202	234,549,360	221,435,672
97,216,978	104,544,789	110,973,691	111,679,795	105,967,515	102,460,626
2,209,757	2,364,191	2,556,079	2,231,061	2,739,130	1,922,736
2,587,087	2,428,312	2,694,606	2,275,454	2,429,209	2,789,299
2,897,931	3,199,037	3,196,572	3,151,501	3,212,282	2,770,048
9,191,572	10,352,578	10,705,244	10,595,214	10,297,017	8,983,891
5,593,492	6,227,209	6,557,904	6,415,330	6,300,016	5,771,214
1,457,020	1,248,678	1,167,778	1,009,891	1,010,032	942,938
1,354,761	1,493,244	1,571,776	1,592,469	1,572,019	1,525,246
5,482,629	5,562,601	6,137,460	8,084,940	7,653,234	6,377,599
10,429,483	10,895,279	11,419,538	12,016,360	12,107,858	11,704,183
3,485,232	4,577,368	4,887,617	4,613,791	4,518,068	4,351,107
5,841,823	5,498,949	5,736,959	5,642,376	5,480,258	5,074,978
26,195,723	25,219,413	26,017,983	23,417,411	23,622,317	19,420,592
1,269,871	1,290,214	1,504,718	1,461,973	1,465,129	1,865,486
2,164,273	2,766,856	2,030,098	1,971,772	1,890,386	2,299,008
1,322,881	1,402,126	1,513,263	1,622,849	1,516,806	1,330,376
6,398,541	6,470,797	6,735,662	10,860,000	9,610,000	9,285,000
19,651,105	18,448,585	18,588,211	14,760,242	14,639,327	9,721,741
258,025	33,249	1,240,971	12,910	579,449	13,800
82,591,545	29,544,538	17,869,692	3,846,136	7,244,987	6,178,975
217,940	1,370,740	1,329,089	1,112,230	1,326,393	866,838
287,817,669	244,938,753	244,434,911	228,373,705	225,181,432	205,655,681
(70,467,150)	(25,410,469)	(16,386,061)	10,867,497	9,367,928	15,779,991
13,290,000	-	-	-	51,050,000	-
-	-	-	-	-	-
547,377	37,623	15,500	-	-	-
-	-	-	-	4,141,875	715,249
6,455,360	6,362,027	5,529,349	10,269,988	13,383,442	1,643,436
648,615	-	-	-	9,699,676	-
6,567	-	-	-	120,746	-
(9,198,516)	(7,612,027)	(4,758,911)	(10,112,682)	(13,365,712)	(1,643,436)
(13,750,746)	-	-	-	(60,518,090)	-
(1,703,315)	-	(735,959)	(2,451,038)	-	-
(3,704,658)	(1,212,377)	49,979	(2,293,732)	4,511,937	715,249
\$ (74,171,808)	\$ (26,622,846)	\$ (16,336,082)	\$ 8,573,765	\$ 13,879,865	\$ 16,495,240
12.69%	11.72%	11.78%	11.60%	11.22%	9.56%

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
PROPERTY TAX RATES PER \$100 OF ASSESSED VALUE  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN YEARS  
(Unaudited)

Taxing Entity	8/31/2004	8/31/2005	8/31/2006	8/31/2007
Baytown, City of	\$ 0.73703	\$ 0.73703	\$ 0.73703	\$ 0.73703
Cedar Bayou Park UD	0.19500	0.17500	0.17500	0.17500
Chambers County	0.48080	0.46687	0.49679	0.49679
Chambers County ID #1	0.19000	0.19000	0.19000	0.19000
Chambers County MUD #1	0.82000	0.82000	0.82000	0.80500
Goose Creek CISD	1.68371	1.72750	1.59562	1.30196
Harris County WCID #1	0.30000	0.28500	0.28000	0.28000
Harris County FWSD #1A	0.50000	0.50000	0.50000	0.50000
Harris County FWSD #27	0.62000	0.65500	0.65500	0.63000
Harris County	0.39986	0.39986	0.40239	0.39239
Harris County Hospital District	0.19021	0.19216	0.19216	0.19216
Harris County Department of Education	0.00629	0.00630	0.00600	0.00585
Harris County Flood Control District	0.03318	0.03322	0.03241	0.03106
Harris County Port of Houston Authority	0.01673	0.01474	0.01302	0.01437
Lake MUD	0.67000	0.67000	0.67000	0.67000
Lee College District	0.20841	0.20680	0.20200	0.20678
Spring Meadows MUD	1.25000	1.25000	1.25000	1.25000
	<u>\$ 8.30122</u>	<u>\$ 8.32948</u>	<u>\$ 8.21742</u>	<u>\$ 7.87839</u>

