



2016

Comprehensive Annual
FINANCIAL REPORT

For fiscal year ended August 31, 2016

Northside Independent School District
San Antonio, Texas

NORTHSIDE INDEPENDENT SCHOOL DISTRICT

San Antonio, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended August 31, 2016

BOARD OF SCHOOL TRUSTEES

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M'Lissa M. Chumbley	Vice-President
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Prepared by the Office of
Business and Finance

David Rastellini
Deputy Superintendent
Business and Finance

Wesley Scott
Assistant Superintendent
Budget and Finance

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INTRODUCTORY SECTION

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT
August 31, 2016

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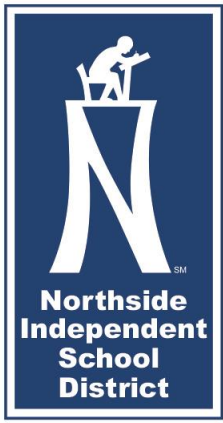
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January 24, 2017

Mrs. Katie Reed, President
Members of the Board of School Trustees
Northside Independent School District
San Antonio, Texas

Dear Mrs. Reed and Board Members:

David Rastellini

Deputy Superintendent
Business and Finance

The Texas Education Code requires that all school districts file and publish a complete set of financial statements with the Texas Education Agency ("TEA") within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with accounting principles generally accepted in the United States of America. The financial statements must be audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Pursuant to these requirements, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the Northside Independent School District ("District" or "Northside") for the year ended August 31, 2016.

This report consists of management's representations concerning the financial condition and operations of the District. Accordingly, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to help protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Padgett Stratemann, L.L.P., a firm of licensed certified public accountants, has audited the financial statements of the District. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended August 31, 2016 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the District's basic financial statements for the fiscal year ended August 31, 2016 are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with emphasis on the administration of federal awards. These reports are presented as part of the CAFR's Federal Awards Section.

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The Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis ("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 Independent Auditor's Report.

PROFILE OF THE DISTRICT

Established in 1949 by the consolidation of 12 rural schools, today, the District is the fourth largest school system in Texas. The District is located in the rapidly growing northwest quadrant of Bexar County and includes portions of Medina and Bandera counties and the City of San Antonio. The District includes 355 square miles of urban landscape, suburban growth, and rural Texas hill country.

Northside is known as the "Destination District" because enrollment is growing by an average of 1,500-2,000 students per year and has reached 105,550 students for 2016-17. The District prides itself on its diversity. Student demographics for 2015-16 are: 68.2% Hispanic, 19.1% White, 6.4% African American, 3.1% Asian, 0.2% Native American, 0.2% Native Hawaiian/Pacific Islander, and 2.8% of two or more races. About 49 percent of students are considered economically disadvantaged.

Residents of the District elect members of the Board of Trustees to four-year terms from each of seven single-member districts. The Trustee seats are up for election on a rotating basis on the second Saturday in May. Vacancies may be filled by appointment until the next election. Trustees elect Board officers, including President, Vice President, and Secretary. The Trustees serve the citizens of San Antonio's largest school system without compensation.

The District provides a full range of educational services for grade levels Pre-K through 12, in addition to educational programs that begin at infancy for some children and extend through age 22 for others. These programs include regular and enriched academic education, special education for students with disabilities, occupational and vocational education, bilingual instruction for students with limited English proficiency, and specialized instruction for economically disadvantaged students.

Academically talented students may seek challenges in, pre-Advanced Placement, Advanced Placement, and dual credit courses in English, Mathematics, Social Studies, and Science and other subjects in grades 6-12. In addition, students may study five different foreign languages. The District provides programs for gifted students in a variety of settings in grades K-12 that focus on the development of higher-level and cognitive thinking skills.

The District offers five magnet programs that provide specialized curricula and career-oriented classes for students. The programs include Health Careers, Business Careers, and Communications Arts high schools, and Construction Careers and Jay Science and Engineering academies.

In addition, the District is committed to life-long education and offers one of the largest adult and community education programs in Bexar County, as well as numerous outreach programs for students in special circumstances (i.e., teenage mothers, at-risk students, dropouts, and the homeless). More than 37,000 people are served by the Adult and Community Education Department, which also offers career advancement and Learning Tree after school care programs, and operates one of the largest summer education programs in San Antonio.

District Accomplishments

- Northside students consistently score above the state average on the State's standardized tests in Reading, Writing, Mathematics, Science and Social Studies. In the Spring of 2012, the Texas Assessment of Knowledge and Skills was replaced by the State of Texas Assessments of Academic Readiness (STAAR). In addition, beginning in 2012-2013, schools in Texas were rated under the new accountability system. In 2016 (the latest year the Texas Education Agency issued ratings), all of the District's 106 campuses earned a "Met Standard" rating and 61 received at least one Distinction Designation.

- Northside teachers and administrators are consistently recognized at local, state, and national levels. Teresita Villa, a Kuentz ES fourth grade teacher, received the Region 20 Teacher of the Year Award. This marks the seventh consecutive year that NISD claimed this award. Carol Hudson, Brauchle Elementary School Kindergarten teacher, was awarded the 2016 Trinity Prize for Excellence in Teaching. Jackie Aguirre, dance teacher at Brandeis HS, was the inaugural winner of the Texas Dance Educators Association's Dance Educator of the Year Award. Dr. Jenny Ostos, a teacher at Jay Science and Engineering Academy, was a recipient of the INSIGHT Into Diversity magazine's 100 Inspiring Women in STEM Award. The Texas Caucus of Black School Board Members named Amber Darden, a Jones Middle School Academy teacher, their association's Texas Educator of the Year. This group also named Dana Gilbert-Perry, Principal of Vale Middle School, their Texas Administrator of the Year.
- Northside district leaders were also recognized for accomplishments, The Texas Music Educators Association (TMEA) chose David Cain, supervisor of vocal music for NISD, as the 2016 Music Administrator of the Year. Monica Faulkenberry, Assistant Director of Communications, received the 2016 Professional Achievement Award from the Texas School Public Relations Association (TSPRA). TSPRA also awarded several state Star Awards to Communications Department staff, including Julie Ann Matonis, Laurie Salazar, Keith Van Prooyen, and Michael Tristan. David Rastellini, Deputy Superintendent for Business and Finance, was awarded the Financial Reporting Achievement Award by the Government Finance Officers Association (GFOA). The GFOA also recognized Northside ISD with the Certificate of Achievement for Excellence in Financial Reporting, the highest form of recognition in the area of government accounting and financial reporting. 2016 marked the 23rd year in a row that NISD has received this designation.
- Northside ISD proudly recognized two campuses, Murnin Elementary and Peace Middle School, for being named National PTA Schools of Excellence by the National PTA.

Innovative Initiatives

- Northside ISD is committed to use of relevant and effective instructional technology. Through the iPad for Educators incentive, NISD provided an iPad for every professional member along with professional development and training. The initiative has provided an effective tool for educators when accessing TEKS-aligned content as well as increasing student engagement.
- Northside ISD is committed to providing students quality fine art instruction. In 2016, NISD was selected for a Best Communities for Music Education designation by the National Association of Music Merchants (NAMM) Foundation.

Community Support

- Since 1995, voters have approved \$3.1 billion in bonds to build new schools and make improvements to existing schools. In May 2014, Northside voters approved a \$648.34 million bond election, making it the seventh consecutive bond election voters have passed. Fifty-five percent of the District's \$648.34 million bond authorization will fund improvements to existing schools.
- The Northside Education Foundation (Foundation) was created in 1995. The mission of the Foundation is to foster community involvement in innovative educational programs by generating and disbursing funds and other resources to provide enrichment for students of the Northside Independent School District. The Foundation was recently recognized as one of the Top 50 Education Foundations in the Nation and has an endowment of \$4.4 million.

Financial Stewardship

- The District is average in local tax commitment, above average in percent of budget devoted to instruction, below average in wealth-per-student, and among the lowest in administrative cost-per student.
- The District has one of the lowest tax rates among Bexar County's 16 school districts. Even with budget reductions and the issuance of new debt, the District did not increase its tax rate.

OUR MISSION

The Northside Independent School District and our community will provide innovative, high-quality, diverse learning experiences for all students in an ever-changing world.

OUR BELIEFS

- We believe public education is a bridge to creating productive members of society.
- We believe every individual is entitled to an emotionally and physically safe and respectful learning environment.
- We believe each student deserves equal and equitable access to a quality education.
- We believe a commitment to student success is a shared responsibility among students, parents, educators, and the community.
- We believe students learn best when they are active participants in their own learning.
- We believe the more connected families are in the educational process, the more successful the student will be.
- We believe meaningful relationships among parents, educators, and the community foster student success.
- We believe core academics, the arts, career & technology, electives, and extracurricular activities are crucial to a well-rounded education.
- We believe schools create conditions that prepare students to be critical thinkers and problem solvers.

FACTORS AFFECTING FINANCIAL CONDITION

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

Introduction

The District is located in the heart of a rapidly growing area in Bexar County. The District's appeal to families is due to factors such as excellent teachers, strong academics, and outstanding extracurricular programs. The District facilities provide functionality with aesthetically pleasing facades. As a family-friendly District, our emphasis is on children and families. The District also places great emphasis on a high quality work force and an employee-family culture.

Population

There are an estimated 627,000 people residing in the District and about 210,000 households. Enrollment in the District has been steadily growing since the 1990s, and is currently increasing by about 1,000-1,500 students per year. Northside is the largest of 16 school districts in Bexar County.

San Antonio is the 7th largest city in the United States and boasts one of the fastest growing metropolitan areas. Bexar County population exceeded 1.7 million in the 2010 census, representing a 23% increase since 2000. This growth rate is also typical for the District and has resulted in opening 46 new schools in the last thirteen years with plans to open 1 high school and 3 elementary schools in the next three years.

Local Economy

The area economy has grown due to strong growth in the services sector, more specifically, health care, tourism, and telemarketing. This growth has enabled unemployment rates in the area to remain below the state and national levels.

Altogether, an estimated 9,200 large and small businesses are located in the District, including giant economic generators such as the South Texas Medical Center, which is home to dozens of hospitals, Valero Energy, Microsoft Corporation, and USAA, the District's largest taxpayer and a Fortune 500 Texas-based financial services organization. Entertainment giants, SeaWorld and Fiesta Texas, help draw tourists and residents to Northwest San Antonio.

The huge Westover Hills development includes major corporations like QVC, Citicorp, The American Funds Group, and Chase Manhattan. Ingram Park Mall, one of the area's largest shopping malls, with 1.1 million square feet, the sprawling and upscale Shops at La Cantera, and other major shopping centers are all located within the District. In addition, The Rim is a massive entertainment and shopping destination that brings thousands of visitors to the District and is still expanding. Northside's major taxpayer resorts include the Hyatt Regency Hill Country Resort, The Eilan Hotel Resort and Spa, Hyatt Wild Oak Ranch, and La Cantera Hill Country Resort.

In addition to the 130 schools and facilities the District operates, northwest Bexar County is also a higher education and research center magnet. The University of Texas at San Antonio, home to more than 31,000 undergraduate, graduate, and post-graduate students, is located in Northside. The University of Texas Health Science Center at San Antonio, with its medical, dental, nursing, and allied health schools, is also located in the District. Northwest Vista College, part of the Alamo Community College District, is also in Northside. Other large enterprises located within the District are the Southwest Research Institute, National Security Agency and the Texas Research Park.

Access

The District has an excellent transportation system, with many major roads and highways traversing through it. Interstate Highway 10, which is the major east-west interstate highway in the southern United States, runs through the District. State Highway 151, which is a 10-mile, 4-lane, divided highway, also runs through the District. Both these highways provide quick access to Interstate Loop 410 and Texas State Highway Loop 1604 and link downtown San Antonio to the Northwest part of Bexar County. The Highway 151-Loop 1604 area is where most of the new housing within the District is being constructed.

THE REPORTING ENTITY

Northside Independent School District is an independent reporting entity clearly within the criteria established in Section 2100 of the Governmental Accounting Standards Board codification.

Internal and Budgetary Controls

The development and evaluation of the District's accounting system considers the adequacy of the internal control structure. The internal control structure is designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that (1) the cost of controls should not exceed the benefits expected to be derived, and (2) the evaluation of costs and benefits requires estimates and judgments by management.

We believe that the District's accounting controls provide reasonable assurance that errors or irregularities that could be material to the financial statements are prevented or would be detected within a timely period by employees in the normal course of performing their assigned functions.

Budgetary controls are established by regulations of the Texas Education Agency and by District policy for all administrators with line item responsibility. TEA regulations set the level of budgetary control at the major functional expenditure level. Administrators have the responsibility to develop and manage their own program budgets once approved. Revisions within the categories are accepted upon request, but additions in amount or revisions between functions require recommendation of the Superintendent and approval by the Board of Trustees.

General Educational Functions

Principally, local taxes and state entitlements support general educational activities. Direct federal aid is nominal in the General Fund; however, the Special Revenue Fund receives most of its funding from Federal grants, which are distributed through the Texas Education Agency. General educational activities are accounted for in the General and Special Revenue Funds. State and federal grants or entitlements primarily support the Special Revenue Fund. They include support for the economically and academically disadvantaged, federal support for special and vocational education, and a variety of other projects as described in the Combining Statements.

Cash Management

The District's cash position is reviewed daily and all idle cash is invested in accordance with the District's investment policy. The District's investment officers invest primarily in U.S. Government agency notes, municipal bonds, and local government investment pools. Total investments at August 31, 2016 were \$593,470,405 and the average yield on investments was 0.47%. Yields on investments remain favorable compared to the three-month Treasury bill rate.

The District's investment policy is to protect principal and minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral pledged to the District was held in the District's name by the Federal Reserve in Boston, Massachusetts. Wells Fargo Securities holds investments owned by the District.

Risk Management

The purpose of Risk Management is to plan for the negative consequences of any decision, process, or action by using whatever means feasible to control the chance of financial loss. Effective risk management is a critical component of any sound organization. Every dollar spent on property damage, on-the-job injuries, liability claims, and insurance premiums is a dollar not spent for school district services.

The objectives of risk management are to:

1. ensure that District assets are protected and managed appropriately;
2. identify situations that may create liability and financial burden upon the District;
3. implement effective procedures to minimize and/or avoid loss exposures;
4. act as a resource and service center for all District employees.

The District also maintains a self-funded worker's compensation program, property and casualty exposures and coverage, safety training and inspection program.

Worker's Compensation Program

The District provides all employees with worker's compensation coverage for injuries that occur in the course and scope of employment. Although the District is self-insured for this exposure, a third party administrator discharges the claims function of this program. The District also purchases excess worker's compensation coverage through a commercial insurer in order to protect the District's fund from catastrophic losses.

Property and Casualty Coverage

Commercial property and casualty policy (P&C) is purchased by the District to provide fire and extended coverage of all District permanent structures and their contents. Other P&C exposures insured are Boiler & Machinery, Underground Storage Tank Liability, Crime Coverage, Commercial Automobile Liability, Errors & Omissions Coverage, and numerous Fidelity Bonds.

Safety Program

The District provides regular training to various campus personnel and employee groups throughout the District. Specific or targeted training is provided on the basis of need and at periodic intervals throughout the year. In addition, the use of inspections has allowed the District to identify unsafe acts or conditions, make necessary changes and prevent loss situations from occurring to others.

Northside Employee Benefits

Northside makes an array of benefits available through a Section 125 Cafeteria Plan to all regular employees who work 20 hours or more per week. Participation in the Cafeteria Plan allows for certain benefits to be deducted from the employee's pay with tax-deferred money. Northside retirees are eligible for medical, dental and vision benefits outside of the Section 125 Cafeteria Plan. The District subsidizes premiums for active employees based on the coverage tier selected (i.e., employee only, employee and spouse, employee and children, employee and family). The District does not subsidize retiree benefits.

Health Insurance Program

The District offers its employees a suite of health benefit plans fully insured by United Health Care. Two traditional PPO plans, the PPO 1000 and PPO 2000, and two high deductible plans, the HDHP 3000 and HDHP 4000 are available. Employees who elect health coverage are also provided a \$5,000 life insurance policy. Employees who do not elect health insurance are provided a \$50,000 or \$80,000 life insurance policy.

Supplemental Employee Benefits

Other benefits offered are voluntary and supplemental in nature. The participant pays the total cost of these insurances. The supplemental benefits include 1) Dental Insurance, 2) Vision Insurance 3) Employee, Spouse and Child Term Life Insurance, 4) Disability/Income Replacement, 5) Pre-Paid Legal, 6) Medical and Dependent Care Spending Accounts, 7) Cancer Insurance, 8) Critical Illness Insurance, and 9) Health Spending Accounts.

Fiscal Strategic Planning

The District continues to be proactive in its strategic fiscal planning by requesting input from community members and staff. The District had almost 4,100 community members complete the online Strategic Plan survey which assisted the 600 NISD parents, staff, and other community members complete the 2013-2018 Strategic Plan. The priorities of the Strategic Plan focus on promoting community involvement; educating diverse learners; hiring, developing, and retaining quality staff; and promoting a safe environment for the students and staff.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Northside for the fiscal year ending August 31, 2015. This was the twenty-fifth consecutive year the District has received this award. In order to receive a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy accounting principles generally accepted in the United States as well as applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Senate Bill 218 of the 77th Texas Legislature (2001) authorized the implementation of the Financial Integrity Rating System of Texas, officially known as Schools FIRST. This law requires each school district to prepare and distribute an annual financial management report and provide the public an opportunity to comment on the report at a public meeting. The primary goal of Schools FIRST is to improve the management of a school district's financial resources.

For twelve years in a row, the District earned a "Superior Achievement" rating from the TEA. This is the highest possible rating under the Schools FIRST accountability system. For 2015-16, the TEA modified the ratings to a point system with a maximum of 100 points and a "Superior" rating for achieving a minimum of 90 points. The District earned a "Superior" rating with a score of 94 points.

The timely preparation of this report could not have been accomplished without the assistance of the following departments: Resource Planning, Communications, and Business and Finance. We would like to acknowledge our independent auditors, Padgett Stratemann, L.L.P., for their role in providing professional guidance and assistance in the preparation of this report.

Finally, without the interest, leadership and support of the Board of Trustees, preparation of this report would not have been possible.

Brian T. Woods, Ed.D.
Superintendent of Schools

David Rastellini
Deputy Superintendent
Business and Finance

CERTIFICATE OF BOARD

Northside Independent School District	Bexar	015915
Name of Local Education Agency	County	County-District

We, the undersigned, certify that the attached Annual Financial Reports of the above-named school district were reviewed and { X } approved { } disapproved for the year ended August 31, 2016, at a meeting of the Board of School Trustees of such school district on the 24th day of January, 2017.

Carol Harle, Ph.D
Signature of Board Secretary

Katie N. Reed
Signature of Board President



Government Finance Officers Association

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

Presented to

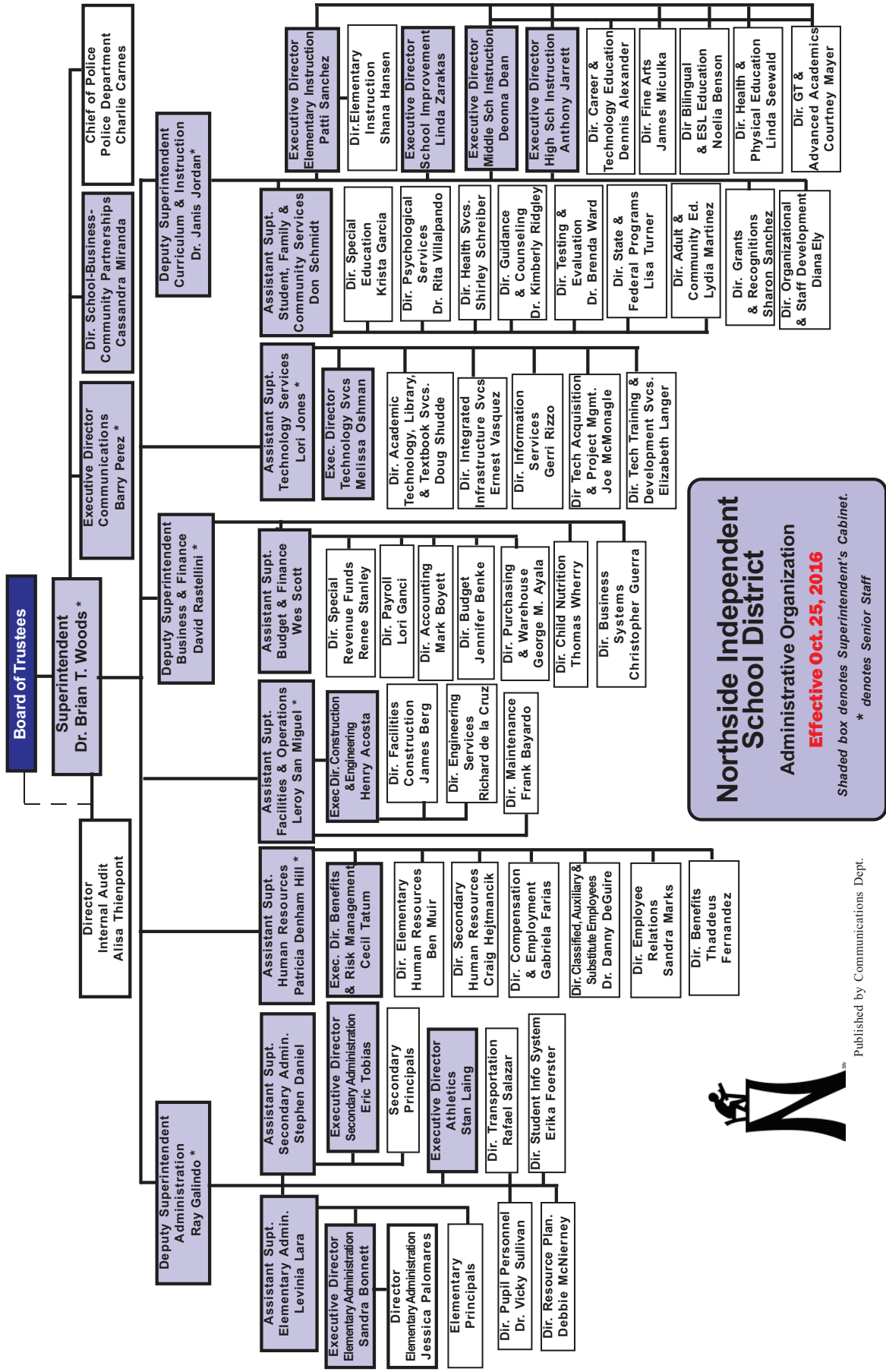
**Northside Independent School
District, Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

August 31, 2015

A handwritten signature in black ink, reading "Jeffrey R. Enos". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Executive Director/CEO



NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

APPOINTED OFFICIALS AND ADVISORS

August 31, 2016

APPOINTED OFFICIALS

Brian T. Woods, Ed.D.	Superintendent
Ray Galindo	Deputy Superintendent Administration
Janis Jordan, Ph.D.	Deputy Superintendent Curriculum and Instruction
David Rastellini	Deputy Superintendent Business and Finance
Stephen Daniel	Assistant Superintendent Secondary Administration
Wesley Scott	Assistant Superintendent Budget & Finance
Levinia Lara	Assistant Superintendent Elementary Administration
Leroy San Miguel	Assistant Superintendent Facilities and Operations
Patricia Denham Hill	Assistant Superintendent Human Resources
Don Schmidt	Assistant Superintendent Student, Family and Community Services
Lori Jones	Assistant Superintendent Technology Services

ACCOUNTANTS AND ADVISORS

Padgett Stratemann & Co LLP
Certified Public Accountants
San Antonio, Texas

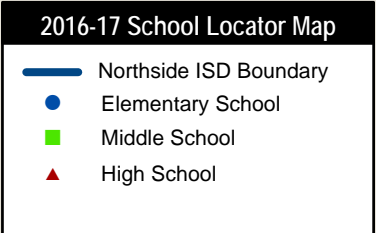
Langley & Banack, Inc.
General Counsel
San Antonio, Texas

Hilltop Securities, Inc.;
Financial Advisors
San Antonio, Texas

Fulbright & Jaworski, L.L.P., a member of Norton Rose Fulbright
Bond Counsel
San Antonio, Texas



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FINANCIAL SECTION



Padgett Stratemann

Independent Auditor's Report

To the Board of Trustees
Northside Independent School District
San Antonio, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Northside Independent School District (the "District") as of and for the year ended August 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of August 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 20 to the financial statements, the District added a new enterprise fund and, therefore, restated beginning net position. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund; Schedule of the District's Proportionate Share of the Net Pension Liability Teacher Retirement System of Texas; and Schedule of District Contributions Teacher Retirement System of Texas, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund; Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Child Nutrition Fund; Schedule of Delinquent Taxes Receivable; Schedule of Bonds Payable; Combining Financial Statements; Capital Assets Used in the Operation of Governmental Funds; and Schedule of Expenditures of Federal Awards, as required by the Uniform Guidance and the other information, such as the Introductory and Statistical sections are presented for purposes of additional analysis and are not a required part of the financial statements.

The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund; Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Child Nutrition Fund; Schedule of Delinquent Taxes Receivable; Schedule of Bonds Payable; and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund; Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Child Nutrition Fund; Schedule of Delinquent Taxes Receivable; Schedule of Bonds Payable; and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2017 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 District's internal control over financial reporting and compliance.

Padgett, Statemann + Co., L.L.P.

San Antonio, Texas
January 17, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Northside Independent School District (the "District"), we offer readers of the District's basic financial statements this narrative overview and analysis of the financial activities for the fiscal year ended August 31, 2016. The intent of this section is to look at the District's financial performance as a whole. We encourage readers to consider the additional information presented in the transmittal letter, in the introductory section, and the notes to the basic financial statements in conjunction with this discussion and analysis to enhance their understanding of the District's financial performance.

Comparative Information

The Management Discussion and Analysis (MD&A) is an element of the reporting model prescribed by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Presentation of certain comparative information between the current year and the prior year is provided.

FINANCIAL HIGHLIGHTS

- Assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources by \$237,383,897 (net position). The District has \$227,259,108 of unrestricted net position to meet ongoing obligations. Restricted net position consists of \$21,394,768 for debt service, \$5,585,586 for child nutrition services and \$2,423,392 for grants.
- The District is reporting an increase in net position of \$16,917,089.
- Tax collections increased \$57,950,806 from 2015 and the tax levy increased by \$58,645,036, as a result of the increase in the tax base.
- The ending fund balance of the District's General Fund increased \$42,510,898 to \$351,557,563. The unassigned portion of fund balance, \$192,007,917 represents 23.46% of annual operating expenditures or about 61 days of operations.
- In May 2014, the Northside community approved a \$648.34 million bond proposal to build five new schools, design and engineer a sixth school, and make additions and improvements to existing schools and facilities. During the year, the District issued \$150.35 million from the 2014 bond authorization.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The Comprehensive Annual Financial Report (CAFR) consists of an Introductory Section, Financial Section, Statistical Section and a Federal Awards Section. The Financial Section consists of four parts - Management's Discussion and Analysis (this section), the basic financial statements (with accompanying notes), required supplementary information, and an optional section that presents combining statements for non-major governmental funds, internal service funds, fiduciary funds and capital assets used in the operation of governmental funds. The statements are intended to be organized so that the reader can understand the District as an entire operating entity.

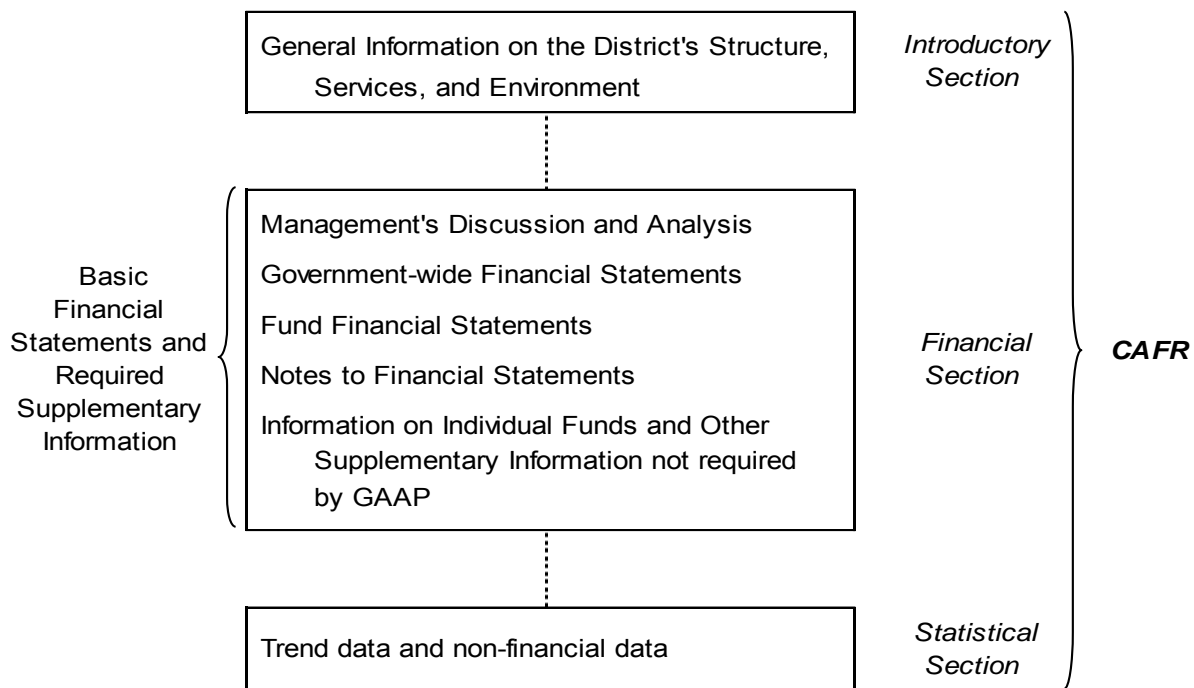
The basic financial statements include two kinds of statements that present different views of the District in addition to the notes that explain some of the information in the basic financial statements and provide data that are more detailed:

1. The first two statements are *government-wide financial statements*, the Statement of Net Position and the Statement of Activities, which provide both long-term and short-term information about the District's overall financial status.

2. 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 printing services. *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 statements are followed by a section of *required supplementary information* and *other supplementary information* that further explains and supports the information in the basic financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-1
Components of the District's Comprehensive Annual Financial Report (CAFR)



Government-Wide Financial Statements (Reporting the District as a Whole)

These statements summarize the large number of funds used by the District to provide programs and activities and view the entire District as a whole. The **Statement of Net Position** includes all assets and liabilities of the District using the accrual basis of accounting similar to the accounting used by most private-sector companies. The **Statement of Activities** takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid. All inter-fund transactions are eliminated.

These two statements report the District's net position and changes in those positions. Net position, the difference between the District's assets plus deferred outflows and liabilities plus deferred inflows, are one way to measure the District's financial health or position.

Change in net position is important because it tells the reader that, as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the District's property tax base, current Texas school finance laws, student growth, facility needs, and required educational programs.

The District is composed of governmental and business-like activities. Governmental activities comprise the programs and services related to providing a public education to residents of the District. Activities reported include, but are not limited to, instruction, support services, administration, maintenance, pupil transportation, extracurricular activities, technology services and security. Business-like activities comprise activities related to after-school and summer programs for elementary and middle school students.

Fund Financial Statements (Reporting the School District's Most Significant Funds)

Fund financial statements provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions that have been separated for specific activities or objectives. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the General Fund, Debt Service Fund, and the Capital Projects Fund.

All the funds of the District can be described by three categories:

- **Governmental Funds** - Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the basic financial statements.
- **Proprietary Funds** - Services for which the District self-charges customers a fee are generally reported in proprietary funds. Proprietary fund statements, like the government-wide statements, provide both long and short-term financial information. The Enterprise Fund reports the activities of the District's after-school program. Internal Service Funds are used to report activities such as the District's Worker's Compensation Insurance, Unemployment Self Insurance, Armored Car Services, Equipment Replacement, and Printing Operations that provide supplies and services for the District's other programs and activities.
- **Fiduciary Funds** - The District is the trustee, or fiduciary, for Textbook Waivers and Refunds, Student Activities, Northside Booster Association, and University Interscholastic League funds. All of the District's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. These activities are excluded from the District's basic financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Government-wide)

Net Position

The District's net position was approximately \$237.38 million at August 31, 2016, which is a \$16.92 million increase from the August 31, 2015 net position of \$220.47 million. Net position was restated due to the establishment of the enterprise fund. More information regarding this restatement can be found in Note 20 of the Notes to Financial Statements.

Table A-1 summarizes the change in net position from August 31, 2015 to August 31, 2016.

Table A-1
Net Position
(in millions of dollars)

	08/31/16	08/31/15	Increase (Decrease)
Assets			
Current and Other Assets	\$ 654.15	\$ 631.52	\$ 22.63
Capital Assets	2,073.26	1,980.08	93.18
Total Assets	2,727.41	2,611.60	115.81
Deferred Outflows of Resources			
Deferred Charge for Refunding	9.39	9.08	0.31
Deferred Outflow Related to TRS Pension	100.25	29.30	70.95
Total Deferred Outflows of Resources	109.64	38.38	71.26
Liabilities			
Current and Other Liabilities	105.27	96.92	8.35
Long-term Liabilities	2,477.21	2,294.75	182.46
Total Liabilities	2,582.48	2,391.67	190.81
Deferred Inflows of Resources			
Deferred Inflow Related to TRS Pension	17.19	37.84	(20.65)
Total Deferred Inflows of Resources	17.19	37.84	(20.65)
Net Position			
Net Investment in Capital Assets	(19.28)	(11.82)	(7.46)
Restricted	29.40	39.60	(10.20)
Unrestricted	227.26	192.69	34.57
Total Net Position	<u>\$ 237.38</u>	<u>\$ 220.47</u>	<u>\$ 16.91</u>

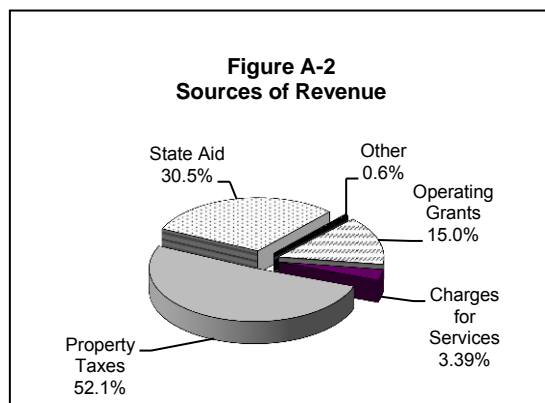
- Ninety-two percent of the District's \$654.15 million in Current and Other Assets are liquid, with \$464.90 million in cash and cash equivalents and \$149.73 million in government securities.
- Capital Assets reflect the District's investment in land, construction in progress, buildings, and equipment, net of accumulated depreciation. The increase in Capital Assets is from the addition of new schools and other ongoing construction projects less the effect of changes in accumulated depreciation expense.
- Long-term Liabilities include the District's outstanding voter-approved general obligation bonds, which were \$2.158 billion. Long-term liabilities increased due to the new bond issuances that are funding the District's construction projects plus the changes in the measurement of the pension liability.
- The increase in bond issuances exceeded the increase in construction projects, causing a decrease in Net Investment in Capital Assets.
- Restricted net position is not available for general operations and includes \$5.58 million for child nutrition services and \$21.39 million for debt service at August 31, 2016.

Changes in Net Position

The District's revenues totaled \$1.12 billion in 2015-16. A significant portion, 52.1%, of the District's revenue came from property taxes, 30.5% from state aid – formula grants, 15.0% from operating grants and contributions, and 3.39% from charges for services and 0.6% from other sources. (See Figure A-2).

The District's 2016 governmental activities increased net position by \$15.34 million as reflected in Table A-2. The largest functional expenses occurred in instruction, plant maintenance and operations, and debt service, which represented \$623.03 million or 56.4%, \$80.58 million or 7.3%, and \$77.57 million or 6.9% of total expenses, respectively. The increase in these functional categories is directly associated with the District's growing enrollment and opening of new schools.

The total cost of all programs and services was \$1,092.85 million. Of these costs, 80.8% are for instructional and student support services.



In 2015-16, the District chose to present activities related to after-school and summer programs as business-type activities. A restatement of net position between governmental activities and business-type activities was made to reflect the net position of those activities previous to 2015-16 of \$7.5. See Note 20 for additional information regarding this prior period adjustment.

**Table A-2
Change in Net Position**
(in millions of dollars)

Revenues	Primary Government		
	08/31/16	08/31/15	Increase (Decrease)
Program Revenues			
Charges for Services	\$ 33.22	\$ 22.06	\$ 11.17
Operating Grants and Contributions	156.10	167.87	(11.77)
General Revenues			
Property Taxes	582.49	520.89	61.60
State Aid - formula	340.52	336.18	4.34
Investment Earnings	3.19	1.06	2.13
Other	1.69	4.82	(3.13)
Total Revenues	1,117.21	1,052.88	64.34
Expenses			
Instruction	623.03	592.07	30.96
Instructional Resources & Media Services	13.52	13.15	0.37
Curriculum & Staff Development	19.97	20.69	(0.72)
Instructional Leadership	20.39	19.51	0.88
School Leadership	52.54	50.25	2.29
Guidance, Counseling & Evaluation Services	36.72	33.05	3.67
Social Work Services	3.23	3.09	0.14
Health Services	9.64	9.06	0.58
Student (pupil) Transportation	32.46	31.43	1.03
Child Nutrition Services	53.62	54.05	(0.43)
Co-Curricular Activities	26.79	26.17	0.62
General Administration	18.42	17.22	1.20
Plant Maintenance and Operations	80.58	76.48	4.10
Security & Monitoring Services	8.56	7.95	0.61
Data Processing Services	14.21	13.12	1.09
Community Services	5.33	11.06	(5.73)
Debt Service	73.82	72.04	1.78
Enterprise Fund	7.46	-	7.46
Total Expenses	1,100.30	1,050.39	49.90
Change in Net Position	16.91	2.49	14.43
Beginning Net Position, Restated	220.47	210.43	10.04
Ending Net Position	\$ 237.38	\$ 212.92	\$ 24.47

Governmental Activities

- This year's property tax collection rate was 99.3% based on a tax levy of \$580,057,035. Compared to 2014-15, property tax revenue increased 11.5% for 2015-16 due to a higher tax base.
- Formula State Aid increased \$4.33 million overall, or 1.3%. This increase is a result of higher enrollment for 2015-16 compared to 2014-15.
- During the year, the District issued \$150,350,000 in general obligation bonds. The District refunded \$91,875,000 of fixed rate bonds.
- During the 2015-16 fiscal year, the District opened Randall H. Fields and Bennie L. Cole Elementary Schools.

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

Table A-3 Net Cost of Selected District Functions <i>(in millions of dollars)</i>				
	Cost of Services			
	08/31/16		08/31/15	
	Total	Net	Total	Net
Instruction	\$ 623.03	\$ 556.63	\$ 592.07	\$ 502.03
School Leadership	52.54	50.58	50.25	47.88
Guidance, Counseling and Evaluation Services	36.72	23.58	33.05	21.33
Student (Pupil) Transportation	32.47	31.29	31.43	29.81
Child Nutrition Services	53.62	2.47	54.05	3.95
Plant Maintenance and Operations	80.58	76.01	76.48	71.85
Debt Service	73.82	69.71	72.04	69.49
Total	<u>\$ 952.78</u>	<u>\$ 810.27</u>	<u>\$ 909.37</u>	<u>\$ 746.34</u>

- Instruction comprises 60.75% of the District's net cost of services on a government-wide basis;
- The net cost of all *governmental* activities this year was \$912,553,070. The amount that our taxpayers paid for these activities through property taxes was \$582,494,150;
- Costs paid by the state were \$340,520,673;
- Net costs include program costs paid by those who directly benefited from the programs, \$33,211,981; and
- Net costs include costs paid by grants and contributions, \$156,101,624.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Using the modified accrual basis of accounting, revenues from governmental funds totaled \$1,114,792,903 and expenditures were \$1,253,651,129. The District reported combined governmental funds ending fund balances of \$528,818,524. Since not all the ending fund balance is available for new spending, the District has the following fund balance classifications:

- Nonspendable amounts from inventories of \$ 3,910,763;
- Restricted amounts for debt service of \$ 27,286,923;
- Restricted amounts for child nutrition of \$ 9,445,911;
- Restricted amounts for authorized construction of \$ 136,415,915;
- Committed amounts for local special revenue funds of \$114,068;
- Committed amounts for opening new schools of \$25,612,694;
- Committed amounts for state revenue deficits of \$76,398,690;
- Committed amounts for technology deployments of \$17,450,738;
- Assigned amounts for employee benefits of \$10,700,000;
- Assigned amounts for debt service of \$10,000,000;
- Assigned amounts for administrative district projects of \$3,346,762;
- Assigned amounts for federal program reductions of \$7,445,522; and
- Assigned amounts for Maintenance of Effort reductions of \$6,259,229.

The General Fund experienced a net increase in fund balance of \$42,510,898, which was partly the result of \$39,512,808 less than anticipated expenditures in 2015-2016.

The Debt Service Fund experienced a net decrease in fund balance of \$2,667,183 and was in line with the budgeted net decrease of \$3,996,458.

The Capital Projects Fund experienced a net decrease in fund balance of \$25,536,342 resulting from current year project expenditures exceeding current year bond sales.

Budgetary Highlights

Over the course of the year, the District revised its general fund budget three times, as follows:

- Budget Amendment #1 reflected adjustments for carryover of appropriations because of commitments made against the budget for goods not received and services not completed as of August 31, 2015. In addition, adjustments to campus-based formula accounts were included to accommodate the increase in student enrollment. High school allotment funds were also carried forward with this amendment. This amendment resulted in a net increase to appropriations of \$11,078,274 and a net decrease in revenue of \$101,742.

- Budget Amendment #2 included adjustments that increased appropriations for various programs, campuses and departments. Budgeted appropriations were increased overall for various one-time costs. This amendment resulted in a net increase in appropriations of \$782,561 and a net increase in revenue sources of \$62,762 for the general fund.
- Budget Amendment #3 (final) included adjustments related to appropriations for campuses, departments and revenue resources. Budgeted revenues were adjusted for one-time insurance proceeds, Medicaid, TRS on-behalf and other items. Budget appropriations were increased for increased Pre-K 4 San Antonio program enrollment and other various program costs. This amendment resulted in an increase in appropriations of \$127,520 and an increase in revenue sources of \$16,803,199, resulting in a net increase to fund balance of \$16,675,679.

The debt service budget was amended with Budget Amendment #3 (final) to decrease fund balance by \$3,644,454. This was mainly due to bond sale activity during the year offset by an increase in State existing debt allotment revenue.

The child nutrition budget was amended with Budget Amendment #3 (final) to increase appropriations by \$1,285,956 and decrease revenue and other resources by \$2,404,044.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2016, the District had invested \$2.07 billion in a broad range of capital assets, including land, equipment, buildings, and vehicles (see Table A-4). This amount represents a net increase (including additions and deductions) of \$93.18 million or 4.7% over last year.

Table A-4		
District's Capital Assets		
<i>(in millions of dollars)</i>		
	<u>08/31/16</u>	<u>08/31/15</u>
Land	\$ 102.70	\$ 101.84
Buildings and Improvements	2,465.60	2,378.95
Construction in Progress	199.05	122.21
Furniture and Equipment	126.99	122.61
Totals at Historical Cost	<u>2,894.34</u>	<u>2,725.61</u>
Total Accumulated Depreciation	<u>(821.08)</u>	<u>(745.53)</u>
Net Capital Assets	<u><u>\$ 2,073.26</u></u>	<u><u>\$ 1,980.08</u></u>

Current capital projects under construction include one (1) high school and a sports gym.

The District is continuing the capital improvement program being funded by the 2014 \$648.34 million bond authorization. The 2014 authorization includes \$274.5 million for the construction of one high school and four elementary schools, \$199.83 million for major additions and renovations, \$71.84 million for infrastructure improvements, \$47.00 million for technology, and \$55.17 million for other projects. More information about the District's capital assets is presented in Note 5 of the Notes to Financial Statements.

Long-Term Debt

During the year, the District issued \$150.35 million from the 2014 bond authorization. Additionally, the District continued its active debt management practice by refunding \$91.875 million of fixed rate debt to take advantage of lower interest rates. At year-end, the District had \$2.477 billion in long-term debt outstanding as shown in Table A-5. More information about the District's debt is presented in Note 7 in the Notes to Financial Statements.

Table A-5 District's Long Term Debt (in millions of dollars)		
	08/31/16	08/31/15
Bonds payable	\$2,240.34	\$2,164.93
Net Pension Liability	230.94	123.71
Accrued Vacation	1.21	1.20
Workers Compensation	4.72	4.90
Total Long-Term Debt	<u>\$2,477.21</u>	<u>\$2,294.74</u>

Long-term bonds are rated "AAA" by Moody's Investors Service, Inc. ("Moody's") and Fitch Investors Service ("Fitch") by virtue of the guarantee of the Permanent School Fund of the State of Texas.

The current underlying credit rating from Fitch is AA+. The current underlying credit rating from Moody's is Aa1. The District's short-term credit has been rated "VMIG 1" by Moody's.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND TAX RATES

- Property values used for the 2016-17 budget preparation will be up an estimated \$3.4 billion or 8.0% from 2016. The expected resulting increase in General Fund and Debt Service Fund tax revenues is \$34.6 million and \$11 million, respectively.
- For 2016-17, the District's overall tax rate will remain at \$1.3755, with the General Fund maintenance and operations tax rate at \$1.04 per \$100 valuation and the Debt Service Fund tax rate at \$0.3355 per \$100 valuation.
- The District's 2016-17 General Fund adopted budget included a projected enrollment increase of 1,611 students. The expected enrollment of 106,150 represents a 1.29% increase from 2015-16.
- For 2016-17, the District appropriated \$883.3 million in General Fund expenditures and other uses and estimated revenues of \$840 million. The adopted budget included \$19.9 million for related costs of growth and new schools, and an increase of payroll costs of \$18.2 million. The payroll cost increase was mainly due to a compensation increase for staff.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact the District's Deputy Superintendent for Business and Finance at Northside ISD, 5900 Evers Road, San Antonio, TX 78238.

BASIC FINANCIAL STATEMENTS

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NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

STATEMENT OF NET POSITION

August 31, 2016

Data Control Codes		Primary Government		
		Governmental Activities	Business-type Activities	Total
ASSETS				
1110	Cash and Cash Equivalents	\$ 455,163,612	\$ 9,740,136	\$ 464,903,748
1120	Investments	149,734,375	-	149,734,375
1220	Property Taxes Receivable (Delinquent)	10,700,804	-	10,700,804
1230	Allowance for Uncollectible Taxes	(5,552,400)	-	(5,552,400)
1240	Due from Other Governments	28,726,246	-	28,726,246
1250	Accrued Interest	365,252	-	365,252
1290	Other Receivables	346,985	7,522	354,507
1300	Inventories	4,915,580	-	4,915,580
Capital Assets				
1510	Land	102,701,742	-	102,701,742
1520	Buildings, net	1,715,204,101	-	1,715,204,101
1530	Furniture & Equipment, net	56,294,980	-	56,294,980
1580	Construction in Progress	199,056,682	-	199,056,682
1000	Total Assets	2,717,657,959	9,747,658	2,727,405,617
DEFERRED OUTFLOWS OF RESOURCES				
1701	Deferred Charge for Refunding	9,392,185	-	9,392,185
1705	Deferred Outflow Related to TRS Pension	100,251,996	-	100,251,996
1700	Total Deferred Outflows of Resources	109,644,181	-	109,644,181
LIABILITIES				
2110	Accounts Payable	34,728,038	5,851	34,733,889
2140	Accrued Interest	6,666,794	-	6,666,794
2150	Payroll Deductions & Withholdings Payable	12,601,033	-	12,601,033
2160	Accrued Wages Payable	46,160,340	294,137	46,454,477
2180	Due to Other Governments	23,558	-	23,558
2190	Due to Student Groups	299	-	299
2300	Unearned Revenue	4,465,742	323,314	4,789,056
Noncurrent Liabilities				
2501	Long term liabilities - due within one year	76,426,621	-	76,426,621
2502	Bonds Payable - due or payable after one year	2,168,094,562	-	2,168,094,562
2540	Net Pension Liability (District's Share)	230,938,970	-	230,938,970
2590	Other Long term liabilities - due or payable after one year	1,748,593	-	1,748,593
2000	Total Liabilities	2,581,854,550	623,302	2,582,477,852
DEFERRED INFLOWS OF RESOURCES				
2605	Deferred Inflow Related to TRS Pension	17,188,049	-	17,188,049
2600	Total Deferred Inflows of Resources	17,188,049	-	17,188,049
NET POSITION				
3200	Net Investment in Capital Assets	(19,278,957)	-	(19,278,957)
3860	Restricted for Grants	2,423,392	-	2,423,392
3840	Restricted for Child Nutrition Services	5,585,586	-	5,585,586
3850	Restricted for Debt Service	21,394,768	-	21,394,768
3900	Unrestricted	218,134,752	9,124,356	227,259,108
3000	Total Net Position	\$ 228,259,541	\$ 9,124,356	\$ 237,383,897

The accompanying notes are an integral part of this statement.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

STATEMENT OF ACTIVITIES
Year Ended August 31, 2016

Data Control Codes	Functions/Programs	1 Expenses	Program 3 Charges for Services
	Governmental Activities:		
0011	Instruction	\$ 623,033,069	\$ 592,994
0012	Instructional Resources & Media Services	13,519,934	-
0013	Curriculum & Staff Development	19,974,598	-
0021	Instructional Leadership	20,391,625	-
0023	School Leadership	52,544,160	-
0031	Guidance, Counseling & Evaluation Services	36,721,237	-
0032	Social Work Services	3,233,713	-
0033	Health Services	9,642,287	-
0034	Student (Pupil) Transportation	32,468,535	132,508
0035	Child Nutrition Services	53,623,718	14,888,325
0036	Co-curricular/Extracurricular Activities	26,785,256	2,975,772
0041	General Administration	18,421,107	30,328
0051	Plant Maintenance & Operations	80,577,540	2,927,059
0052	Security & Monitoring Services	8,555,956	110,037
0053	Data Processing Services	14,208,441	-
0061	Community Services	5,330,434	2,544,474
0072	Debt Service - Interest	72,173,847	-
0073	Debt Service - Fiscal Charges	1,650,734	-
	TOTAL GOVERNMENTAL ACTIVITIES	1,092,856,191	24,201,497
	Business-type activities:		
	Enterprise fund	7,465,660	9,010,484
TP	TOTAL PRIMARY GOVERNMENT	\$ 1,100,321,851	\$ 33,211,981

General Revenues:

Taxes:

MT	Property Taxes, Levied for General Purposes
DT	Property Taxes, Levied for Debt Service
SF	State aid - unrestricted formula grants
MI	Miscellaneous local & intermediate
IE	Investment earnings
TR	Total general revenues

CN	Changes in Net Position
NB	Net Position -- beginning, restated
NE	Net Position -- ending

The accompanying notes are an integral part of this statement.

Revenues	Net (Expense) Revenue and Changes in Net Position		
4	6		
Operating Grants and Contributions	Total Governmental Activities	Business-type Activities	Total Primary Government
\$ 65,814,842	\$ (556,625,233)		\$ (556,625,233)
1,275,156	(12,244,778)		(12,244,778)
5,094,835	(14,879,763)		(14,879,763)
1,704,528	(18,687,097)		(18,687,097)
1,959,575	(50,584,585)		(50,584,585)
13,140,978	(23,580,259)		(23,580,259)
621,174	(2,612,539)		(2,612,539)
11,985,247	2,342,960		2,342,960
1,045,827	(31,290,200)		(31,290,200)
36,269,332	(2,466,061)		(2,466,061)
6,159,062	(17,650,422)		(17,650,422)
1,796,312	(16,594,467)		(16,594,467)
1,639,987	(76,010,494)		(76,010,494)
290,189	(8,155,730)		(8,155,730)
355,785	(13,852,656)		(13,852,656)
2,836,990	51,030		51,030
4,111,805	(68,062,042)		(68,062,042)
-	(1,650,734)		(1,650,734)
156,101,624	(912,553,070)		(912,553,070)
-	-	1,544,824	1,544,824
\$ 156,101,624	(912,553,070)	1,544,824	(911,008,246)
	440,464,044	-	440,464,044
	142,030,106	-	142,030,106
	340,520,673	-	340,520,673
	1,689,510	-	1,689,510
	3,192,526	28,476	3,221,002
	927,896,859	28,476	927,925,335
	15,343,789	1,573,300	16,917,089
	212,915,752	7,551,056	220,466,808
	\$ 228,259,541	\$ 9,124,356	\$ 237,383,897

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**BALANCE SHEET
GOVERNMENTAL FUNDS**

August 31, 2016

Data Control Codes		General Fund	Debt Service Fund
ASSETS			
1110	Cash and Cash Equivalents	\$ 242,914,882	\$ 24,723,228
1120	Investments	149,734,375	-
1220	Property Taxes - Delinquent	8,249,816	2,450,988
1230	Allowance for Uncollectible Taxes (credit)	(4,309,200)	(1,243,200)
1240	Due from Other Governments	20,496,141	-
1250	Accrued Interest	365,252	-
1260	Due from Other Funds	4,503,923	2,130,546
1290	Other Receivables	292,437	-
1300	Inventories, at cost	2,336,011	-
1000	Total Assets	<u>\$ 424,583,637</u>	<u>\$ 28,061,562</u>
LIABILITIES			
2110	Accounts Payable	\$ 7,456,032	\$ -
2150	Payroll Deductions & Withholdings Payable	12,601,033	-
2160	Accrued Wages Payable	42,995,015	-
2170	Due to Other Funds	2,130,546	-
2180	Due to Other Governments	20,304	-
2190	Due to Student Groups	299	-
2300	Unearned Revenue	5,237,378	-
2000	Total Liabilities	<u>70,440,607</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
2601	Unavailable Revenue - Property Taxes	2,585,467	774,639
2600	Total Deferred Inflows of Resources	<u>2,585,467</u>	<u>774,639</u>
FUND BALANCES			
3410	Nonspendable	2,336,011	-
3450	Restricted	-	27,286,923
3510	Committed	119,462,122	-
3550	Assigned	37,751,513	-
3600	Unassigned	192,007,917	-
3000	Total Fund Balance	<u>351,557,563</u>	<u>27,286,923</u>
4000	Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 424,583,637</u>	<u>\$ 28,061,562</u>

The accompanying notes are an integral part of this statement.

Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 162,191,814	\$ 15,830,642	\$ 445,660,566
-	-	149,734,375
-	-	10,700,804
-	-	(5,552,400)
-	8,230,105	28,726,246
-	-	365,252
-	-	6,634,469
-	54,548	346,985
-	2,539,970	4,875,981
<u>\$ 162,191,814</u>	<u>\$ 26,655,265</u>	<u>\$ 641,492,278</u>
\$ 25,775,899	\$ 1,410,648	\$ 34,642,579
-	-	12,601,033
-	3,633,071	46,628,086
-	3,584,427	5,714,973
-	3,254	23,558
-	-	299
-	4,465,742	9,703,120
<u>25,775,899</u>	<u>13,097,142</u>	<u>109,313,648</u>
-	-	3,360,106
-	-	3,360,106
-	1,574,752	3,910,763
136,415,915	11,869,303	175,572,141
-	114,068	119,576,190
-	-	37,751,513
-	-	192,007,917
<u>136,415,915</u>	<u>13,558,123</u>	<u>528,818,524</u>
<u>\$ 162,191,814</u>	<u>\$ 26,655,265</u>	<u>\$ 641,492,278</u>

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NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION**

August 31, 2016

Amounts reported for government activities in the Statement of Net Position are different because:

Total fund balances - governmental funds	\$ 528,818,524	
The District uses internal service funds to charge the costs of certain activities, such as printing, armored car service and self-insurance (worker's compensation, equipment and unemployment) to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position, including furniture and equipment and accumulated depreciation in the following amounts:		
		4,864,472
Furniture and Equipment	\$ 1,789,744	
Accumulated Depreciation - Furniture and Equipment	(730,999)	
Capital assets used in governmental activities are not financial resources, and therefore, are not reported as assets in the governmental funds.		
Land	\$ 102,701,742	
Buildings	2,465,600,386	
Furniture and Equipment	125,191,440	
Construction in Progress	<u>199,056,682</u>	2,892,550,250
Accumulated Depreciation - Buildings	(750,396,285)	
Accumulated Depreciation - Furniture and Equipment	<u>(69,955,205)</u>	(820,351,490)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported as liabilities in the funds. Unearned revenue is not reported as a liability in the government-wide financial statements, because the revenue is considered earned.		
Accrued Interest - Bonds	\$ (6,666,794)	
Bonds Payable - Long-term	(2,158,560,000)	
Unamortized Bond Premiums	(81,784,562)	
Other Long term Liability - Accrued Vacation	<u>(725,505)</u>	(2,247,736,861)
Unavailable revenue from property taxes and other items is not reported as a deferred inflow in the government-wide financial statements, because the revenue is considered earned.		
Property Taxes	\$ 3,360,106	
Other Items	<u>5,237,378</u>	8,597,484
Deferred Charge on Refunding Bonds is a deferred outflow and is not reported in the fund financial statements.		
		9,392,185
Included in the items related to long term debt, as required by GASB 68, are the following:		
District's proportionate share of the net pension liability	\$ (230,938,970)	
Deferred resource inflow related to TRS	(17,188,049)	
Deferred resource outflow related to TRS	<u>100,251,996</u>	<u>(147,875,023)</u>
Net Position - Governmental Activities		<u>\$ 228,259,541</u>

The accompanying notes are an integral part of this statement.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
Year Ended August 31, 2016

Data Control Codes		General Fund	Debt Service Fund
	REVENUES:		
5700	Local and Intermediate Sources	\$ 457,668,147	\$ 142,553,897
5800	State Sources	379,595,237	1,517,063
5900	Federal Sources	<u>23,603,342</u>	<u>2,560,621</u>
5020	Total Revenues	<u>860,866,726</u>	<u>146,631,581</u>
	EXPENDITURES		
	Current:		
0011	Instruction	516,960,789	-
0012	Instructional Resources and Media Services	11,602,623	-
0013	Curriculum and Instructional Staff Development	13,797,714	-
0021	Instructional Leadership	17,729,498	-
0023	School Leadership	48,126,575	-
0031	Guidance and Counseling Services	32,322,541	-
0032	Social Work Services	2,801,590	-
0033	Health Services	8,700,696	-
0034	Pupil Transportation	29,886,691	-
0035	Child Nutrition Services	399,790	-
0036	Co-Curricular Activities	19,075,072	-
0041	General Administration	12,673,272	-
0051	Plant Maintenance and Operations	71,629,639	-
0052	Security & Monitoring Services	8,350,620	-
0053	Data Processing Services	14,231,765	-
0061	Community Services	1,610,054	-
0071	Debt Service - Principal on Long-Term Debt	-	68,860,000
0072	Debt Service - Interest	-	79,848,280
0073	Debt Service - Cost of Issuance and Fiscal Charges	-	317,958
0081	Facilities Acquisition and Construction	4,066,698	-
0095	Juvenile Alternative Education Program	207,443	-
0099	Other Intergovernmental Charges	<u>4,132,758</u>	<u>-</u>
6030	Total Expenditures	<u>818,305,828</u>	<u>149,026,238</u>
1100	Excess (Deficiency) of Revenues Over Expenditures	<u>42,560,898</u>	<u>(2,394,657)</u>
	OTHER FINANCING SOURCES (USES)		
7911	Issuance of Debt - General Obligations Bonds	-	-
7911	Issuance of Debt - Refunding Bonds	-	152,680,000
7915	Transfers in	-	-
7916	Premium on Issuance of Bonds	-	7,605,412
8911	Transfers out	(50,000)	-
8940	Discount on Issuance of Bonds	-	(713,579)
8940	Payment to Refunded Bond Escrow Agent	-	<u>(159,844,359)</u>
	Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>(272,526)</u>
1200	Net Change in Fund Balance	42,510,898	(2,667,183)
0100	FUND BALANCES, September 1, 2015	<u>309,046,665</u>	<u>29,954,106</u>
3000	FUND BALANCES, August 31, 2016	<u>\$ 351,557,563</u>	<u>\$ 27,286,923</u>

The accompanying notes are an integral part of this statement.

Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
\$ 691,251	\$ 26,347,590	\$ 627,260,885
-	3,841,977	384,954,277
-	81,413,778	107,577,741
<u>691,251</u>	<u>111,603,345</u>	<u>1,119,792,903</u>
-	41,875,601	558,836,390
-	908,343	12,510,966
-	4,483,498	18,281,212
-	1,046,439	18,775,937
-	5,293	48,131,868
-	1,246,514	33,569,055
-	165,216	2,966,806
-	108,171	8,808,867
-	160,000	30,046,691
-	48,454,147	48,853,937
-	5,624,051	24,699,123
-	-	12,673,272
-	2,702,018	74,331,657
-	1,256	8,351,876
-	-	14,231,765
-	2,693,382	4,303,436
-	-	68,860,000
-	-	79,848,280
-	-	317,958
176,660,337	184,797	180,911,832
-	-	207,443
-	-	4,132,758
<u>176,660,337</u>	<u>109,658,726</u>	<u>1,253,651,129</u>
<u>(175,969,086)</u>	<u>1,944,619</u>	<u>(133,858,226)</u>
142,575,000	-	142,575,000
-	-	152,680,000
-	50,000	50,000
8,476,941	-	16,082,353
-	-	(50,000)
(619,197)	-	(1,332,776)
-	-	(159,844,359)
<u>150,432,744</u>	<u>50,000</u>	<u>150,160,218</u>
(25,536,342)	1,994,619	16,301,992
<u>161,952,257</u>	<u>11,563,504</u>	<u>512,516,532</u>
<u>\$ 136,415,915</u>	<u>\$ 13,558,123</u>	<u>\$ 528,818,524</u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES**
Year Ended August 31, 2016

Amounts reported for government activities in the Statement of Activities are different because:

Total net change in fund balances - governmental funds	\$ 16,301,992
The District uses internal service funds to charge the costs of certain activities, such as printing, armored car services, and self-insurance (worker's compensation, equipment and unemployment) to appropriate functions in other funds. The net income (loss) of the internal service funds are reported with the governmental activities.	576,215
Current year capital expenditures in the fund financial statements are shown as increases in capital assets in the government-wide financial statements.	172,757,865
Long-term issuances of debt are reported as resources in the fund financial statements and are shown as increases in long-term debt in the government-wide financial statements. Payments of principal on long-term debt are expenditures in the fund financial statements and are shown as reductions in long-term debt in the government-wide financial statements. Long-term debt activity was:	
Accrued Interest - Bonds	145,593
Bonds Payable - Long-term	(67,415,000)
Unamortized Bond Premiums	(7,998,835)
Deferred Charge for Refunding Bonds	<u>309,681</u>
	(74,958,561)
Depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.	(79,403,224)
The implementation of GASB 68 required certain revenue and expense adjustments, which impact ending net position.	(15,624,349)
Reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unearned revenue and unavailable revenue as revenue and consolidating interfund transactions.	<u>(4,306,149)</u>
Changes in Net Position - Governmental Activities	<u>\$ 15,343,789</u>

The accompanying notes are an integral part of this statement.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

August 31, 2016

		Business-Type Activities Enterprise Fund	Governmental Activities Internal Service Funds
ASSETS			
Current Assets:			
1110	Cash and Cash Equivalents	\$ 9,740,136	\$ 9,503,046
1290	Other Receivables	7,522	-
1310	Inventories, at Cost	-	39,599
	Total Current Assets	<u>9,747,658</u>	<u>9,542,645</u>
Capital Assets			
1530	Furniture & Equipment	-	1,789,744
1570	Accumulated Depreciation	-	(730,999)
	Total Capital Assets (net of accumulated depreciation)	<u>-</u>	<u>1,058,745</u>
1000	TOTAL ASSETS	<u>\$ 9,747,658</u>	<u>\$ 10,601,390</u>
LIABILITIES			
Current Liabilities			
2110	Accounts Payable	\$ 5,851	\$ 85,459
2160	Accrued Wages Payable	294,137	14,297
2170	Due to Other Funds	-	919,496
2200	Accrued Expenses - Claims Payable	-	3,657,156
2300	Deferred Revenue	323,314	-
	Total Current Liabilities	<u>623,302</u>	<u>4,676,408</u>
Non-current Liabilities			
2590	Claims Payable - Non-current	-	1,060,510
	Total Non-current Liabilities	<u>-</u>	<u>1,060,510</u>
2000	TOTAL LIABILITIES	<u>623,302</u>	<u>5,736,918</u>
NET POSITION			
3200	Net Investment in Capital Assets	-	1,058,745
3900	Unrestricted, as restated	9,124,356	3,805,727
3000	TOTAL NET POSITION	<u>\$ 9,124,356</u>	<u>\$ 4,864,472</u>

The accompanying notes are an integral part of this statement.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS**
Year Ended August 31, 2016

		Business-Type Activities Enterprise Fund	Governmental Activities Internal Service Funds
OPERATING REVENUES			
5754	Charges for Services	\$ 9,010,484	\$ 1,392,908
5749	Premiums	-	3,753,354
5020	Total Operating Revenues	<u>9,010,484</u>	<u>5,146,262</u>
OPERATING EXPENSES			
6100	Payroll Costs	6,306,303	741,676
6200	Purchased and Contracted Services	6,773	798,898
6300	Supplies and Materials	1,005,411	331,866
6429	Claims Expenses	-	2,282,206
6400	Other Operating Expenses	147,173	276,984
6449	Depreciation	-	173,875
6030	Total Operating Expenses	<u>7,465,660</u>	<u>4,605,505</u>
	Operating Income (Loss)	1,544,824	540,757
NON-OPERATING REVENUES (EXPENSES)			
7955	Investment Income	<u>28,476</u>	<u>35,458</u>
1300	Changes in Net Position	1,573,300	576,215
0100	TOTAL NET POSITION, September 1, 2015, as restated	<u>7,551,056</u>	<u>4,288,257</u>
3300	TOTAL NET POSITION, August 31, 2016	<u>\$ 9,124,356</u>	<u>\$ 4,864,472</u>

The accompanying notes are an integral part of this statement.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

Year Ended August 31, 2016

	Business-Type Activities Enterprise Fund	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Interfund Services Provided	\$ 9,333,798	\$ 4,840,331
Cash Payments to Employees for Services	(6,012,166)	(741,861)
Cash Payments to Suppliers	(1,013,855)	(1,093,152)
Cash Payments for Insurance Claims	-	(2,466,333)
Cash Payments for Other Operating Expenses	(147,173)	(276,984)
Net Cash Provided (Used) by Operating Activities	<u>2,160,604</u>	<u>262,001</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Earnings	<u>28,476</u>	<u>35,458</u>
Net Cash Flows Provided (Used) by Investing Activities	<u>28,476</u>	<u>35,458</u>
Net Increase (Decrease) In Cash & Cash Equivalents	2,189,080	297,459
CASH AND CASH EQUIVALENTS, September 1, 2015	<u>7,551,056</u>	<u>9,205,587</u>
CASH AND CASH EQUIVALENTS, August 31, 2016	<u>\$ 9,740,136</u>	<u>\$ 9,503,046</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ 1,544,824	\$ 540,757
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
Depreciation	-	173,875
Effect of Changes in Current Assets and Liabilities:		
(Increase) Decrease in Other Receivables	(7,522)	-
(Increase) Decrease in Inventories	-	4,709
Increase (Decrease) in Accounts Payable	5,851	32,903
Increase (Decrease) in Due to Other Funds	-	(305,931)
Increase (Decrease) in Claims Payable	-	(184,127)
Increase (Decrease) in Unearned Revenue	323,314	-
Increase (Decrease) in Accrued Wages	294,137	(185)
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,160,604</u>	<u>\$ 262,001</u>

The accompanying notes are an integral part of this statement.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

FIDUCIARY FUND

August 31, 2016

		<u>AGENCY FUNDS</u>
	ASSETS	
1110	Cash	\$ 9,071,252
1290	Due from Others	<u>17,119</u>
1000	TOTAL ASSETS	<u><u>\$ 9,088,371</u></u>
	LIABILITIES	
2180	Due to Other Governments	\$ 414,515
2190	Due to Other Groups	105,732
2190	Due to Student Groups	<u>8,568,124</u>
2000	TOTAL LIABILITIES	<u><u>\$ 9,088,371</u></u>

The accompanying notes are an integral part of this statement.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Reporting Entity

The Board of School Trustees (Board), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the Northside Independent School District, San Antonio, Texas. Because members of the Board of Trustees are elected by the public, have the authority to make decisions, appoint administrators and managers, and significantly influence operations, and have the primary accountability for fiscal matters, the District is not included in any other governmental "reporting entity" as defined by Governmental Accounting Standards Board (GASB), Statement No. 14, "The Financial Reporting Entity", and/or GASB Statements No. 39 and No. 61, determining whether certain organizations are component units. There are no component units included within the reporting entity.

Since the District receives funding from local, state, and federal government sources, it must comply with the requirements of the entities providing those funds.

The accounting policies of the District substantially comply with the rules prescribed in the Texas Education Agency Financial Accountability System Resource Guide (Resource Guide). The accounting policies included in the Resource Guide conform to accounting principles generally accepted in the United States of America applicable to state and local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for establishing governmental accounting and financial reporting standards.

b. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. statement of net position and the statement of activities) display information about the District. These statements include the financial activities of the overall government, except for fiduciary activities. Consolidations have been made to minimize the double counting of internal activities. Inter-fund services provided and used are not eliminated in the process of consolidation. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Property taxes, State aid - formula grants, and other items not included in program revenues are presented as general revenues. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Learning Tree after school program, the internal service fund's print shop and self-funded programs. Operating expenses for include the cost of sales and services, administrative expenses, and depreciation on capital assets. All other revenues and expenses are non-operating.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have no economic resources measurement focus and are presented on the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they are both measurable and available. For this purpose, the District considers all revenues to be available if the revenues are collected within sixty days after year-end. Expenditures generally are recorded when the related fund liability is incurred, if measurable, except for debt service expenditures, and compensated absences, which are recognized as expenditures only when payment is due. Property tax revenue and revenues received from the State are recognized under the susceptible to accrual concept. Miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. General capital asset acquisitions are reported as expenditures in governmental funds.

Property taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Grants funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until the related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometime require the District to refund all or part of the unused amount.

The proprietary fund types are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable. Expenses are recognized in the accounting period in which they are incurred and become measurable. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. The net position is segregated into net investment in capital assets, restricted net position, and unrestricted net position.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District reports the following major governmental funds:

- General Fund - The General Fund accounts for financial resources used for the fundamental operations of the District. All revenues and expenditures not required to be accounted for in other funds are included here. It is a budgeted fund and unassigned fund balances are considered resources available for current operations. Within unassigned fund balance are investments with a maturity of greater than one year from the date of the financial statements. The District has traditionally holds investments to maturity and does not intend for those investments to be utilized for expenditure in the budget year following the date of the financial statements. General Fund primary revenue sources include local property taxes and state funding.
- Debt Service Fund - The Debt Service Fund accounts for the accumulation of resources for, and the payment of, bonded debt principal and interest. The primary revenue source is local property taxes levied specifically for debt service. The fund balance of this fund represents amounts that will be used for retirement of bonds and payment of interest in the future. The Debt Service Fund is a budgeted fund.
- Capital Projects Fund - The Capital Projects Fund was established to account for the proceeds from the sale of bonds including earnings on investments of the fund. Proceeds are used for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities. The Capital Projects Fund is a budgeted fund.

Additionally, the District reports the following fund types:

- Special Revenue Funds - These funds are used to account for the majority of federal and state funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Funds are used primarily for math and reading improvement programs for the educationally deprived, special education programs involving learning disabilities and the physically handicapped, career and technology education programs, and a child nutrition program. The District's Special Revenue Funds use project accounting and budgeting for all funds.
- Enterprise Fund – This fund is used to account for after-school and summer programs for elementary and middle school students.
- Internal Service Funds – These funds are used to account for the financing of goods and services provided by one fund to other funds of the District, on a cost - reimbursement basis. These activities include printing services, armored car services and the self - funded insurance programs of the District. These are not budgeted funds.
- Agency Funds – These funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include Agency Funds which are funds set aside for scholarships and monies that are collected principally through fund raising efforts of the individual schools or school-sponsored groups (student activity funds).
- Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to apply block grants, followed by general revenues and then cost reimbursement grant resources.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Budgets

The official budget was prepared for adoption for all required Governmental Fund Types. The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

- 1) Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
- 2) A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days public notice of the meeting has been given.
- 3) Prior to September 1, the budget is legally enacted through passage of a resolution by the Board.

The legal level of budgetary control is at the major functional expenditure level by fund type. Annual budgets are adopted for the General Fund, Child Nutrition Special Revenue Fund, and Debt Service Fund on a basis consistent with accounting principles generally accepted in the United States of America. All budget appropriations lapse at year end.

	Original Budget	Net Change	Amended Budget
General Fund	\$840,880,281	\$16,938,355	\$857,818,636
Debt Service	151,500,093	(2,191,813)	149,308,280
Special Revenue Funds			
– Child Nutrition Services	\$54,428,023	\$1,285,926	\$55,713,949

Once a budget is approved, it may be amended by management without Board approval within a major functional expenditure category and can be amended at the major functional expenditure level by fund type only by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Amendments are reflected in the official minutes of the Board and are made before the fiscal year end as required by law.

The budget amounts included in this report reflect various amendments made by management and adopted by the Board throughout the year through the final amended budget, which was approved by the Board on August 23, 2016.

A reconciliation of fund balances for both budgeted and unbudgeted special revenue funds follows:

Budgeted Funds – Child Nutrition Services	\$11,020,663
Funds not Budgeted	114,068
	<u>\$11,134,731</u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Encumbrances

An encumbrance system of accounting is maintained to account for commitments from approved purchase orders, work orders and contracts. Capital Projects Fund encumbrances represent significant construction commitments. Under Texas law, appropriations lapse at August 31, 2016 and encumbrances outstanding at the time are canceled or re-appropriated in the succeeding year's budget. End-of-year outstanding encumbrances that were provided for in the subsequent year's budget are presented below:

General Fund	\$5,021,488
Capital Projects Fund	136,415,915
Special Revenue Funds	4,313,770

f. Inventories

Inventories of supplies on the balance sheet are stated at cost, determined on the weighted average method, while inventories of food commodities are recorded at market values supplied by the Texas Department of Human Services. Inventories are maintained on a perpetual inventory system and adjusted at year end to physical count balances, if necessary. Inventory in governmental funds consist of expendable goods held for consumption. Reported inventories in these funds are equally offset by a fund balance reserve, or deferred revenue in the case of U.S.D.A. Donated Commodities, which indicates they do not constitute "available spendable resources" and therefore are unavailable for appropriation. Expenditures are recorded when individual inventory items are distributed from the warehouse to campuses and District offices.

g. Long-Term Debt

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities or proprietary fund type statement of net position. Bond premiums and discounts, as well as deferred charge for refunding, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. The amount of deferred charge for refunding transactions is reported as a deferred outflow of resources.

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

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets

Capital assets, which include land, buildings and improvements, furniture and equipment, and construction in progress, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized.

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

Asset Class	Estimated Useful Lives
Buildings and Improvements	10 – 40 years
Automotive Equipment	7 – 18 years
Furniture and Equipment	5 – 15 years

i. Fund Equity

In the governmental fund financial statements, fund balance amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose are designated as restricted, committed, assigned and non-spendable. Designations of fund balance for non-spendable amounts, commitments, and assignments have been eliminated from the government-wide financial statements. The unassigned fund balance represents that portion of the fund balance that is available for budgeting in future periods.

Commitments of fund balance may only be done by a resolution of the Board of Trustees. By Board of Trustees resolution, assignments of fund balance may be made by the Deputy Superintendent for Business and Finance. Fund balance amounts that are restricted, committed, or assigned are considered to have been spent when the expenditure is incurred for the purpose for which the fund balance was restricted, committed, or assigned. Committed and assigned fund balances may also be relieved by Board resolution. If an expenditure meets the criteria in more than one fund balance category, then the District considers the fund balance relieved in the following order: restricted, committed, assigned, and then unassigned.

j. Net Position

In the government-wide financial statements, net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, adjusted by outstanding debt related to the acquisition of those capital assets and any unspent bond proceeds. Net position is reported as restricted when there are limitations imposed on its use by external creditors or grantors. Any remaining net position is considered unrestricted.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Compensated Absences

Accumulated vacation and sick leave, for employees eligible to retire, are expected to be liquidated with expendable available financial resources and are recognized as governmental fund liabilities, to the extent that they mature each period. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for employees who are currently eligible to retire are included. Compensated absences typically have been liquidated in the general and the child nutrition funds. Claims liabilities typically have been liquidated in the general and internal service funds.

l. Cash and Cash Equivalents

Cash in bank, money market accounts, and external investment pools are reported as cash and cash equivalents in the financial statements. For the statement of cash flows, cash and cash equivalents consist of cash in banks, investment pool deposits, and securities with maturities of less than three months from the date purchased.

m. Accounting System

In accordance with Texas Education Code, Chapter 44, subchapter A, the District has adopted and installed an accounting system which meets at least the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. Data Control codes refer to the account code structure prescribed by the Texas Education Agency in the Resource Guide.

n. Accrual of Foundation School Program Revenues

The State of Texas provides funding to Districts through the Foundation School Program based on instructional days, average daily attendance by fiscal year, and other factors. The academic year for the District typically begins after the fourth Monday in August and before the beginning of the subsequent fiscal year (September 1). During this period, expenditures are incurred that relate directly to revenues received in the subsequent fiscal year. In the current fiscal year, the District accrued Foundation School revenues that would be received next year to match August days of instructional expenditures.

o. Unearned Revenue

Unearned revenue is accounted for on the balance sheet of the governmental funds and relates to excess program funds received above that which has been earned.

p. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the District's management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows and outflows, and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses/expenditures during the reported period. Actual results could differ from those estimates.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Indirect Expenses

School districts are required to report all expenses by function, except for certain indirect expenses – general administration and data processing services. These include expenses that are indirect and not allocated to other functions.

r. Arbitrage Payable

The Tax Reform Act of 1986 enacted section 148(f) of the Internal Revenue Code, relating to arbitrage rebate requirements, which generally provides that in order for interest on any issue of obligation to be excluded from gross income (i.e., tax-exempt), the issuer must rebate to the United States the excess of the amount earned on investments acquired from bond proceeds over the amount which would have been earned if such investments had been invested at a yield equal to the yield on the issue. This amount is determined based on current investment yields and is subject to change prior to the due date of the rebate. The due date of the rebate is five years from the date of issue. The District records the liability, which is currently payable, in the Capital Projects Fund. There was no arbitrage payable at August 31, 2016.

s. Deferred Outflows and Inflows of Resources

The District implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in fiscal year ended August 31, 2014. As a result, there are two additional sections being reported in the District's financial statements- Deferred Outflows of Resources and Deferred Inflows of Resources. Deferred Outflows of Resources are reported between the assets and liabilities sections on the government-wide Statement of Net Position. These represent a consumption of net position that applies to a future period and will not be recognized until then. The District reports the deferred charge for refunding in this category, which is the difference between the carrying value of refunded debt and its reacquisition price. The District also reports deferred outflows related to pension amounts. There are no deferred outflows of resources to report in the fund financial statements.

Deferred Inflows of Resources are reported between the liabilities and fund balances sections on the governmental funds Balance Sheet. Deferred Inflows of Resources represent an acquisition of net position that applies to a future period and will not be recognized until then. The District reports unavailable revenue for property taxes in this category. This relates to uncollected property taxes less the amount for doubtful accounts. TRS pension investment earnings are reported only on the Government-wide Statement of Net Position. These amounts are deferred and recognized as an inflow of resources in the period amounts become available.

t. Pensions

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

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

2. DEPOSITS AND INVESTMENTS

a. Cash Deposits

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

At August 31, 2016, the carrying amount of the District's deposits (cash and interest bearing money market accounts) was \$30,083,062 and the bank balance was \$29,996,693. The District's cash deposits at August 31, 2016 were covered by FDIC insurance and by pledged collateral held by the Federal Reserve in a book entry system in the name of the District.