Source of Information: Harris and Chambers County Appraisal Districts

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
PROPERTY TAX RATES PER \$100 OF ASSESSED VALUE  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN YEARS  
(Unaudited)

	8/31/2008	8/31/2009	8/31/2010	8/31/2011	8/31/2012	6/30/2013
\$	0.78703	\$ 0.78703	\$ 0.78703	\$ 0.78703	\$ 0.82203	\$ 0.82203
	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000
	0.49679	0.49679	0.49679	0.49679	0.49679	0.49679
	0.42000	0.60000	0.62000	0.62000	0.60000	0.60000
	0.80500	0.80500	0.80500	0.94000	0.98000	0.98000
	1.28213	1.28213	1.30213	1.30213	1.33213	1.33213
	0.25000	0.25000	0.25000	0.25000	0.25000	0.23000
	0.50000	0.50000	0.55000	0.55000	0.55000	0.55000
	0.62000	0.62000	0.67500	0.67500	0.67500	0.73500
	0.38923	0.39224	0.38805	0.38805	0.39117	0.40021
	0.19216	0.19216	0.19216	0.19216	0.19216	0.18216
	0.00605	0.00605	0.00658	0.00658	0.00658	0.00662
	0.03086	0.02922	0.02923	0.02923	0.02809	0.02809
	0.01773	0.01636	0.20540	0.20540	0.18560	0.01952
	0.67000	0.67000	0.67000	0.67000	0.67000	0.70000
	0.20588	0.22120	0.25200	0.25200	0.25200	0.24100
	<u>1.23000</u>	<u>1.23000</u>	<u>1.21000</u>	<u>1.21000</u>	<u>1.21000</u>	<u>1.21000</u>
\$	<u>8.00286</u>	<u>\$ 8.19818</u>	<u>\$ 8.53937</u>	<u>\$ 8.67437</u>	<u>\$ 8.74155</u>	<u>\$ 8.63355</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS  
 (Unaudited)

Year Ended	Actual/Appraised Value (1)			Less: Exemptions	Total Assessed/Taxable Value*	Total Direct Tax Rate (2)	Assessed/Taxable Value as a Percentage of Actual/Appraised Value
	Real Property	Personal Property	Total Property				
8/31/2004	7,176,049,487	664,383,336	7,840,432,823	1,046,776,579	6,793,656,244	1.6837	87%
8/31/2005	7,420,376,158	669,510,693	8,089,886,851	957,683,621	7,132,203,230	1.6837	88%
8/31/2006	7,793,016,349	803,533,702	8,596,550,051	1,012,657,026	7,583,893,025	1.7275	88%
8/31/2007	8,847,629,781	861,610,074	9,709,239,855	1,188,810,429	8,520,429,426	1.5956	88%
8/31/2008	9,977,982,381	1,152,172,749	11,130,155,130	2,166,282,123	8,963,873,007	1.3020	81%
8/31/2009	10,052,310,137	1,345,488,446	11,397,798,583	2,323,726,668	9,074,071,915	1.2821	80%
8/31/2010	9,616,603,691	1,256,531,033	10,873,134,724	2,053,550,562	8,819,584,162	1.2821	81%
8/31/2011	8,570,541,301	1,571,145,165	10,141,686,466	2,189,723,734	7,951,962,732	1.3021	78%
8/31/2012	8,169,010,660	1,916,540,624	10,085,551,284	2,230,345,324	7,855,205,960	1.3321	78%
6/30/2013	8,554,718,523	2,207,243,861	10,761,962,384	2,343,904,535	8,418,057,849	1.3321	78%

\* Source: Harris and Chambers County (Texas) Appraisal Districts annually provide the District's Tax Office with appraised values for properties within the District's taxing authority. Appraised value equals actual value. Actual value less exemptions equals taxable/assessed value. Taxable/assessed value times the tax rate set by the District's Board of Trustees equals the tax levy.

(1) Represents original certified appraised value which are subject to change after protests and preliminary values are certified.