In addition, the following is disclosed regarding coverage of combined balances on the date of highest deposit:

- Name of the bank: Wells Fargo Bank, N.A.
- As of the date of the highest combined balance on deposit occurring during the month of September 2015, the District's cash deposits were covered by FDIC insurance and by pledged collateral.
- The largest combined balances of cash, savings, and time deposit accounts amount to \$35,542,309 and occurred during the month of September 2015.
- The total amount of FDIC coverage at the time of the largest combined balance was \$250,000. The amount of pledged collateral was \$36,683,594.

b. Investments

Public Funds Investment Pools

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code and are subject to the provisions of the Act, Chapter 2256 of the Texas Government Code.

In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service; and (3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

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

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

2. DEPOSITS AND INVESTMENTS (continued)

State statutes authorize the District to invest in obligations of the U.S. Treasury, the State of Texas, certain United States agencies, certificates of deposit, money market savings accounts, repurchase agreements, no-load money market mutual funds and other investments specifically allowed by Chapter 2256 Public Funds Investment and Chapter 2257 Collateral for Public Funds of the Government Code. The District invests primarily in obligations of U.S. agencies, TexPool, LoneStar Investment Pool ("LoneStar"), the Texas Short Term Asset Reserve Program (TEXSTAR), Texas CLASS, Texas TERM Investment Pool ("TexasDaily") and the Local Government Investment Cooperative (LOGIC).

The Comptroller of Public Accounts (Comptroller) exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure.

LoneStar is governed by the Texas Association of School Boards. This entity has the responsibility of adopting and monitoring compliance with the investment advisor, custodian, investment consultant, administrator, and other service providers. The Board is also responsible for monitoring the performance of the Pool.

In September 2005, TEXSTAR and LOGIC merged. A separate board for each pool holds legal title to all money, investments, and assets and has the authority to employ personnel, contract for services, and engage in other administrative activities necessary or convenient to accomplish the objectives of TEXSTAR and LOGIC. The business and affairs of TEXSTAR and LOGIC are managed by their Boards in accordance with their bylaws. The Bylaws set forth procedures governing the selection of, and action taken by, the Board. Board oversight of TEXSTAR and LOGIC is maintained through daily, weekly, and monthly reporting requirements.

Texas CLASS is a local government investment pool. Texas CLASS invests in securities allowed by the Texas Public Funds Investment Act. The pool is governed by a board of trustees, elected annually by its participants.

The TexasTERM Local Government Investment Pool investments are designed to comply with all Texas statutes, including regulations for the allowable investment of public funds. The Pool's investors elect Advisory Board Members who are responsible for overall management of the Pool, including formulation and implementation of investment and operating policies.

With the exception of the government investment pools, the District's investments are carried at cost which approximates fair value as provided by GASB Statement No. 31. Under the provisions of GASB Statement No. 31, money market investments may be reported at amortized cost if the remaining maturity at time of purchase is one year or less, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Accordingly, the District's money market investments are reported at amortized cost and do not include any unrealized gains and losses. The fair value of the position in the government investment pools is the same as the value of the pool shares.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

2. DEPOSITS AND INVESTMENTS (Continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. However, investments issued or explicitly guaranteed by the United States government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement. The following is the minimum rating required by the District's investment policy and the Act and the actual rating as of August 31, 2016 for each investment:

Description	Days to Maturity	Minimum	Investment	Rating Organization	Carrying Value	Percentage
		Legal Rating	Rating			Invested
Investment Pools:						
Lone Star Corporate Overnight Plus Fund	N/A	AAA-m	AAAf/S1+	Standard & Poor's	\$ 149,777,899	25.24%
Lone Star Government Overnight Fund	N/A	AAA-m	AAA-m	Standard & Poor's	10,325,128	1.74%
LOGIC	N/A	AAA-m	AAA-m	Standard & Poor's	103,711,183	17.48%
Texpool	N/A	AAA-m	AAA-m	Standard & Poor's	14,691,628	2.48%
Texpool Prime	N/A	AAA-m	AAA-m	Standard & Poor's	46,108,867	7.77%
TexSTAR	N/A	AAA-m	AAA-m	Standard & Poor's	10,325,605	1.74%
Texas Daily	N/A	AAA-m	AAA-m	Standard & Poor's	34,442,180	5.80%
Texas Class	N/A	AAA-m	AAA-m	Standard & Poor's	74,353,541	12.53%
Municipal Bonds:						
Municipal Bonds	365+	A	AAA	Standard & Poor's	5,223,542	0.88%
Agency Notes:						
Agency Notes	00-90	A	AA+	Standard & Poor's	5,003,551	0.84%
Agency Notes	91-180	A	AA+	Standard & Poor's	14,223,280	2.40%
Agency Notes	181-364	A	AA+	Standard & Poor's	30,215,893	5.09%
Agency Notes	365+	A	AA+	Standard & Poor's	95,068,108	16.02%
Total Investments					\$ 593,470,405	100.00%

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

2. DEPOSITS AND INVESTMENTS (Continued)

Standard and Poor's Rating Legend	
Rating	Capacity to maintain principal stability and to limit exposure to principal losses due to credit risk.
AAA	Extremely strong
AA	Strong
A	Strong but susceptible to adverse effects of changes in circumstances.
BBB	Adequate but more likely to be affected by adverse effects of changes in circumstances.
BB	Uncertain and vulnerable. Demonstrates speculative characteristics.
D	Failed to maintain resulting in realized or unrealized loss of principal.

Concentration of Credit Risk

The District is required to disclose investments in any one issuer that represents 5% or more of total investments. However, investments issued or explicitly guaranteed by the United States government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement. The District has investments that are implicitly guaranteed by the United State government with the Federal Home Loan Bank and the Federal Home Loan Mortgage Corporation that represent 12% and 6% of the total investment portfolio.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting exposure to fair value losses due to rising interest rates, the District's investment policy states "To reduce exposure to changes in interest rates that could adversely affect the value of investments, the District shall use final and weighted-average-maturity limits and diversification. The District shall monitor interest rate risk using weighted average maturity and specific identification."

As of August 31, 2016, the District had \$144,450,283 invested exclusively in US Agency notes with a weighted average maturity of 1.34 years.

Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

Level 1 – inputs are quoted prices in active markets for identical assets. All U.S. Agency Notes and Municipal Bond holdings are valued using quoted market prices.

Level 2 – inputs are significant observable inputs. The District has no level 2 assets at August 31, 2016.

Level 3 – inputs are significant unobservable inputs. The District has no level 3 assets at August 31, 2016.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

3. INTERFUND RECEIVABLE, PAYABLE, AND TRANSFERS

Interfund receivable and payable balances at August 31, 2016 were as follows:

	Receivable Balance	Payable Balance
General Fund:		
Debt Service Funds	\$ -	\$ 2,130,546
Non-major Governmental Funds	3,584,427	-
Proprietary Funds	919,496	-
Total General Fund	<u>\$ 4,503,923</u>	<u>\$ 2,130,546</u>
Debt Service Fund:		
General Fund	2,130,546	-
Other Governmental Funds:		
General Fund	-	3,584,427
Proprietary Funds:		
General Fund	<u>-</u>	<u>919,496</u>
TOTAL	<u>\$ 6,634,469</u>	<u>\$ 6,634,469</u>

From time to time, grant funds, which are on a reimbursement basis, may experience deficit cash balances. The centralized cash disbursement process through the general fund will pay for liabilities incurred until reimbursement is received. Such cash deficits are recorded as interfund payables to the general fund. In addition, the general fund paid for equipment purchased for the Printing Operations internal service fund. This interfund loan is being repaid over several years.

The District also made the following permanent transfers:

- The General Fund subsidized activities whose resources were insufficient to pay for all activities of the catering programs. In addition, the General Fund subsidized the 2016-2017 federal requirement for meal price increases. Transfers to non-major governmental funds were \$50,000.

4. PROPERTY TAXES

Property taxes are levied by October 1, on the basis of assessed value as of January 1, in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due and receivable within the current period, and those expected to be collected during a 60 day period after the close of the school fiscal year.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of levy. Allowances for uncollectible tax receivables within the general and debt service funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

5. CAPITAL ASSETS

A summary of capital asset activity of the District for the year ended August 31, 2016 follows:

	Balance September 1, 2015	Additions	Deletions or Transfers	Balance, August 31, 2016
<u>Capital Assets not being depreciated:</u>				
Land	\$ 101,838,726	\$ 863,016	\$ -	\$ 102,701,742
Construction In Progress	122,213,247	119,133,000	(42,289,565)	199,056,682
Total	<u>224,051,973</u>	<u>119,996,016</u>	<u>(42,289,565)</u>	<u>301,758,424</u>
<u>Capital Assets being depreciated:</u>				
Buildings and Improvements	2,378,948,096	88,457,442	(1,805,152)	2,465,600,386
Furniture and Equipment	122,605,844	6,593,972	(2,218,633)	126,981,183
Total	<u>2,501,553,940</u>	<u>95,051,414</u>	<u>(4,023,785)</u>	<u>2,592,581,569</u>
<u>Less Accumulated Depreciation:</u>				
Buildings and Improvements	(680,139,183)	(70,257,102)		(750,396,285)
Furniture and Equipment	(65,389,991)	(9,319,997)	4,023,785	(70,686,203)
Total	<u>(745,529,174)</u>	<u>(79,577,099)</u>	<u>4,023,785</u>	<u>(821,082,488)</u>
Total Capital Assets being depreciated	<u>1,756,024,766</u>	<u>15,474,315</u>	<u>-</u>	<u>1,771,499,081</u>
Capital Assets, Net	<u>\$ 1,980,076,739</u>	<u>\$ 135,470,331</u>	<u>\$ (42,289,565)</u>	<u>\$ 2,073,257,505</u>

Depreciation expense was charged to governmental activities in the following functional categories:

Instruction	\$ 47,596,311
Instructional Resources & Media Services	1,066,212
Curriculum & Staff Development	1,570,594
Instructional Leadership	1,601,840
School Leadership	4,101,262
Guidance, Counseling & Evaluation Services	2,861,036
Social Work Services	252,592
Health Services	752,561
Student Transportation	2,561,627
Food Services	4,160,984
Co-Curricular Activities	2,152,855
General Administration	1,620,305
Plant Maintenance & Operations	6,329,679
Security & Monitoring Services	736,444
Data Processing Services	1,211,510
Community Services	1,001,287
Total Depreciation	<u>\$ 79,577,099</u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS

August 31, 2016

6. UNEARNED REVENUE

Unearned revenue consisted of the following:

General Fund	
E-rate	\$ 4,691,211
Other	<u>546,167</u>
Total General Fund	<u>5,237,378</u>
Non-Major Governmental Fund	
U.S. D. A. Commodities	965,218
Pre-paid Meals	1,079,399
Grants	<u>2,421,125</u>
Total Special Revenue Fund	<u>4,465,742</u>
Total Governmental Activities	<u>\$ 9,703,120</u>
Enterprise Fund	
Learning Tree	<u>\$ 323,314</u>

7. LONG-TERM LIABILITIES

Bonded Debt Payable

The District issues general obligation bonds for the governmental activities to provide funds for the acquisition and construction of major capital facilities. The bonds are supported by a pledge of the District's full faith and credit and require a levy and collection of taxes without limitation as to rate or amount on all property subject to taxation by the District sufficient in amount to pay the principal and interest on such bonds as they become due. The indentures also require that a debt service fund be created and administered by the District solely for paying principal and interest when due.

Bond indebtedness of the District is reflected in the government-wide financial statements, and current requirements for principal and interest expenditures are accounted for in the Debt Service Fund.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

7. LONG-TERM LIABILITIES (Continued)

The following is a summary of general obligation bonds payable at August 31, 2016.

Issue Date	Series	Original Amount	Interest Rates	Final Maturity	Outstanding 08/31/16	Due Within One Year
Unlimited Tax School Building Bonds						
07/31/03	2003A	\$ 47,900,000	2.00 - 5.00%	2031	\$ 26,255,000	\$ 1,205,000
07/31/03	2003B	47,900,000	2.00 - 4.00%	2029	25,660,000	1,170,000
05/04/06	2006A	36,730,000	2.00 - 5.00%	2033	27,285,000	1,035,000
08/09/07	2007B	49,950,000	4.25 - 5.00%	2037	42,845,000	1,020,000
06/15/08	2008	119,540,000	3.50 - 5.25%	2038	108,150,000	2,035,000
12/03/08	2008A	80,000,000	3.25 - 5.57%	2038	68,885,000	2,505,000
02/25/09	2009	75,670,000	3.00 - 5.13%	2039	67,865,000	1,725,000
11/11/09	2009A	32,500,000	4.00 - 5.00%	2029	27,460,000	1,815,000
07/01/12	2012	55,000,000	2.00 - 5.00%	2042	50,000,000	-
06/03/13	2007A	80,490,000	2.00 - 5.00%	2036	73,680,000	2,475,000
10/10/13	2013	68,975,000	2.00 - 5.00%	2043	65,260,000	-
05/22/14	2014	40,090,000	2.00 - 5.00%	2034	36,235,000	1,460,000
07/09/15	2015	70,315,000	0.50 - 5.00%	2035	62,320,000	2,125,000
05/18/16	2016	69,030,000	2.00 - 5.00%	2046	69,030,000	1,585,000
Unlimited Tax School Building and Refunding Bonds						
04/03/07	2007	124,205,000	4.00 - 5.00%	2037	109,480,000	9,540,000
07/30/15	2015	93,420,000	2.50 - 5.00%	2045	87,785,000	2,495,000
Unlimited Tax Refunding Bonds						
11/11/09	2009	15,340,000	3.00 - 4.00%	2024	10,360,000	1,115,000
12/07/10	2010	50,685,000	2.00 - 4.00%	2026	33,440,000	3,190,000
11/01/11	2011	67,020,000	0.50 - 5.00%	2032	58,385,000	1,000,000
04/15/12	2012	95,305,000	2.00 - 5.00%	2034	89,780,000	1,525,000
11/21/13	2013	81,175,000	2.00 - 5.00%	2035	61,410,000	6,910,000
04/03/14	2014	74,175,000	2.00 - 5.00%	2033	68,010,000	3,580,000
12/11/14	2014A	69,115,000	2.00 - 5.00%	2033	66,350,000	2,485,000
04/06/16	2016	85,575,000	2.00 - 5.00%	2035	85,575,000	4,390,000
Unlimited Tax Qualified School Construction Bonds (Tax Credit Bonds)						
11/12/09	2009	28,000,000	1.505%	2026	28,000,000	-
Unlimited Tax School Building Bonds (Taxable Direct Subsidy - Build America Bonds)						
11/12/09	2009	25,075,000	6.246%	2039	25,075,000	-
11/16/10	2010	107,995,000	5.491 - 5.891%	2040	107,995,000	-
Variable Rate Unlimited Tax School Building Bonds						
07/27/12	2010	88,345,000	1.20%	2040	82,895,000	2,000,000
07/15/12	2012	70,000,000	1.00%	2032	67,105,000	3,040,000
04/17/13	2013	80,000,000	1.35%	2033	72,715,000	2,755,000
05/22/14	2014	79,245,000	2.00%	2044	79,245,000	-
07/31/14	2011	78,470,000	2.13%	2040	75,155,000	1,785,000
07/09/15	2015	50,000,000	1.65%	2045	50,000,000	-
05/18/16	2016	73,545,000	2.00%	2046	73,545,000	-
Variable Rate Unlimited Tax School Refunding Bonds						
05/31/14	2011A	78,630,000	2.00%	2039	75,325,000	1,785,000
Totals		<u>\$ 2,389,410,000</u>			<u>\$ 2,158,560,000</u>	<u>\$ 67,750,000</u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

7. LONG-TERM LIABILITIES (Continued)

Voted and authorized bonds are issued solely for the purpose of constructing, equipping, and renovating school buildings, purchasing sites for future schools, and paying costs of issuance. The remaining authorized but unissued unlimited tax bonds are as follows:

Date Authorized	Amount Authorized	Previously Issued	Amount Issued	Unissued Balance
5/10/2014	\$648,340,000	\$ 124,650,000	\$150,350,000 *	\$373,340,000

* Amount includes \$142,575,000 of debt issuance and \$7,775,000 of premium from debt issuance.

Annual debt service requirements of currently outstanding bonds are as follows:

Year Ending August 31,	Principal	Interest	Total
2017	\$ 72,250,000	\$ 81,771,093	\$ 154,021,093
2018	71,225,000	81,844,323	153,069,323
2019	71,685,000	83,616,125	155,301,125
2020	72,070,000	85,416,550	157,486,550
2021	75,580,000	84,323,463	159,903,463
2022-26	431,625,000	385,579,727	817,204,727
2027-31	459,470,000	288,627,875	748,097,875
2032-36	465,195,000	175,644,954	640,839,954
2037-41	317,935,000	71,557,143	389,492,143
2042-46	121,525,000	14,160,440	135,685,440
Total	\$ 2,158,560,000	\$ 1,352,541,693	\$ 3,511,101,693

There are a number of limitations and restrictions contained in the general obligation bond indentures. The District is in compliance with all significant limitations and restrictions at August 31, 2016.

- a. On April 6, 2016, the District issued \$85,575,000 Unlimited Tax Refunding Bonds, Series 2016, to refund \$91,875,000 representing the outstanding balance of Unlimited Tax Refunding Bonds, Series 2006D. The resulting economic gain was \$16,712,873. The resulting net cash flows from the refunding are as follows:

Cash flow requirements to service old debt service	\$ 146,472,400
Less: Cash flow requirements for new debt service	125,957,351
Net decreases in cash flow from refunding	<u>\$ 20,515,049</u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

7. LONG-TERM LIABILITIES (Continued)

- b. On May 18, 2016, the District issued \$69,030,000 Unlimited Tax School Building Bonds, Series 2016. The bonds were issued pursuant to an election held on May 10, 2014 authorizing the issuance of \$648.34 million and an Order adopted by the Board of Trustees on October 28, 2014. Proceeds from the sale of the bonds will be used to (i) acquire, construct, renovate, improve and equip various school facilities and (ii) purchase the necessary school sites for school facilities and (iii) *pay the costs of issuance of the bonds. Interest on the bonds will accrue from May 18, 2016* and will be payable on each February 15 and August 15 thereafter, commencing on August 15, 2016 and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The bonds carry coupons ranging from 2.0% to 5.0%. The District reserves the right to redeem bonds having stated maturities on and after August 15, 2027, in whole or in part, on August 15, 2026 or any date thereafter.
- c. On May 18, 2016, the District issued \$73,545,000 Variable Rate Unlimited Tax School Building Bonds, Series 2016. The bonds were issued pursuant to an election held on May 10, 2014 authorizing the issuance of \$648.34 million and an Order adopted by the Board of Trustees on October 28, 2014. Proceeds from the sale of the Bonds will be used to (i) acquire, construct, renovate, improve and equip various school facilities, (ii) purchase the necessary sites therefor, and (iii) pay the costs of issuance of the Bonds. The Bonds will bear interest at an Initial Rate from May 18, 2016 through May 31, 2021, with interest being payable initially on December 1, 2016 and will be payable on each June 1 and December 1 thereafter through the initial rate period at the rate of 2.00%. Thereafter, the Bonds will convert to and bear interest at a Term Rate determined by the Remarketing Agent provided that the interest rate mode on the Bonds may be (a) changed from time to time to a Weekly Rate, Monthly Rate, Quarterly Rate or Semiannual Rate or back to a Term Rate (each a "*Variable Rate*"), (b) changed to a Flexible Rate, or (c) converted to a Fixed Rate until maturity.

The bonds will be subject to mandatory tender without the right of retention on the Conversion Date immediately following the end of the Initial Rate Period, which occurs on May 31, 2021. During the Initial Rate Period, the Bonds are not subject to the benefit of a liquidity facility provided by a third party. Accordingly, a failure by the Remarketing Agent to remarket Bonds subject to mandatory tender on the Conversion Date at the end of the Initial Rate Period will result in the rescission of the notice of mandatory tender with respect thereto and the District not having any obligation to purchase such bonds at that time. The occurrence of the foregoing will not result in an event of default under the Order. Until the District redeems or remarkets the bonds that have been unsuccessfully remarketed, such bonds shall bear interest at the "Stepped Rate", which is defined herein to mean 7.00% per annum.

- d. On May 31, 2011, the District issued \$84,000,000 Variable Unlimited Tax Refunding Bonds Series 2011A to refund \$84,000,000 representing the outstanding balance of Variable Rate Unlimited Tax School Building Bonds, Series 2009. Of the \$81,165,000 of outstanding Bonds, \$1,530,000 was redeemed pursuant to mandatory redemption provisions and \$1,005,000 was redeemed pursuant to optional redemption provisions. The balance of \$78,630,000 was remarketed on May 20, 2014 to a five-year term mode. The Bonds will bear interest from June 1, 2014 through May 31, 2019, with interest being payable initially on December 1, 2014 and on each June 1 and December 1 thereafter at the rate of 2.00%. Thereafter, the Bonds will convert to and bear interest at a Term Rate determined by the Remarketing Agent provided that the interest rate mode on the bonds may be (a) changed from time to time to a Weekly Rate, Monthly Rate, Quarterly Rate or Semiannual Rate or back to a Term Rate (each a "*Variable Rate*"), (b) changed to a Flexible Rate or, (c) converted to a Fixed Rate until maturity.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

7. LONG-TERM LIABILITIES (Continued)

The bonds will be subject to mandatory tender without the right of retention on the Conversion Date immediately following the end of the Term Rate Period, which occurs on June 1, 2019.

During the term rate period, the bonds are not subject to the benefit of a liquidity facility provided by a third party. Accordingly, a failure by the remarketing agent to remarket bonds subject to mandatory tender on the conversion date at the end of the term rate period will result in the rescission of the notice of mandatory tender with respect thereto and the District not having any obligation to purchase such bonds at that time. The occurrence of the foregoing will not result in an event of default under the Order. Until the District redeems or remarkets the bonds that have been unsuccessfully remarketed, such bonds shall bear interest at the rate of 7.00% per annum.

The bonds are subject to mandatory redemption prior to maturity as follows:

Variable Refunding Series 2011A, Mandatory Redemption Schedule					
June 1	Redemption	June 1	Redemption	June 1	Redemption
2017	\$ 1,785,000	2025	\$ 2,690,000	2033	\$ 4,050,000
2018	1,880,000	2026	2,830,000	2304	4,260,000
2019	1,980,000	2027	2,980,000	2035	4,485,000
2020	2,080,000	2028	3,135,000	2036	4,720,000
2021	2,190,000	2029	3,300,000	2037	4,970,000
2022	2,305,000	2030	3,475,000	2038	5,230,000
2023	2,425,000	2031	3,655,000	2039	* 4,500,000
2024	2,555,000	2032	3,845,000		

*Scheduled final maturity.

- e. On March 8, 2011 the District issued \$80,000,000 Variable Rate Unlimited Tax School Building Bonds, Series 2011. The bonds were issued pursuant to an election held on May 8, 2010 and an Order adopted by the Board of Trustees on February 24, 2011. The amount of the outstanding Bonds, \$80,000,000, was redeemed pursuant to mandatory redemption provisions of \$1,530,000, redeemed pursuant to optional redemption provisions and the balance of \$78,470,000 remarketed July 23, 2014 to a six-year term mode. The Bonds will bear interest from August 1, 2014 through July 31, 2020, with interest being payable initially on February 1, 2015 and on each August 1 and February 1 thereafter at the rate of 2.125%. Thereafter, the Bonds will convert to and bear interest at a Term Rate determined by the Remarketing Agent provided that the interest rate mode on the bonds may be (a) changed from time to time to a Weekly Rate, Monthly Rate, Quarterly Rate or Semiannual Rate or back to a Term Rate (each a "Variable Rate"), (b) changed to a Flexible Rate or, (c) converted to a Fixed Rate until maturity.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS

August 31, 2016

7. LONG-TERM LIABILITIES (Continued)

The bonds will be subject to mandatory tender without the right of retention on the Conversion Date immediately following the end of the Term Rate Period, which occurs on August 1, 2020. During the term rate period, the bonds are not subject to the benefit of a liquidity facility provided by a third party. Accordingly, a failure by the remarketing agent to remarket bonds subject to mandatory tender on the conversion date at the end of the term rate period will result in the rescission of the notice of mandatory tender with respect thereto and the District not having any obligation to purchase such bonds at that time. The occurrence of the foregoing will not result in an event of default under the Order. Until the District redeems or remarkets the bonds that have been unsuccessfully remarketed, such bonds shall bear interest at the rate of 7.00% per annum.

The bonds are subject to mandatory redemption prior to maturity as follows:

Series 2011, Mandatory Redemption Schedule					
August 1	Redemption	August 1	Redemption	August 1	Redemption
2017	\$ 1,785,000	2025	\$ 2,690,000	2034	\$ 4,005,000
2018	1,880,000	2026	2,830,000	2035	4,215,000
2019	1,980,000	2027	2,980,000	2036	4,440,000
2020	2,085,000	2028	3,135,000	2037	4,670,000
2021	2,190,000	2029	3,300,000	2038	4,915,000
2022	2,305,000	2030	2,725,000	2039	5,175,000
2023	2,430,000	2031	3,615,000	2040	* 5,445,000
2024	2,555,000	2033	3,805,000		

* Scheduled final maturity.

- f. On July 15, 2012 the District issued \$70,000,000 Variable Rate Unlimited Tax School Building Bonds, Series 2012. The bonds were issued pursuant to an election held on May 8, 2010 authorizing the issuance of \$535.142 million and an Order adopted by the Board of Trustees on May 22, 2012. The amount of the outstanding Bonds, \$67,105,000, was remarketed May 20, 2016 to a six-year term mode. The Bonds will bear interest from June 1, 2016 through May 31, 2022, with interest being payable initially on December 1, 2016 and will be payable on each June 1 and December 1 thereafter at the rate of 1.75%. Thereafter, the Bonds will convert to and bear interest at a Term Rate determined by the Remarketing Agent provided that the interest rate mode on the Bonds may be (a) changed from time to time to a Weekly Rate, Monthly Rate, Quarterly Rate or Semiannual Rate or back to a Term Rate (each a "Variable Rate"), (b) changed to a Flexible Rate, or (c) converted to a Fixed Rate until maturity.

The bonds will be subject to mandatory tender without the right of retention on the Conversion Date immediately following the end of the Term Rate Period, which occurs on June 1, 2022. During the Initial Rate Period, the Bonds are not subject to the benefit of a liquidity facility provided by a third party. Accordingly, a failure by the Remarketing Agent to remarket Bonds subject to mandatory tender on the Conversion Date at the end of the Initial Rate Period will result in the rescission of the notice of mandatory tender with respect thereto and the District not having any obligation to purchase such bonds at that time. The occurrence of the foregoing will not result in an event of default under the Order. Until the District redeems or remarkets the bonds that have been unsuccessfully remarketed, such bonds shall bear interest at the "Stepped Rate", which is defined herein to mean 7.00% per annum.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

7. LONG-TERM LIABILITIES (Continued)

The bonds are subject to mandatory redemption prior to maturity as noted below.

Series 2012, Mandatory Redemption Schedule

June 1	Redemption	June 1	Redemption	June 1	Redemption
2017	\$ 3,040,000	2023	\$ 4,075,000	2029	\$ 5,465,000
2018	3,195,000	2024	4,280,000	2030	5,735,000
2019	3,355,000	2025	4,495,000	2031	1,400,000
2020	3,250,000	2026	4,720,000	2032	* 6,090,000
2021	3,695,000	2027	4,955,000		
2022	3,880,000	2028	5,205,000		

* Scheduled final maturity.

- g. On April 21, 2010, the District issued \$88,345,000 Variable Rate Unlimited Tax School Building Bonds, Series 2010. The bonds were issued pursuant to an election held on May 12, 2007 and an Order adopted by the Board of Trustees on February 23, 2010. The amount of the outstanding Bonds, \$84,345,000, was remarketed July 27, 2012 to a five-year term mode. The Bonds will bear interest from August 1, 2012 through July 31, 2017, with interest being payable initially on February 1, 2013 and on each August 1 and February 1 thereafter at the rate of 1.20%. Thereafter, the Bonds will convert to and bear interest at a Term Rate determined by the Remarketing Agent provided that the interest rate mode on the bonds may be (a) changed from time to time to a Weekly Rate, Monthly Rate, Quarterly Rate or Semiannual Rate or back to a Term Rate (each a "Variable Rate"), (b) changed to a Flexible Rate or, (c) converted to a Fixed Rate until maturity.

The bonds will be subject to mandatory tender without the right of retention on the Conversion Date immediately following the end of the Term Rate Period, which occurs on August 1, 2017. During the term rate period, the bonds are not subject to the benefit of a liquidity facility provided by a third party. Accordingly, a failure by the remarketing agent to remarket bonds subject to mandatory tender on the conversion date at the end of the term rate period will result in the rescission of the notice of mandatory tender with respect thereto and the District not having any obligation to purchase such bonds at that time. The occurrence of the foregoing will not result in an event of default under the Order. Until the District redeems or remarkets the bonds that have been unsuccessfully remarketed, such bonds shall bear interest at the rate of 7.00% per annum.

The bonds are subject to mandatory redemption prior to maturity as noted below.

Series 2010, Mandatory Redemption Schedule

August 1	Redemption	August 1	Redemption	August 1	Redemption
2017	\$ 2,000,000	2025	\$ 2,955,000	2034	\$ 4,370,000
2018	2,100,000	2026	3,105,000	2035	4,585,000
2019	2,205,000	2027	3,260,000	2036	4,815,000
2020	2,315,000	2029	3,420,000	2037	5,055,000
2021	2,430,000	2030	3,595,000	2038	5,310,000
2022	2,555,000	2031	3,775,000	2039	5,575,000
2023	2,680,000	2032	3,960,000	2040	* 5,855,000
2024	2,815,000	2033	4,160,000		

* Scheduled final maturity.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS

August 31, 2016

7. LONG-TERM LIABILITIES (Continued)

- h. On April 17, 2013, the District issued \$80,000,000 Variable Rate Unlimited Tax School Building Bonds, Series 2013. The bonds were issued pursuant to an election held on May 8, 2010 authorizing the issuance of \$535.142 million and an Order adopted by the Board of Trustees on May 22, 2012. Proceeds from the sale of the Bonds will be used to acquire, construct, renovate, improve and equip various school facilities and the purchase of the necessary sites therefore. The Bonds will bear interest at an Initial Rate from May 15, 2013 through May 31, 2018, with interest being payable initially on December 1, 2012 and will be payable on each June 1 and December 1 thereafter through the initial rate period at the rate of 1.35%. Thereafter, the Bonds will convert to and bear interest at a Term Rate determined by the Remarketing Agent provided that the interest rate mode on the Bonds may be (a) changed from time to time to a Weekly Rate, Monthly Rate, Quarterly Rate or Semiannual Rate or back to a Term Rate (each a "Variable Rate"), (b) changed to a Flexible Rate, or (c) converted to a Fixed Rate until maturity.

The bonds will be subject to mandatory tender without the right of retention on the Conversion Date immediately following the end of the Initial Rate Period, which occurs on June 1, 2018. During the Initial Rate Period, the Bonds are not subject to the benefit of a liquidity facility provided by a third party. Accordingly, a failure by the Remarketing Agent to remarket Bonds subject to mandatory tender on the Conversion Date at the end of the Initial Rate Period will result in the rescission of the notice of mandatory tender with respect thereto and the District not having any obligation to purchase such bonds at that time. The occurrence of the foregoing will not result in an event of default under the Order. Until the District redeems or remarkets the bonds that have been unsuccessfully remarketed, such bonds shall bear interest at the "Stepped Rate", which is defined herein to mean 6% per annum.

The bonds are subject to mandatory redemption prior to maturity as noted below.

Series 2013, Mandatory Redemption Schedule

June 1	Redemption	June 1	Redemption	June 1	Redemption
2017	\$ 2,755,000	2023	\$ 3,740,000	2029	\$ 5,085,000
2018	2,900,000	2024	3,940,000	2030	5,355,000
2019	3,050,000	2025	4,145,000	2031	5,635,000
2020	3,210,000	2026	4,365,000	2032	5,930,000
2021	3,380,000	2027	4,590,000	2033	* 6,245,000
2022	3,555,000	2028	4,835,000		

* Scheduled final maturity.

- i. On April 23, 2014, the District issued \$79,245,000 Variable Rate Unlimited Tax School Building Bonds, Series 2014. The bonds were issued pursuant to an election held on May 8, 2010 authorizing the issuance of \$535.142 million and an Order adopted by the Board of Trustees on February 25, 2014. The Bonds will bear interest at an Initial Rate from May 22, 2014 through July 31, 2019, with interest being payable initially on February 1, 2015 and will be payable on each February 1 and August 1 thereafter through the initial rate period at the rate of 2.00%. Thereafter, the Bonds will convert to and bear interest at a Term Rate determined by the Remarketing Agent provided that the interest rate mode on the Bonds may be (a) changed from time to time to a Weekly Rate, Monthly Rate, Quarterly Rate or Semiannual Rate or back to a Term Rate (each a "Variable Rate"), (b) changed to a Flexible Rate, or (c) converted to a Fixed Rate until maturity.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS

August 31, 2016

7. LONG-TERM LIABILITIES (Continued)

The bonds will be subject to mandatory tender without the right of retention on the Conversion Date immediately following the end of the Initial Rate Period, which occurs on August 1, 2019. During the Initial Rate Period, the Bonds are not subject to the benefit of a liquidity facility provided by a third party. Accordingly, a failure by the Remarketing Agent to remarket Bonds subject to mandatory tender on the Conversion Date at the end of the Initial Rate Period will result in the rescission of the notice of mandatory tender with respect thereto and the District not having any obligation to purchase such bonds at that time. The occurrence of the foregoing will not result in an event of default under the Order. Until the District redeems or remarkets the bonds that have been unsuccessfully remarketed, such bonds shall bear interest at the "Stepped Rate", which is defined herein to mean 7.00% per annum.

The bonds are subject to mandatory redemption prior to maturity as noted below.

Series 2014, Mandatory Redemption Schedule

August 1	Redemption	August 1	Redemption	August 1	Redemption
2035	\$ 6,300,000	2038	\$ 7,295,000	2041	\$ 8,440,000
2036	6,615,000	2039	7,660,000	2042	8,865,000
2037	6,945,000	2040	8,040,000	2043	9,310,000
				2044	* 9,775,000

* Scheduled final maturity.

- j. On July 9, 2015, the District issued \$50,000,000 Variable Rate Unlimited Tax School Building Bonds, Series 2015. The bonds were issued pursuant to an election held on May 10, 2014 authorizing the issuance of \$638.34 million and an Order adopted by the Board of Trustees on October 28, 2014. The Bonds will bear interest at an Initial Rate from July 9, 2015 through July 31, 2018, with interest being payable initially on August 1, 2015 and will be payable on each February 1 and August 1 thereafter through the initial rate period at the rate of 1.65%. Thereafter, the Bonds will convert to and bear interest at a Term Rate determined by the Remarketing Agent provided that the interest rate mode on the Bonds may be (a) changed from time to time to a Weekly Rate, Monthly Rate, Quarterly Rate or Semiannual Rate or back to a Term Rate (each a "Variable Rate"), (b) changed to a Flexible Rate, or (c) converted to a Fixed Rate until maturity.

The bonds will be subject to mandatory tender without the right of retention on the Conversion Date immediately following the end of the Initial Rate Period, which occurs on August 1, 2019. During the Initial Rate Period, the Bonds are not subject to the benefit of a liquidity facility provided by a third party. Accordingly, a failure by the Remarketing Agent to remarket Bonds subject to mandatory tender on the Conversion Date at the end of the Initial Rate Period will result in the rescission of the notice of mandatory tender with respect thereto and the District not having any obligation to purchase such bonds at that time. The occurrence of the foregoing will not result in an event of default under the Order. Until the District redeems or remarkets the bonds that have been unsuccessfully remarketed, such bonds shall bear interest at the "Stepped Rate", which is defined herein to mean 8.00% per annum.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

7. LONG-TERM LIABILITIES (Continued)

The bonds are subject to mandatory redemption prior to maturity as noted below.

Series 2015, Mandatory Redemption Schedule					
August 1	Redemption	August 1	Redemption	August 1	Redemption
2036	\$ 3,975,000	2039	\$ 4,600,000	2042	\$ 5,325,000
2037	4,175,000	2040	4,830,000	2043	5,595,000
2038	4,385,000	2041	5,075,000	2044	5,875,000
				2045	* 6,165,000

* Scheduled final maturity.

Accumulated Unpaid Vacation

The District has adopted a policy of accruing accumulated unpaid vacation for its hourly employees only. All other employees are employed by contract days and are not entitled to accrued vacation leave.

Worker's Compensation

All funds of the District participate in the Worker's Compensation Insurance Fund and make payments to the Fund based on rates, which reflect historical claims experience. The claims payable of \$4,717,666 reported in the Fund at August 31, 2016 is based on an actuarial study completed in October 2016. The study was performed to provide claims payable in accordance with the requirements of Governmental Accounting Standards Board Statement No. 10 as amended by GASB Statement No. 30. This standard requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The liability includes provisions for the following:

- cash reserves on open claims
- expected ultimate value of future development on reported claims
- expected ultimate value of claims not yet reported
- expected ultimate value of reopened claims
- allocated loss adjustment expenses

The claims liability reported as accrued claims payable in the accompanying financial statement is based on a discounted rate of 3% in anticipation of the investment income potential.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

7. LONG-TERM LIABILITIES (Continued)

Changes in Long-term Liabilities

Changes in Long-term liabilities of governmental activities for the year ended August 31, 2016 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable	\$2,091,145,000	\$295,255,000	\$227,840,000	\$2,158,560,000	\$72,250,000
Unamortized Bond Premiums	73,785,727	16,082,353	8,083,518	81,784,562	-
Accrued Vacation	1,205,309	1,149,927	1,147,688	1,207,548	519,465
Net Pension Liability (Note 10)	123,707,492	143,737,565	36,506,087	230,938,970	-
Worker's Compensation	4,901,793	2,286,199	2,470,326	4,717,666	3,657,156
Total	<u>\$2,294,745,321</u>	<u>\$458,511,044</u>	<u>\$276,047,619</u>	<u>\$2,477,208,746</u>	<u>\$76,426,621</u>

Internal Service Funds serve only the governmental funds of the District. The liability associated with the Worker's Compensation Internal Service Fund is, therefore, included in the above activity. A reconciliation of changes in the aggregate liabilities for worker's compensation claims for the prior and the current year are presented below:

	2016	2015
Beginning of Year Liability	\$ 4,901,793	\$ 5,041,690
Current Year Claims and Changes in Estimates	2,286,199	2,315,698
Claim Payments	<u>(2,470,326)</u>	<u>(2,455,595)</u>
End of Year Liability	<u>\$ 4,717,666</u>	<u>\$ 4,901,793</u>

8. FUND BALANCE

The Governmental Accounting Standards Board Statement No. 54 was implemented beginning with the fiscal year ending August 31, 2011 changing the classification of various fund balance amounts. The purpose of the statement is to provide additional guidance on fund balance classification and the definition of funds to ensure greater consistency and transparency in governmental reporting.

Nonspendable fund balance results from items that are not in spendable form as of August 31st including inventory and prepaid items. Restricted fund balance consists of items that are legally restricted for specific purposes. The committed fund balance consists of funds designated by the Board of Trustees to be used for specific purposes. Assigned fund balances reflect management intentions to use funds for specific purposes. The general fund unassigned fund balance includes investments that have a maturity of greater than one year from the date of the financial statements. The District intends to hold these investments to maturity and does not intend for these investments to be utilized for expenditure in the budget year ending August 31, 2017. Investments with a maturity greater than one year from the date of the financial statements totaled \$100,291,650 at August 31, 2016.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

8. FUND BALANCE (continued)

The fund balance as of August 31, 2016 consists of the following amounts:

	General Fund	Debt Service Fund	Capital Project Fund	Other Governmental Funds	Total
Non-spendable:					
Inventory	\$ 2,336,011	\$ -	\$ -	\$ 1,574,752	\$ 3,910,763
Restricted:					
Debt Service	-	27,286,923	-	-	27,286,923
Child Nutrition	-	-	-	9,445,911	9,445,911
Authorized Construction	-	-	136,415,915	-	136,415,915
Grants	-	-	-	2,423,392	2,423,392
Committed:					
Local Special Revenue	-	-	-	114,068	114,068
Opening New Schools	25,612,694	-	-	-	25,612,694
State Revenue Deficits	76,398,690	-	-	-	76,398,690
Technology Deployments	17,450,738	-	-	-	17,450,738
Assigned:					
Employee Benefits	10,700,000	-	-	-	10,700,000
Debt Service	10,000,000	-	-	-	10,000,000
Administrative District Projects	3,346,762	-	-	-	3,346,762
Federal Program					
Reductions	7,445,522	-	-	-	7,445,522
Federal Maintenance of					
Effort	6,259,229	-	-	-	6,259,229
Unassigned	<u>192,007,917</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,007,917</u>
Total	<u>\$ 351,557,563</u>	<u>\$ 27,286,923</u>	<u>\$ 136,415,915</u>	<u>\$ 13,558,123</u>	<u>\$ 528,818,524</u>

9. HEALTH CARE COVERAGE

At August 31, 2016, 10,619 employees of the District were covered by an employee benefits health plan. TRS-qualified insurance plan participants were 10,579. The District paid premiums averaging \$423 per month per employee to the plan and employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a licensed provider. Total premiums paid by the District during the year were \$53,926,748.

10. DEFINED BENEFIT PENSION PLANS

Plan Description

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

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

10. DEFINED BENEFIT PENSION PLANS (continued)

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

Pension Plan Fiduciary Net Position

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

Benefits Provided

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

Contributions

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 thru 2017. The 83rd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2014 and 2015. The 84th Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2016 and 2017.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

10. DEFINED BENEFIT PENSION PLANS (continued)

<u>Contribution Rates</u>	<u>2015</u>	<u>2016</u>
Member	6.70%	7.20%
Non-Employer Contributing Entity (State)	6.80%	6.80%
Employers	6.80%	6.80%
Northside ISD 2016 Employer Contributions		\$19,345,006
Northside ISD 2016 Member Contributions		\$16,829,612
Northside ISD 2016 NECE On-behalf Contributions		\$29,030,315

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

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

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

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

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

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

10. DEFINED BENEFIT PENSION PLANS (continued)

Actuarial Assumptions

The total pension liability in the August 31, 2015 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2015
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Discount Rate	8.00%
Long-term expected Investment Rate of Return	8.00%
Salary Increases including inflation	3.5% to 9.5%
Benefit Changes during the year	None
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 2014 and adopted on September 24, 2015.

Discount Rate

The discount rate used to measure the total pension liability was 8.0%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 8%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2015 are summarized below:

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

10. DEFINED BENEFIT PENSION PLANS (continued)

Asset Class	Target Allocation	Real Return Geometric Basis	Long-Term Expected Portfolio Real Rate of Return*
Global Equity			
U.S.	18%	4.6%	1.0%
Non-U.S. Developed	13%	5.1%	0.8%
Emerging Markets	9%	5.9%	0.7%
Directional Hedge Funds	4%	3.2%	0.1%
Private Equity	13%	7.0%	1.1%
Stable Value			
U.S. Treasuries	11%	0.7%	0.1%
Absolute Return	0%	1.8%	0.0%
Stable Value Hedge Funds	4%	3.0%	0.1%
Cash	1%	-0.2%	0.0%
Real Return			
Global Inflation Linked Bonds	3%	0.9%	0.0%
Real Assets	16%	5.1%	1.1%
Energy and Natural Resources	3%	6.6%	0.2%
Commodities	0%	1.2%	0.0%
Risk Parity			
Risk Parity	5%	6.7%	0.3%
Inflation Expectation			2.2%
Alpha			1.0%
Total	<u>100%</u>		<u>8.7%</u>

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

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (8%) in measuring the 2015 Net Pension Liability.

	1% Decrease in Discount Rate (7.0%)	Discount Rate (8.0%)	1% Increase in Discount Rate (9.0%)
District's proportionate share of the net pension liability:	\$361,837,838	\$230,938,970	\$121,908,347

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

10. DEFINED BENEFIT PENSION PLANS (continued)

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

At August 31, 2016, the District reported a liability of \$230,938,970 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$230,938,970
State's proportionate share that is associated with District	346,456,429
Total	<u>\$577,395,399</u>

The net pension liability was measured as of August 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2014 thru August 31, 2015.

At August 31, 2015 the District's proportion of the collective net pension liability was 0.6533173% which was an increase of 0.1901908% from its proportion measured as of August 31, 2014.

Changes Since the Prior Actuarial Valuation

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

Economic Assumptions

1. The inflation assumption was decreased from 3.00% to 2.50%.
2. The ultimate merit assumption for long-service employees was decreased from 1.25% to 1.00%.
3. In accordance with the observed experience, there were small adjustments in the service-based promotional/longevity component of the salary scale.
4. The payroll growth assumption was lowered from 3.50% to 2.50%.

Mortality Assumptions

5. The post-retirement mortality tables for non-disabled retirees were updated to reflect recent TRS member experience. Mortality rates will be assumed to continue to improve in the future using a fully generational approach and Scale BB.
6. The post-retirement mortality tables for disabled retirees were updated to reflect recent TRS member experience. Mortality rates will be assumed to continue to improve in the future using a fully generational approach and Scale BB.
7. The pre-retirement mortality tables for active employees were updated to use 90% of the recently published RP-2014 mortality table for active employees. Mortality rates will be assumed to continue to improve in the future using a fully generational approach and Scale BB.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

10. DEFINED BENEFIT PENSION PLANS (continued)

Other Demographic Assumptions

8. Previously, it was assumed 10% of all members who had contributed in the past 5 years to be an active member. This was an implicit rehire assumption because teachers have historically had a high incidence of terminating employment for a time and then returning to the workforce at a later date. This methodology was modified to add a more explicit valuation of the rehire incidence in the termination liabilities, and therefore these 10% are no longer being counted as active members.
9. There were adjustments to the termination patterns for members consistent with experience and future expectations. The termination patterns were adjusted to reflect the rehire assumption. The timing of the termination decrement was also changed from the middle of the year to the beginning to match the actual pattern in the data.
10. Small adjustments were made to the retirement patterns for members consistent with experience and future expectations.
11. Small adjustments to the disability patterns were made for members consistent with experience and future expectations. Two separate patterns were created based on whether the member has 10 years of service or more.
12. For members that become disabled in the future, it is assumed 20% of them will choose a 100% joint and survivor annuity option.

Actuarial Methods and Policies

13. The method of using celled data in the valuation process was changed to now using individual data records to allow for better reporting of some items, such as actuarial gains and losses by source.

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

For the year ended August 31, 2016, the District recognized pension expense of \$29,030,135 and revenue of \$29,030,135 for support provided by the State.

At August 31, 2016, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,591,125	\$ 8,875,191
Changes in actuarial assumptions	6,687,537	8,238,891
Difference between projected and actual investment earnings	28,517,578	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	43,473,439	73,967
Contributions paid to TRS subsequent to the measurement date	19,982,317	-
Total	\$ 100,251,996	\$ 17,188,049

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
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NOTES TO FINANCIAL STATEMENTS

August 31, 2016

10. DEFINED BENEFIT PENSION PLANS (continued)

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

Year ended August 31:	Pension Expense Amount
2017	\$10,893,977
2018	\$10,893,977
2019	\$10,893,977
2020	\$20,346,492
2021	\$6,028,503
2022	\$4,024,704

11. 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 Retired Plan 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 supplementary information for TRS-Care. That report may be obtained by visiting the TRS Web site at www.trs.state.tx.us or by writing to the Communications Department of the Teacher Retirement System of Texas at 1000 Red River Street, Austin, Texas 78701, or by calling 1-800-223-8778.

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 public school district payroll. 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. Funding for optional coverage is provided by those participants selecting the optional coverage. Contribution rates and amounts are shown for fiscal years 2016 through 2014 are as follows:

Year Ending <u>August 31,</u>	<u>Member Contributions</u>		<u>State Contributions</u>		<u>District Contributions</u>	
	<u>Rate</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>
2016	0.65%	4,102,053	1.00%	6,310,851	0.55%	3,470,968
2015	0.65%	3,940,061	1.00%	6,061,891	0.55%	3,333,869
2014	0.65%	3,748,402	1.00%	5,498,300	0.55%	3,171,700

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

12. RISK MANAGEMENT

Equipment Insurance

The District maintains an Equipment Insurance Fund, an internal service fund, to account for and finance its uninsured risks of loss in the event of theft or vandalism of certain District equipment and supplies. Under this program, the fund provides coverage for up to a maximum of \$25,000 in the aggregate per year. The District purchases commercial insurance for claims in excess of coverage provided by the fund. Settled claims have not exceeded this commercial coverage for each of the past three fiscal years. In addition, historical losses in the Equipment Insurance Fund have not been material to the financial statements; therefore, accrued liabilities are not recorded in this fund.

Unemployment Insurance

The District maintains an Unemployment Insurance Fund, an internal service fund, to account for and finance its uninsured risks of loss for unemployment compensation benefits. It is the District's policy not to pay for unemployment insurance premiums for the risks of losses to which it is exposed. Instead, the District management believes it is more economical to manage its risks internally and set aside assets for unemployment compensation benefits in this fund. The District pays the Texas Workforce Commission on a reimbursement basis for unemployment compensations paid to qualifying employees. Historical losses in the unemployment insurance fund have not been material to the financial statements; therefore, accrued liabilities are not recorded in this fund.

Worker's Compensation

The District maintains a Worker's Compensation Insurance Fund, an internal service fund, to account for and finance its uninsured risks of loss for worker's compensation coverage. Under this program, the fund provides coverage for up to a maximum per occurrence of \$300,000. The District purchases stop-loss coverage through a commercial insurer for claims in excess of coverage provided by the fund. Settled claims have not exceeded this stop-loss coverage for each of the past three fiscal years.

13. CONTINGENCIES AND COMMITMENTS

Legal Proceedings

The District is a defendant in several lawsuits for claims filed against it. In the best judgment of the District's management in consultation with legal counsel, the accompanying financial statements will not be affected materially by the outcome of any of these proceedings and therefore no loss contingency has been recorded.

14. MEDICARE PART D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One provision of the law 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 participants. These payments totaled \$2,457,790, \$2,550,958, and \$1,524,482 for fiscal years 2016, 2015, and 2014, respectively.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

15. DUE FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Most federal grants shown below are passed through from the Texas Education Agency and are reported on the basic financial statements as Due from Other Governments.

Amounts due from federal and state governments as of August 31, 2016, are summarized below:

Fund	Inter-local	State Entitlements	Federal Grants	Total
General Fund	\$ -	\$ 20,484,183	\$ 11,958	\$ 20,496,141
Nonmajor Governmental Funds	80,648	7,415,755	733,702	8,230,105
Total	<u>\$ 80,648</u>	<u>\$ 27,899,938</u>	<u>\$ 745,660</u>	<u>\$ 28,726,246</u>

16. SHARED SERVICE ARRANGEMENTS

The District is the fiscal agent for three shared service arrangements (SSA) that provide special education teachers and instructional assistants to member districts. In addition to the District, there are 8 other member districts. The following are the SSA revenue and expenditures:

	315 - 340 SSA IDEA Programs	434 SSA Visually Impaired	435 SSA Regional Day School - Deaf
Revenue:			
Distributed by TEA	\$ 70,815	\$ -	\$ 458,985
State Agencies Other than TEA	-	59,691	-
Total Revenues	<u>\$ 70,815</u>	<u>\$ 59,691</u>	<u>\$ 458,985</u>
Expenditures:			
Payroll Costs	\$ 24,554	\$ 59,691	\$ 458,985
Purchased & Contracted Services	532	-	-
Supplies and Materials	33,166	-	-
Miscellaneous Operating Costs	12,563	-	-
Total Expenditures	<u>\$ 70,815</u>	<u>\$ 59,691</u>	<u>\$ 458,985</u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

17. MAJOR SOURCES OF REVENUE FROM LOCAL AND INTERMEDIATE SOURCES

The District's major sources of local revenues in its governmental funds are presented below:

	General	Debt Service	Capital Projects	Non-major Governmental	Total
Property Taxes	\$ 441,195,078	\$ 142,213,652	\$ -	\$ -	\$ 583,408,730
Tuition & Fees	2,764,005	-	-	-	2,764,005
Investment Earnings	2,081,057	340,245	687,344	48,422	3,157,068
Rentals	307,725	-	-	-	307,725
E-Rate	1,748,759	-	-	-	1,748,759
Food Sales	-	-	-	14,627,062	14,627,062
Athletic/Co-curricular	1,629,807	-	-	-	1,629,807
Local Grants	-	-	-	1,935,402	1,935,402
Campus Activities	-	-	-	9,475,441	9,475,441
Other	7,941,716	-	3,907	261,263	8,206,886
Total	\$ 457,668,147	\$ 142,553,897	\$ 691,251	\$ 26,347,590	\$ 627,260,885

18. FEDERAL REVENUE RECORDED IN THE GENERAL FUND

<u>Program Title</u>	<u>Type Program</u>	<u>Amount</u>
Medicaid School health and Related Services	Direct	\$ 20,951,715
Impact Aid-P.L. 81-874	Direct	422,118
ROTC	Direct	846,905
Teacher Placement Program	Direct	5,000
* ESEA Title I, Part A	Indirect	626,141
Title I 1003(A) Priority and Focus School Grant	Indirect	147
* IDEA VI-B Formula	Indirect	547,330
* IDEA-B Preschool Formula	Indirect	14,705
Carl Perkins Basic Grant for Career & Technology	Indirect	46,265
ESEA Title II, Part A - Teacher & Princ Trng & Recruitmt	Indirect	30,403
Title III, English Language Acquisition- LEP	Indirect	11,628
Title III, English Language Acquisition-Immigrant	Indirect	3,096
21ST Century Community Learning Centers - Cycle 7	Indirect	14,708
Summer School LEP	Direct	36,732
* IDEA VI-B Formula (Deaf)	Indirect	551
* IDEA VI-B Preschool (Deaf)	Indirect	121
Adult Education (ESC Region XX)	Indirect	34,929
Stewart B. McKinney Homeless Assistance Act	Indirect	10,632
Adult Education (Texas Workforce Commission)	Indirect	216
		<u><u>\$ 23,603,342</u></u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

19. COMPLIANCE AND ACCOUNTABILITY

a. Finance Related Legal and Contractual Provisions

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

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

b. Deficit Fund Balance or Fund Net Assets of Individual Funds

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

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

20. RESTATEMENT OF BEGINNING NET POSITION

Beginning in the fiscal year 2016, the District elected to present activities associated with the Learning Tree Program as an enterprise fund. These activities were previously presented as a governmental activity. Amounts representing the net activity of previous years from this program totaling \$7,551,056 were restated as an increase in beginning net position in the enterprise fund and a related decrease in the net position of governmental activities as of September 1, 2015.

21. EXCESS OF EXPENDITURES OVER APPROPRIATIONS BY FUNCTION

The Texas Education Agency requires the budgets for certain Governmental fund types to be filed with the Texas Education Agency. The budget should not be exceeded in any functional category under TEA requirements. Expenditures exceeded appropriations in one functional category in the Child Nutrition Fund for the year ended August 31, 2016. Amounts budgeted for utilities were not adequate to cover unexpected increases late in the budget cycle. For the year ended August 31, 2016, the net change in fund balance as well as all other functional categories was within budgeted amounts.

22. NEW ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 72: Fair Value Measurement and Application. Statement 72 was issued in February 2015. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The District adopted GASB 72 in the current fiscal year.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

22. NEW ACCOUNTING PRONOUNCEMENTS (continued)

GASB Statement No. 73: Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Statement 73 was issued in June 2015. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes. This standard becomes effective for the District in fiscal year 2017. The District has not yet determined the impact of this statement.

GASB Statement No. 74: Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. Statement 74 was issued in June 2015. This Statement replaces Statements No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, as amended, Statement 43, and Statement No. 50, Pension Disclosures. This standard becomes effective for the District in fiscal year 2017. The District has not yet determined the impact of this statement.

GASB Statement No. 75: Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Statement 75 was issued in June 2015. This Statement replaces the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, establishes new accounting and financial reporting requirements for OPEB plans. This standard becomes effective for the District in fiscal year 2018. The District has not yet determined the impact of this statement.

GASB Statement No. 76: The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. Statement 76 was issued in June 2015. This Statement supersedes Statement No. 55, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP Hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The District adopted this Statement in the current fiscal year.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

22. NEW ACCOUNTING PRONOUNCEMENTS (continued)

GASB Statement No. 77: Tax Abatement Disclosures. Statement 77 was issued in August 2015. This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

1. Brief descriptive information, such as the tax being abated, the authority under which abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients
2. The gross dollar amount of taxes abated during the period
3. Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement

This standard becomes effective for the District in fiscal year 2017. The District has not yet determined the impact of this statement.

GASB Statement No. 78: Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans. This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This statement became effective for the District in the current fiscal year and has no impact on the financial statements of the District.

GASB Statement No. 79: Certain External Investment Pools and Pool Participants. This statement establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. This statement became effective for the District in the current fiscal year. Its impact is considered minimal.

GASB Statement No. 80: Blending Requirements for Certain Component Unit. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-forprofit corporation in which the primary government is the sole corporate member. This statement becomes effective for the District in fiscal year 2017 and is anticipated to have no impact on the financial statements of the District.

GASB Statement No. 81: This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. This statement becomes effective for the District in fiscal year 2018 and its impact is not yet determined.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO FINANCIAL STATEMENTS

August 31, 2016

22. NEW ACCOUNTING PRONOUNCEMENTS (continued)

GASB Statement No. 82: Pension Issues. This Statement clarifies that a deviation, as the term is used in Actuarial Standards of Practice issued by the Actuarial Standards Board, from the guidance in an Actuarial Standard of Practice is not considered to be in conformity with the requirements of Statement 67, Statement 68, or Statement 73 for the selection of assumptions used in determining the total pension liability and related measures. This Statement also clarifies that payments that are made by an employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements should be classified as plan member contributions for purposes of Statement 67 and as employee contributions for purposes of Statement 68. It also requires that an employer's expense and expenditures for those amounts be recognized in the period for which the contribution is assessed and classified in the same manner as the employer classifies similar compensation other than pensions. This statement becomes effective for the District in fiscal year 2018 and its impact is not yet determined.

23. SUBSEQUENT EVENTS

On September 22, 2016, the District issued \$88,335,000 Unlimited Tax Refunding Bonds, Series 2016A pursuant to an Order adopted by the Board of Trustees on August 16, 2016. Proceeds from the sale of these Bonds will be used to refund certain maturities of the District's currently outstanding indebtedness and to pay the cost of issuance. The Bonds mature through August 15, 2037. Interest on the Bonds accrues at the rate ranging from 2.5%-5% per annum from the expected date of delivery, October 20, 2016.

REQUIRED SUPPLEMENTARY INFORMATION

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
Year Ended August 31, 2016**

Data Control Codes		Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
		Original	Final	(GAAP Basis)	
REVENUES					
5700	Local and Intermediate Sources	\$ 447,500,137	\$ 447,517,485	\$ 457,668,147	\$ 10,150,662
5800	State Sources	368,658,716	377,206,187	379,595,237	2,389,050
5900	Federal Sources	19,855,846	23,055,246	23,603,342	548,096
5020	Total Revenues	836,014,699	847,778,918	860,866,726	13,087,808
EXPENDITURES					
Current:					
0010	Instruction & Instructional Related Services:				
0011	Instruction	525,582,271	534,601,839	516,960,789	17,641,050
0012	Instructional Resources and Media Services	11,924,910	12,138,276	11,602,623	535,653
0013	Curriculum and Instructional Staff Development	16,979,790	18,548,429	13,797,714	4,750,715
	Total Instruction & Instructional Related Services	554,486,971	565,288,544	542,361,126	22,927,418
0020	Instructional & School Leadership:				
0021	Instructional Leadership	18,622,419	19,055,101	17,729,498	1,325,603
0023	School Leadership	49,560,310	50,438,963	48,126,575	2,312,388
	Total Instructional and School Leadership	68,182,729	69,494,064	65,856,073	3,637,991
0030	Support Services - Student:				
0031	Guidance and Counseling Services	33,468,845	34,567,898	32,322,541	2,245,357
0032	Social Work Services	2,928,601	3,108,193	2,801,590	306,603
0033	Health Services	9,008,563	9,104,556	8,700,696	403,860
0034	Pupil Transportation	32,287,148	32,636,268	29,886,691	2,749,577
0035	Child Nutrition Services	424,665	430,367	399,790	30,577
0036	Co-Curricular Activities	19,871,961	20,587,977	19,075,072	1,512,905
	Total Support Services - Student	97,989,783	100,435,259	93,186,380	7,248,879
0040	Administration:				
0041	General Administration	13,105,515	13,361,660	12,673,272	688,388
	Total Administration	13,105,515	13,361,660	12,673,272	688,388
0050	Support Services - Non-Student Based:				
0051	Plant Maintenance and Operations	73,347,067	74,069,962	71,629,639	2,440,323
0052	Security & Monitoring Services	8,396,742	8,878,103	8,350,620	527,483
0053	Data Processing Services	15,171,438	14,806,913	14,231,765	575,148
	Total Support Services - Non-Student Based	96,915,247	97,754,978	94,212,024	3,542,954
0060	Ancillary Services:				
0061	Community Services	1,687,452	1,909,757	1,610,054	299,703
	Total Ancillary Services	1,687,452	1,909,757	1,610,054	299,703
0080	Capital Outlay				
0081	Facilities Acquisition and Construction	4,446,851	4,976,804	4,066,698	910,106
	Total Capital Outlay	4,446,851	4,976,804	4,066,698	910,106

(Continued on next page.)

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**
Year Ended August 31, 2016

Data Control Codes		Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive
		Original	Final	(GAAP Basis)	(Negative)
EXPENDITURES (Continued)					
0090	Intergovernmental Charges				
0095	Juvenile Alternative Education Program	\$ 182,040	\$ 250,000	\$ 207,443	\$ 42,557
0099	Other Intergovernmental Charges	3,883,693	4,347,570	4,132,758	214,812
	Total Intergovernmental Charges	4,065,733	4,597,570	4,340,201	257,369
6030	Total Expenditures	840,880,281	857,818,636	818,305,828	39,512,808
1100	Excess (Deficiency) of Revenues Over Expenditures	(4,865,582)	(10,039,718)	42,560,898	52,600,616
	Other Financing Sources (Uses):				
7919	Extraordinary Items - Insurance Proceeds	-	5,000,000	-	(5,000,000)
8911	Transfer to Debt Service Fund	(5,000,000)	-	-	-
8911	Transfer to Special Revenue Funds	-	(50,000)	(50,000)	-
	Total Other Financing Sources (Uses)	(5,000,000)	4,950,000	(50,000)	(5,000,000)
1200	Net Change in Fund Balance	(9,865,582)	(5,089,718)	42,510,898	47,600,616
0100	FUND BALANCES, September 1, 2015	309,046,665	309,046,665	309,046,665	-
3000	FUND BALANCES, August 31, 2016	\$ 299,181,083	\$ 303,956,947	\$ 351,557,563	\$ 47,600,616

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS**
Year Ended August 31, 2016

	2016	2015
District's Proportion of the Net Pension Liability (Asset)	0.653317300%	0.463126500%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 230,938,970	\$ 123,707,492
State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	<u>346,456,429</u>	<u>293,076,803</u>
 Total	 <u>\$ 577,395,399</u>	 <u>\$ 416,784,295</u>
District's Covered Employee Payroll	\$ 606,189,117	\$ 576,676,473
Contributions as a Percentage of Covered-Employee Payroll		
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its covered-Employee Payroll	38.10%	21.45%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.43%	83.25%

Note: GASB 68, Paragraph 81.2.a requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2015 for Year 2016 and August 31, 2014 for 2015.

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

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

SCHEDULE OF DISTRICT CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
Year Ended August 31, 2016

	2016	2015
Contractually Required Contribution	\$ 19,982,317	\$ 19,345,006
Contribution in Relation to the Contractually Required Contribution associated with the District	(19,982,317)	(19,345,006)
Contribution Deficiency (Excess)	\$ -	\$ -
District's Covered Employee Payroll	\$ 631,085,132	\$ 606,189,117
Contributions as a Percentage of Covered-Employee Payroll	3.17%	3.19%

Note: GASB 68, Paragraph 81.2.a requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2015 for Year 2016 and August 31, 2014 for 2015.

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

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Year Ended August 31, 2016

Changes of benefit terms

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

Changes of assumptions

There were a number of changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period. Please refer to Note 10 in Notes to the Financial Statements for further detail.

OTHER SUPPLEMENTARY INFORMATION

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND**
Year Ended August 31, 2016

Data Control Codes	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final	(GAAP Basis)	
REVENUES				
5700 Local and Intermediate Sources	\$ 141,631,205	\$ 141,631,205	\$ 142,553,897	\$ 922,692
5800 State Sources	-	1,593,233	1,517,063	(76,170)
5900 Federal Sources	2,546,884	2,546,884	2,560,621	13,737
5000 Total Revenues	144,178,089	145,771,322	146,631,581	860,259
EXPENDITURES				
0070 Debt Service				
0071 Debt Service - Principal on Long-Term Debt	68,860,000	68,860,000	68,860,000	-
0072 Debt Service - Interest	82,040,093	79,848,280	79,848,280	-
0073 Debt Service - Cost of Issuance and Fiscal Charges	600,000	600,000	317,958	282,042
Total Debt Service	151,500,093	149,308,280	149,026,238	282,042
6030 Total Expenditures	151,500,093	149,308,280	149,026,238	282,042
1100 Excess (Deficiency) of Revenues Over Expenditures	(7,322,004)	(3,536,958)	(2,394,657)	1,142,301
Other Financing Sources (Uses):				
7911 Issuance of Debt - Refunding Bonds	-	152,680,000	152,680,000	-
7915 Transfers in	7,000,000	-	-	-
7916 Premiums on Issuance of Bonds	-	7,605,500	7,605,412	(88)
8949 Payment to Refunded Bond Escrow Agent	-	(160,715,000)	(160,557,938)	157,062
Total Other Financing Sources (Uses)	7,000,000	(429,500)	(272,526)	156,974
1200 Net Change in Fund Balance	(322,004)	(3,966,458)	(2,667,183)	1,299,275
0100 FUND BALANCES, September 1, 2015	29,954,106	29,954,106	29,954,106	-
3000 FUND BALANCES, August 31, 2016	\$ 29,632,102	\$ 25,987,648	\$ 27,286,923	\$ 1,299,275

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CHILD NUTRITION FUND
Year Ended August 31, 2016**

Data Control Codes		Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
		Original	Final	(GAAP Basis)	
REVENUES					
5700	Local and Intermediate Sources	\$ 19,620,717	\$ 16,386,125	\$ 14,936,463	\$ (1,449,662)
5800	State Sources	307,255	315,240	315,240	-
5900	Federal Sources	34,500,051	35,272,614	35,468,709	196,095
5000	Total Revenues	54,428,023	51,973,979	50,720,412	(1,253,567)
EXPENDITURES					
Current:					
0030	Support Services - Student:				
0035	Child Nutrition Services	48,603,399	49,540,376	48,454,147	1,086,229
	Total Support Services - Student	48,603,399	49,540,376	48,454,147	1,086,229
0050	Support Services - Non-Student Based:				
0051	Plant Maintenance and Operations	2,324,624	2,483,603	2,594,644	(111,041)
	Total Support Services - Non-Student Based	2,324,624	2,483,603	2,594,644	(111,041)
0080	Capital Outlay				
0081	Facilities Acquisition and Construction	3,500,000	3,690,000	150,676	3,539,324
	Total Capital Outlay	3,500,000	3,690,000	150,676	3,539,324
6030	Total Expenditures	54,428,023	55,713,979	51,199,467	4,514,512
1100	Excess (Deficiency) of Revenues Over Expenditures	-	(3,740,000)	(479,055)	3,260,945
Other Financing Sources (Uses):					
7915	Transfers In	-	50,000	50,000	-
	Total Other Financing Sources (Uses)	-	50,000	50,000	-
1200	Net Change in Fund Balance	-	(3,690,000)	(429,055)	3,260,945
0100	FUND BALANCES, September 1, 2015	11,449,718	11,449,718	11,449,718	-
3000	FUND BALANCES, August 31, 2016	\$ 11,449,718	\$ 7,759,718	\$ 11,020,663	\$ 3,260,945

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

SCHEDULE OF DELINQUENT TAXES RECEIVABLE
August 31, 2016

Year Ended 08/31	1	2		3
	Maintenance & Operations	Tax Rates		Taxable Assessed Valuation
		Debt Service	Total	
2007 & Prior years	\$ various	\$ various	\$ various	\$ 22,742,112,527
2008	1.00000	0.26250	1.59250	27,221,701,307
2009	1.04000	0.26250	1.26250	30,739,791,478
2010	1.04000	0.29750	1.30250	31,876,692,336
2011	1.04000	0.32550	1.33750	31,865,406,152
2012	1.04000	0.33550	1.36550	32,288,285,714
2013	1.04000	0.33550	1.37550	33,191,950,055
2014	1.04000	0.33550	1.37550	35,320,695,238
2015	1.04000	0.33550	1.37550	37,907,088,332
2016	1.04000	0.33550	1.37550	42,170,631,479

** Reflects net tax levy as of August 31st for the year then ended.

10	20	31	32	40	50
Balance 08/31/15	Current Year's Tax Levy **	Maintenance & Operations Collections	Debt Service Collections	Net Adjustments	Balance 08/30/16
\$ 1,630,402	\$ -	\$ 353	\$ (66)	\$ (290,255)	\$ 1,339,860
338,813	-	12,003	3,151	2,523	326,182
506,900	-	25,894	6,536	3,867	478,337
618,253	-	68,853	19,696	3,870	533,574
651,315	-	581,772	182,084	648,157	535,616
960,135	-	645,090	208,104	555,963	662,904
1,161,266	-	586,450	189,187	325,835	711,464
1,580,333	-	168,496	54,356	(438,250)	919,231
3,823,733	-	407,088	131,326	(2,071,232)	1,214,087
-	580,057,036	435,565,658	140,511,829	-	3,979,549
<u>\$ 11,271,150</u>	<u>\$ 580,057,036</u>	<u>\$ 438,061,657</u>	<u>\$ 141,306,203</u>	<u>\$ (1,259,522)</u>	<u>\$ 10,700,804</u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

SCHEDULE OF BOND PAYABLE

August 31, 2016

Date of Issue	Description	Interest Rate	Original Issue Amount	Amounts Outstanding 08/31/15	Issued Current Year	Retired or Converted	Amounts Outstanding 08/31/16
07/31/03	Series 2003A	2.00 - 5.00%	47,900,000	27,395,000	-	1,140,000	26,255,000
07/31/03	Series 2003B	2.00 - 4.00%	47,900,000	26,765,000	-	1,105,000	25,660,000
05/04/06	Series 2006A	2.00 - 5.00%	36,730,000	28,270,000	-	985,000	27,285,000
08/09/07	Series 2007B	4.25 - 5.00%	49,950,000	43,815,000	-	970,000	42,845,000
06/15/08	Series 2008	3.50 - 5.25%	119,540,000	110,105,000	-	1,955,000	108,150,000
12/03/08	Series 2008A	3.25 - 5.57%	80,000,000	71,265,000	-	2,380,000	68,885,000
02/25/09	Series 2009	3.00 - 5.13%	75,670,000	69,535,000	-	1,670,000	67,865,000
11/11/09	Series 2009A	4.00 - 5.00%	32,500,000	29,205,000	-	1,745,000	27,460,000
07/01/12	Series 2012	2.00 - 5.00%	55,000,000	50,000,000	-	-	50,000,000
06/03/13	Series 2007A	2.00 - 5.00%	80,490,000	76,050,000	-	2,370,000	73,680,000
10/10/13	Series 2013	2.00 - 5.00%	68,975,000	65,260,000	-	-	65,260,000
05/22/14	Series 2014	2.00 - 5.00%	40,090,000	37,655,000	-	1,420,000	36,235,000
07/09/15	Series 2015	0.50 - 5.00%	70,315,000	67,885,000	-	5,565,000	62,320,000
05/18/16	Series 2016	2.00 - 5.00%	69,030,000	-	69,030,000	-	69,030,000
Unlimited Tax School Building and Refunding Bonds							
04/03/07	Series 2007	4.00 - 5.00%	124,205,000	113,765,000	-	4,285,000	109,480,000
07/30/15	Series 2015	2.50 - 5.00%	93,420,000	93,420,000	-	5,635,000	87,785,000
Unlimited Tax Refunding Bonds							
05/11/06	Series 2006D	4.00 - 5.00%	113,580,000	94,745,000	-	94,745,000	-
11/11/09	Series 2009	3.00 - 4.00%	15,340,000	11,430,000	-	1,070,000	10,360,000
12/07/10	Series 2010	2.00 - 4.00%	50,685,000	36,685,000	-	3,245,000	33,440,000
11/01/11	Series 2011	0.50 - 5.00%	67,020,000	61,510,000	-	3,125,000	58,385,000
04/15/12	Series 2012	2.00 - 5.00%	95,305,000	91,270,000	-	1,490,000	89,780,000
11/21/13	Series 2013	2.00 - 5.00%	81,175,000	71,310,000	-	9,900,000	61,410,000
04/03/14	Series 2014	2.00 - 5.00%	74,175,000	71,425,000	-	3,415,000	68,010,000
12/11/14	Series 2014-A	2.00 - 5.00%	69,115,000	68,060,000	-	1,710,000	66,350,000
04/06/16	Series 2016	2.00 - 5.00%	85,575,000	-	85,575,000	-	85,575,000
Unlimited Tax Qualified School Construction Bonds (Tax Credit Bonds)							
11/12/09	Series 2009	1.505%	28,000,000	28,000,000	-	-	28,000,000
Unlimited Tax School Building Bonds (Taxable Direct Subsidy - Build America Bonds)							
11/12/09	Series 2009	6.246%	25,075,000	25,075,000	-	-	25,075,000
11/16/10	Series 2010	5.491 - 5.891%	107,995,000	107,995,000	-	-	107,995,000
Variable Rate Unlimited Tax School Building Bonds							
07/27/12	Series 2010	1.20%	88,345,000	84,800,000	-	1,905,000	82,895,000
07/15/12	Series 2012	1.00%	70,000,000	70,000,000	67,105,000	70,000,000	67,105,000
04/17/13	Series 2013	1.35%	80,000,000	75,330,000	-	2,615,000	72,715,000
05/22/14	Series 2014	2.00%	79,245,000	79,245,000	-	-	79,245,000
07/31/14	Series 2011	2.13%	78,470,000	76,855,000	-	1,700,000	75,155,000
07/09/15	Series 2015	1.65%	50,000,000	50,000,000	-	-	50,000,000
05/18/16	Series 2016	2.00%	73,545,000	-	73,545,000	-	73,545,000
Variable Rate Unlimited Tax School Refunding Bonds							
05/31/14	Series 2011A	2.00%	78,630,000	77,020,000	-	1,695,000	75,325,000
Totals			<u>\$ 2,502,990,000</u>	<u>\$ 2,091,145,000</u>	<u>\$ 295,255,000</u>	<u>\$ 227,840,000</u>	<u>\$ 2,158,560,000</u>

Interest Current Year	Requirements				09/01/18
	Year Ending 08/31/17		Year Ending 08/31/18		To Maturity
	Principal	Interest	Principal	Interest	Interest
1,155,888	1,205,000	1,121,688	1,260,000	1,085,538	8,168,380
1,093,788	1,170,000	1,049,588	1,230,000	1,002,788	7,363,841
1,215,300	1,035,000	1,185,750	1,090,000	1,154,700	10,122,688
2,123,075	1,020,000	2,074,575	1,065,000	2,028,675	24,090,425
5,502,137	2,035,000	5,423,938	2,115,000	5,342,538	70,436,679
3,797,294	2,505,000	3,672,344	2,635,000	3,540,831	34,529,202
3,375,131	1,725,000	3,316,681	1,790,000	3,256,306	41,563,155
1,288,350	1,815,000	1,218,550	1,885,000	1,145,950	6,972,550
1,867,275	-	1,867,275	-	1,867,275	36,785,738
3,266,250	2,475,000	3,195,150	2,590,000	3,096,150	30,244,550
3,209,500	-	3,209,500	-	3,209,500	67,298,400
1,710,200	1,460,000	1,667,600	1,505,000	1,623,800	15,154,400
2,745,101	2,125,000	2,633,801	2,235,000	2,527,551	22,979,446
-	1,585,000	3,269,541	2,360,000	2,601,488	40,248,459
5,320,045	9,540,000	5,148,645	9,920,000	4,767,045	35,131,469
3,525,287	2,495,000	3,356,238	2,570,000	3,281,388	42,925,180
2,432,550	-	-	-	-	-
457,200	1,115,000	414,400	1,165,000	369,800	1,167,200
1,226,662	3,190,000	1,106,075	3,315,000	984,263	3,584,126
2,589,725	1,000,000	2,522,850	1,030,000	2,492,550	22,340,376
3,939,319	1,525,000	3,909,519	1,550,000	3,879,019	32,399,397
3,257,081	6,910,000	2,836,831	8,025,000	2,463,456	14,397,200
3,073,350	3,580,000	2,902,600	3,625,000	2,831,000	26,506,600
3,100,850	2,485,000	3,016,950	1,830,000	2,930,650	18,585,925
1,987,648	4,390,000	3,191,563	4,480,000	3,103,763	31,800,030
421,400	-	421,400	-	421,400	3,371,200
1,566,185	-	1,566,185	-	1,566,185	26,355,941
6,283,665	-	6,283,665	-	6,283,665	111,618,049
1,017,600	6,500,000	994,740	2,100,000	4,010,738	50,778,269
700,000	3,040,000	1,174,338	3,195,000	1,121,138	17,475,503
1,016,955	2,755,000	981,653	2,900,000	944,460	31,495,279
1,584,900	-	1,584,900	-	1,584,900	88,540,660
1,633,169	1,785,000	1,597,044	1,880,000	1,559,113	45,830,745
825,000	-	825,000	-	825,000	60,114,603
-	-	1,524,016	-	1,470,900	62,998,770
1,540,400	1,785,000	1,506,500	1,880,000	1,470,800	45,551,842
\$ 79,848,280	\$ 72,250,000	\$ 81,771,093	\$ 71,225,000	\$ 81,844,323	\$ 1,188,926,277

NON-MAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for Federal, State, and locally funded grants. These grants, referred to as projects, are awarded to the Northside Independent School District with the purpose of accomplishing specific educational tasks.

TITLE III, PART B, STEWART B. MCKINNEY HOMELESS ASSISTANCE (206)

Program funds provide for a variety of staff development and supplemental services, including in-service training, counseling, psychological services, and tutoring for homeless students.

TITLE I, PART A, IMPROVING BASIC PROGRAM (211)

Program funds are allocated to provide opportunities for educationally disadvantaged children to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children. Costs supplement, not replace, normal local effort.

TITLE I, 1003(a) PRIORITY AND FOCUS SCHOOL GRANT (211)

Program funds are for additional academic instruction that provides supplemental resources to LEAs to help schools with high concentrations of students from low-income families provide high-quality education, which will enable all children to meet the state student performance standards. Title I, Part A, supports campuses in implementing either a schoolwide program or a targeted assistance program. The Title I, 1003(a) Priority and Focus School Grant provides funds to identified campuses that are supplemental to the Title I, Part A funds.

ADULT BASIC EDUCATION GRANTS (220)

Program funds are used to provide or support programs for educational services to adults who are beyond compulsory school attendance age, are not enrolled in school and function at less than secondary completion level. Educational services include basic education skills (reading, writing, speaking, and mathematics), English as a Second Language, secondary level competencies for acquisition of a high school diploma or equivalent, and site based workplace Literacy programs.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) (223)

These funds are granted to provide education services to undereducated adult recipients of cash assistance under Temporary Assistance for Needy Families (TANF). Recipients of benefits are required to participate in adult basic education or job training programs as a condition of eligibility. Educational services include basic educational skills (reading, writing, speaking, and mathematics), English as a Second Language instruction and secondary level competencies for acquisition of a high school diploma or its equivalent.

IDEA - PART B, FORMULA (224)

Program funds are granted to operate educational programs for children with disabilities.

IDEA - PART B PRESCHOOL (225)

These funds are granted to operate programs to meet the special needs of preschool children with disabilities.

NATIONAL BREAKFAST & LUNCH PROGRAM – CHILD NUTRITION (240)

This fund accounts for all food services activity of the District. Major revenue sources include National School Lunch and Breakfast program and U.S.D.A. donated commodities.