(2) Tax rates are per \$100 of assessed value



GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 PRINCIPAL PROPERTY TAXPAYERS  
 CURRENT YEAR AND NINE PREVIOUS YEARS  
 (Unaudited)

Taxpayer	Type Of Property	Tax Year 2012 Assessed Value (1)	Rank	Percent of Total Value	Tax Year 2003 Assessed Value (1)	Rank	Percent of Total Value
ExxonMobil	Oil Refining, Storage, & Chemical Plant	\$ 2,388,903,017	1	28.38%	\$ 2,211,637,360	1	32.55%
Bayer Material Science	Chemical Plant	1,063,811,500	2	12.64%	1,170,444,820	2	17.23%
Chevron Chemical	Petro Chemical Plant	549,829,250	3	6.53%	436,543,780	3	6.43%
Wal-Mart Stores, Inc.	Retail	227,239,041	4	2.70%	-	-	-
NRG Texas Power LLC	Generation, Electric Power	165,475,285	5	1.97%	-	-	-
Baytown Energy Center LP	Oil & Gas Production	101,233,394	6	1.20%	-	-	-
Air Products	Hydrogen Production	69,235,210	8	0.82%	-	-	-
First Chemical Texas LLP	Chemical Plant	67,309,811	7	0.80%	40,615,730	8	0.60%
JSW Steel USA Inc.	Manufacturing	64,543,588	9	0.77%	-	-	-
IPSCO Koppel Tubulars Corp	Manufacturing	59,319,598	10	0.70%	-	-	-
Home Depot	Retail	-	10	0.00%	66,290,010	6	-
Center Point Energy	Electric Utility	-	-	-	72,808,160	5	1.07%
Calpine Energy Group	Oil & Gas Production	-	-	-	182,843,960	4	2.69%
Eldorado Nitrogen	Chemical Plant	-	-	-	45,535,090	7	0.67%
Texas Brine Corporation	Chemical Plant	-	-	-	35,082,100	9	0.52%
Verizon Southwest	Communications	-	-	-	30,401,400	10	0.45%
Totals		<u>4,756,899,694</u>		56.51%	<u>4,292,202,410</u>		62.20%
Total Assessed Value Goose Creek CISD (1)		<u>\$ 8,418,057,849</u>			<u>\$ 6,793,656,244</u>		

Source of Information: District Tax Office

(1) See *Assessed Value and Actual Value of Taxable Property* Schedule

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS  
(Unaudited)

Tax Roll and Levy Year	Year Ended	Adjusted Tax Levy for the Fiscal Year	Collected Within the Fiscal Year of the Levy			Total Collections to Date	
			Amount	Percentage of Net Tax Levy	Collections in Subsequent Years	Amount	Percent of Total Tax Collections to Net Tax Levy
2003	8/31/2004	114,385,470	112,278,698	98.16%	2,034,758	114,313,456	99.94%
2004	8/31/2005	120,085,619	117,831,391	98.12%	1,794,373	119,625,764	99.62%
2005	8/31/2006	131,011,752	127,060,727	96.98%	3,415,448	130,476,175	99.59%
2006	8/31/2007	135,953,676	133,555,293	98.24%	1,898,853	135,454,146	99.63%
2007	8/31/2008	116,706,041	114,312,947	97.95%	1,894,204	116,207,151	99.57%
2008	8/31/2009	119,588,025	117,154,457	97.97%	1,848,324	119,002,781	99.51%
2009	8/31/2010	111,630,204	109,346,635	97.95%	1,453,705	110,800,340	99.26%
2010	8/31/2011	102,304,814	100,196,865	97.94%	885,321	101,082,186	98.80%
2011	8/31/2012	108,289,335	106,266,574	98.13%	429,946	106,696,520	98.53%
2012	6/30/2013	117,287,931	114,706,106	97.80%	-	114,706,106	97.80%

Source of Information: Schedule of Delinquent Taxes Receivable, General Ledger

Due to the fiscal year change there are ten months for the 2013 fiscal period.