CARL D. PERKINS BASIC FORMULA GRANT FOR CAREER & TECHNOLOGY (244)

These funds are granted to provide career and technology education to develop new and/or improve career and technology education programs for paid and unpaid employment. Full participation in the basic grant is from individuals who are members of special populations at 1) a limited number of campuses (sites) or 2) a limited number of program areas.

TITLE II, PART A TEACHER AND PRINCIPAL TRAINING AND RECRUITING (255)

Two programs are accounted for in this fund. Teacher and Principal Training and Recruitment funds are utilized to provide financial assistance to 1) increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools, and 2) hold local education agencies and schools accountable for improving student academic achievement. The Governor's Educator Excellence Award funds are granted to compensate teachers and other staff on eligible campuses for improved student academic achievement.

TITLE III, PART A, ENGLISH LANGUAGE ACQUISITION & ENHANCEMENT GRANTS (263)

These funds are granted to improve the education of limited English proficient children and unaccompanied youth children by assisting them to learn English and meet challenging State academic content and student academic achievement standards.

21ST CENTURY COMMUNITY LEARNING CENTERS (265)

These funds are granted to provide opportunities for communities to establish or expand activities in community learning centers that provide opportunities for academic enrichment to students and related educational development for families of students.

MEDICAID ADMINISTRATIVE CLAIMING PROGRAM (272)

These program funds, authorized through the state's Medicaid plan, are reimbursed for eligible administrative costs and allocated for approved Medicaid related expenditures.

OTHER FEDERALLY FUNDED SPECIAL REVENUE FUNDS (289)

The **STATE ADM MATCHING GRANTS FOR SUPPLEMENTAL NUTRITION (287)**, **WIA DISLOCATED WORKERS (287)**, **TEMPORARY ASST NEEDY FAMILIES (287)** and **DISTANCE LEARNING MENTOR INITIATIVE GRANT (289)** are from the Texas Workforce Commission to provide Federal funding for administrative costs incurred by State and local agencies. Other Federally funded grants are awarded from direct federal agency sources. From the Department of Education: The **CLIMATE TRANSFORMATION PROGRAM (287)**. From the Department of Health and Human Services: the **AWARENESS, INTERVENTION AND RESOURCES (AIR) (287)** and **DEPARTMENT OF HOMELAND SECURITY CITIZENSHIP GRANT (287)**. From the Department of Transportation: **ALTERNATIVE FUEL INCENTIVES SCHOOL BUS REBATE PROGRAM (SECO) (287)**, From the Environmental Protection Agency: **THE PROJECT ACORN GRANT (289)**. From the Department of Defense: The **MILITARY GRANT (289)** which is intended to create a "college bound culture" and prepare all students – military and civilian – with higher order thinking skills that will help them succeed in Advanced Placement (AP) courses and become college ready.

SSA – ESEA – PART C, EDUCATION OF MIGRATORY CHILDREN (301)

This fund is used by the fiscal agent of a shared services arrangement to account for funds on a project basis, for funds granted for programs benefiting children of migrant agriculture or agriculture-related workers and children of migrant fisherman.

SSA – IDEA – PART B, DISCRETIONARY (315)

This fund is used by the fiscal agent of a shared services arrangement to account for funds to support an education service center basic special education component.

SSA – IDEA – PART B, DEAF (316)

This fund is used by the fiscal agent of a shared service arrangement to account for funds granted to operate educational programs for children with disabilities.

IDEA – PART B, PRESCHOOL DEAF (317)

This fund is used to account for funds granted for preschool children with disabilities.

ADULT BASIC EDUCATION – STATE (381)

These funds are granted to provide or support programs for educational services to adults who are beyond compulsory school attendance age, are not enrolled in school and function at less than secondary completion level. Educational services include basic educational skills, (reading, writing, speaking, and mathematics), English as Second Language instruction, and secondary level competencies for acquisition of a high school diploma or equivalent.

NON-EDUCATIONAL COMMUNITY BASED SUPPORT (392)

Program funds are used to provide for non-educational support such as transportation, respite for parents, case management, social work, and in-home family support. Emphasis is on keeping at-risk handicapped children at home as opposed to placing them in a residential facility.

ADVANCED PLACEMENT INCENTIVES (397)

These funds awarded to high schools under the Texas Advanced Placement Award Incentive Program are based on student achievement on advanced placement tests. They are used to enhance Advanced Placement/International Baccalaureate programs at the recipient campuses.

INSTRUCTIONAL MATERIALS ALLOTMENT (410)

Program funds are awarded to the School District for the adoption, review, and purchase of instructional materials and technological equipment for public schools.

APPRENTICESHIP TRAINING PROGRAM (425)

Program funds are used to provide on-the-job training, preparatory instruction, and supplementary instruction in a trade that has been certified as an apprenticeship occupation by the Bureau of Apprenticeship of the United States Department of Labor.

OTHER STATE SPECIAL REVENUE FUNDS (429)

Funds received from various state agencies: **READ TO SUCCEED** – This is a program in which funds are generated through the sale of specialty license plates. Funds received are used to strengthen campus reading programs. **PROJECT ACORN (427)** Funds received from Texas Parks and Wildlife Department for students to learn about the natural resources around them. **URBAN SCHOOLS AGRICULTURAL GRANT** and **EXPANDING THE 3 E'S OF NUTRITION** funds received from the Texas Department of Agriculture to give students hands on learning experience where their food and clothing comes from. **PREKINDERGARTEN GRANT PROGRAM (429)** funds received from the Texas Education Agency. The purpose of this grant is to enhance the current Pre-K program which aligns with the TEA's curriculum guidelines. Will address specific quality standards, address Pre-K for Children with disabilities, will expand teacher and instructional assistant's knowledge to help children. This grant will run concurrently with the City of San Antonio's Pre-K for SA Grant.

SSA - STATE VISUALLY IMPAIRED (434)

Program funds are supplemental funds awarded by the State through Regional Education Service Centers (ESC) to meet the special educational needs of visually impaired students.

SSA - REGIONAL DAY SCHOOL PROGRAM FOR THE DEAF (RDSPD) (435)

Program funds are allocated for staff and activities of the Regional Day School Program for the Deaf.

CAMPUS ACTIVITY FUNDS (461)

Campus Activity Funds are used to account for revenues and expenditures related to campus activity when the monies are generated by campus activities.

CITY OF SAN ANTONIO PRE-K FOR SA COMPETITIVE GRANT (482)

Pre-K Program Funds are used to support the expansion of opportunities that increase the number of students served in a high quality prekindergarten program. It increases the length of the school day for students in an existing program, includes parent involvement, decreases class size ratio, and other research-based best practices.

CITY OF SAN ANTONIO FAMILY LITERACY PROGRAM (483)

Family Literacy Program funds are used to support reading initiatives for elementary students and provide training to parents. The Cultural Arts award provides funds for music and visual arts education at one Northside elementary campus.

CITY OF SAN ANTONIO AFTER SCHOOL CHALLENGE (485)

The After School Challenge funds are used to supplement 21st Century after school programs at some Northside campuses.

NORTHSIDE EDUCATION FOUNDATION GRANTS (486)

Funds are awarded by the Northside Education Foundation to teachers, campuses and/or departments to promote school projects and educational programs.

GROWING TREE DAY CARE (491)

Program funds are used to support day care for the children of students/parents.

KRONKOSKY (NEF) (497)

These funds are granted through the Northside Education Foundation from the Kronkosky Charitable Foundation for a collaborative program providing parenting education to caregivers of children under four years of age.

OTHER LOCAL SPECIAL REVENUE FUNDS (499)

This fund accounts for other local programs which include grants from the following: Dollar General, Fit Family Challenge, George Block Donation – Aquatics, Robotics Grant, HEB Grants, Science Grants, Refugees Grant (Spurs Foundation), Learning Tree/High School Completion, School Aged Parenting, Distance Learning, SA Sports, Tour de Frog, Deaf Dance, Capital Group Companies Charitable Foundation, NEF New Teachers Grant, Lowe's, PTA Donations, Project ACORN, Tesoro, TUBBS Charitable, Pepsi Co. and others.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

COMBINING BALANCE SHEET

Nonmajor Governmental Funds
August 31, 2016

Data Control Codes		206 Title III, Part B Homeless Children	211 Title I, Part A Improving Basic Program	220 Adult Basic Education Federal	223 TANF Family Assistance
	ASSETS				
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1240	Due from Other Governments	60,437	2,351,987	48,917	213
1290	Other Receivables	-	-	-	-
1300	Inventories	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
1000	TOTAL ASSETS	<u>\$ 60,437</u>	<u>\$ 2,351,987</u>	<u>\$ 48,917</u>	<u>\$ 213</u>
	LIABILITIES				
2110	Accounts Payable	\$ 4,155	\$ 106,806	\$ 904	\$ -
2160	Accrued Wages Payable	9,071	1,007,484	-	-
2170	Due to Other Funds	47,211	1,237,697	48,013	213
2180	Due to Other Governments	-	-	-	-
2300	Unearned Revenues	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
2000	TOTAL LIABILITIES	<u>60,437</u>	<u>2,351,987</u>	<u>48,917</u>	<u>213</u>
	FUND BALANCES				
3400	Nonspendable	-	-	-	-
3400	Restricted	-	-	-	-
3500	Committed	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
3000	TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<hr/>	<hr/>	<hr/>	<hr/>
4000	TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 60,437</u>	<u>\$ 2,351,987</u>	<u>\$ 48,917</u>	<u>\$ 213</u>

224 IDEA Part B Formula	225 IDEA Part B Preschool	240 National Breakfast and Lunch Program	244 Vocational Ed Basic Grant	255 Title II, Part A Training and Recruitment	263 Title III, Part A English Language Acquisition
\$ -	\$ -	\$ 11,202,703	\$ -	\$ -	\$ -
2,619,866	19,668	1,358,993	231,235	281,828	137,350
-	-	39,345	-	-	-
-	-	2,539,970	-	-	-
<u>\$ 2,619,866</u>	<u>\$ 19,668</u>	<u>\$ 15,141,011</u>	<u>\$ 231,235</u>	<u>\$ 281,828</u>	<u>\$ 137,350</u>
\$ 174,798	\$ -	\$ 816,819	\$ 65,860	\$ -	\$ 23,332
1,144,119	-	1,258,912	18,616	132,678	3,175
1,300,949	19,668	-	146,759	149,150	110,843
-	-	-	-	-	-
-	-	2,044,617	-	-	-
<u>2,619,866</u>	<u>19,668</u>	<u>4,120,348</u>	<u>231,235</u>	<u>281,828</u>	<u>137,350</u>
-	-	1,574,752	-	-	-
-	-	9,445,911	-	-	-
-	-	-	-	-	-
-	-	11,020,663	-	-	-
<u>\$ 2,619,866</u>	<u>\$ 19,668</u>	<u>\$ 15,141,011</u>	<u>\$ 231,235</u>	<u>\$ 281,828</u>	<u>\$ 137,350</u>

(Continued on next page)

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

COMBINING BALANCE SHEET - Continued

Nonmajor Governmental Funds
August 31, 2016

<u>Data Control Codes</u>		265 21st Century Community Learning	272 Medicaid Administrative Claim Program	289 Other Federal Special Revenue Funds	301 SSA - Title I Migratory Children
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ 2,017,440	\$ -	\$ -
1240	Due from Other Governments	51,576	423,054	410,211	-
1290	Other Receivables	-	-	-	-
1300	Inventories	-	-	-	-
1000	TOTAL ASSETS	<u>\$ 51,576</u>	<u>\$ 2,440,494</u>	<u>\$ 410,211</u>	<u>\$ -</u>
LIABILITIES					
2110	Accounts Payable	\$ 1,046	\$ -	\$ 4,498	\$ -
2160	Accrued Wages Payable	-	17,102	18,058	-
2170	Due to Other Funds	50,530	-	387,655	-
2180	Due to Other Governments	-	-	-	-
2300	Unearned Revenues	-	-	-	-
2000	TOTAL LIABILITIES	<u>51,576</u>	<u>17,102</u>	<u>410,211</u>	<u>-</u>
FUND BALANCES					
3400	Nonspendable	-	-	-	-
3400	Restricted	-	2,423,392	-	-
3500	Committed	-	-	-	-
3000	TOTAL FUND BALANCES	<u>-</u>	<u>2,423,392</u>	<u>-</u>	<u>-</u>
4000	TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 51,576</u>	<u>\$ 2,440,494</u>	<u>\$ 410,211</u>	<u>\$ -</u>

315 SSA - IDEA Part B Discretionary	316 SSA - IDEA Part B Deaf	317 SSA - IDEA Part B Preschool Deaf	381 Adult Basic Education State
\$ -	\$ -	\$ -	\$ -
17,072	-	969	186
-	-	-	-
-	-	-	-
<u>\$ 17,072</u>	<u>\$ -</u>	<u>\$ 969</u>	<u>\$ 186</u>
\$ -	\$ -	\$ 742	\$ -
-	-	-	-
17,072	-	227	186
-	-	-	-
-	-	-	-
<u>17,072</u>	<u>-</u>	<u>969</u>	<u>186</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 17,072</u>	<u>\$ -</u>	<u>\$ 969</u>	<u>\$ 186</u>

(Continued on next page)

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

COMBINING BALANCE SHEET - Continued

Nonmajor Governmental Funds
August 31, 2016

<u>Data Control Codes</u>		392 Non-Educational Community Based Support	397 Advanced Placement Incentives	410 Instructional Materials Allotment	425 Apprenticeship Training Program
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ 205,833	\$ 582,229	\$ -
1240	Due from Other Governments	27,718	-	66,224	29,101
1290	Other Receivables	-	-	-	-
1300	Inventories	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
1000	TOTAL ASSETS	<u>\$ 27,718</u>	<u>\$ 205,833</u>	<u>\$ 648,453</u>	<u>\$ 29,101</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ 239	\$ 8,662	\$ 15,045
2160	Accrued Wages Payable	-	-	-	4,367
2170	Due to Other Funds	27,718	-	-	9,689
2180	Due to Other Governments	-	-	-	-
2300	Unearned Revenues	-	205,594	639,791	-
		<hr/>	<hr/>	<hr/>	<hr/>
2000	TOTAL LIABILITIES	<u>27,718</u>	<u>205,833</u>	<u>648,453</u>	<u>29,101</u>
FUND BALANCES					
3400	Nonspendable	-	-	-	-
3400	Restricted	-	-	-	-
3500	Committed	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
3000	TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 27,718</u>	<u>\$ 205,833</u>	<u>\$ 648,453</u>	<u>\$ 29,101</u>

429 Other State Special Revenue Funds	434 SSA Visually Impaired	435 SSA Regional Day School - Deaf
\$ -	\$ -	\$ -
39,881	3,650	689
-	-	-
-	-	-
<u>\$ 39,881</u>	<u>\$ 3,650</u>	<u>\$ 689</u>
\$ 26,400	\$ -	\$ -
3,106	-	-
7,354	3,650	689
-	-	-
3,021	-	-
<u>39,881</u>	<u>3,650</u>	<u>689</u>
-	-	-
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 39,881</u>	<u>\$ 3,650</u>	<u>\$ 689</u>

(Continued on next page)

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

COMBINING BALANCE SHEET - Continued

Nonmajor Governmental Funds

August 31, 2016

Data Control Codes		461 Campus Activity Funds	482 City of San Antonio Pre-K	483 City of San Antonio Family Literacy	485 City of San Antonio After School Challenge
	ASSETS				
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1240	Due from Other Governments	-	33,514	5,548	10,218
1290	Other Receivables	-	-	-	-
1300	Inventories	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
1000	TOTAL ASSETS	<u>\$ -</u>	<u>\$ 33,514</u>	<u>\$ 5,548</u>	<u>\$ 10,218</u>
	LIABILITIES				
2110	Accounts Payable	\$ -	\$ 16,800	\$ 1,717	\$ 90
2160	Accrued Wages Payable	-	8,265	-	-
2170	Due to Other Funds	-	8,449	3,831	6,874
2180	Due to Other Governments	-	-	-	3,254
2300	Unearned Revenues	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
2000	TOTAL LIABILITIES	<u>-</u>	<u>33,514</u>	<u>5,548</u>	<u>10,218</u>
	FUND BALANCES				
3400	Nonspendable	-	-	-	-
3400	Restricted	-	-	-	-
3500	Committed	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
3000	TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 33,514</u>	<u>\$ 5,548</u>	<u>\$ 10,218</u>

486 Northside Education Foundation Grant	491 Growing Tree Day Care	497 Kronkosky Grant	499 Other Local Special Revenue Funds
\$ 1,593	\$ 66,999	\$ 112,965	\$ 1,640,880
-	-	-	-
14,721	-	-	482
-	-	-	-
<u>\$ 16,314</u>	<u>\$ 66,999</u>	<u>\$ 112,965</u>	<u>\$ 1,641,362</u>
\$ 1,676	\$ -	\$ 11,126	\$ 129,933
-	-	8,118	-
-	-	-	-
-	-	-	-
<u>14,638</u>	<u>66,999</u>	<u>93,721</u>	<u>1,397,361</u>
<u>16,314</u>	<u>66,999</u>	<u>112,965</u>	<u>1,527,294</u>
-	-	-	-
-	-	-	-
-	-	-	114,068
-	-	-	114,068
<u>\$ 16,314</u>	<u>\$ 66,999</u>	<u>\$ 112,965</u>	<u>\$ 1,641,362</u>

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NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

COMBINING BALANCE SHEET - Continued

Nonmajor Governmental Funds
August 31, 2016

Data Control Codes		Total Nonmajor Special Revenue Fund: August 31, 2016	Total Nonmajor Governmental August 31, 2016
	ASSETS		
1110	Cash and Cash Equivalents	\$ 15,830,642	\$ 15,830,642
1240	Due from Other Governments	8,230,105	8,230,105
1290	Other Receivables	54,548	54,548
1300	Inventories	<u>2,539,970</u>	<u>2,539,970</u>
1000	TOTAL ASSETS	<u>\$ 26,655,265</u>	<u>\$ 26,655,265</u>
	LIABILITIES		
2110	Accounts Payable	\$ 1,410,648	\$ 1,410,648
2160	Accrued Wages Payable	3,633,071	3,633,071
2170	Due to Other Funds	3,584,427	3,584,427
2180	Due to Other Governments	3,254	3,254
2300	Unearned Revenues	<u>4,465,742</u>	<u>4,465,742</u>
2000	TOTAL LIABILITIES	<u>13,097,142</u>	<u>13,097,142</u>
	FUND BALANCES		
3400	Nonspendable	1,574,752	1,574,752
3400	Restricted	11,869,303	11,869,303
3500	Committed	<u>114,068</u>	<u>114,068</u>
3000	TOTAL FUND BALANCES	<u>13,558,123</u>	<u>13,558,123</u>
4000	TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 26,655,265</u>	<u>\$ 26,655,265</u>

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NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES**

Nonmajor Governmental Funds

Year Ended August 31, 2016

Data Control Codes	206 Title III, Part B Homeless Children	211 Title I, Part A Improving Basic Program	220 Adult Basic Education Federal	223 TANF Family Assistance
REVENUES:				
5700 Local & Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	203,048	18,084,108	566,746	48,716
5020 Total Revenues	<u>203,048</u>	<u>18,084,108</u>	<u>566,746</u>	<u>48,716</u>
EXPENDITURES:				
0011 Instruction	36,951	14,107,371	379,881	45,777
0012 Instructional Resources & Media Services	-	-	-	-
0013 Curriculum & Inst'l Staff Development	-	1,009,014	147,825	-
0010 Total Instruction & Instructional-Related Services	<u>36,951</u>	<u>15,116,385</u>	<u>527,706</u>	<u>45,777</u>
0021 Instructional Leadership	101,426	508,285	18,529	2,939
0023 School Leadership	-	-	-	-
0020 Total Instructional & School Leadership	<u>101,426</u>	<u>508,285</u>	<u>18,529</u>	<u>2,939</u>
0031 Guidance, Counseling & Evaluation Services	-	750,048	20,238	-
0032 Social Work Services	62,997	54,243	-	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Child Nutrition Services	-	-	-	-
0036 Cocurricular/Extracurricular Activities	-	-	-	-
0030 Total Student Support Services	<u>62,997</u>	<u>804,291</u>	<u>20,238</u>	<u>-</u>
0051 Plant Maintenance & Operations	-	-	-	-
0052 Security & Monitoring Services	-	-	-	-
0050 Total Support Services Non-Student Based	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
0061 Community Services	1,674	1,655,147	273	-
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	<u>203,048</u>	<u>18,084,108</u>	<u>566,746</u>	<u>48,716</u>
1100 Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-
7915 Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Excess (Deficiency) Of Revenues and Other Resources Over Expenditures and Other Uses	-	-	-	-
0100 FUND BALANCE, September 1, 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000 FUND BALANCE, August 31, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

224 IDEA Part B Formula	225 IDEA Part B Preschool	240 National Breakfast and Lunch Program	244 Vocational Ed Basic Grant	255 Title II, Part A Training and Recruitment	263 Title III, Part A English Language Acquisition
\$ -	\$ -	\$ 14,936,463	\$ -	\$ -	\$ -
-	-	315,240	-	-	-
<u>17,948,060</u>	<u>229,758</u>	<u>35,468,709</u>	<u>877,399</u>	<u>1,853,281</u>	<u>1,036,252</u>
<u>17,948,060</u>	<u>229,758</u>	<u>50,720,412</u>	<u>877,399</u>	<u>1,853,281</u>	<u>1,036,252</u>
16,989,763	229,758	-	796,756	-	832,250
-	-	-	-	-	-
<u>342,928</u>	<u>-</u>	<u>-</u>	<u>49,490</u>	<u>1,811,252</u>	<u>53,751</u>
<u>17,332,691</u>	<u>229,758</u>	<u>-</u>	<u>846,246</u>	<u>1,811,252</u>	<u>886,001</u>
202,406	-	-	-	16,656	660
-	-	-	-	-	-
<u>202,406</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,656</u>	<u>660</u>
409,989	-	-	-	2,198	6,084
-	-	-	8,200	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	48,454,147	-	-	-
-	-	-	22,953	-	-
<u>409,989</u>	<u>-</u>	<u>48,454,147</u>	<u>31,153</u>	<u>2,198</u>	<u>6,084</u>
-	-	2,594,644	-	-	-
-	-	-	-	-	-
-	-	2,594,644	-	-	-
2,974	-	-	-	23,175	143,507
-	-	150,676	-	-	-
<u>17,948,060</u>	<u>229,758</u>	<u>51,199,467</u>	<u>877,399</u>	<u>1,853,281</u>	<u>1,036,252</u>
-	-	(479,055)	-	-	-
-	-	50,000	-	-	-
-	-	(429,055)	-	-	-
-	-	11,449,718	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,020,663</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - Continued**

Nonmajor Governmental Funds

Year Ended August 31, 2016

Data Control Codes	265 21st Century Community Learning	272 Medicaid Administrative Claim Program	289 Other Federal Special Revenue Funds	301 SSA - Title I Migratory Children
REVENUES:				
5700 Local & Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	1,509,598	2,674,136	842,789	363
5020 Total Revenues	<u>1,509,598</u>	<u>2,674,136</u>	<u>842,789</u>	<u>363</u>
EXPENDITURES:				
0011 Instruction	832,506	92,033	117,229	363
0012 Instructional Resources & Media Services	-	-	-	-
0013 Curriculum & Inst'l Staff Development	577,806	-	270,775	-
0010 Total Instruction & Instructional-Related Services	<u>1,410,312</u>	<u>92,033</u>	<u>388,004</u>	<u>363</u>
0021 Instructional Leadership	39,830	-	94,015	-
0023 School Leadership	-	-	-	-
0020 Total Instructional & School Leadership	<u>39,830</u>	<u>-</u>	<u>94,015</u>	<u>-</u>
0031 Guidance, Counseling & Evaluation Services	4,595	14,391	7,452	-
0032 Social Work Services	-	37,307	-	-
0033 Health Services	-	107,013	-	-
0034 Student (Pupil) Transportation	-	-	160,000	-
0035 Child Nutrition Services	-	-	-	-
0036 Cocurricular/Extracurricular Activities	-	-	-	-
0030 Total Student Support Services	<u>4,595</u>	<u>158,711</u>	<u>167,452</u>	<u>-</u>
0051 Plant Maintenance & Operations	2,335	-	-	-
0052 Security & Monitoring Services	-	-	-	-
0050 Total Support Services Non-Student Based	<u>2,335</u>	<u>-</u>	<u>-</u>	<u>-</u>
0061 Community Services	52,526	-	193,318	-
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	<u>1,509,598</u>	<u>250,744</u>	<u>842,789</u>	<u>363</u>
1100 Excess (Deficiency) of Revenues Over Expenditures	-	2,423,392	-	-
7915 Transfers In	-	-	-	-
1200 Excess (Deficiency) Of Revenues and Other Resources Over Expenditures and Other Uses	-	2,423,392	-	-
0100 FUND BALANCE, September 1, 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000 FUND BALANCE, August 31, 2016	<u>\$ -</u>	<u>\$ 2,423,392</u>	<u>\$ -</u>	<u>\$ -</u>

315 SSA - IDEA Part B Discretionary	316 SSA - IDEA Part B Deaf	317 SSA - IDEA Part B Preschool Deaf	381 Adult Basic Education State
\$ -	\$ -	\$ -	\$ -
-	-	-	102,051
46,910	19,478	4,427	-
46,910	19,478	4,427	102,051
46,910	15,849	4,427	51,636
-	-	-	-
-	3,364	-	41,520
46,910	19,213	4,427	93,156
-	-	-	7,910
-	-	-	-
-	-	-	7,910
-	265	-	985
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	265	-	985
-	-	-	-
-	-	-	-
-	-	-	-
46,910	19,478	4,427	102,051
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
\$ -	\$ -	\$ -	\$ -

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NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - Continued**

Nonmajor Governmental Funds
Year Ended August 31, 2016

Data Control Codes	392 Non-Educational Community Based Support	397 Advanced Placement Incentives	410 Instructional Materials Allotment	425 Apprenticeship Training Program
REVENUES:				
5700 Local & Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	41,527	31,531	2,412,521	348,482
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	<u>41,527</u>	<u>31,531</u>	<u>2,412,521</u>	<u>348,482</u>
EXPENDITURES:				
0011 Instruction	-	7,750	2,412,521	-
0012 Instructional Resources & Media Services	-	-	-	-
0013 Curriculum & Inst'l Staff Development	-	23,781	-	-
0010 Total Instruction & Instructional-Related Services	<u>-</u>	<u>31,531</u>	<u>2,412,521</u>	<u>-</u>
0021 Instructional Leadership	-	-	-	53,303
0023 School Leadership	-	-	-	-
0020 Total Instructional & School Leadership	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,303</u>
0031 Guidance, Counseling & Evaluation Services	-	-	-	-
0032 Social Work Services	-	-	-	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Child Nutrition Services	-	-	-	-
0036 Cocurricular/Extracurricular Activities	-	-	-	-
0030 Total Student Support Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
0051 Plant Maintenance & Operations	-	-	-	24,508
0052 Security & Monitoring Services	-	-	-	-
0050 Total Support Services Non-Student Based	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,508</u>
0061 Community Services	41,527	-	-	270,671
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	<u>41,527</u>	<u>31,531</u>	<u>2,412,521</u>	<u>348,482</u>
1100 Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-
7915 Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Excess (Deficiency) Of Revenues and Other Resources Over Expenditures and Other Uses	-	-	-	-
0100 FUND BALANCE, September 1, 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000 FUND BALANCE, August 31, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

429 Other State Special Revenue Funds	434 SSA Visually Impaired	435 SSA Regional Day School - Deaf
\$ -	\$ -	\$ -
71,949	59,691	458,985
-	-	-
<u>71,949</u>	<u>59,691</u>	<u>458,985</u>
35,434	59,691	458,985
337	-	-
1,400	-	-
<u>37,171</u>	<u>59,691</u>	<u>458,985</u>
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
34,778	-	-
-	-	-
<u>71,949</u>	<u>59,691</u>	<u>458,985</u>
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
\$ -	\$ -	\$ -

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NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - Continued**

Nonmajor Governmental Funds

Year Ended August 31, 2016

Data Control Codes	461 Campus Activity Funds	482 City of San Antonio Pre-K	483 City of San Antonio Family Literacy	485 City of San Antonio After School Challenge
REVENUES:				
5700 Local & Intermediate Sources	\$ 9,475,441	\$ 33,514	\$ 44,898	\$ 178,222
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	<u>9,475,441</u>	<u>33,514</u>	<u>44,898</u>	<u>178,222</u>
EXPENDITURES:				
0011 Instruction	3,197,060	10,176	-	135,616
0012 Instructional Resources & Media Services	813,877	-	-	-
0013 Curriculum & Inst'l Staff Development	3,557	-	-	42,126
0010 Total Instruction & Instructional-Related Services	<u>4,014,494</u>	<u>10,176</u>	<u>-</u>	<u>177,742</u>
0021 Instructional Leadership	-	-	-	480
0023 School Leadership	-	-	-	-
0020 Total Instructional & School Leadership	<u>-</u>	<u>-</u>	<u>-</u>	<u>480</u>
0031 Guidance, Counseling & Evaluation Services	20,616	-	-	-
0032 Social Work Services	-	-	-	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Child Nutrition Services	-	-	-	-
0036 Cocurricular/Extracurricular Activities	5,403,515	-	-	-
0030 Total Student Support Services	<u>5,424,131</u>	<u>-</u>	<u>-</u>	<u>-</u>
0051 Plant Maintenance & Operations	36,816	-	-	-
0052 Security & Monitoring Services	-	-	-	-
0050 Total Support Services Non-Student Based	<u>36,816</u>	<u>-</u>	<u>-</u>	<u>-</u>
0061 Community Services	-	23,338	44,898	-
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	<u>9,475,441</u>	<u>33,514</u>	<u>44,898</u>	<u>178,222</u>
1100 Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-
7915 Transfers In	-	-	-	-
1200 Excess (Deficiency) Of Revenues and Other Resources Over Expenditures and Other Uses	-	-	-	-
0100 FUND BALANCE, September 1, 2015	-	-	-	-
3000 FUND BALANCE, August 31, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

486 Northside Education Foundation Grant	491 Growing Tree Day Care	497 Kronkosky Grant	499 Other Local Special Revenue Funds
\$ 313,619	\$ 470	\$ 175,456	\$ 1,189,507
-	-	-	-
-	-	-	-
<u>313,619</u>	<u>470</u>	<u>175,456</u>	<u>1,189,507</u>
261,623	-	-	717,285
16,831	-	-	77,298
5,484	-	-	99,425
<u>283,938</u>	<u>-</u>	<u>-</u>	<u>894,008</u>
-	-	-	-
-	-	-	5,293
-	-	-	<u>5,293</u>
4,032	-	-	5,621
-	470	-	1,999
522	-	-	636
-	-	-	-
-	-	-	-
-	-	-	197,583
<u>4,554</u>	<u>470</u>	<u>-</u>	<u>205,839</u>
194	-	-	43,521
745	-	-	511
<u>939</u>	<u>-</u>	<u>-</u>	<u>44,032</u>
24,188	-	175,456	5,932
-	-	-	34,121
<u>313,619</u>	<u>470</u>	<u>175,456</u>	<u>1,189,225</u>
-	-	-	282
-	-	-	-
-	-	-	282
-	-	-	<u>113,786</u>
\$ -	\$ -	\$ -	\$ 114,068

(Continued on next page)

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - Continued**

Nonmajor Governmental Funds

Year Ended August 31, 2016

Data Control Codes	Total Nonmajor Special Revenue Funds August 31, 2016	Total Nonmajor Governmental August 31, 2016
REVENUES:		
5700 Local & Intermediate Sources	\$ 26,347,590	\$ 26,347,590
5800 State Program Revenues	3,841,977	3,841,977
5900 Federal Program Revenues	81,413,778	81,413,778
5020 Total Revenues	<u>111,603,345</u>	<u>111,603,345</u>
EXPENDITURES:		
0011 Instruction	41,875,601	41,875,601
0012 Instructional Resources & Media Services	908,343	908,343
0013 Curriculum & Inst'l Staff Development	4,483,498	4,483,498
0010 Total Instruction & Instructional-Related Services	<u>47,267,442</u>	<u>47,267,442</u>
0021 Instructional Leadership	1,046,439	1,046,439
0023 School Leadership	5,293	5,293
0020 Total Instructional & School Leadership	<u>1,051,732</u>	<u>1,051,732</u>
0031 Guidance, Counseling & Evaluation Services	1,246,514	1,246,514
0032 Social Work Services	165,216	165,216
0033 Health Services	108,171	108,171
0034 Student (Pupil) Transportation	160,000	160,000
0035 Child Nutrition Services	48,454,147	48,454,147
0036 Cocurricular/Extracurricular Activities	5,624,051	5,624,051
0030 Total Student Support Services	<u>55,758,099</u>	<u>55,758,099</u>
0051 Plant Maintenance & Operations	2,702,018	2,702,018
0052 Security & Monitoring Services	1,256	1,256
0050 Total Support Services Non-Student Based	<u>2,703,274</u>	<u>2,703,274</u>
0061 Community Services	2,693,382	2,693,382
0081 Facilities Acquisition and Construction	184,797	184,797
6030 Total Expenditures	<u>109,658,726</u>	<u>109,658,726</u>
1100 Excess (Deficiency) of Revenues Over Expenditures	1,944,619	1,944,619
7915 Transfers In	<u>50,000</u>	<u>50,000</u>
1200 Excess (Deficiency) Of Revenues and Other Resources Over Expenditures and Other Uses	1,994,619	1,994,619
0100 FUND BALANCE, September 1, 2015	<u>11,563,504</u>	<u>11,563,504</u>
3000 FUND BALANCE, August 31, 2016	<u>\$ 13,558,123</u>	<u>\$ 13,558,123</u>

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by certain departments in the District to other departments of the District on a cost-reimbursement basis:

Printing Operations Fund (752) is used to account for the operations of the District's printing services department. Revenue is generated from services rendered to the schools and various departments within the District.

Worker's Compensation Insurance Fund (770) is used to account for operations of the District's self-insurance program. Premiums are collected from the various departments within the District based on predetermined experience rates. Claims are paid from the proceeds of the premiums through this fund.

Equipment Insurance Fund (771) is used to account for the replacement of lost and stolen equipment of the District. Revenue for this fund is appropriated in the District's operating budget in lieu of premiums paid to an insurance company.

Armored Car Service Fund (772) is used to account for the operations of the District's cash pick up and delivery services to schools and departments. Service charges are based on the amount of deliveries to each location within the District.

Unemployment Insurance Fund (780) is used to account for operations of the District's self-insured unemployment compensation program.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

August 31, 2016

		752	770	771
		Printing Operations	Worker's Compensation Insurance	Equipment Insurance
ASSETS				
Current Assets				
1110	Cash and Cash Equivalents	\$ 604,886	\$ 8,123,590	\$ 270,647
1310	Inventories, at Cost	<u>39,599</u>	<u>-</u>	<u>-</u>
	Total Current Assets	<u>644,485</u>	<u>8,123,590</u>	<u>270,647</u>
Capital Assets				
1530	Furniture & Equipment	1,651,419	-	-
1570	Accumulated Depreciation	<u>(635,281)</u>	<u>-</u>	<u>-</u>
	Total Capital Assets (net of accumulated depreciation)	<u>1,016,138</u>	<u>-</u>	<u>-</u>
1000	TOTAL ASSETS	<u><u>\$ 1,660,623</u></u>	<u><u>\$ 8,123,590</u></u>	<u><u>\$ 270,647</u></u>
LIABILITIES				
Current Liabilities				
2110	Accounts Payable	\$ 60,948	\$ -	\$ 24,511
2160	Accrued Wages Payable	6,969	3,176	-
2170	Due to Other Funds	919,496	-	-
2200	Accrued Expenses - Claims Payable	<u>-</u>	<u>3,657,156</u>	<u>-</u>
	Total Current Liabilities	987,413	3,660,332	24,511
Non-current Liabilities				
2590	Claims Payable - Non-current	<u>-</u>	<u>1,060,510</u>	<u>-</u>
	TOTAL LIABILITIES	<u>987,413</u>	<u>4,720,842</u>	<u>24,511</u>
NET POSITION				
3200	Net Investment in Capital Assets	1,016,138	-	-
3900	Unrestricted	<u>(342,928)</u>	<u>3,402,748</u>	<u>246,136</u>
3000	TOTAL NET POSITION	<u><u>\$ 673,210</u></u>	<u><u>\$ 3,402,748</u></u>	<u><u>\$ 246,136</u></u>

772	780	Internal
Armored Car Service	Unemployment Insurance	Service Funds Totals
<u>\$ 86,672</u>	<u>\$ 417,251</u>	<u>\$ 9,503,046</u>
<u>-</u>	<u>-</u>	<u>39,599</u>
<u>86,672</u>	<u>417,251</u>	<u>9,542,645</u>
<u>138,325</u>	<u>-</u>	<u>1,789,744</u>
<u>(95,718)</u>	<u>-</u>	<u>(730,999)</u>
<u>42,607</u>	<u>-</u>	<u>1,058,745</u>
<u>\$ 129,279</u>	<u>\$ 417,251</u>	<u>\$ 10,601,390</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 85,459</u>
<u>4,152</u>	<u>-</u>	<u>14,297</u>
<u>-</u>	<u>-</u>	<u>919,496</u>
<u>-</u>	<u>-</u>	<u>3,657,156</u>
<u>4,152</u>	<u>-</u>	<u>4,676,408</u>
<u>-</u>	<u>-</u>	<u>1,060,510</u>
<u>4,152</u>	<u>-</u>	<u>5,736,918</u>
<u>42,607</u>	<u>-</u>	<u>1,058,745</u>
<u>82,520</u>	<u>417,251</u>	<u>3,805,727</u>
<u>\$ 125,127</u>	<u>\$ 417,251</u>	<u>\$ 4,864,472</u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

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

INTERNAL SERVICE FUNDS

Year Ended August 31, 2016

		752 Printing Operations	770 Worker's Compensation Insurance	771 Equipment Insurance
OPERATING REVENUES				
5754	Charges for Services	\$ 1,175,750	\$ -	\$ -
5749	Premiums	<u>-</u>	<u>3,503,805</u>	<u>142,493</u>
5020	Total Operating Revenues	<u>1,175,750</u>	<u>3,503,805</u>	<u>142,493</u>
OPERATING EXPENSES				
6100	Payroll Costs	373,475	166,012	-
6200	Purchased and Contracted Services	191,324	527,015	80,559
6300	Supplies and Materials	259,041	10,890	61,935
6429	Claims Expenses	-	2,175,323	-
6400	Other Operating Expenses	-	276,984	-
6449	Depreciation	<u>163,281</u>	<u>-</u>	<u>-</u>
6030	Total Operating Expenses	<u>987,121</u>	<u>3,156,224</u>	<u>142,494</u>
	Operating Income (Loss)	188,629	347,581	(1)
NON-OPERATING REVENUES (EXPENSES)				
7955	Investment Income	<u>1,168</u>	<u>32,874</u>	<u>435</u>
1300	Changes in Net Position	189,797	380,455	434
0100	TOTAL NET POSITION, September 1, 2015	<u>483,413</u>	<u>3,022,293</u>	<u>245,702</u>
3300	TOTAL NET POSITION, August 31, 2016	<u><u>\$ 673,210</u></u>	<u><u>\$ 3,402,748</u></u>	<u><u>\$ 246,136</u></u>

772	780	Internal
Armored Car Service	Unemployment Insurance	Service Funds Totals
<u>\$ 217,158</u>	<u>\$ -</u>	<u>\$ 1,392,908</u>
<u>-</u>	<u>107,056</u>	<u>3,753,354</u>
<u>217,158</u>	<u>107,056</u>	<u>5,146,262</u>
202,189	-	741,676
-	-	798,898
-	-	331,866
-	106,883	2,282,206
-	-	276,984
<u>10,594</u>	<u>-</u>	<u>173,875</u>
<u>212,783</u>	<u>106,883</u>	<u>4,605,505</u>
4,375	173	540,757
<u>-</u>	<u>981</u>	<u>35,458</u>
4,375	1,154	576,215
<u>120,752</u>	<u>416,097</u>	<u>4,288,257</u>
<u>\$ 125,127</u>	<u>\$ 417,251</u>	<u>\$ 4,864,472</u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

Year Ended August 31, 2016

	752 Printing Operations	770 Worker's Compensation Insurance	771 Equipment Insurance
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Interfund Services Provided	\$ 869,819	\$ 3,503,805	\$ 142,493
Cash Payments to Employees for Services	(375,094)	(166,230)	-
Cash Payments to Suppliers	(388,211)	(537,905)	(167,036)
Cash Payments for Insurance Claims	-	(2,359,450)	-
Cash Payments for Other Operating Expenses	-	(276,984)	-
Net Cash Provided (Used) by Operating Activities	<u>106,514</u>	<u>163,236</u>	<u>(24,543)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Earnings	<u>1,168</u>	<u>32,874</u>	<u>435</u>
Net Cash Flows Provided (Used) by Investing Activities	<u>1,168</u>	<u>32,874</u>	<u>435</u>
Net Increase (Decrease) In Cash & Cash Equivalents	107,682	196,110	(24,108)
CASH AND CASH EQUIVALENTS, September 1, 2015	<u>497,204</u>	<u>7,927,480</u>	<u>294,755</u>
CASH AND CASH EQUIVALENTS, August 31, 2016	<u><u>\$ 604,886</u></u>	<u><u>\$ 8,123,590</u></u>	<u><u>\$ 270,647</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ 188,629	\$ 347,581	\$ (1)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation	163,281	-	-
Effect of Changes in Current Assets and Liabilities:			
(Increase) Decrease in Inventories	4,709	-	-
Increase (Decrease) in Accounts Payable	57,445	-	(24,542)
Increase (Decrease) in Due to Other Funds	(305,931)	-	-
Increase (Decrease) in Claims Payable	-	(184,127)	-
Increase (Decrease) in Accrued Wages	(1,619)	(218)	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 106,514</u>	<u>\$ 163,236</u>	<u>\$ (24,543)</u>

772	780	Internal
Armored Car Service	Unemployment Insurance	Service Funds Totals
\$ 217,158	\$ 107,056	\$ 4,840,331
(200,537)	-	(741,861)
-	-	(1,093,152)
-	(106,883)	(2,466,333)
-	-	(276,984)
<u>16,621</u>	<u>173</u>	<u>262,001</u>
-	981	35,458
<u>-</u>	<u>981</u>	<u>35,458</u>
16,621	1,154	297,459
<u>70,051</u>	<u>416,097</u>	<u>9,205,587</u>
<u>\$ 86,672</u>	<u>\$ 417,251</u>	<u>\$ 9,503,046</u>
\$ 4,375	\$ 173	\$ 540,757
10,594	-	173,875
-	-	4,709
-	-	32,903
-	-	(305,931)
-	-	(184,127)
<u>1,652</u>	<u>-</u>	<u>(185)</u>
<u>\$ 16,621</u>	<u>\$ 173</u>	<u>\$ 262,001</u>

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FIDUCIARY FUNDS

AGENCY FUNDS

Textbook Waivers and Refunds Fund (862) serves as a clearing fund for refunds received from the Texas Education Agency due to waivers granted for textbooks.