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
RATIO OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS  
(Unaudited)

Year Ended	General Obligation Debt (2)	Capital Leases	Loans Payable	Total Primary Government	Percentage of Debt to Assessed Value (1)	Debt Per Capita (3)	Debt Per Student (3)	Percentage of Debt to Personal Income (3)
8/31/2004	145,420,000	45,686	210,000	\$ 145,675,686	2.14%	1,609	8,217	11.64%
8/31/2005	199,500,000	-	105,000	\$ 199,605,000	2.80%	2,193	11,060	15.86%
8/31/2006	309,010,000	-	-	\$ 309,010,000	4.07%	3,379	16,674	20.20%
8/31/2007	364,410,000	-	-	\$ 364,410,000	4.28%	3,964	19,562	24.22%
8/31/2008	357,856,459	-	-	\$ 357,856,459	3.99%	3,874	19,034	18.97%
8/31/2009	351,385,662	-	-	\$ 351,385,662	3.87%	3,785	18,425	21.02%
8/31/2010	344,650,000	-	-	\$ 344,650,000	3.91%	3,694	17,845	21.45%
8/31/2011	333,790,000	-	-	\$ 333,790,000	4.20%	3,369	16,907	20.90%
8/31/2012	321,710,000	-	4,141,875	\$ 325,851,875	4.15%	3,215	16,294	19.94%
6/30/2013	312,425,000	-	4,857,124	\$ 317,282,124	3.77%	2,933	15,743	18.19%

Source of Information: Goose Creek Consolidated Independent School District's Financial Statements

(1) See *Assessed Value and Actual Value of Taxable Property* schedule

(2) See *Schedule of Bonds*

(3) See *Demographic and Economic Statistics* schedule for details on population, student data and personal income

Due to the fiscal year change there are ten months for the 2013 fiscal period.

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS  
(Unaudited)

	8/31/2004	8/31/2005	8/31/2006	8/31/2007
Debt Limit	\$ 679,365,624	\$ 713,220,323	\$ 758,389,302	\$ 852,042,943
Total Net Debt Applicable to Limit	<u>140,379,153</u>	<u>193,952,594</u>	<u>301,428,042</u>	<u>355,165,235</u>
Legal Debt Margin	<u>\$ 538,986,471</u>	<u>\$ 519,267,729</u>	<u>\$ 456,961,260</u>	<u>\$ 496,877,708</u>
Total Net Debt Applicable to the limit as a percentage of debt limit	20.66%	27.19%	39.75%	41.68%

The debt limit percentage is in accordance with the Codification of Governmental Accounting and Financial Reporting Standards (Cod. Sec. 2800.103).

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN YEARS  
 (Unaudited)

8/31/2008	8/31/2009	8/31/2010	8/31/2011	8/31/2012	6/30/2013
\$ 896,387,301	\$ 907,407,192	\$ 881,958,416	\$ 795,196,273	\$ 785,520,596	\$ 841,805,785
<u>346,679,194</u>	<u>339,324,209</u>	<u>333,233,185</u>	<u>320,580,102</u>	<u>295,567,708</u>	<u>292,433,191</u>
<u>\$ 549,708,107</u>	<u>\$ 568,082,983</u>	<u>\$ 548,725,231</u>	<u>\$ 474,616,171</u>	<u>\$ 489,952,888</u>	<u>\$ 549,372,594</u>
38.68%	37.39%	37.78%	40.31%	37.63%	34.74%

**Legal Debt Margin Calculation for 2013**

Assessed/Taxable Value 2012	\$ 8,418,057,849
Debt Limit Percent of Assessed Value	<u>10%</u>
Amount of Debt Applicable to Debt Limit	841,805,785
Total Bonded Debt	\$ 325,985,394
Less Amounts Available for Retirement of Bonds	<u>33,552,203</u>
Amount of Debt Applicable to Debt Limit	<u>292,433,191</u>
Legal Debt Margin	<u>\$ 549,372,594</u>

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
RATIO OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING  
LAST TEN YEARS  
(Unaudited)

Year Ended	Schoolhouse and Refunding Bonds Outstanding	Less Reserve Available for Retirement of Debt	Net Bonded Debt Outstanding at Year End	Percentage of Bonded Debt to Actual Property Value (1)	Net Bonded Debt Per Student (2)
8/31/2004	145,420,000	5,040,847	140,379,153	1.79%	7,918
8/31/2005	199,500,000	5,547,406	193,952,594	2.40%	10,747
8/31/2006	309,010,000	7,581,958	301,428,042	3.51%	16,264
8/31/2007	364,410,000	9,244,765	355,165,235	3.66%	19,066
8/31/2008	357,856,459	11,177,265	346,679,194	3.11%	18,439
8/31/2009	351,385,662	12,061,453	339,324,209	2.98%	17,793
8/31/2010	344,650,000	11,416,815	333,233,185	3.06%	17,253
8/31/2011	333,790,000	13,209,898	320,580,102	3.16%	16,237
8/31/2012	321,710,000	26,142,292	295,567,708	2.93%	14,780
6/30/2013	325,985,394	33,552,203	292,433,191	3.47%	14,510

Source of Information: Goose Creek Consolidated Independent School District's Financial Statements

(1) See *Assessed Value and Actual Value of Taxable Property* Schedule

(2) See *Demographic* and *Operating* Sections for student data

Due to the fiscal year change there are ten months for the 2013 fiscal period.

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT  
JUNE 30, 2013

(Unaudited)

Governmental Unit	Debt Outstanding	As of	Percentage Overlapping (1)	Estimated Overlapping Debt
Baytown, City of	\$ 190,480,000	6/30/2013	100.00%	\$ 190,480,000
Chambers County *	9,190,000	6/30/2013	34.15%	3,138,385
Chambers County ID #1	34,860,000	6/30/2013	96.26%	33,556,236
Chambers County MUD #1	10,120,000	6/30/2013	100.00%	10,120,000
Harris County *	2,345,417,190	6/30/2013	2.14%	50,191,928
Harris County Department of Education	7,605,000	6/30/2013	2.14%	162,747
Harris County Flood Control District	96,470,000	6/30/2013	2.14%	2,064,458
Harris County FWSD #1-A	420,000	6/30/2013	100.00%	420,000
Harris County FWSD #27	1,315,000	6/30/2013	100.00%	1,315,000
Harris County WCID #1	2,215,000	6/30/2013	100.00%	2,215,000
Lake MUD	11,285,000	6/30/2013	100.00%	11,285,000
Lee College District	50,235,000	6/30/2013	100.00%	50,235,000
Port of Houston Authority	731,969,397	6/30/2013	2.14%	15,664,145
Spring Meadows MUD	16,030,000	6/30/2013	100.00%	16,030,000
				<u>386,877,899</u>
				<u>325,985,394</u>
				<u>\$ 712,863,293</u>

Source: The Municipal Advisory Council of Texas.

\* Goose Creek CISD is located in both Harris and Chambers County.

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

(1) The percentage of overlapping debt is estimated using assessed/taxable property values. Percentages were estimated by determining the portion of the overlapping tax authority's assessed/taxable value that is within the District's boundaries and dividing it by the overlapping taxing authority's total assessed/taxable value.

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 DEMOGRAPHIC AND  
 ECONOMIC STATISTICS  
 LAST TEN YEARS  
 (Unaudited)

Fiscal Year	Estimated Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Unemployment Rate (3)				Percentage of Students in Free/Reduced Lunch Program (4)	Average Daily Attendance (4)
				Harris County	Chambers County	Texas	United States		
8/31/2004	90,555	1,252,013,463	13,826	6.20%	6.20%	6.00%	5.40%	61.52%	17,729
8/31/2005	91,008	1,258,273,530	13,826	5.40%	6.60%	5.30%	4.90%	63.77%	18,047
8/31/2006	91,463	1,529,571,318	16,723	5.10%	5.50%	5.00%	4.70%	67.57%	18,533
8/31/2007	91,920	1,504,705,356	16,370	4.30%	4.80%	4.30%	4.60%	73.46%	18,628
8/31/2008	92,380	1,886,824,864	20,425	5.20%	6.00%	5.30%	6.10%	65.74%	18,801
8/31/2009	92,841	1,671,629,784	18,005	8.20%	9.90%	8.00%	9.60%	65.76%	19,071
8/31/2010	93,306	1,606,961,280	17,223	8.60%	9.20%	8.30%	9.50%	76.63%	19,314
8/31/2011	99,072	1,597,377,346	16,123	8.50%	9.40%	8.20%	9.00%	70.71%	19,743
8/31/2012	101,369	1,634,412,793	16,123	7.00%	8.40%	7.00%	8.10%	72.08%	19,998
6/30/2013	108,176	1,744,164,767	16,123	6.80%	7.50%	6.90%	7.60%	73.47%	20,154

(1) Years 2002- 2010 based on 2000 U.S. Census Data and increased .5% each year thereafter; 2011-2013 based on annual Census Data

(2) Years 2005-2011 based on U.S. Census Bureau/American Community Survey annual data; 2003 & 2004 estimated from 2005 data, 2012 estimated from 2011 data, and 2013 estimated from 2013 data.