Student Activities Fund (865) is used to account for the receipt and disbursement of funds for school approved activities of the various student groups and organizations at each school campus. These activities promote the general welfare of the school and educational development and morale of the students.

Northside Boosters Association (876) is used to account for the receipt and disbursement of funds for District approved activities of the various high school spirit groups and organizations. These activities support athletics and school band programs.

University Interscholastic League Fund (893) serves as a clearing account for receipts and disbursements associated with the regional administration of the University Interscholastic League. Students participate in interschool competition in academic and athletic events.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES**

AGENCY FUNDS

Year Ended August 31, 2016

	Balance September 1, 2015	Additions	Deductions	Balance August 31, 2016
<u>TEXTBOOK WAIVERS AND REFUNDS</u>				
ASSETS				
Cash	\$ 264,152	\$ 76,082	\$ 94,645	\$ 245,589
Due from Others	17,119	-	-	17,119
TOTAL ASSETS	<u>\$ 281,271</u>	<u>\$ 76,082</u>	<u>\$ 94,645</u>	<u>\$ 262,708</u>
LIABILITIES				
Due to Other Governments	\$ 281,271	\$ 193,111	\$ 211,674	\$ 262,708
TOTAL LIABILITIES	<u>\$ 281,271</u>	<u>\$ 193,111</u>	<u>\$ 211,674</u>	<u>\$ 262,708</u>
<u>STUDENT ACTIVITIES</u>				
ASSETS				
Cash	\$ 7,803,220	\$ 19,305,888	\$ 18,540,984	\$ 8,568,124
TOTAL ASSETS	<u>\$ 7,803,220</u>	<u>\$ 19,305,888</u>	<u>\$ 18,540,984</u>	<u>\$ 8,568,124</u>
LIABILITIES				
Due to Student Groups	\$ 7,803,220	\$ 17,047,223	\$ 16,282,319	\$ 8,568,124
TOTAL LIABILITIES	<u>\$ 7,803,220</u>	<u>\$ 17,047,223</u>	<u>\$ 16,282,319</u>	<u>\$ 8,568,124</u>
<u>UNIVERSITY INTERSCHOLASTIC LEAGUE</u>				
ASSETS				
Cash	\$ 147,670	\$ 113,563	\$ 109,426	\$ 151,807
TOTAL ASSETS	<u>\$ 147,670</u>	<u>\$ 113,563</u>	<u>\$ 109,426</u>	<u>\$ 151,807</u>
LIABILITIES				
Due to Other Governments	\$ 147,670	\$ 192,944	\$ 188,807	\$ 151,807
TOTAL LIABILITIES	<u>\$ 147,670</u>	<u>\$ 192,944</u>	<u>\$ 188,807</u>	<u>\$ 151,807</u>

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NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES - Continued**

AGENCY FUNDS

Year Ended August 31, 2016

	Balance September 1, 2015	Additions	Deductions	Balance August 31, 2016
<u>NORTHSIDE BOOSTER ASSOCIATION</u>				
ASSETS				
Cash	\$ 156,194	\$ 1,148,584	\$ 1,199,046	\$ 105,732
TOTAL ASSETS	<u>\$ 156,194</u>	<u>\$ 1,148,584</u>	<u>\$ 1,199,046</u>	<u>\$ 105,732</u>
LIABILITIES				
Due to Others	\$ 156,194	\$ 1,110,691	\$ 1,161,153	\$ 105,732
TOTAL LIABILITIES	<u>\$ 156,194</u>	<u>\$ 1,110,691</u>	<u>\$ 1,161,153</u>	<u>\$ 105,732</u>
 <u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash	\$ 8,371,236	\$ 20,644,117	\$ 19,944,101	\$ 9,071,252
Due from Others	17,119	-	-	17,119
TOTAL ASSETS	<u>\$ 8,388,355</u>	<u>\$ 20,644,117</u>	<u>\$ 19,944,101</u>	<u>\$ 9,088,371</u>
LIABILITIES				
Due to Other Governments	\$ 428,941	\$ 386,055	\$ 400,481	\$ 414,515
Due to Others	156,194	1,110,691	1,161,153	105,732
Due to Student Groups	7,803,220	17,047,223	16,282,319	8,568,124
TOTAL LIABILITIES	<u>\$ 8,388,355</u>	<u>\$ 18,543,969</u>	<u>\$ 17,843,953</u>	<u>\$ 9,088,371</u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

COMBINING SCHEDULE OF CHANGES IN CASH

STUDENT ACTIVITIES

Year Ended August 31, 2016

		Cash Balance September 1, 2015	Increase	Decrease	Net Increase (Decrease)	Cash Balance August 31, 2016
HIGH SCHOOLS:						
001	Oliver Wendell Holmes	\$ 352,301	\$ 752,887	\$ 754,423	\$ (1,537)	\$ 350,765
002	John Jay	296,119	596,578	563,928	32,650	328,769
003	John Marshall	226,395	1,006,056	939,812	66,244	292,639
005	Tom C. Clark	678,037	1,334,278	1,334,549	(271)	677,766
006	Health Careers	302,071	382,818	350,031	32,787	334,858
007	William Howard Taft	264,787	759,229	689,813	69,416	334,203
011	I. L. Chavez Excel Academy	12,781	3,221	2,396	825	13,606
012	Business Careers	13,404	18,111	13,236	4,875	18,279
013	NS Vocational Training	63,987	93,886	85,746	8,140	72,127
014	Communication Arts	66,392	66,716	67,734	(1,018)	65,374
016	Sandra Day O'Connor	476,666	1,102,346	1,121,923	(19,577)	457,089
019	Earl Warren	214,367	851,532	821,665	29,867	244,234
022	John P. Stevens	272,635	1,001,106	978,074	23,032	295,667
023	Louis D. Brandeis	487,417	892,439	841,594	50,845	538,262
024	William J. Brennan	410,262	957,653	995,458	(37,805)	372,457
030	Construction Careers	173,873	148,151	160,484	(12,334)	161,540
	Total High Schools	<u>4,311,494</u>	<u>9,967,007</u>	<u>9,720,866</u>	<u>246,141</u>	<u>4,557,635</u>
MIDDLE SCHOOLS:						
004	John C. Holmgreen Center	10,488	9,690	8,706	984	11,472
041	Pat Neff	32,754	119,308	101,192	18,116	50,870
042	Sam Rayburn	27,490	96,571	97,744	(1,173)	26,317
043	Sul Ross	58,870	151,445	141,244	10,201	69,071
044	Anson Jones	29,908	66,946	54,124	12,822	42,730
045	William Hobby	58,541	88,703	100,158	(11,455)	47,086
046	E. M. Pease	46,765	100,389	101,694	(1,305)	45,460
047	Coke Stevenson	53,779	158,333	141,218	17,115	70,894
048	Earl Rudder	22,201	123,349	115,118	8,231	30,432
049	H. B. Zachry	54,798	159,270	164,144	(4,874)	49,924
050	Katherine Stinson	42,613	176,242	149,257	26,985	69,598
051	Jack C. Jordan	99,059	150,226	139,068	11,158	110,217
052	John B. Connally	62,174	112,105	123,265	(11,160)	51,014
053	Ed Rawlinson	75,377	132,158	114,652	17,506	92,883
054	Gregory Luna	91,044	214,645	198,992	15,653	106,697
055	Wallace B. Jefferson	73,766	194,452	181,190	13,262	87,028
056	Robert L. Vale	69,393	187,166	178,198	8,968	78,361
057	Dr. Hector P. Garcia	128,168	297,867	260,747	37,120	165,288
058	Dolph Briscoe	54,718	178,093	169,452	8,641	63,359
059	Dr. John M. Folks	43,138	109,019	105,041	3,978	47,116
060	Dr. Joe J. Bernal	15,274	100,057	78,783	21,274	36,548
	Total Middle Schools	<u>1,150,318</u>	<u>2,926,034</u>	<u>2,723,987</u>	<u>202,047</u>	<u>1,352,365</u>

(Continued on next page.)

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

COMBINING SCHEDULE OF CHANGES IN CASH - Continued

STUDENT ACTIVITIES
Year Ended August 31, 2016

		Cash Balance September 1, 2015	Increase	Decrease	Net Increase (Decrease)	Cash Balance August 31, 2016
ELEMENTARY SCHOOLS:						
101	R. R. Cable	\$ 18,830	\$ 34,236	\$ 27,643	\$ 6,593	\$ 25,423
102	John Glenn	28,139	43,012	45,366	(2,354)	25,785
103	Glenoaks	14,989	29,015	20,652	8,363	23,352
104	Helotes	18,560	70,977	64,562	6,415	24,975
105	Mary Hull	8,949	14,923	15,991	(1,068)	7,881
106	Jerry D. Allen	13,540	28,780	30,284	(1,504)	12,036
107	Mary Lou Fisher	26,570	56,292	53,646	2,646	29,216
108	Leon Valley	29,337	45,064	52,291	(7,227)	22,110
109	Locke Hill	32,727	66,911	55,707	11,204	43,931
111	Colby Glass	58,386	67,243	61,599	5,644	64,030
112	Lawrence Powell	18,559	40,607	35,215	5,392	23,951
113	Valley Hi	7,750	27,169	19,557	7,612	15,362
114	Westwood Terrace	11,835	28,299	26,482	1,817	13,652
115	Colonies North	36,341	42,361	37,669	4,692	41,033
116	Eduardo Villarreal	61,994	35,768	35,286	482	62,476
117	Meadow Village	42,759	27,319	22,734	4,585	47,344
118	Oak Hills Terrace	44,635	62,844	65,166	(2,322)	42,313
119	Shirley Howsman	21,296	44,986	50,467	(5,481)	15,815
122	J. B. Passmore	23,542	21,563	19,488	2,075	25,617
123	Adams Hill	22,065	28,662	26,050	2,612	24,677
124	Gregorio Esparza	16,593	46,730	36,933	9,797	26,390
125	Murray Boone	41,898	50,616	55,730	(5,114)	36,784
128	Carlos Coon	50,233	79,909	75,218	4,691	54,924
130	Dr. Winn Murnin	27,129	52,710	49,461	3,249	30,378
131	Dolores Linton	34,329	27,481	32,844	(5,363)	28,966
132	Timberwilde	19,036	55,789	49,127	6,662	25,698
134	Braun Station	37,124	51,906	53,933	(2,027)	35,097
135	Ed Cody	9,751	30,568	35,876	(5,308)	4,443
136	Northwest Crossing	34,356	64,478	62,844	1,634	35,990
138	L. M. Knowlton	24,998	63,921	74,449	(10,528)	14,470
141	Nora Forester	45,024	67,564	52,468	15,096	60,120
143	F. R. Scobee	56,563	41,150	51,971	(10,821)	45,742
144	Clarence Galm	56,280	67,195	82,302	(15,107)	41,173
145	Jimmy L. Elrod	36,051	49,950	60,400	(10,450)	25,601
148	Carl Wanke	22,265	70,214	63,093	7,121	29,386
149	William B. Thornton	46,134	63,748	67,005	(3,257)	42,877
150	Henry T. Brauchle	21,626	40,403	38,916	1,487	23,113
151	Raul B. Fernandez	27,010	62,585	59,891	2,694	29,704
152	Leon Springs	33,973	69,395	68,407	988	34,961
156	Christian Evers	30,143	84,857	67,434	17,423	47,566
157	Monroe May	45,450	33,950	32,986	964	46,414
158	Robert F. McDermott	15,248	33,768	27,853	5,915	21,163
160	Virginia Myers	11,798	45,774	42,829	2,945	14,743

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

COMBINING SCHEDULE OF CHANGES IN CASH - Continued

STUDENT ACTIVITIES
Year Ended August 31, 2016

		Cash Balance September 1, 2015	Increase	Decrease	Net Increase (Decrease)	Cash Balance August 31, 2016
ELEMENTARY SCHOOLS:						
161	Henry Steubing	\$ 67,942	\$ 53,120	\$ 51,985	\$ 1,135	\$ 69,077
162	Mary Burns Michael	9,570	53,837	46,554	7,283	16,853
165	James Carson	35,004	53,389	51,771	1,618	36,622
166	W. Z. Burke	23,007	18,263	16,231	2,032	25,039
167	Dr. Carl & Bunny Jean Raba	10,925	47,728	39,941	7,787	18,712
168	Bob Lewis	30,016	92,567	96,540	(3,973)	26,043
169	Frances Rhodes	24,762	37,633	32,497	5,136	29,898
170	Anna Mae Nichols	18,769	61,004	57,200	3,804	22,573
171	Rita Kay Driggers	19,042	49,040	43,143	5,897	24,939
177	Peggy Carnahan	41,280	30,460	32,565	(2,105)	39,175
178	Julia Newton Aue	41,423	108,307	107,641	666	42,089
179	Evelyn Scarborough	52,203	65,480	63,611	1,869	54,072
180	Bob Beard	128,957	118,904	135,607	(16,703)	112,254
181	Patricia J. Blattman	32,642	54,700	49,607	5,093	37,735
182	Paul W. Ott	29,086	59,038	56,007	3,031	32,117
183	Dr. Joe Ward	23,445	64,807	65,859	(1,052)	22,393
184	Thomas L. Hatchett	20,070	31,494	37,414	(5,920)	14,150
185	Dr. Martha Mead	30,909	17,439	21,331	(3,892)	27,017
186	Dean H. Krueger	25,355	63,871	61,731	2,140	27,495
187	Ralph Langley	32,634	44,288	41,550	2,738	35,372
188	John Hoffman	53,324	99,215	87,017	12,198	65,522
189	Jim G. Martin	15,174	27,103	27,021	82	15,256
191	Charles L. Kuentz Jr.	26,851	84,043	81,791	2,252	29,103
192	Bobbie Behlau	27,658	69,123	64,341	4,782	32,440
193	Kay Franklin	32,820	49,461	34,488	14,973	47,793
195	Andy Mireles	23,152	76,845	60,403	16,442	39,594
198	Dr. Pat Henderson	33,133	59,957	48,276	11,681	44,814
225	Edmund Lieck	23,540	73,706	66,478	7,228	30,768
226	Randall H. Fields	-	5,581	2,135	3,446	3,446
227	Herbert G. Boldt	-	46,703	32,431	14,272	14,272
230	Dr. Sara B. McAndrew	2,912	43,930	38,669	5,261	8,173
234	Bonnie Ellison	9,603	55,267	51,424	3,843	13,446
236	Los Reyes	27,125	64,385	64,998	(613)	26,512
	Total Elementary Schools	<u>2,256,148</u>	<u>3,951,380</u>	<u>3,776,082</u>	<u>175,298</u>	<u>2,431,446</u>
Other Student Activities						
	Amounts Payable to Others	<u>85,260</u>	<u>202,802</u>	<u>61,384</u>	<u>141,418</u>	<u>226,678</u>
	Total Other Student Activities	<u>85,260</u>	<u>202,802</u>	<u>61,384</u>	<u>141,418</u>	<u>226,678</u>
	GRAND TOTAL	<u>\$ 7,803,220</u>	<u>\$ 17,047,223</u>	<u>\$ 16,282,319</u>	<u>\$ 764,904</u>	<u>\$ 8,568,124</u>

**CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CAPITAL ASSETS BY SOURCE
August 31, 2016

Capital Assets

Land and Site Improvements	\$ 102,701,742
Buildings and Improvements	2,456,491,677
Construction in Progress	199,056,682
Equipment and Other	126,981,183
Portable Buildings	<u>9,108,709</u>
	<u><u>\$ 2,894,339,993</u></u>

Investment in Capital Assets by Source

Capital Projects Funds	\$ 2,754,634,670
General Fund	118,839,621
Special Revenue Funds	<u>20,865,702</u>
	<u><u>\$ 2,894,339,993</u></u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES IN CAPITAL ASSETS
Year Ended August 31, 2016

	Balance September 1, 2015	Additions	Deletions and Transfers	Balance August 31, 2016
Capital Assets				
Land and Site Improvements	\$ 101,838,726	\$ 863,016	\$ -	\$ 102,701,742
Buildings and Improvements	2,369,853,112	88,443,717	1,805,152	2,456,491,677
Construction in Progress	122,213,247	119,133,000	42,289,565	199,056,682
Equipment and Other	122,605,844	6,593,972	2,218,633	126,981,183
Portable Buildings	9,094,984	13,725	-	9,108,709
	<u>\$ 2,725,605,913</u>	<u>\$ 215,047,430</u>	<u>\$ 46,313,350</u>	<u>\$ 2,894,339,993</u>

Investment in Capital Assets by Source

Capital Projects Funds	\$ 2,590,488,755	\$ 207,086,511	\$ 42,940,596	\$ 2,754,634,670
General Fund	113,951,709	7,325,139	2,437,227	118,839,621
Special Revenue Funds	<u>21,165,449</u>	<u>635,780</u>	<u>935,527</u>	<u>20,865,702</u>
	<u>\$ 2,725,605,913</u>	<u>\$ 215,047,430</u>	<u>\$ 46,313,350</u>	<u>\$ 2,894,339,993</u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CAPITAL ASSETS BY FUNCTION
August 31, 2016

Function	Land	Buildings	Construction in Progress
High Schools	\$ 11,533,626	\$ 596,786,510	\$ 114,712,904
Middle Schools	16,224,729	541,170,210	20,554,559
Elementary Schools	39,934,823	1,027,114,398	26,568,610
Special Schools	625,103	25,404,157	76,455
Administration	129,071	20,682,493	553,880
Other Facilities	28,367,628	172,324,590	9,657,120
Athletic Complex	5,886,762	73,009,319	26,933,154
Automotive Equipment	-	-	-
 TOTAL CAPITAL ASSETS	 <u>\$ 102,701,742</u>	 <u>\$ 2,456,491,677</u>	 <u>\$ 199,056,682</u>

Equipment and Other	Portable Buildings	Total
\$ 5,676,101	\$ 2,284,280	\$ 730,993,421
5,314,797	1,074,906	584,339,201
9,521,722	4,453,457	1,107,593,010
851,929	646,811	27,604,455
4,769,662	36,986	26,172,092
15,719,295	553,391	226,622,024
921,957	58,878	106,810,070
<u>84,205,720</u>	<u>-</u>	<u>84,205,720</u>
<u><u>\$ 126,981,183</u></u>	<u><u>\$ 9,108,709</u></u>	<u><u>\$ 2,894,339,993</u></u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES IN CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
Year Ended August 31, 2016

Function and Activity	Capital Assets		
	September 1, 2015	Increase (Decrease)	August 31, 2016
Senior High Schools			
Land	\$ 11,533,626	\$ -	\$ 11,533,626
Buildings	583,254,920	13,531,590	596,786,510
Construction in Progress	65,607,959	49,104,945	114,712,904
Equipment and Other	5,436,319	239,782	5,676,101
Portable Buildings	2,284,280	-	2,284,280
Total Senior High Schools	668,117,104	62,876,317	730,993,421
Middle Schools			
Land	16,224,729	-	16,224,729
Buildings	536,836,645	4,333,565	541,170,210
Construction in Progress	12,734,588	7,819,971	20,554,559
Equipment and Other	5,286,389	28,408	5,314,797
Portable Buildings	1,074,906	-	1,074,906
Total Middle Schools	572,157,257	12,181,944	584,339,201
Elementary Schools			
Land	39,098,938	835,885	39,934,823
Buildings	968,740,531	58,373,867	1,027,114,398
Construction in Progress	21,004,183	5,564,427	26,568,610
Equipment and Other	8,965,313	556,409	9,521,722
Portable Buildings	4,439,732	13,725	4,453,457
Total Elementary Schools	1,042,248,697	65,344,313	1,107,593,010
Special Schools			
Land	625,103	-	625,103
Buildings	25,111,125	293,032	25,404,157
Construction in Progress	308,432	(231,977)	76,455
Equipment and Other	866,685	(14,756)	851,929
Portable Buildings	646,811	-	646,811
Total Special Schools	27,558,156	46,299	27,604,455

(Continued on next page.)

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES IN CAPITAL ASSETS
BY FUNCTION AND ACTIVITY - Continued
Year Ended August 31, 2016

Function and Activity	Capital Assets		
	September 1, 2015	Increase (Decrease)	August 31, 2016
Administration			
Land	\$ 129,071	-	\$ 129,071
Buildings	20,387,079	295,414	20,682,493
Construction in Progress	303,493	250,387	553,880
Equipment and Other	4,847,862	(78,200)	4,769,662
Portable Buildings	36,986	-	36,986
Total Administration	25,704,491	467,601	26,172,092
Other Facilities			
Land	28,340,497	27,131	28,367,628
Buildings	166,485,287	5,839,303	172,324,590
Construction in Progress	12,306,509	(2,649,389)	9,657,120
Equipment and Other	14,407,739	1,311,556	15,719,295
Portable Buildings	553,391	-	553,391
Total Other Facilities	222,093,423	4,528,601	226,622,024
Athletic Complexes			
Land	5,886,762	-	5,886,762
Buildings	69,037,525	3,971,794	73,009,319
Construction in Progress	9,948,083	16,985,071	26,933,154
Equipment and Other	851,523	70,434	921,957
Portable Buildings	58,878	-	58,878
Total Athletic Complexes	85,782,771	21,027,299	106,810,070
Automotive Equipment	81,944,014	2,261,706	84,205,720
TOTAL CAPITAL ASSETS	\$ 2,725,605,913	\$ 168,734,080	\$ 2,894,339,993

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STATISTICAL SECTION

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

Net Position by Component

Last Ten Fiscal Years
(accrual basis of accounting)

(UNAUDITED)

	Total Governmental Activities,		
	2007	2008	2009
Governmental Activities			
Net Investment in Capital Assets	\$ 156,595,151	\$ 157,465,814	\$ 148,863,674
Restricted for Grants	-	-	-
Restricted for Child Nutrition Services	5,559,773	4,840,989	3,736,189
Restricted for Debt Service	18,376,541	25,766,170	17,723,425
Unrestricted	<u>173,336,484</u>	<u>155,347,849</u>	<u>163,367,010</u>
Total Governmental Activities Net Position	<u>\$ 353,867,949</u>	<u>\$ 343,420,822</u>	<u>\$ 333,690,298</u>
Business-Type Activities			
Unrestricted	\$ -	\$ -	\$ -
Total Business-Type Activities Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary Government			
Net Investment in Capital Assets	\$ 156,595,151	\$ 157,465,814	\$ 148,863,674
Restricted	23,936,314	30,607,159	21,459,614
Unrestricted	<u>173,336,484</u>	<u>155,347,849</u>	<u>163,367,010</u>
Total Primary Government Net Position	<u>\$ 353,867,949</u>	<u>\$ 343,420,822</u>	<u>\$ 333,690,298</u>

Note: The District chose to present existing activities previously presented in governmental activities as business-type activities starting in fiscal year 2016.

Fiscal Year Ended August 31,						
2010	2011	2012	2013	2014	2015	2016
\$ 131,608,183	\$ 95,543,535	\$ 70,862,507	\$ 41,810,347	\$ 10,255,561	\$ (11,819,227)	\$ (19,278,957)
-	-	-	-	-	-	2,423,392
4,302,600	6,674,744	9,060,004	10,637,849	11,647,074	9,641,698	5,585,586
13,805,959	11,192,896	15,975,274	20,224,782	25,286,319	29,954,106	21,394,768
160,119,688	190,058,720	248,349,780	275,888,318	303,398,373	192,690,231	218,134,752
<u>\$ 309,836,430</u>	<u>\$ 303,469,895</u>	<u>\$ 344,247,565</u>	<u>\$ 348,561,296</u>	<u>\$ 350,587,327</u>	<u>\$ 220,466,808</u>	<u>\$ 228,259,541</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,124,356
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,124,356</u>
\$ 131,608,183	\$ 95,543,535	\$ 70,862,507	\$ 41,810,347	\$ 10,255,561	\$ (11,819,227)	\$ (19,278,957)
18,108,559	17,867,640	25,035,278	30,862,631	36,933,393	39,595,804	29,403,746
160,119,688	190,058,720	248,349,780	275,888,318	303,398,373	192,690,231	227,259,108
<u>\$ 309,836,430</u>	<u>\$ 303,469,895</u>	<u>\$ 344,247,565</u>	<u>\$ 348,561,296</u>	<u>\$ 350,587,327</u>	<u>\$ 220,466,808</u>	<u>\$ 237,383,897</u>

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(UNAUDITED)

	Total Governmental Activities,		
	2007	2008	2009
Expenses:			
Governmental Activities:			
Instruction	\$ (380,162,547)	\$ (429,681,408)	\$ (451,895,303)
Instructional Resources & Media Services	(11,609,906)	(13,712,875)	(12,524,489)
Curriculum & Staff Development	(16,410,320)	(17,051,019)	(17,154,223)
Instructional Leadership	(14,459,028)	(15,803,343)	(16,602,072)
School Leadership	(32,021,545)	(36,886,724)	(39,918,572)
Guidance, Counseling & Evaluation Services	(23,789,903)	(27,004,699)	(28,683,793)
Social Work Services	(1,798,884)	(2,132,992)	(2,325,633)
Health Services	(5,783,404)	(6,210,394)	(6,923,146)
Student (Pupil) Transportation	(26,361,206)	(29,499,304)	(29,779,928)
Child Nutrition Services	(35,761,757)	(37,117,662)	(39,285,299)
Co-curricular/Extracurricular Activities	(11,661,842)	(12,627,341)	(13,577,657)
General Administration	(14,304,415)	(13,939,025)	(14,506,853)
Plant Maintenance & Operations	(57,992,463)	(64,890,338)	(74,240,341)
Security & Monitoring Services	(5,840,287)	(5,525,664)	(5,991,991)
Data Processing Services	(10,202,011)	(10,927,144)	(11,060,938)
Community Services	(2,983,032)	(3,024,778)	(3,331,699)
Debt Service - Interest	(48,551,604)	(54,201,523)	(61,677,550)
Debt Service - Fiscal Charges	(272,784)	(283,427)	(390,612)
Total Primary Government Expenses	<u>\$ (699,966,938)</u>	<u>\$ (780,519,660)</u>	<u>\$ (829,870,099)</u>
Business-Type Activities:			
Enterprise Fund - Learning Tree	-	-	-
Total Primary Government Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Program Revenues:			
Governmental Activities:			
Charges for Services:			
Tuition	\$ 1,560,900	\$ 1,417,618	\$ 1,042,607
Child Nutrition Services	14,002,674	14,259,831	14,515,704
Athletic Gate Receipts	2,015,995	2,132,573	2,390,235
Facilities Rental	1,454,235	2,037,436	2,437,618
Community Education	1,635,857	1,766,131	1,899,395
Miscellaneous	-	-	-
Operating Grants and Contributions	113,447,370	117,462,360	112,723,315
Total Governmental Activities Program Revenues	<u>\$ 134,117,031</u>	<u>\$ 139,075,949</u>	<u>\$ 135,008,874</u>
Business-Type Activities:			
Charges for Services:	-	-	-
Total Primary Government Program Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net (Expense) Revenue:			
Total Governmental Activities Net Expense	\$ (565,849,907)	\$ (641,443,711)	\$ (694,861,225)
Total Business-Type Activities Net Expense	-	-	-
Total Primary Government Net Expense	<u>\$ (565,849,907)</u>	<u>\$ (641,443,711)</u>	<u>\$ (694,861,225)</u>
General Revenues:			
Governmental Activities:			
Property Taxes, Levied for General Purposes	\$ 305,924,919	\$ 278,237,715	\$ 326,866,749
Property Taxes, Levied for Debt Service	59,954,013	72,172,968	80,759,108
State aid - formula grants	209,542,912	261,776,078	268,869,472
Miscellaneous local & intermediate	1,075,735	1,576,633	2,939,136
Investment earnings	19,806,745	17,233,190	5,696,236
Total Governmental Activities General Revenues	<u>\$ 596,304,324</u>	<u>\$ 630,996,584</u>	<u>\$ 685,130,701</u>
Business-Type Activities:			
Investment earnings	-	-	-
Total Primary Government General Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Change in Net Position	<u>\$ 30,454,417</u>	<u>\$ (10,447,127)</u>	<u>\$ (9,730,524)</u>

Fiscal Year Ended August 31,						
2010	2011	2012	2013	2014	2015	2016
\$ (497,200,214)	\$ (525,702,955)	\$ (494,991,136)	\$ (507,450,711)	\$ (569,111,930)	\$ (592,068,785)	\$ (623,033,069)
(13,516,639)	(13,152,159)	(11,429,557)	(11,699,471)	(12,246,684)	(13,147,210)	(13,519,934)
(20,868,077)	(20,637,042)	(16,452,744)	(17,107,745)	(18,267,954)	(20,687,736)	(19,974,598)
(17,558,222)	(17,721,434)	(16,542,361)	(16,552,060)	(18,037,461)	(19,511,320)	(20,391,625)
(42,196,685)	(43,216,381)	(41,652,162)	(43,896,833)	(48,418,603)	(50,254,795)	(52,544,160)
(29,628,621)	(29,730,303)	(27,316,298)	(28,589,365)	(31,699,085)	(33,050,312)	(36,721,237)
(2,844,630)	(2,853,943)	(2,427,772)	(2,420,565)	(2,932,108)	(3,085,235)	(3,233,713)
(7,356,235)	(7,655,779)	(7,291,480)	(7,391,834)	(8,569,869)	(9,057,950)	(9,642,287)
(30,262,885)	(29,497,956)	(27,530,946)	(28,346,428)	(29,815,002)	(31,433,081)	(32,468,535)
(41,622,745)	(43,960,836)	(45,757,854)	(50,771,525)	(52,351,153)	(54,054,297)	(53,623,718)
(18,872,789)	(19,530,711)	(18,917,552)	(21,274,001)	(22,293,852)	(26,174,474)	(26,785,256)
(15,483,427)	(14,984,121)	(14,256,588)	(15,031,622)	(15,732,913)	(17,224,104)	(18,421,107)
(69,213,838)	(68,419,162)	(66,483,383)	(68,758,166)	(74,171,357)	(76,476,147)	(80,577,540)
(6,212,592)	(6,571,840)	(6,562,771)	(6,340,818)	(7,595,933)	(7,951,372)	(8,555,956)
(10,778,381)	(10,934,488)	(10,871,050)	(11,943,360)	(12,088,100)	(13,121,758)	(14,208,441)
(4,505,162)	(5,369,833)	(5,243,623)	(6,477,334)	(8,421,466)	(11,056,229)	(5,330,434)
(66,036,270)	(70,957,867)	(67,982,828)	(69,512,356)	(71,762,691)	(70,421,475)	(72,173,847)
(723,470)	(571,138)	(468,437)	(60,135)	(573,620)	(1,621,734)	(1,650,734)
\$ (894,880,882)	\$ (931,467,948)	\$ (882,178,542)	\$ (913,624,329)	\$ (1,004,089,781)	\$ (1,050,398,014)	\$ (1,092,856,191)
-	-	-	-	-	-	(7,465,660)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,100,321,851)
\$ 1,780,464	\$ 2,292,203	\$ 2,635,395	\$ 1,386,481	\$ 2,393,624	\$ 7,332,812	\$ 725,502
14,984,204	15,837,365	15,697,687	16,659,767	17,201,571	14,902,214	14,888,325
2,408,043	2,600,060	2,886,304	2,979,393	2,825,309	3,096,773	3,006,100
2,703,804	2,577,126	2,160,034	1,833,597	4,533,552	4,284,204	5,581,570
1,906,577	2,147,232	2,189,461	2,122,393	-	-	-
-	-	78,127	-	-	-	-
157,379,506	165,688,887	158,767,680	133,117,871	160,050,774	167,868,620	156,101,624
\$ 181,162,598	\$ 191,142,873	\$ 184,414,688	\$ 158,099,502	\$ 187,004,830	\$ 197,484,623	\$ 180,303,121
-	-	-	-	-	-	9,010,484
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 189,313,605
\$ (713,718,284)	\$ (740,325,075)	\$ (697,763,854)	\$ (755,524,827)	\$ (817,084,951)	\$ (852,913,391)	\$ (912,553,070)
-	-	-	-	-	-	1,544,824
\$ (713,718,284)	\$ (740,325,075)	\$ (697,763,854)	\$ (755,524,827)	\$ (817,084,951)	\$ (852,913,391)	\$ (911,008,246)
\$ 324,639,197	\$ 329,484,003	\$ 336,629,684	\$ 346,770,359	\$ 371,655,491	\$ 393,882,332	\$ 440,464,044
93,249,853	102,933,302	108,452,556	111,640,910	119,635,575	127,012,311	142,030,106
267,179,284	296,791,813	290,774,198	296,324,027	330,494,054	336,185,251	340,520,673
3,130,174	4,530,018	1,186,218	4,232,836	2,534,043	4,816,426	1,689,510
1,665,908	219,404	1,498,868	870,426	764,322	1,057,662	3,192,526
\$ 689,864,416	\$ 733,958,540	\$ 738,541,524	\$ 759,838,558	\$ 825,083,485	\$ 862,953,982	\$ 927,896,859
-	-	-	-	-	-	28,476
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 927,925,335
\$ (23,853,868)	\$ (6,366,535)	\$ 40,777,670	\$ 4,313,731	\$ 7,998,534	\$ 10,040,591	\$ 16,917,089

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

Fund Balances, Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

(UNAUDITED)

	Total Governmental Activities,		
	2007	2008	2009
General Fund			
Reserved	\$ 62,684,085	\$ 60,517,054	\$ 47,393,921
Unreserved	100,759,656	81,963,479	93,597,268
Nonspendable			
Inventory	-	-	-
Long-Term Investments	-	-	-
Committed			
Opening New Schools	-	-	-
Existing Personnel	-	-	-
State Revenue Deficits	-	-	-
Technology Deployments	-	-	-
Assigned			
Employee Benefits	-	-	-
Education Jobs Appropriations	-	-	-
Debt Service	-	-	-
Administrative/District Projects	-	-	-
Title I AYP Set-aside	-	-	-
Federal Program Sequestration	-	-	-
Maintenance of Effort	-	-	-
Unassigned	-	-	-
Total General Fund	\$ 163,443,741	\$ 142,480,533	\$ 140,991,189
All Other Governmental Funds			
Reserved:			
Special Revenue Funds	\$ 6,841,330	\$ 5,994,671	\$ 5,223,770
Capital Projects Funds	176,382,498	81,192,106	64,891,357
Debt Service Funds	18,376,541	25,766,170	17,723,425
Unreserved, reported in:			
Special Revenue Funds	108,456	112,043	113,108
Nonspendable			
Inventory	-	-	-
Restricted			
Debt Service Funds	-	-	-
Child Nutrition	-	-	-
Grants	-	-	-
Authorized Construction	-	-	-
Committed			
Local Special Revenue	-	-	-
Total All Other Governmental Funds	\$ 201,708,825	\$ 113,064,990	\$ 87,951,660

GASB Statement No. 54 was implemented in fiscal year 2010-2011. This statement standardizes the way governmental entities record fund balances. The alternate presentation is presented beginning with fiscal year ended August 31, 2011.

* Beginning with the year ending August 31, 2016, the District will present long-term investments as unassigned.