(3) Bureau of Labor Statistics

(4) Free/Reduced Lunch Program and Average Daily Attendance information obtained from Texas Education Agency Summary of Finance



GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 PRINCIPAL EMPLOYERS  
 CURRENT YEAR AND NINE YEARS PREVIOUS  
 (unaudited)

Employer	2013			2004		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Exxon Mobil-Baytown Complex	3,785	1	12.20%	2,130	2	7.62%
Goose Creek Consolidated ISD	3,012	2	9.71%	2,400	1	8.59%
San Jacinto Methodist Hospital	1,687	3	5.44%	1,377	3	4.93%
Bayer, Inc	1,100	4	3.55%	830	4	2.97%
JSW Steel	800	5	2.58%	-	-	-
Chevron Phillips Chemical Company	685	6	2.21%	200	10	0.72%
Wal-Mart Distribution	600	7	1.93%	-	-	-
Home Depot Distribution Center	325	8	1.05%	-	-	-
TMK-IPSCO	245	9	0.79%	-	-	-
Exel Logistics	200	10	0.64%	-	-	-
City of Baytown	-	-	-	300	7	1.07%
Kroger	-	-	-	250	9	0.89%
Kellogg Brown & Root	-	-	-	350	5	1.25%
Lee College	-	-	-	345	6	1.23%
May Department Stores Company	-	-	-	250	8	0.89%
	<u>12,439</u>		<u>40.11%</u>	<u>8,432</u>		<u>28.21%</u>

Source of information : West Chambers County Economic Development Corp. and Baytown Chamber of Commerce

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION  
 LAST TEN YEARS  
 (unaudited)

	8/31/2004	8/31/2005	8/31/2006	8/31/2007	8/31/2008	8/31/2009	8/31/2010	8/31/2011	8/31/2012	6/30/2013
Instruction	1,381	1,419	1,305	1,513	1,578	1,649	1,692	1,733	1,621	1,645
Instructional Resources and Media Services	30	30	27	29	29	33	32	29	26	29
Curriculum and Instructional Staff Development	12	12	13	17	17	16	16	16	20	30
Instructional Leadership	40	37	34	41	43	49	56	48	58	57
School Leadership	158	162	161	173	176	191	200	195	189	189
Guidance, Counseling and Evaluation Services	96	94	94	69	75	81	83	79	77	77
Social Work Services	10	10	9	11	11	11	10	11	10	10
Health Services	22	24	23	24	24	26	27	27	27	27
Student (Pupil) Transportation	129	133	132	132	149	156	166	166	161	147
Food Services	137	136	129	137	154	162	169	171	165	163
Extracurricular Activities	17	13	24	27	23	29	32	32	28	28
General Administration	51	50	55	55	55	50	59	61	59	60
Facilities Maintenance and Operations	214	214	222	236	246	256	269	287	260	263
Security and Monitoring Services	12	13	13	14	16	18	18	18	19	17
Data Processing Services	20	20	19	19	20	21	21	21	21	41
Community Services	19	23	18	22	23	21	22	23	20	18
Facilities Acquisition and Construction	4	2	3	5	5	4	4	5	5	4
Grand Total	<u>2,352</u>	<u>2,391</u>	<u>2,281</u>	<u>2,522</u>	<u>2,642</u>	<u>2,773</u>	<u>2,875</u>	<u>2,920</u>	<u>2,766</u>	<u>2,805</u>

Source: TASBO

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 OPERATING STATISTICS  
 LAST TEN YEARS  
 (Unaudited)

Year Ended	Operating Expenditures (1)	Average Daily Attendance	Cost Per Student ADA	Government Wide Expenses	Cost Per Student ADA	Teaching Staff (2)	Student to Teacher Ratio (2)
8/31/2004	138,492,116	17,729	7,812	153,177,949	8,640	1,217	15.70
8/31/2005	143,406,877	18,047	7,946	158,395,259	8,777	1,228	15.70
8/31/2006	156,566,823	18,533	8,448	177,448,077	9,575	1,130	17.80
8/31/2007	163,758,829	18,628	8,791	191,313,144	10,270	1,298	15.50
8/31/2008	181,023,461	18,801	9,628	221,462,817	11,779	1,343	15.10
8/31/2009	187,881,323	19,071	9,852	220,262,740	11,550	1,423	14.40
8/31/2010	198,862,589	19,314	10,296	230,811,542	11,950	1,463	14.50
8/31/2011	195,410,475	19,743	9,898	224,380,639	11,365	1,476	14.30
8/31/2012	191,326,920	19,998	9,567	219,655,368	10,984	1,354	15.89
6/30/2013	179,876,893	20,154	8,925	203,229,368	10,084	1372	15.90