Fiscal Year Ended August 31,						
2010	2011	2012	2013	2014	2015	2016
\$ 53,391,139	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
89,556,837	-	-	-	-	-	-
-	2,161,992	2,015,579	1,978,089	2,103,439	2,151,675	2,336,011
-	49,992,896	40,748,539	72,204,538	88,431,524	74,653,970	-
-	23,215,507	21,139,820	17,205,509	28,857,863	26,693,135	25,612,694
-	4,000,000	-	-	-	-	-
-	-	-	13,272,441	25,995,670	51,569,237	76,398,690
-	-	-	25,000,000	25,000,000	24,470,577	17,450,738
-	-	6,000,000	11,100,000	9,300,000	12,500,000	10,700,000
-	-	15,610,135	-	-	-	-
-	-	7,000,000	11,000,000	15,000,000	10,000,000	10,000,000
-	-	3,098,992	3,098,992	-	-	3,346,762
-	-	6,500,000	6,500,000	7,445,522	7,445,522	1,468,670
-	-	-	6,259,229	7,445,522	7,445,522	5,976,852
-	-	-	6,259,229	6,259,229	6,259,229	6,259,229
-	90,917,325	126,950,519	91,467,312	80,829,224	93,303,320	6,259,229
\$ 142,947,976	\$ 170,287,720	\$ 229,063,584	\$ 259,086,110	\$ 289,222,471	\$ 309,046,665	\$ 351,557,563
\$ 6,096,491	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
63,887,604	-	-	-	-	-	-
13,805,959	-	-	-	-	-	-
113,317	-	-	-	-	-	-
-	1,708,646	1,686,995	1,385,057	1,734,795	1,575,032	1,574,752
-	11,192,896	15,975,274	20,224,782	25,286,319	29,954,106	27,286,923
-	6,690,494	9,062,327	10,717,435	11,874,468	9,874,686	9,445,911
-	-	-	-	-	-	2,423,392
-	129,543,443	115,069,296	31,596,539	120,270,409	161,952,257	136,415,915
-	113,465	113,582	113,699	113,735	113,786	114,068
\$ 83,903,371	\$ 149,248,944	\$ 141,907,474	\$ 64,037,512	\$ 159,279,726	\$ 203,469,867	\$ 177,260,961

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

(UNAUDITED)

	Total Governmental Activities,		
	2007	2008	2009
REVENUES			
Local and Intermediate Sources			
Local Taxes	\$ 364,547,422	\$ 347,430,680	\$ 401,121,379
Tuition and Fees	1,933,780	2,111,105	2,537,339
Interest Income	19,593,165	17,097,722	5,537,197
Charges for Meals	13,987,089	14,227,989	14,372,662
Co-Curricular and Extracurricular	1,946,532	2,090,113	2,300,659
Other Revenue	5,980,457	7,124,673	6,799,265
Total Local and Intermediate Sources	407,988,445	390,082,282	432,668,501
State Sources			
Per Capita and Foundation	212,593,646	270,103,681	278,477,090
TRS On/benefit Payments	23,019,245	25,827,546	28,664,722
Other State Programs	27,719,979	20,396,327	8,751,163
Total State Sources	263,332,870	316,327,554	315,892,975
Federal Sources			
Locally Distributed	495,707	520,329	543,337
Federally Distributed	2,665,044	2,134,840	3,005,007
State Distributed	53,733,813	56,888,389	58,549,552
Total Federal Sources	56,894,564	59,543,558	62,097,896
Total Revenues	\$ 728,215,879	\$ 765,953,394	\$ 810,659,372
EXPENDITURES			
Instruction	\$ 357,390,299	\$ 403,858,272	\$ 424,161,304
Instructional Resources and Media Services	10,985,939	12,955,273	11,757,154
Curriculum and Instructional Staff Development	15,448,061	16,070,394	16,085,644
Instructional Leadership	13,674,223	14,985,799	15,574,366
School Leadership	30,236,098	34,818,659	37,455,107
Guidance and Counseling Services	22,502,006	25,510,570	26,922,810
Social Work Services	1,701,830	2,014,820	2,182,728
Health Services	5,471,893	5,867,383	6,498,132
Pupil Transportation	24,877,684	27,884,754	27,901,671
Child Nutrition Services	35,219,354	35,196,622	37,112,198
Co-Curricular Activities	11,095,942	11,949,922	12,759,132
General Administration	12,899,279	13,096,366	11,418,226
Plant Maintenance and Operations	54,859,361	61,147,026	63,150,447
Security & Monitoring Services	5,055,745	5,335,982	5,773,022
Data Processing Services	9,205,010	10,722,883	10,461,402
Community Services	2,778,550	2,853,588	3,138,689
Debt Service - Principal	32,645,000	33,865,000	40,125,000
Debt Service - Interest	48,656,578	54,476,542	62,036,336
Debt Service Fiscal Charges	1,358,146	375,919	1,550,964
Facilities Acquisition and Construction	177,825,972	223,207,311	259,019,328
Payments to Fiscal Agent	9,360	8,060	6,300
Intergovernmental Charges	221,700	275,748	2,497,009
Total Expenditures	\$ 874,118,030	\$ 996,476,893	\$ 1,077,586,969

Fiscal Year Ended August 31,						
2010	2011	2012	2013	2014	2015	2016
\$ 424,857,980	\$ 434,565,648	\$ 444,265,072	\$ 459,527,713	\$ 491,272,995	\$ 522,339,495	\$ 583,408,730
2,805,339	3,634,035	4,086,502	4,681,403	6,291,930	8,685,720	2,764,005
1,632,925	201,564	1,482,307	859,063	758,002	1,049,479	3,157,068
14,833,258	15,734,516	15,518,828	16,485,922	17,045,795	14,732,172	14,627,062
2,240,686	2,524,272	1,715,561	1,865,589	1,671,337	1,831,491	1,629,807
13,332,883	13,009,747	19,215,662	15,356,642	14,941,322	15,816,080	21,674,213
<u>459,703,071</u>	<u>469,669,782</u>	<u>486,283,932</u>	<u>498,776,332</u>	<u>531,981,381</u>	<u>564,454,437</u>	<u>627,260,885</u>
270,428,321	300,132,949	301,580,957	299,900,161	346,115,235	351,625,148	342,933,194
28,178,652	31,925,814	29,806,150	28,335,788	34,717,638	37,359,806	38,843,479
9,868,191	9,187,315	7,637,825	1,743,395	1,722,426	1,639,815	3,177,604
<u>308,475,164</u>	<u>341,246,078</u>	<u>339,024,932</u>	<u>329,979,344</u>	<u>382,555,299</u>	<u>390,624,769</u>	<u>384,954,277</u>
658,633	770,199	563,723	512,234	534,291	633,263	1,377,604
3,301,868	4,683,901	5,146,055	6,288,134	5,303,646	5,489,226	3,267,955
104,525,489	106,383,872	92,128,510	81,451,468	91,615,173	95,935,470	102,932,182
<u>108,485,990</u>	<u>111,837,972</u>	<u>97,838,288</u>	<u>88,251,836</u>	<u>97,453,110</u>	<u>102,057,959</u>	<u>107,577,741</u>
\$ 876,664,225	\$ 922,753,832	\$ 923,147,152	\$ 917,007,512	\$ 1,011,989,790	\$ 1,057,137,165	\$ 1,119,792,903
\$ 459,041,073	\$ 472,925,372	\$ 449,417,834	\$ 458,398,847	\$ 515,549,383	\$ 543,201,763	\$ 558,836,390
12,722,197	12,484,911	10,532,287	10,738,437	11,291,573	12,201,747	12,510,966
19,587,465	19,250,644	15,228,916	15,766,332	16,906,756	19,349,800	18,281,212
16,529,596	16,827,157	15,313,843	15,255,564	16,675,988	18,226,481	18,775,937
39,530,731	40,512,750	38,410,083	40,343,583	44,702,177	46,834,514	48,131,868
27,759,599	27,628,170	25,176,878	26,251,223	29,219,982	30,760,894	33,569,055
2,664,662	2,650,801	2,238,588	2,223,144	2,703,917	2,865,652	2,966,806
6,892,254	7,109,004	6,720,715	6,780,646	7,907,715	8,433,607	8,808,867
28,667,040	28,459,193	25,275,330	25,868,446	27,490,818	29,162,785	30,046,691
39,316,583	40,974,443	42,213,455	46,658,586	48,439,774	50,241,549	48,853,937
17,929,032	18,175,333	17,490,977	19,530,237	20,607,590	24,399,499	24,699,123
11,734,634	11,088,876	10,690,883	11,181,010	11,875,477	12,002,666	12,673,272
65,196,837	63,628,475	61,248,902	63,335,600	67,392,870	70,150,557	74,331,657
5,940,911	6,201,763	6,105,422	5,853,282	7,247,017	7,601,849	8,351,876
11,708,260	10,854,742	10,229,018	11,205,045	11,799,843	12,855,002	14,231,765
4,235,479	4,989,722	4,841,072	5,972,602	7,785,559	10,251,020	4,303,436
38,650,000	34,319,988	37,380,000	42,010,000	47,710,000	55,465,000	68,860,000
65,169,783	72,961,752	68,441,465	69,996,613	75,075,467	77,384,669	79,848,280
1,125,169	755,955	658,825	233,187	573,620	352,112	317,958
177,825,436	122,372,516	146,354,008	165,645,045	108,751,137	139,770,746	180,911,832
4,777	3,080	5,816	6,120	5,868	-	-
<u>2,675,822</u>	<u>2,727,082</u>	<u>2,373,856</u>	<u>2,609,549</u>	<u>3,232,356</u>	<u>3,988,799</u>	<u>4,340,201</u>
\$ 1,054,907,340	\$ 1,016,901,729	\$ 996,348,173	\$ 1,045,863,098	\$ 1,082,944,887	\$ 1,175,500,711	\$ 1,253,651,129

(Continued on next page)

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

(UNAUDITED)

	Total Governmental Activities,		
	2007	2008	2009
OTHER FINANCING SOURCES (USES)			
Issuance of Debt - General Obligation Bonds	\$ 218,950,000	\$ 119,540,000	\$ 239,670,000
Issuance of Debt - Refunding Bonds	90,740,000	-	166,215,702
Premium (Net of Discount) on Issuance of Bonds	5,525,129	743,141	349,221
Prepaid Interest from Issuance of Long-Term Debt	762,370	633,315	-
Proceeds from Disposition of Capital Assets	-	-	-
Special Items - Insurance Proceeds	-	-	-
Transfer in	4,343,676	9,621,598	9,466,480
Payments to Refunded Bond Escrow Agent	(95,489,117)	-	(165,910,000)
Transfer out	(4,343,676)	(9,621,598)	(9,466,480)
Total Other Financing Sources (Uses)	<u>220,488,382</u>	<u>120,916,456</u>	<u>240,324,923</u>
Net Change in Fund Balances	<u>\$ 74,586,231</u>	<u>\$ (109,607,043)</u>	<u>\$ (26,602,674)</u>
 Debt service as a percentage of non-capital expenditures	 12.05%	 10.76%	 11.94%

Fiscal Year Ended August 31,						
2010	2011	2012	2013	2014	2015	2016
\$ 173,920,000	\$ 187,995,000	\$ 125,000,000	\$ 80,000,000	\$ 188,310,000	\$ 174,470,000	\$ 142,575,000
143,985,000	180,510,000	250,670,000	124,115,000	312,450,000	108,380,000	152,680,000
2,943,891	1,456,688	16,522,481	10,909,650	26,146,523	18,397,839	14,749,577
-	-	-	18,639	4,368	-	-
-	-	-	-	-	931,058	-
-	-	-	650,000	900,000	-	-
3,029,424	23,827	872	1,011,403	5,500,000	7,325,000	50,000
(144,697,278)	(183,128,474)	(267,557,066)	(134,685,139)	(331,477,219)	(119,801,016)	(159,844,359)
(3,029,424)	(23,827)	(872)	(1,011,403)	(5,500,000)	(7,325,000)	(50,000)
<u>176,151,613</u>	<u>186,833,214</u>	<u>124,635,415</u>	<u>81,008,150</u>	<u>196,333,672</u>	<u>182,377,881</u>	<u>150,160,218</u>
\$ (2,091,502)	\$ 92,685,317	\$ 51,434,394	\$ (47,847,436)	\$ 125,378,575	\$ 64,014,335	\$ 16,301,992
12.94%	12.71%	12.35%	12.63%	12.49%	12.73%	13.76%

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REVENUE CAPACITY

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

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

TAXABLE ASSESSED VALUE OF PROPERTY
Last Ten Years

(UNAUDITED)

Year Ended 08/31	Total Direct Tax Rate	Taxable Assessed Value *			Percentage Assessed to Estimated Fair Market Value
		Real Property	Personal Property	Total	
2007	1.5925	20,651,009,660	2,091,102,888	22,742,112,548	100%
2008	1.2625	24,820,607,701	2,401,093,606	27,221,701,307	100%
2009	1.3025	28,492,587,571	2,247,203,907	30,739,791,478	100%
2010	1.3375	29,460,897,666	2,415,794,670	31,876,692,336	100%
2011	1.3655	29,487,417,466	2,377,988,759	31,865,406,225	100%
2012	1.3755	29,903,895,535	2,384,390,211	32,288,285,746	100%
2013	1.3755	30,700,730,802	2,491,219,253	33,191,950,055	100%
2014	1.3755	32,884,109,872	2,436,585,366	35,320,695,238	100%
2015	1.3755	35,623,900,158	2,283,188,174	37,907,088,332	100%
2016	1.3755	39,310,649,513	2,859,981,966	42,170,631,479	100%

* Net of Exemptions

Source: Bexar County Appraisal District as compiled by Northside I.S.D. tax consultant.

Gross Assessed Value	Property Tax Exemptions		Net Assessed Value
	State	Local	
25,773,614,203	2,694,286,247	337,215,408	22,742,112,548
30,312,429,343	2,739,340,039	351,387,997	27,221,701,307
34,215,984,872	3,092,238,492	383,954,902	30,739,791,478
35,672,984,171	3,393,830,106	402,461,729	31,876,692,336
35,707,197,840	3,451,421,979	390,369,636	31,865,406,225
36,252,170,231	3,558,752,626	405,131,859	32,288,285,746
37,356,750,477	3,731,590,702	433,209,720	33,191,950,055
39,491,980,785	3,705,331,214	465,954,333	35,320,695,238
42,346,191,857	3,845,968,849	593,134,676	37,907,088,332
47,848,477,554	5,007,543,161	670,302,914	42,170,631,479

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

TAX RATES, TAX LEVIES, AND TAX COLLECTIONS
Last Ten Years

(UNAUDITED)

Year Ended 08/31	Tax Rates			Tax Levies Adjusted at August 31, 2016		
	General Fund	Debt Service Fund	Total	General Fund	Debt Service Fund	Total
2007	1.3300	0.2625	1.5925	302,470,097	59,698,045	361,288,839
2008	1.0000	0.2625	1.2625	272,217,013	71,456,966	342,029,102
2009	1.0400	0.2625	1.3025	319,693,831	80,691,953	398,845,508
2010	1.0400	0.2975	1.3375	331,517,600	94,833,160	422,399,118
2011	1.0400	0.3255	1.3655	331,400,224	103,721,897	433,467,038
2012	1.0400	0.3355	1.3755	335,798,172	108,327,198	443,640,722
2013	1.0400	0.3355	1.3755	346,634,111	111,822,831	455,358,916
2014	1.0400	0.3355	1.3755	367,335,230	118,500,933	485,836,163
2015	1.0400	0.3355	1.3755	394,233,719	127,178,281	521,412,000
2016	1.0400	0.3355	1.3755	438,574,567	141,482,469	580,057,036

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

Current Collections		Collections in Subsequent Years*	Total Collections	
Taxes Collected	Percentage of Levy		Taxes Collected	Percentage of Levy
357,988,352	99.09%	2,943,845	360,932,197	99.90%
339,028,470	99.12%	2,675,050	341,703,520	99.90%
394,200,022	98.84%	4,205,487	398,405,509	99.89%
418,416,558	99.06%	3,711,105	422,127,663	99.94%
428,745,511	98.91%	5,096,378	433,841,889	100.09%
438,706,210	98.89%	5,048,170	443,754,380	100.03%
451,599,866	99.17%	3,225,798	454,825,664	99.88%
482,025,675	99.22%	471,935	482,497,610	99.31%
517,588,267	99.27%	538,414	518,126,681	99.37%
576,077,487	99.31%	-	576,077,487	99.31%

* Excludes penalties and interest.

For state funding purposes, taxes are recognized in the year of collection. This schedule is prepared showing taxes collected in the year of collection versus year of levy. Current year collections are shown the Schedule of Delinquent Taxes Receivable in the Other Supplementary Information section of the Comprehensive Annual Report.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

SCHEDULE OF TEN PRINCIPAL TAXPAYERS

August 31, 2016

(UNAUDITED)

Name of Taxpayer	Type of Property	2016 Assessed Valuation	Percentage of Total Assessed Valuation	2006 Assessed Valuation	Percentage of Total Assessed Valuation
Microsoft Corporation	Technology	\$ 587,264,250	1.39%	\$ -	
USAA	Insurance	398,332,630	0.94%	307,962,627	1.35%
La Cantera Specialty Retail LP	Shopping Center	354,889,660	0.84%	139,753,550	0.61%
Methodist Healthcare System of San Antonio LTD LLP	Hospitals	297,339,730	0.71%	145,810,810	0.64%
Wal Mart Stores Inc # 2404	Mass Merchandising	255,326,080	0.61%	135,782,110	0.60%
HEB Grocery Company LP	Grocery Store	237,231,275	0.56%	110,132,486	0.48%
Hines Global Reit San Antonio Retail I LP (formally the RIM)	Shopping Center	169,040,400	0.40%	-	
Frost Bank	Financial Services	139,200,800	0.33%	-	
Frankel Family Trust	Muti-Dwelling Units	133,360,440	0.32%	-	
LSREF2 Windmill REO (Eilan Residencies) LLC	Muti-Dwelling Units	122,380,000	0.29%	-	
Southwestern Bell	Telephone/Utility	-	-	108,856,130	0.48%
Inland Western San Antonio Alamo Ranch LTD Partnerships	Shopping Center	-	-	81,669,450	0.36%
Simon Property Group	Shopping Center	-	-	78,174,761	0.34%
World Savings and Loan	Financial Services	-	-	69,197,840	0.30%
Valero Energy Group	Oil & Gas	-	-	66,581,570	0.29%
TOTALS		<u>\$ 2,694,365,265</u>	<u>6.39%</u>	<u>\$ 1,243,921,334</u>	<u>5.45%</u>

* Source: Bexar County Appraisal District

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NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS

(Per \$100 of Assessed Value)

Last Ten Years

(UNAUDITED)

Year Ended 08/31	Alamo Community College	Bandera County	Bexar County	University Health System	City of Grey Forest	City of Helotes
2007	0.13455	0.68690	0.29510	0.23741	0.09353	0.33629
2008	0.13586	0.68690	0.28940	0.26102	0.09353	0.36365
2009	0.13586	0.68690	0.29619	0.26624	0.09353	0.36365
2010	0.14162	0.67690	0.29619	0.27624	0.09353	0.36365
2011	0.14162	0.67690	0.29619	0.27624	0.09353	0.36000
2012	0.14162	0.67690	0.29619	0.27624	0.09353	0.35500
2013	0.14915	0.67690	0.29619	0.27624	0.09353	0.35500
2014	0.14915	0.67690	0.28382	0.27624	0.09353	0.35000
2015	0.14915	0.67690	0.29750	0.27624	0.08844	0.35000
2016	0.14915	0.67690	0.29325	0.27624	0.08844	0.35000

Source: Tax Rates verified through various sources such as Bexar, Medina, and Bandera County websites as well as the Texas Comptroller website.

City of Leon Valley	Medina County	San Antonio River Authority	City of San Antonio	San Antonio MUD #1	City of Shavano Park
0.52740	0.62500	0.01595	0.57230	0.76230	0.32968
0.52740	0.57500	0.01595	0.56714	0.69570	0.32508
0.52740	0.55000	0.01595	0.56569	0.66830	0.32480
0.52740	0.53400	0.01665	0.56569	0.68720	0.32000
0.53551	0.53400	0.01737	0.56569	0.70690	0.32000
0.57428	0.52900	0.01737	0.56569	0.69250	0.32000
0.58292	0.52500	0.01780	0.56569	0.70320	0.32000
0.57551	0.52500	0.01750	0.56569	0.68770	0.30962
0.56162	0.55170	0.01729	0.55827	0.62770	0.28774
0.55660	0.55170	0.01729	0.55827	0.63450	0.28774

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DEBT CAPACITY

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

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**RATIO OF NET GENERAL OBLIGATION BONDED DEBT
TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT
PER AVERAGE DAILY MEMBERSHIP**
Last Ten Years

(UNAUDITED)

<u>Year Ended 08/31</u>	<u>Average Daily Membership *</u>	<u>Assessed Value</u>	<u>Total Bonded Debt</u>
2007	80,526	22,742,112,548	1,203,819,295
2008	84,130	27,221,701,307	1,289,117,450
2009	86,751	30,739,791,478	1,487,875,526
2010	89,918	31,876,692,336	1,624,769,130
2011	92,929	31,865,406,225	1,775,746,171
2012	95,402	32,288,285,746	1,865,082,384
2013	97,356	33,191,950,055	1,901,721,331
2014	99,380	35,320,695,238	2,043,381,284
2015	101,009	37,907,088,332	2,164,930,727
2016	102,952	42,170,631,479	2,240,344,562

* Average Daily Membership is the average daily membership of eligible enrollees, district-wide over the official number of instructional days.

Debt Service Fund Balance	Net Bonded Debt	Ratio to Net Debt	
		Assessed Valuation	Average Daily Membership
18,376,541	1,185,442,754	5.21%	14,721.24
25,766,170	1,263,351,280	4.64%	15,016.66
17,723,425	1,470,152,101	4.78%	16,946.80
13,805,959	1,610,963,171	5.05%	17,915.91
11,192,896	1,764,553,275	5.54%	18,988.19
15,975,274	1,849,107,110	5.73%	19,382.27
20,224,782	1,881,496,549	5.67%	19,325.94
25,286,319	2,018,094,965	5.71%	20,306.85
29,954,106	2,134,976,621	5.63%	21,136.50
27,286,923	2,213,057,639	5.25%	21,496.01

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION
BONDED DEBT TO TOTAL GENERAL EXPENDITURES**

Last Ten Years

(UNAUDITED)

<u>Year Ended 08/31</u>	<u>Principal</u>	<u>Interest and Fiscal Charges</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Debt Service to General Expenditures</u>
2007	32,645,000	50,014,724	82,659,724	540,213,106	15.30%
2008	33,865,000	54,852,461	88,717,461	602,540,532	14.72%
2009	40,125,000	63,587,300	103,712,300	625,481,037	16.58%
2010	38,650,000	66,294,952	104,944,952	634,240,460	16.55%
2011	34,319,988	73,717,707	108,037,695	646,363,064	16.71%
2012	37,380,000	69,100,290	106,480,290	617,982,523	17.23%
2013	42,010,000	70,229,800	112,239,800	662,434,014	16.94%
2014	47,710,000	75,644,719	123,354,719	733,219,794	16.82%
2015	55,465,000	77,736,781	133,201,781	779,065,520	17.10%
2016	68,860,000	80,166,238	149,026,238	818,305,828	18.21%

Note: Does not include the debt service portion of the Public Property Financial Contractual Obligations (PPFCOs) or Limited Maintenance Tax Notes which are payable from a tax levied as part of the District's Maintenance & Operations tax rate (General Fund).

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**COMPUTATION OF DIRECT AND ESTIMATED OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS**

August 31, 2016

(UNAUDITED)

<u>Taxing Body</u>	<u>Estimated Obligation</u>	<u>As of</u>	<u>Estimated Percentage</u>	<u>Overlapping Amount</u>
Alamo Community College	\$ 422,925,000 ^a	08/31/16	34.53%	\$ 146,036,003
Bandera County	7,460,000 ^a	08/31/16	1.23%	91,758
Bexar County	1,629,530,000 ^a	08/31/16	34.53%	562,676,709
Bexar County Hospital District ^b	889,710,000 ^a	08/31/16	34.53%	307,216,863
City of Helotes	10,965,000 ^a	08/31/16	100.00%	10,965,000
City of Leon Valley	10,090,000 ^a	08/31/16	100.00%	10,090,000
Medina County	2,900,000 ^a	08/31/16	2.86%	82,940
City of San Antonio	1,624,100,000 ^a	08/31/16	35.96%	584,026,360
San Antonio MUD#1	930,000 ^a	08/31/16	100.00%	930,000
City of Shavano Park	4,115,000 ^a	08/31/16	100.00%	4,115,000
				<u>1,626,230,633</u>
Northside Independent School District	2,240,344,562	08/31/16	100.00%	<u>2,240,344,562</u>
				<u><u>\$ 3,866,575,195</u></u>

^a Gross Debt

^b dba University Health System

Source: Municipal Advisory Council of Texas

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**COMPUTATION OF LEGAL DEBT MARGIN
GENERAL OBLIGATION BONDS**

August 31, 2016

(UNAUDITED)

Assessed Valuation 2015 Tax Roll		<u><u>\$ 42,170,631,479</u></u>
Debt Limit - 10% of Assessed Valuation		\$ 4,217,063,148
General Obligation Bonds	\$ 2,240,344,562	
Deduct amount available in Debt Service Fund	<u>27,286,923</u>	
Applicable Debt		<u>2,213,057,639</u>
Legal Debt Margin		<u><u>\$ 2,004,005,509</u></u>

DEMOGRAPHIC AND ECONOMIC INFORMATION

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

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

DEMOGRAPHIC STATISTICS

Last Ten Years

(UNAUDITED)

Year Ended 08/31	(1) Estimated Population	(1) Estimated Number of Households	(3) Births	New Single Family Housing	Average Daily Attendance	Average Daily Membership
2007	447,000	163,000	7,583	6,975	76,413	80,526
2008	473,000	170,000	7,412	4,833	79,721	84,130
2009	487,000	173,000	7,622	3,097	82,444	86,751
2010	516,000	189,000	7,804	3,461	85,277	89,918
2011	543,000	193,000	7,888	2,644	88,275	92,929
2012	551,000	193,000	7,965	2,902	90,924	95,402
2013	574,000	195,000	8,147	3,005	93,065	97,356
2014	589,000	199,000	8,476	2,979	95,203	99,380
2015	609,000	201,000	N/A	3,083	96,476	101,010
2016	627,000	210,000	N/A	3,381	97,952	102,952

Source: Department of Resource Planning of Northside Independent School District

- (1) All revised and benchmarked to 2000 census through 2005. Beginning 2006, data for Northside ISD is available through the American Community Survey. 2011 data is benchmarked to 2010 Decennial Census. The 90% Confidence Margin of Errors for population is 20,000 and households about 5,000. Recent year is estimated.
- (2) Texas Education Agency's Academic Excellence Indicator System (through 2011-12), Texas Academic Performance Reports(TAPR) beginning 2012-13, and NISD PEIMS reports for 2015.
- (3) Calendar year 2015 birth data by census tract is not yet available from the San Antonio Metropolitan Health District as of October 2016.

(2) Pupil/ Teacher Ratio	(2) Number of Teachers	Total Staff	Student Ethnicity				Student % Free or Reduced Lunch
			Hispanic	White	African- American	Other	
15.80	5,225	10,851	62.4%	26.1%	8.0%	3.5%	45.7%
15.30	5,508	11,554	63.7%	24.5%	7.9%	3.9%	46.2%
15.50	5,782	12,163	63.7%	24.4%	7.9%	3.9%	47.1%
15.40	5,920	12,590	65.1%	22.5%	8.1%	4.3%	49.9%
15.60	6,117	12,794	67.9%	20.0%	6.2%	5.9%	51.5%
16.50	5,881	11,937	68.3%	19.5%	6.1%	6.1%	53.7%
16.70	5,952	12,112	68.7%	19.1%	6.1%	6.1%	53.5%
15.80	6,568	12,835	68.8%	18.9%	6.1%	6.2%	52.1%
15.40	6,813	13,212	68.4%	19.1%	6.3%	6.2%	50.9%
15.40	6,814	13,402	68.2%	19.0%	6.4%	6.4%	50.6%

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Years

(UNAUDITED)

Year Ended 08/31	(1) Estimated Population	(2) Personal Income	(2) Per Capita Personal Income	(3) Unemployment Rate	Assessed Valuation of Taxable Property	Weighted Average Daily Attendance	Wealth Per WADA
2007	447,000	\$ 14,729,544,000	\$ 32,952	4.3%	\$ 22,742,112,548	98,548	\$ 230,772
2008	473,000	16,421,614,000	34,718	4.2%	27,221,701,307	102,260	266,201
2009	487,000	17,798,876,000	36,548	5.8%	30,739,791,478	105,717	290,774
2010	516,000	18,723,060,000	36,285	7.2%	31,876,692,336	109,480	291,165
2011	543,000	19,741,851,000	36,357	7.0%	31,865,406,225	113,838	279,919
2012	551,000	20,266,331,000	36,781	6.0%	32,288,285,746	110,791	291,434
2013	574,000	22,396,906,000	39,019	6.0%	33,191,950,055	118,280	280,622
2014	589,000	23,531,139,000	39,951	5.1%	35,320,695,238	122,643	287,996
2015	608,000	26,469,280,000	43,535	3.7%	37,907,088,332	124,488	304,504
2016	627,000	Not Available	Not Available	4.1%	42,170,631,479	125,835	335,126

Source:

- (1) Department of Resource Planning of Northside Independent School District
Data for Northside ISD is available through the American Community Survey.
- (2) Per capita income information was obtained from the U.S Department of Commerce Bureau of Economic Analysis for the San Antonio metropolitan area. Personal Income totals equals the District's population estimate multiplied by the per capita income. Information for 2016 was not available.
- (3) Unemployment rate information was obtained from the U.S. Department of Labor Bureau of Labor Statistics for the San Antonio metropolitan area.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

SCHEDULE OF PRINCIPAL EMPLOYERS

August 31, 2016

(UNAUDITED)

<u>Employer</u>	<u>2015</u>		<u>2006</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Joint Base San Antonio (JBSA) - Lackland, Fort Sam, & Randolph	93,434	9.82%	8,360	1.10%
H.E.B. Food Stores	20,000	2.10%	14,588	1.91%
USAA	17,000	1.79%	13,965	1.83%
Northside Independent School District	13,698	1.44%	10,320	1.35%
City of San Antonio	11,770	1.24%	11,119	1.46%
North East Independent School District	9,209	0.97%	7,574	0.99%
Methodist Health Care System	8,118	0.85%	7,027	0.92%
San Antonio Independent School District	7,423	0.78%	7,685	1.01%
Baptist Healthcare System	6,498	0.68%	-	
JP Morgan Chase Bank NA	5,000	0.53%	-	
SBC Communications (AT&T)			6,500	0.85%
Alamo Community College			7,200	0.95%
	<u>192,150</u>	<u>20.20%</u>	<u>94,338</u>	<u>12.37%</u>

Source: City of San Antonio Comprehensive Annual Financial Report for the Year Ended September 30, 2015.
Current year ended September 30, 2016 is not available.
Percent is based on employment estimates of Non Farm jobs in the San Antonio-New Braunfels, TX
Metropolitan Statistical Area by the Texas Workforce Commission. For 2015, estimate was 951,300 as of
January 2015. For 2006, estimate was 762,800 as of January 2006.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

**AVERAGE DAILY ATTENDANCE AND
AVERAGE DAILY MEMBERSHIP**

Last Ten Years

(UNAUDITED)

Year Ended 08/31	* Average Daily Attendance	** Average Daily Membership	Ratio of Average Daily Attendance to Average Daily Membership	Percentage Increase (Decrease) of Average Daily Attendance Over Prior Year
2007	76,413	80,526	94.89%	4.16%
2008	79,721	84,130	94.76%	4.33%
2009	82,444	86,751	95.04%	3.42%
2010	85,277	89,918	94.84%	3.44%
2011	88,275	92,929	94.99%	3.52%
2012	90,924	95,402	95.31%	3.00%
2013	93,065	97,356	95.59%	2.35%
2014	95,203	99,380	95.80%	4.71%
2015	96,476	101,000	95.52%	6.11%
2016	97,952	102,952	95.14%	5.25%

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

** Average Daily Membership is the average daily enrollment of students, district-wide, over the official number of instructional days.

OPERATING INFORMATION

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

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

OPERATING STATISTICS

Last Ten Years

(UNAUDITED)

Year Ended 08/31	Average Daily Attendance	General Fund Only		
		Total Expenditures	Cost Per Pupil	Percentage Change
2007	76,413	\$ 463,324,723	\$ 6,063	-
2008	79,721	540,213,106	6,776	11.8%
2009	82,444	602,540,532	7,308	7.9%
2010	85,277	625,481,037	7,335	0.4%
2011	88,275	634,240,460	7,185	-2.0%
2012	90,924	646,363,064	7,109	-1.1%
2013	93,065	617,982,523	6,640	-6.6%
2014	95,203	662,434,014	6,958	4.8%
2015	96,476	733,219,794	7,600	9.2%
2016	97,952	818,305,828	8,354	9.9%

(1) Includes General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Funds.

Governmental Activities ⁽¹⁾		
Total Expenditures	Cost Per Pupil	Percentage Change
\$ 874,118,030	\$ 11,439	-
996,476,893	12,500	9.3%
1,077,586,969	13,071	4.6%
1,054,907,340	12,370	-5.4%
1,016,901,729	11,520	-6.9%
996,348,173	10,958	-4.9%
1,045,863,098	11,238	2.6%
1,082,940,519	11,375	1.2%
1,175,500,711	12,184	7.1%
1,253,651,129	12,799	5.0%

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

CONSTRUCTION AND PROPERTY VALUE (1)

Last Ten Years

(In Thousands)

(UNAUDITED)

Fiscal Year	Commercial Construction		Residential Construction		Total Assessed Value
	Number of Permits	Construction Value	Number of Permits	Construction Value	
2007	5,844	1,992,056	18,054	726,419	56,767,701
2008	4,585	2,681,366	14,645	525,075	65,937,884
2009	3,022	1,854,181	3,377	364,508	72,776,438
2010	2,637	1,260,945	2,940	353,653	72,714,730
2011	3,084	1,474,918	2,634	280,177	70,994,759
2012	3,300	1,912,401	2,858	337,652	70,614,738
2013	2,666	1,241,176	1,991	346,921	71,754,024
2014	3,544	2,474,078	2,137	381,930	74,627,209
2015	3,542	1,933,053	2,273	413,905	79,209,534
2016	3,934	2,044,404	2,195	429,983	89,320,404

(1) The information presented is for the City of San Antonio, Texas. Separate data for the District is not available.

Source: City of San Antonio, Texas

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
San Antonio, Texas

MISCELLANEOUS STATISTICS

August 31, 2016

(UNAUDITED)

Date Founded: June 14, 1955

Board of Trustees:

The District is governed by seven Trustees. Trustees represent single-member districts. Trustees serve staggered four-year terms.

Number of Regular Employees:

Teachers, Counselors, Librarians, and Nurses	7,294
Administrative/Other Professionals	1,259
Support and Classified personnel	<u>4,849</u>
Total	<u><u>13,402</u></u>

Number of Schools and Special Facilities:

High Schools	15
Middle Schools	20
Elementary Schools	75
Special Schools	7
Other Support Centers	<u>14</u>
Total	<u><u>131</u></u>

Other Demographics:

2015-16 Student Enrollment	104,539
Average Daily Membership	102,952
Average Daily Attendance	97,952
Population (estimated)	627,000
Number of Households (estimated)	210,000

Area: Northwest quadrant of Bexar County - 355 square miles

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
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School Building Information
Last Ten Fiscal Years

(UNAUDITED)

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
School Buildings										
Adams Hill Elementary (1973)										
Square Feet	51,395	51,395	51,395	51,395	67,835	67,835	67,835	67,835	67,835	72,843
Capacity (students)	402	402	390	390	378	657	644	645	645	645
Enrollment	396	494	530	533	518	560	528	526	574	554
Allen (1957)										
Square Feet	69,629	69,629	69,629	69,629	69,629	70,396	70,396	70,396	70,396	87,253
Capacity (students)	513	513	505	492	521	513	492	492	492	481
Enrollment	634	642	617	598	582	613	621	617	570	599
Aue Elementary (2007)										
Square Feet	95,579	95,579	95,579	95,579	95,579	95,579	95,579	95,579	95,579	95,579
Capacity (students)	800	800	835	835	864	835	815	807	807	807
Enrollment	548	550	635	732	826	858	949	760	631	640
Beard Elementary (2003)										
Square Feet	87,458	87,458	87,458	87,458	87,458	87,458	87,458	87,458	87,458	87,458
Capacity (students)	753	753	753	745	766	745	774	786	786	799
Enrollment	1,094	1,144	1,164	969	997	1,031	900	833	844	784
Behlau Elementary (2010)	-	-	-							
Square Feet	-	-	-	100,040	100,040	100,040	100,040	100,040	100,040	100,424
Capacity (students)	-	-	-	872	872	872	859	831	831	830
Enrollment	-	-	-	424	424	436	579	731	803	897
Blattman Elementary (2003)										
Square Feet	83,887	83,887	83,887	83,887	83,887	83,887	83,887	83,887	83,887	83,887
Capacity (students)	687	687	663	663	663	663	683	675	675	675
Enrollment	553	509	508	534	585	600	606	638	549	516
Boldt Elementary (2015)										
Square Feet									101,162	101,162
Capacity (students)									861	861
Enrollment									465	465
Boone Elementary (1974)										
Square Feet	84,913	84,913	84,913	84,913	84,913	84,913	84,913	84,913	84,913	84,913
Capacity (students)	941	941	958	896	855	888	764	736	736	744
Enrollment	983	961	658	656	666	666	670	656	610	619
Brauchle Elementary (1990)										
Square Feet	83,794	83,794	83,794	83,794	83,794	83,794	83,794	83,794	83,794	83,794
Capacity (students)	793	793	796	785	785	785	682	674	674	682
Enrollment	697	969	733	705	616	611	601	601	595	599
Braun Station Elementary (1982)										
Square Feet	82,109	82,109	92,588	92,588	92,588	92,588	92,588	92,588	92,588	92,588
Capacity (students)	704	704	735	723	744	714	703	693	693	661
Enrollment	613	703	648	617	664	637	596	562	580	578
Burke Elementary (2000)										
Square Feet	83,135	83,135	83,135	83,135	83,135	83,135	83,135	83,135	83,135	83,135
Capacity (students)	685	685	685	698	645	645	584	576	576	563
Enrollment	797	632	623	627	510	501	501	500	507	511
Cable Elementary (1958)										
Square Feet	74,096	74,096	75,631	75,631	75,631	75,631	75,631	75,631	75,631	71,542
Capacity (students)	624	624	652	652	665	665	673	644	644	644
Enrollment	548	630	653	646	649	727	719	785	760	768
Carlos Coon Elementary (1978)										
Square Feet	83,073	83,073	83,073	83,073	83,073	83,073	83,073	83,073	83,073	83,073
Capacity (students)	826	826	826	806	806	806	846	810	810	756
Enrollment	758	740	680	689	754	776	830	866	874	848
Carnahan Elementary (2008)										
Square Feet	-	102,941	102,941	102,941	102,941	102,941	102,941	102,941	102,941	103,025
Capacity (students)	-	800	826	826	826	785	764	756	756	839
Enrollment	-	573	573	635	669	630	622	602	640	604

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Carson Elementary (1998)										
Square Feet	83,135	83,135	83,135	83,135	83,135	83,135	83,135	83,135	83,135	83,135
Capacity (students)	650	650	683	682	695	683	683	683	683	696
Enrollment	645	684	673	710	722	698	694	647	630	620
Ed Cody Elementary (1982)										
Square Feet	83,150	83,150	83,150	83,150	83,150	83,150	83,150	83,150	83,150	83,150
Capacity (students)	838	838	858	879	866	858	858	858	858	858
Enrollment	1,030	1,004	733	824	820	758	731	758	738	669
Colby Glass Elementary (1956)										
Square Feet	55,437	55,437	55,437	55,437	55,437	55,437	55,437	55,437	55,437	55,437
Capacity (students)	530	530	550	538	538	538	538	522	522	522
Enrollment	609	633	579	580	599	638	645	610	593	577
Cole Elementary (2016)										
Square Feet										101,162
Capacity (students)										603
Enrollment										638
Colonies North Elementary (1966)										
Square Feet	78,706	78,706	78,706	78,706	78,706	78,706	78,706	78,706	78,706	78,706
Capacity (students)	744	744	703	661	703	695	652	644	644	624
Enrollment	493	550	601	666	596	556	592	677	726	660
Driggers Elementary (2007)										
Square Feet	91,511	91,511	91,511	91,511	91,511	91,511	91,511	91,511	91,511	91,511
Capacity (students)	660	660	703	711	703	703	661	653	653	674
Enrollment	636	641	651	658	642	643	629	627	628	621
Ellison Elementary (2014)										
Square Feet	-	-	-	-	-	-	-	102,699	102,699	102,699
Capacity (students)	-	-	-	-	-	-	-	851	851	839
Enrollment	-	-	-	-	-	-	-	462	462	505
Elrod Elementary (1988)										
Square Feet	67,334	67,334	67,334	67,334	67,334	67,334	67,334	67,334	67,334	67,334
Capacity (students)	538	538	550	550	550	550	538	530	530	530
Enrollment	810	617	600	591	586	568	540	552	557	492
Esparza Elementary (1974)										
Square Feet	80,151	80,151	80,151	80,151	80,151	80,151	80,151	80,151	80,151	80,151
Capacity (students)	788	788	796	755	776	768	768	760	760	748
Enrollment	797	804	855	875	762	764	756	738	710	693
Evers Elementary (1992)										
Square Feet	83,719	83,719	83,719	83,719	83,719	83,719	83,719	83,719	83,719	83,719
Capacity (students)	929	929	929	929	929	949	928	942	942	942
Enrollment	730	704	627	678	709	778	834	919	973	970
Fernandez Elementary (1990)										
Square Feet	80,664	80,664	80,664	80,664	80,664	80,664	80,664	80,664	80,664	80,664
Capacity (students)	785	785	806	806	806	806	744	728	728	707
Enrollment	798	755	718	694	715	711	684	636	647	625
Fields Elementary (2016)										
Square Feet										72,540
Capacity (students)										830
Enrollment										740
Fisher Elementary (2006)										
Square Feet	96,562	96,562	96,562	96,562	96,562	96,562	96,562	96,562	96,562	96,562
Capacity (students)	800	800	809	817	809	809	830	830	830	809
Enrollment	662	843	910	908	962	1,046	799	824	852	870
Forester Elementary (2008)										
Square Feet	-	99,503	99,503	99,503	99,503	99,503	99,503	99,503	99,503	99,503
Capacity (students)	-	800	879	838	858	858	871	863	863	867
Enrollment	-	776	776	946	756	836	880	946	975	979