Source: District records and Texas Education Agency

(1) Operating expenditures are total expenditures less debt service and capital outlay (to the extent capitalized for the government-wide statement of net assets) and expenditures for capitalized assets included within the functional expenditures categories.

(2) Teacher information and Student/Teacher Ratio obtained from Texas Association of School Business Officials (TASBO's) eFACTS+

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
TEACHER SALARY DATA  
LAST TEN YEARS  
(unaudited)

Year Ended	Average Years Experience of Teachers	District Average Teacher Salary	Education Region Average Teacher Salary	State Average Teacher Salary
8/31/2004	12.30	42,455	42,531	40,478
8/31/2005	11.70	43,463	43,107	41,011
8/31/2006	11.60	44,793	43,852	41,744
8/31/2007	11.00	46,992	46,675	44,897
8/31/2008	11.00	48,953	48,053	46,179
8/31/2009	11.00	50,698	49,186	47,159
8/31/2010	10.70	50,503	50,129	48,263
8/31/2011	10.80	51,360	50,616	48,638
8/31/2012	11.02	51,045	50,383	48,375
6/31/2013	10.71	53,490	49,907	48,638

Source: 2004 - 2012 from TEA Academic Excellence Indicator System Staff Information Teachers

GOOSE CREEK CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
INSTRUCTIONAL BUILDING DATA  
JUNE 30, 2013  
(Unaudited)

Instructional Facility	Year of Construction	Square Feet	Instructional Capacity	Final 12-13 Enrollment	Final 11-12 Enrollment
<u>High Schools:</u>					
Robert E. Lee	1930	392,391	2,319	1,433	1,507
Ross S. Sterling	1966	405,788	2,408	2,200	2,156
Goose Creek Memorial High School	2008	370,000	1,800	1,725	1,669
Impact Early College	(2)	(2)	(2)	283	190
Peter Hyland Center	2010	29,000	(1)	118	149
Point Alternative Learning Center	2003	25,000	(1)	48	65
Stuart Career Center	1973	34,066	(1)	(1)	(1)
High Point and JJAEP High School	n/a	n/a	n/a	15	12
<u>Junior Highs:</u>					
Baytown Junior High	1982	153,230	825	776	771
Cedar Bayou Junior High	2002	176,730	1,024	994	1,025
Gentry Junior High	1980	147,958	803	957	991
Highlands Junior High	2008	111,072	675	1,094	1,065
Horace Mann Junior High	1994	151,839	975	917	890
Point Alternative Learning Center	2003	25,000	(1)	36	27
High Point and JJAEP High School	n/a	n/a	n/a	5	6
<u>Elementaries:</u>					
Alamo Elementary	1980	77,252	584	612	582
Ashbel Smith Elementary	1994	95,000	782	800	804
Austin Elementary	1994	110,785	807	969	963
Bowie Elementary	2008	64,686	705	823	833
Carver Elementary	2002	96,196	811	706	714
Crockett Elementary	1981	66,170	618	691	661
DeZavala Elementary	1992	94,953	807	749	748
Harlem Elementary	1992	94,953	807	885	1,001
Highlands Elementary	1992	94,953	807	903	835
Hopper Primary	1980	58,778	551	574	525
Lamar Elementary	1994	95,000	807	848	776
San Jacinto Elementary	1982	69,513	553	563	563
Travis Elementary	2002	96,196	811	900	835
Victoria Walker Elementary	2007	96,799	825	939	996
Total			21,104	21,563	21,359

Source: District records, GCCISD May 2013 Membership Reports

Note: The District utilized temporary buildings which provided additional classrooms at schools where enrollment exceeded building capacity.

(1) Alternative Learning Program, Special Education, Guidance Center, Stuart Career Center are considered programs rather than campuses. Students enrolled in these programs are reported in PEIMS data according to their home campus.

(2) Impact Early College began in the 10-11 & is located within Lee College Campus.

# Goose Creek C.I.S.D. District Map