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Franklin Elementary (2013)										
Square Feet	-	-	-	-	-	-	96,941	96,941	96,941	100,564
Capacity (students)	-	-	-	-	-	-	703	715	715	695
Enrollment	-	-	-	-	-	-	466	466	551	609
Galm Elementary (1987)										
Square Feet	79,123	79,123	79,123	79,123	79,123	79,123	79,123	79,123	79,123	79,123
Capacity (students)	761	761	779	776	789	777	756	748	748	748
Enrollment	898	1,058	934	769	725	719	702	686	689	684
John Glenn Elementary (1962)										
Square Feet	79,067	79,067	84,502	85,854	85,854	85,854	85,854	85,854	85,854	85,854
Capacity (students)	682	682	744	764	744	723	714	706	706	685
Enrollment	699	688	662	687	703	717	675	677	674	629
Glenoaks Elementary (1961)										
Square Feet	62,441	62,441	62,441	62,441	62,441	62,441	62,441	62,441	62,441	62,441
Capacity (students)	562	562	562	562	500	521	554	521	521	521
Enrollment	645	609	645	624	634	684	654	594	653	681
Hatchett Elementary (2004)										
Square Feet	101,355	101,355	101,355	101,355	101,355	101,355	101,355	101,355	101,355	101,355
Capacity (students)	776	776	764	776	776	784	784	776	776	788
Enrollment	969	715	793	794	842	826	808	789	808	823
Helotes Elementary (1939)										
Square Feet	54,164	54,164	54,164	54,164	54,164	56,388	56,388	56,388	56,388	64,870
Capacity (students)	428	428	428	441	441	441	428	433	433	433
Enrollment	560	525	502	483	475	484	368	368	376	374
Henderson Elementary (2010)										
Square Feet	-	-	-	100,377	100,377	100,377	100,377	100,377	100,377	100,377
Capacity (students)	-	-	-	867	867	872	904	885	885	885
Enrollment	-	-	-	551	551	654	698	594	637	776
Hoffman Elementary (2009)										
Square Feet	-	-	104,600	104,600	104,600	104,600	104,600	104,600	104,600	104,600
Capacity (students)	-	-	859	859	847	835	815	839	839	859
Enrollment	-	-	697	697	900	602	656	749	871	995
Howsman Elementary (1969)										
Square Feet	61,340	61,340	61,340	61,340	61,340	61,340	61,340	61,340	61,340	61,340
Capacity (students)	612	612	592	620	632	624	624	604	604	604
Enrollment	648	647	597	621	622	694	691	718	727	735
Mary Hull Elementary (1963)										
Square Feet	62,597	62,597	75,750	75,750	75,750	75,750	75,750	75,750	75,750	75,750
Capacity (students)	517	517	682	682	661	661	673	644	644	633
Enrollment	509	516	582	576	556	588	633	674	647	624
Knowlton Elementary (1985)										
Square Feet	76,977	76,977	76,977	76,977	76,977	76,977	76,977	76,977	76,977	76,977
Capacity (students)	804	804	755	784	784	809	830	801	801	788
Enrollment	772	736	773	763	731	751	743	733	695	679
Krueger Elementary (2005)										
Square Feet	100,800	100,800	100,800	100,800	100,800	100,800	100,800	100,800	100,800	100,800
Capacity (students)	827	827	794	826	826	798	818	810	810	810
Enrollment	969	1,231	1,325	1,094	998	1,053	1,089	1,057	1,072	1,055
Kuentz Elementary (2009)										
Square Feet	-	-	103,483	103,483	103,483	103,483	103,483	103,483	103,483	104,625
Capacity (students)	-	-	815	815	815	815	815	807	807	807
Enrollment	-	-	741	741	780	785	810	801	777	765
Langley Elementary (2009)										
Square Feet	-	-	101,572	101,572	101,572	101,572	101,572	101,572	101,572	101,572
Capacity (students)	-	-	850	850	871	871	879	871	871	871
Enrollment	-	-	669	669	831	566	613	676	755	486

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Leon Springs Elementary (1991)										
Square Feet	69,698	69,698	69,698	69,698	69,698	69,698	69,698	69,698	69,698	69,698
Capacity (students)	613	613	593	621	593	593	593	585	585	585
Enrollment	840	531	541	555	554	571	575	571	391	395
Leon Valley Elementary (1980)										
Square Feet	62,830	76,602	76,602	76,602	76,602	76,602	76,602	76,602	76,602	76,602
Capacity (students)	578	578	669	701	730	723	693	727	727	714
Enrollment	662	622	592	642	686	662	693	701	643	617
Lewis Elementary (2001)										
Square Feet	97,994	97,994	97,994	97,994	97,994	97,994	97,994	97,994	97,994	97,994
Capacity (students)	675	675	867	859	888	859	826	806	806	806
Enrollment	932	965	949	990	846	821	808	784	770	750
Lieck Elementary (2011)										
Square Feet					105,340	105,340	105,340	105,340	105,340	105,745
Capacity (students)					851	851	872	851	851	831
Enrollment					394	394	551	622	682	681
Linton Elementary (1980)										
Square Feet	76,261	76,261	76,261	76,261	76,261	76,261	76,261	76,261	76,261	76,261
Capacity (students)	744	744	736	736	682	673	673	665	665	706
Enrollment	622	642	697	691	536	603	612	554	616	592
Locke Hill Elementary (1975)										
Square Feet	74,990	74,990	74,990	74,990	74,990	74,990	74,990	74,990	74,990	74,990
Capacity (students)	703	703	703	682	682	682	682	650	650	661
Enrollment	790	804	720	692	675	668	668	674	651	677
Los Reyes Elementary (2012)										
Square Feet	-	-	-	-	-	105,616	105,616	105,616	105,616	105,616
Capacity (students)	-	-	-	-	-	859	859	839	839	851
Enrollment	-	-	-	-	-	356	356	412	443	498
Martin Elementary (2010)										
Square Feet	-	-	-	91,729	91,729	91,729	91,729	91,729	91,729	91,729
Capacity (students)	-	-	-	674	674	714	693	665	665	685
Enrollment	-	-	-	669	669	740	800	822	798	781
May Elementary (1997)										
Square Feet	80,931	80,931	80,931	80,931	80,931	80,931	80,931	80,931	80,931	80,931
Capacity (students)	652	652	666	677	677	677	698	679	679	679
Enrollment	752	795	516	525	558	596	670	686	536	580
McAndrew Elementary (2013)										
Square Feet	-	-	-	-	-	-	90,285	90,285	90,285	90,285
Capacity (students)	-	-	-	-	-	-	667	680	680	680
Enrollment	-	-	-	-	-	-	234	234	248	278
McDermott Elementary (1992)										
Square Feet	86,610	86,610	86,610	86,610	86,610	86,610	86,610	86,610	86,610	86,610
Capacity (students)	875	875	847	826	826	847	834	826	826	826
Enrollment	672	786	734	752	775	812	818	733	804	826
Mead Elementary (2006)										
Square Feet	104,902	104,902	104,902	104,902	104,902	104,902	104,902	104,902	104,902	104,902
Capacity (students)	800	800	731	739	759	776	784	776	776	764
Enrollment	760	719	797	832	937	1,014	826	820	811	852
Meadow Village Elementary (1967)										
Square Feet	62,668	62,668	62,668	78,464	78,464	78,464	78,464	78,464	78,464	80,236
Capacity (students)	517	517	489	489	695	685	665	657	657	657
Enrollment	508	585	584	580	550	551	638	672	636	615
Michael Elementary (1999)										
Square Feet	83,136	83,136	83,136	83,136	83,136	93,634	93,634	93,634	93,634	94,222
Capacity (students)	687	687	674	685	674	674	839	842	842	814
Enrollment	423	573	600	656	589	523	799	825	827	854

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Mireles Elementary (2011)										
Square Feet					102,680	102,680	102,680	102,680	102,680	102,680
Capacity (students)					851	872	831	823	823	851
Enrollment					514	514	702	862	976	1,113
Murnin Elementary (2006)										
Square Feet	110,500	110,500	110,500	110,500	110,500	110,500	110,500	110,500	110,500	110,500
Capacity (students)	800	800	839	826	839	859	838	818	818	839
Enrollment	740	837	788	827	886	913	876	910	892	886
Myers Elementary (1997)										
Square Feet	80,981	80,981	80,981	80,981	80,981	80,981	80,981	80,981	80,981	80,951
Capacity (students)	673	673	673	681	673	677	652	677	677	665
Enrollment	866	731	732	765	676	688	687	712	721	723
Nichols Elementary (2002)										
Square Feet	84,263	84,263	84,263	84,263	84,263	84,263	84,263	84,263	84,263	84,263
Capacity (students)	683	683	671	679	679	663	674	655	655	655
Enrollment	773	762	709	709	661	612	560	562	501	470
Northwest Crossing Elementary (1982)										
Square Feet	80,414	80,414	80,414	80,414	80,414	80,414	80,414	80,414	80,414	80,414
Capacity (students)	838	838	846	814	806	785	785	756	756	747
Enrollment	714	714	725	658	588	585	626	616	618	619
Oak Hills Terrace Elementary (1969)										
Square Feet	70,220	70,220	70,220	70,220	70,220	70,220	70,220	70,220	70,220	70,220
Capacity (students)	588	588	526	538	558	558	558	550	550	550
Enrollment	532	524	534	560	575	609	590	614	575	620
Ott Elementary (2004)										
Square Feet	99,350	99,350	99,350	99,350	99,350	99,350	99,350	99,350	99,350	99,350
Capacity (students)	774	774	782	814	847	847	847	839	839	818
Enrollment	1,174	1,320	1,309	883	859	805	803	818	753	754
Passmore Elementary (1970)										
Square Feet	79,714	79,714	79,714	79,714	79,714	79,714	79,714	79,714	79,714	79,714
Capacity (students)	715	715	661	673	706	706	644	698	698	644
Enrollment	604	578	538	568	596	591	597	573	580	555
Powell Elementary (1962)										
Square Feet	64,476	64,476	64,476	64,476	64,476	64,476	64,476	64,476	64,476	64,476
Capacity (students)	530	530	517	538	517	517	497	509	509	489
Enrollment	668	673	680	726	505	543	516	522	539	539
Raba Elementary (2000)										
Square Feet	83,136	83,136	92,530	92,530	92,530	92,530	92,530	92,530	92,530	92,841
Capacity (students)	645	645	781	781	781	756	744	756	756	756
Enrollment	887	817	808	781	812	812	754	727	758	698
Rhodes Elementary (2002)										
Square Feet	84,993	84,993	84,993	84,993	84,993	84,993	84,993	84,993	84,993	84,993
Capacity (students)	693	693	693	661	661	674	674	666	666	666
Enrollment	751	668	691	580	536	515	637	634	638	642
Scarborough Elementary (2008)										
Square Feet	-	105,021	105,021	105,021	105,021	105,021	105,021	105,021	105,021	105,021
Capacity (students)	-	800	871	847	847	847	826	830	830	809
Enrollment	-	620	587	690	582	676	801	677	762	915
Scobee Elementary (1987)										
Square Feet	86,262	86,262	86,262	86,262	86,262	86,262	86,262	86,262	86,262	86,262
Capacity (students)	778	778	814	826	826	838	806	798	798	798
Enrollment	654	626	620	674	634	617	597	546	587	572
Steubing Elementary (1997)										
Square Feet	80,981	80,981	80,981	80,981	80,981	80,981	80,981	80,981	80,981	80,981
Capacity (students)	663	663	695	666	666	645	637	617	617	637
Enrollment	493	600	643	528	531	521	527	530	513	498

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
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(UNAUDITED)

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Thornton Elementary (1989)										
Square Feet	80,990	80,990	80,990	80,990	80,990	80,990	80,990	80,990	80,990	80,990
Capacity (students)	756	756	756	777	785	785	806	798	798	798
Enrollment	666	637	612	739	728	699	716	690	690	687
Timberwilde Elementary (1980)										
Square Feet	80,042	80,042	80,042	80,042	80,042	80,042	80,042	80,042	80,042	80,042
Capacity (students)	847	847	806	818	818	818	858	850	850	839
Enrollment	734	764	737	733	735	756	783	770	775	714
Valley-Hi Elementary (1963)										
Square Feet	47,331	47,331	47,331	47,331	47,331	47,331	47,331	47,331	47,331	47,331
Capacity (students)	275	275	241	241	249	249	229	221	221	221
Enrollment	372	355	401	392	475	468	462	439	424	399
Villarreal Elementary (1968)										
Square Feet	74,256	74,256	74,256	74,916	74,916	76,059	76,059	76,059	76,059	80,574
Capacity (students)	804	804	764	796	788	788	768	760	760	760
Enrollment	675	714	706	682	833	715	759	790	789	748
Wanke Elementary (2006)										
Square Feet	97,543	97,543	97,543	97,543	97,543	97,543	97,543	97,543	97,543	97,543
Capacity (students)	800	800	839	826	846	866	847	839	839	839
Enrollment	734	802	757	788	861	905	802	817	848	824
Ward Elementary (2003)										
Square Feet	84,641	84,641	99,274	99,274	99,274	99,274	99,274	99,274	99,274	105,550
Capacity (students)	641	641	587	793	804	785	818	831	831	839
Enrollment	1,180	1,377	1,333	1,096	1,089	1,029	990	945	897	877
Westwood Terrace Elementary (1961)										
Square Feet	76,034	76,034	76,034	76,034	76,034	76,034	76,034	76,034	76,034	76,034
Capacity (students)	641	641	641	641	653	595	657	624	624	624
Enrollment	700	682	562	586	557	660	663	655	615	591
Bernal Middle School (2014)										
Square Feet	-	-	-	-	-	-	-	196,800	196,800	196,800
Capacity (students)	-	-	-	-	-	-	-	1,285	1,285	1,265
Enrollment	-	-	-	-	-	-	-	618	618	727
Briscoe Middle School (2010)										
Square Feet	-	-	-	190,175	190,175	190,175	190,175	190,175	190,175	190,175
Capacity (students)	-	-	-	1,289	1,289	1,316	1,342	1,334	1,334	1,341
Enrollment	-	-	-	800	800	989	1,218	1,264	812	903
Connally Middle School (1998)										
Square Feet	165,332	165,332	165,332	165,332	165,332	165,332	165,332	165,332	165,332	165,332
Capacity (students)	1,135	1,135	1,154	1,141	1,151	1,151	1,195	1,159	1,159	1,162
Enrollment	1,244	1,082	974	1,013	1,021	1,074	1,086	1,070	1,047	1,023
Folks Middle School (2013)										
Square Feet	-	-	-	-	-	-	199,594	199,594	199,594	199,594
Capacity (students)	-	-	-	-	-	-	1,521	1,521	1,521	1,504
Enrollment	-	-	-	-	-	-	561	561	697	814
Garcia Middle School (2009)										
Square Feet	-	-	192,725	192,725	192,725	192,725	192,725	192,725	192,725	192,725
Capacity (students)	-	-	1,483	1,483	1,494	1,494	1,483	1,483	1,483	1,462
Enrollment	-	-	1,294	1,294	1,342	1,416	1,486	1,474	1,481	1,513
Hobby Middle School (1972)										
Square Feet	129,574	129,574	129,574	129,574	129,574	129,574	129,574	129,574	129,574	141,857
Capacity (students)	1,233	1,233	1,149	1,141	1,129	1,129	1,136	1,133	1,133	1,162
Enrollment	1,040	1,036	1,013	1,015	1,088	1,101	1,095	1,008	992	1,011
Jefferson Middle School (2007)										
Square Feet	186,595	186,595	186,595	186,595	186,595	186,595	186,595	186,595	186,595	186,595
Capacity (students)	1,500	1,500	1,376	1,376	1,387	1,387	1,343	1,369	1,369	1,413
Enrollment	1,321	1,324	1,618	1,459	1,513	1,561	1,673	1,493	1,462	1,463

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
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(UNAUDITED)

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Jones Middle School (1993)										
Square Feet	159,759	159,759	159,759	159,759	159,759	171,522	171,522	171,522	171,522	171,522
Capacity (students)	1,387	1,387	1,317	1,353	1,328	1,354	1,255	1,365	1,365	1,326
Enrollment	1,084	1,032	1,077	1,113	1,113	1,151	1,162	1,181	1,202	1,215
Jordan Middle School (1990)										
Square Feet	163,947	163,947	163,947	163,947	163,947	163,947	163,947	163,947	163,947	163,947
Capacity (students)	1,535	1,535	1,468	1,424	1,436	1,436	1,459	1,447	1,447	1,408
Enrollment	1,698	1,662	1,151	1,177	1,231	1,262	1,311	1,364	1,351	1,325
Luna Middle School (2004)										
Square Feet	188,152	188,152	188,152	188,152	188,152	188,152	188,152	188,152	188,152	204,293
Capacity (students)	1,332	1,332	1,320	1,320	1,312	1,330	1,352	1,352	1,352	1,358
Enrollment	1,439	1,569	1,209	1,364	1,031	1,111	1,160	1,216	1,230	1,247
Neff Middle School (1961)										
Square Feet	116,776	116,776	120,131	120,131	120,131	120,131	120,131	120,131	120,131	120,131
Capacity (students)	1,340	1,340	1,283	1,205	1,259	1,215	1,233	1,233	1,233	890
Enrollment	1,017	1,108	1,143	1,153	1,242	1,303	1,255	1,202	1,200	1,200
Pease Middle School (1974)										
Square Feet	103,266	103,266	103,266	143,740	143,740	143,740	143,740	143,740	143,740	152,386
Capacity (students)	1,029	1,029	1,028	947	1,338	1,312	1,237	1,245	1,245	1,265
Enrollment	1,176	1,328	1,117	1,133	1,142	1,170	1,172	1,165	1,140	1,117
Rawlinson Middle School (2003)										
Square Feet	175,818	175,818	175,818	175,818	175,818	175,818	175,818	175,818	175,818	175,818
Capacity (students)	1,360	1,360	1,321	1,321	1,331	1,331	1,290	1,304	1,304	1,334
Enrollment	1,346	1,306	1,308	963	1,038	1,135	1,142	1,134	1,153	1,152
Rayburn Middle School (1962)										
Square Feet	115,173	115,173	157,317	157,317	157,317	176,641	176,641	176,641	176,641	173,001
Capacity (students)	884	884	798	1,175	1,166	1,150	1,249	1,180	1,180	1,162
Enrollment	869	935	1,021	1,069	932	979	950	992	979	974
Ross Middle School (1966)										
Square Feet	124,058	124,058	146,521	146,521	146,521	147,874	147,874	139,949	139,949	139,949
Capacity (students)	1,090	1,090	1,180	1,205	1,215	1,215	1,200	1,146	1,146	1,157
Enrollment	1,005	1,001	980	1,020	1,058	1,084	1,110	1,120	1,107	1,152
Rudder Middle School (1982)										
Square Feet	111,396	111,396	119,263	119,263	119,263	119,263	119,263	119,263	119,263	130,288
Capacity (students)	1,083	1,083	1,035	987	1,009	1,060	1,035	950	950	854
Enrollment	1,136	1,122	1,198	1,146	1,172	1,124	1,013	1,008	1,045	1,048
Stevenson Middle School (1975)										
Square Feet	157,921	157,921	157,921	157,921	157,921	172,619	172,619	172,619	172,619	172,619
Capacity (students)	1,603	1,603	1,562	1,562	1,574	1,588	1,577	1,563	1,563	1,538
Enrollment	1,804	1,544	1,538	1,514	1,453	1,461	1,384	1,401	1,364	1,411
Stinson Middle School (1991)										
Square Feet	159,330	159,330	159,330	159,330	159,330	159,330	159,330	159,330	159,330	159,330
Capacity (students)	1,508	1,508	1,502	1,502	1,487	1,453	1,465	1,465	1,465	1,425
Enrollment	1,666	1,474	1,538	1,163	1,224	1,273	1,256	1,183	1,118	1,132
Vale Middle School (2008)										
Square Feet	-	190,915	190,915	190,915	190,915	190,915	190,915	190,915	190,915	190,915
Capacity (students)	-	1,400	1,469	1,483	1,494	1,494	1,477	1,494	1,494	1,478
Enrollment	-	1,337	1,337	1,425	1,378	1,297	1,370	1,402	1,351	1,320
Zachry Middle School (1985)										
Square Feet	153,381	153,381	153,381	153,381	153,381	164,788	164,788	164,788	164,788	164,788
Capacity (students)	1,344	1,344	1,357	1,349	1,352	1,219	1,298	1,306	1,306	1,349
Enrollment	1,483	1,156	1,092	1,141	1,088	1,141	1,034	1,018	1,079	1,028
Brandeis High School (2008)										
Square Feet	-	429,667	429,667	429,667	429,667	429,667	429,667	429,667	429,667	429,667
Capacity (students)	-	2,800	2,745	2,735	2,693	2,697	2,696	2,696	2,696	2,683
Enrollment	-	1,588	1,588	2,200	2,375	2,437	2,572	2,564	2,602	2,725

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Brennan High School (2010)										
Square Feet	-	-	-	465,000	465,000	465,000	465,000	458,501	458,501	458,501
Capacity (students)	-	-	-	2,842	2,854	2,850	2,840	2,840	2,840	2,770
Enrollment	-	-	-	1,313	1,313	1,837	2,083	2,238	2,456	2,702
Clark High School (1977)										
Square Feet	343,553	343,553	343,553	372,667	372,667	372,667	372,667	372,667	372,667	372,667
Capacity (students)	2,832	2,832	2,707	2,695	2,770	2,770	2,864	2,869	2,869	2,858
Enrollment	2,854	3,034	2,640	2,566	2,621	2,694	2,718	2,836	2,830	2,901
Health Careers High School (1986)										
Square Feet	105,985	105,985	105,985	105,985	105,985	105,985	105,985	105,985	105,985	105,985
Capacity (students)	854	854	854	854	852	852	852	852	852	856
Enrollment	847	854	845	856	838	833	824	869	855	845
Holmes/Business Careers High School (1964)										
Square Feet	316,440	316,440	316,440	357,017	357,017	357,017	357,017	357,017	357,017	355,962
Capacity (students)	2,621	2,621	2,488	2,480	2,718	2,699	2,660	2,720	2,720	2,703
Enrollment	2,110	2,294	2,368	2,448	2,621	2,664	2,649	2,757	2,828	2,913
Jay/Jay Science & Engineering HS (1967)										
Square Feet	321,611	321,611	348,080	348,080	348,080	348,080	348,080	348,080	348,080	348,080
Capacity (students)	2,547	2,547	2,445	2,806	2,888	2,915	2,860	2,937	2,937	2,937
Enrollment	2,543	2,685	2,926	3,009	2,931	2,973	2,913	2,897	2,938	3,031
Marshall High School (1950)										
Square Feet	319,537	319,537	319,537	355,537	332,206	332,206	332,206	332,206	332,206	332,206
Capacity (students)	3,016	3,016	2,709	2,735	2,725	2,746	2,704	2,704	2,704	2,723
Enrollment	2,530	2,547	2,543	2,575	2,546	2,555	2,640	2,592	2,711	2,692
O'Connor High School (1998)										
Square Feet	349,644	349,644	349,644	349,644	349,644	382,300	382,300	382,300	382,300	391,698
Capacity (students)	2,549	2,549	2,395	2,353	2,344	2,368	2,792	2,792	2,792	2,762
Enrollment	3,221	3,319	2,790	2,789	2,945	3,102	3,010	3,031	3,095	3,158
Stevens High School (2005)										
Square Feet	413,655	413,655	413,655	413,655	413,655	413,655	413,655	413,655	413,655	413,655
Capacity (students)	3,011	3,011	2,834	2,820	2,810	2,810	2,836	2,752	2,752	2,747
Enrollment	2,909	3,076	3,009	2,999	2,697	2,616	2,794	2,907	2,903	2,904
Taft/Comm Arts High School (1985)										
Square Feet	369,211	369,211	369,211	371,963	372,275	372,275	372,275	372,275	372,275	372,275
Capacity (students)	3,200	3,200	2,930	2,895	2,885	2,452	2,844	2,871	2,871	2,853
Enrollment	2,613	2,878	2,806	2,825	2,573	2,530	2,629	2,786	2,932	3,101
Warren/Construction Careers HS (2002)										
Square Feet	385,897	385,897	385,897	428,026	428,026	428,026	428,026	400,898	400,898	400,898
Capacity (students)	2,326	2,326	2,578	2,558	2,810	2,842	2,848	2,816	2,816	2,806
Enrollment	2,568	2,627	2,960	2,899	2,801	2,802	2,966	3,043	3,074	3,095
Other Facilities										
Block Aquatics Ctr @ Hardin (1976)										
Square Feet	26,400	26,400	26,400	26,400	26,400	26,400	26,400	26,400	26,400	26,400
Central Office (1964)										
Square Feet	56,821	56,821	56,821	56,821	56,821	56,821	56,821	56,821	56,821	55,778
Child Nutrition Warehouse (1983)										
Square Feet	55,500	55,500	55,500	55,500	55,500	55,500	55,500	55,500	55,500	55,500
Child Nutrition Warehouse @ NW Parkway (2015)										
Square Feet									85,768	85,768
Grissom Annex (1999)										
Square Feet	9,575	9,575	9,575	9,575	9,575	9,575	9,575	9,575	9,575	9,575
Grissom- Police (1990)										
Square Feet	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Human Resources (2001)										
Square Feet	12,883	12,883	12,883	12,883	12,883	12,883	12,883	12,883	12,883	12,883
Maintenance (1983)										

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Square Feet	35,934	35,934	35,934	35,934	35,934	35,934	35,934	35,934	35,934	35,934
Maintenance-North (2008)										
Square Feet	-	-	10,603	10,603	10,603	10,603	10,603	10,603	10,603	10,603
Natatorium @ Farris (2006)										
Square Feet	51,410	51,410	51,410	51,410	51,410	51,410	51,410	51,410	51,410	51,410
Northside Alternative MS-North (1997)										
Square Feet	20,825	20,825	20,825	20,825	20,825	20,825	20,825	20,825	20,825	20,825
Northside Alternative MS-South (1996)										
Square Feet	5,936	5,936	5,936	5,936	5,936	5,936	5,936	5,936	5,936	5,936
Northside Alternative HS (1982)										
Square Feet	10,050	10,050	10,050	10,050	10,050	10,050	10,050	10,050	10,050	12,587
N. Activities Center (1986)										
Square Feet	27,437	27,437	27,437	27,437	27,437	27,437	27,437	27,437	27,437	27,437
N. Learning Center (1987)										
Square Feet	43,273	43,273	43,273	43,273	43,273	43,273	43,273	43,273	43,273	43,273
Northside Swim Center (2013)										
Square Feet	-	-	-	-	-	-	18,824	18,824	18,824	18,824
Northside Tennis Center (2013)										
Square Feet	-	-	-	-	-	-	2,540	2,540	2,540	2,540
O'Connor HS Agriculture Center (1998)										
Square Feet	79,862	79,862	79,862	79,862	79,862	79,862	79,862	79,862	79,862	79,862
Holmgreen Center (1987)										
Square Feet	43,695	43,695	43,695	43,695	43,695	43,695	43,695	43,695	43,695	43,695
Reddix Center (NVT, NHP) (1993)										
Square Feet	68,012	68,012	68,012	68,012	68,012	68,012	68,012	68,012	68,012	68,012
Smith Technology Center (2012)										
Square Feet	-	-	-	-	-	39,075	39,075	39,075	39,075	39,075
Teicher Student Services (2003)										
Square Feet	34,407	34,407	34,407	34,407	34,407	34,407	34,407	34,407	34,407	34,407
Northside Support Services Ctr. (2003)										
Square Feet	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Paul Taylor Field House @ Hardin (1972)										
Square Feet	28,626	28,626	28,626	28,626	28,626	28,626	28,626	28,626	28,626	28,626
AnneMarie Tennis/ Soccer Ctr. @ Hardin (2001)										
Square Feet	1,841	1,841	1,841	1,841	1,841	1,841	1,841	1,841	1,841	1,841
Testing Warehouse @ Grissom (2003)										
Square Feet	3,200	3,200	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500
Transportation- North (2004)										
Square Feet	19,330	19,330	19,330	19,330	19,330	19,330	19,330	19,330	19,330	19,330
Transportation- South (1975)										
Square Feet	15,105	15,105	15,105	15,105	15,105	15,105	15,105	15,105	15,105	15,105
Transportation- Culebra (2002)										
Square Feet	8,500	8,500	8,500	8,500	8,500	14,922	14,922	14,922	14,922	15,052
Transportation- McClung (2012)										
Square Feet	-	-	-	-	-	26,427	26,427	26,427	26,427	26,427
Transportation- Rhodes (1991)										
Square Feet	13,598	13,598	13,598	13,598	13,598	13,598	13,598	13,598	13,598	13,598
Stadium @ Farris (2003)										
Square Feet	22,654	22,654	22,654	22,654	22,654	22,654	22,654	22,654	22,654	22,654
Stadium @ Hardin (1968)										
Square Feet	26,255	26,255	26,255	26,255	26,255	26,255	26,255	26,255	26,255	26,255

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
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Full - Time Equivalents (FTEs)

Staff Information

Last Ten Years

(UNAUDITED)

Year Ended 08/31	Teachers	(1) Professional Support	Campus Administration	(1) Central Administration	Educational Aides	Auxiliary Staff	Total FTEs
2007	5,225.20	1,122.70	227.90	69.50	1,022.90	3,183.20	10,851.40
2008	5,507.90	1,251.90	236.00	34.00	1,115.40	3,408.70	11,553.90
2009	5,782.40	1,298.70	249.00	34.00	1,124.30	3,681.40	12,169.80
2010	5,921.70	1,389.90	258.00	38.00	1,089.30	3,893.80	12,590.70
2011	6,116.90	1,411.10	271.30	40.00	1,043.00	3,912.30	12,794.60
2012	5,880.70	1,257.50	271.00	36.00	1,082.70	3,410.30	11,938.20
2013	5,952.00	1,306.00	272.00	38.00	1,109.00	3,435.00	12,112.00
2014	6,462.00	1,398.00	282.00	34.00	1,085.00	3,574.00	12,835.00
2015	6,714.70	1,355.40	289.00	33.00	1,103.10	3,716.50	13,211.70
2016	6,813.80	1,413.50	290.00	35.00	1,110.80	3,738.60	13,401.70

(1) In 2007-08 Central Administration staff role IDs for Teacher Supervisor and Business Manager reclassified to Professional Support

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**FEDERAL AWARDS
SECTION**



Padgett Stratemann

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

To the Board of Trustees
Northside Independent School District
San Antonio, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Northside Independent School District (the "District") as of and for the year ended August 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 17, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of This Report

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

Padgett, Statemann & Co., L.L.P.

San Antonio, Texas
January 17, 2017



Padgett Stratemann

Independent Auditor's Report on Compliance for the Major Federal Program and Report on Internal Control Over Compliance as Required by the Uniform Guidance

To the Board of Trustees
Northside Independent School District
San Antonio, Texas

Report on Compliance for the Major Federal Program

We have audited Northside Independent School District's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended August 31, 2016. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

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Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended August 31, 2016.

Report on Internal Control Over Compliance

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

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

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

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

Padgett, Stratemann & Co., L.L.P.

San Antonio, Texas
January 17, 2017

Northside Independent School District

Schedule of Findings and Questioned Costs

Year Ended August 31, 2016

I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	<u>Unmodified</u>		
Internal control over financial reporting:			
Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No	
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	<u> </u> Yes	<u> X </u> None Reported	
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No	

Federal Awards

Internal control over major program:			
Type of auditor’s report issued on compliance for major program:	<u>Unmodified</u>		
Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No	
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	<u> </u> Yes	<u> X </u> None Reported	
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance	<u> </u> Yes	<u> X </u> No	
Identification of major program:			

CFDA Number(s)

84.027
84.173

Name of Federal Program

Special Education Cluster:
IDEA, Part B
IDEA Preschool

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

\$2,475,375

Auditee qualified as low-risk auditee?

 X Yes No

II – Financial Statement Findings

None noted.

Northside Independent School District
Schedule of Findings and Questioned Costs – Continued
Year Ended August 31, 2016

III – Federal Award Findings and Questions Costs

None noted.

IV – Schedule of Prior Audit Findings and Questioned Cost

There were no prior audit findings reported.

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
SAN ANTONIO, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended August 31, 2016

(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Federal CFDA Number	(2A) Pass-Through Grantor's Number	(3) Federal Expenditures
<u>United States Department of Education:</u>			
Direct Program:			
Impact Aid-P.L. 81-874	84.041		\$ 422,118
Climate Transformation Program	84.184G		194,210
Total Direct Program			<u>616,328</u>
Passed Through State Department of Education:			
Special Education Cluster (IDEA):			
IDEA VI-B Formula	84.027A	156600010159156600	1,628,546
IDEA VI-B Formula	84.027A	166600010159156600	16,862,817
IDEA VI-B Formula	84.027A	176600010159156600	1,855
IDEA VI-B Discretionary (Deaf)	84.027A	166600110159156673	46,910
IDEA VI-B Formula (Deaf)	84.027A	156600010159156601	1,722
IDEA VI-B Formula (Deaf)	84.027A	166610010159156601	18,307
IDEA-B Preschool Formula	84.173A	156610010159156610	2,173
IDEA-B Preschool Formula	84.173A	166610010159156610	244,463
IDEA-B Preschool (Deaf)	84.173A	166610010159156611	4,548
Total Special Education Cluster (IDEA)			<u>18,811,341</u>
Adult Education - Family Literacy Continuation	84.002A	220472603	501,360
Adult Education - Family Literacy Prof Dev	84.002A	220496603	3,947
Adult Education - English Literacy & Civics Ed Sec 231	84.002A	220402502	38,577
Adult Education - Family Literacy Continuation	84.002A	220472603	50,044
Adult Education - Site Based Workplace Literacy Project	84.002A	2016AEL002	5,139
Adult Education - Distance Learning Mentor Initiative	84.002A	2016AEL001	57,299
ESEA Title I, Part A	84.010A	15610101015915	1,354,266
ESEA Title I, Part A	84.010A	16610101015915	17,299,218
ESEA Title I, Part A	84.010A	17610101015915	39,035
Title I 1003(A) Priority and Focus School Grant	84.010A	16610112015915000	17,877
Title I, Part C Education of Migrant Children	84.011	420-6-04	363
Carl Perkins Basic Grant for Career & Technology	84.048A	16420006015915	834,097
Carl Perkins Basic Grant for Career & Technology	84.048A	17420006015915	89,567
Stewart B. McKinney Homeless Assistance Act	84.196A	15-066	213,680
21ST Century Community Learning Centers - Cycle 7, Yr 5	84.287C	166950167110030	1,492,425
21ST Century Community Learning Centers - Cycle 9, Yr 1	84.287C	176950247110019	31,881
Title III, English Language Acquisition- LEP	84.365A	15671001015915	65,672
Title III, English Language Acquisition- LEP	84.365A	16671001015915	649,074
Title III, English Language Acquisition-Immigrant	84.365A	15671001015915	31,323
Title III, English Language Acquisition-Immigrant	84.365A	16671003015915	268,132
Title III, E.L.A Grant for UC & Y	84.365B	156711037110039	36,775
ESEA Title II, Part A - Teacher & Princ Trng & Recruitmt	84.367A	15694501015915	32,575
ESEA Title II, Part A - Teacher & Princ Trng & Recruitmt	84.367A	16694501015915	1,851,109
Summer School LEP	84.369A	69551402	36,732
Total Passed Through State Department of Education			<u>25,000,167</u>
Total United States Department of Education			<u>44,427,836</u>

(Continued on next page.)

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
SAN ANTONIO, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS -Continued

Year Ended August 31, 2016

(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Federal CFDA Number	(2A) Pass-Through Grantor's Number	(3) Federal Expenditures
Direct Program:			
ROTC	12.000		\$ 846,905
Teacher Placement Program	12.000		5,000
Military Grant	12.556		4,733
Military Grant	12.557		<u>166,691</u>
Total United States Department of Defense			<u>1,023,329</u>
<u>United States Department of Homeland Security:</u>			
Direct Program:			
Citizenship and Integration Direct Services Program	97.010	2015-CS-010-000031	<u>73,613</u>
Total United States Department of Homeland Security			<u>73,613</u>
<u>United States Environmental Protection Agency:</u>			
Direct Program:			
Environmental Education Grant Program	66.951	68128933	<u>28,160</u>
Total United States Environmental Protection Agency			<u>28,160</u>
<u>United States Department of Health and Human Services</u>			
Direct Program:			
Awareness, Intervention and Resources (AIR) Program	93.243	1H79SM062039-01	<u>22,238</u>
Total Direct Program:			<u>22,238</u>
Temporary Assistance for Needy Families (TANF) Cluster			
Adult Education -TANF State Programs	93.558	223475603	51,327
Adult Education -TANF State Programs	93.558	223475703	213
Temporary Assistance for Needy Families (TWC) State Programs	93.558	2016ATP002	<u>92,070</u>
Total Temporary Assistance for Needy Families (TANF) State Programs Cluster			<u>143,610</u>
Medicaid Cluster			
Medicaid Administrative Claiming Program	93.778		<u>250,744</u>
Total Medicaid Cluster			<u>250,744</u>
Total Department of Health & Human Services			<u>416,592</u>

(Continued on next page.)

NORTHSIDE INDEPENDENT SCHOOL DISTRICT
SAN ANTONIO, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS -Continued
Year Ended August 31, 2016

(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Federal CFDA Number	(2A) Pass-Through Grantor's Number	(3) Federal Expenditures
<u>United States Department of Energy</u>			
Passed Through the Railroad Commission of Texas			
SECO Grants	81.041		80,000
Texas Propane Fleet Pilot Program	81.086		80,000
Total United States Department of Energy			160,000
<u>United States Department of Labor</u>			
WIA/WIOA Cluster			
WIA Dislocated Worker Formula Grants	17.278	2016ATP002	18,175
Total WIA/WIOA Cluster			18,175
Total United States Department of Labor			18,175
<u>United States Department of Agriculture</u>			
Child Nutrition Cluster			
School Breakfast Program	10.553		6,731,148
National School Lunch Program	10.555		28,737,561
Total Child Nutrition Cluster			35,468,709
SNAP Cluster			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		25,600
Total SNAP Cluster			25,600
Total United States Department of Agriculture			35,494,309
Total Expenditure of Federal Awards			\$ 81,642,014

NOTE 1. BASIS OF PRESENTATION

Northside Independent School District (the "District") utilizes the fund types specified in the Texas Education Agency's Financial Accounting System Resource Guide.

Special Revenue Funds - Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances must be returned to the grantor at the close of specified project periods.

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the District under programs of the federal government for the year ended August 31, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Northside Independent School District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Northside Independent School District.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

There may be situations where federal expenditures presented in the schedule of expenditures of federal awards also include expenditures subject to pre-Uniform Guidance requirements. The US Department of Education (USDE) has clarified under 34 CFR 76.10, carryover funds are subject to the regulations in effect during the carryover period which is the last 12 months of the 27-month of availability. Therefore, all funds that became carryover on October 1, 2015, must follow the new EDGAR regulations regardless of the original start date of the Notice of Grant Award.

Federal regulations applicable to state administered grants are subject to the requirements of Part 76 of the Uniform Guidance. As of October 1, 2015, these multi-year grants are to be governed by the new Uniform Guidance rather than the OMB Circulars that were in effect when each grant was initially awarded.

Such expenditures are recognized in the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles,*

and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The modified accrual basis of accounting is used for governmental funds. This basis of accounting recognizes revenue in the accounting period in which they become measurable and available. Expenditures are recorded in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on long-term debt, which is recognized when due, and certain compensated absences and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal grants are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly when such funds are received, they are recorded as unearned revenues until earned.

NOTE 3. INDIRECT COST RATE

The USDE has given TEA authority to issue indirect cost rates for ISD's. To recover any indirect costs, the District must request and receive new indirect cost rates for every school year allowed by the *Uniform Guidance Part 200.57*.

NOTE 4. BASIS OF FUNDING

Federal funding for Food Services under child nutrition programs is primarily based upon the number and type of meals served and in user charges as reported to the US Department of Agriculture. Federal funding received related to various grant programs is based upon periodic reports detailing reimbursable expenditures made in compliance with the program guidelines to the grantor agencies. The programs are governed by various rules and regulations of the grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies. To the extent, if any, that the District has not complied with all the rules and regulations with respect to performance, financial or otherwise, adjustment to or return of funding monies may be required. In the opinion of the District's management, there are no significant contingent liabilities relating to matters of compliance and, accordingly, no provision has been made in the basic financial statements for such contingences.

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