

**Comprehensive
Annual Financial Report**

**For the Fiscal Year Ended
August 31, 2014**

**GALENA PARK INDEPENDENT SCHOOL
DISTRICT**

14705 Woodforest Blvd., Houston, Texas 77015

Prepared By the Business Department:

**Sonya George, CPA
Chief Financial Officer**

**Yvonne Johnson, MBA, RTSBA
Executive Director for Accounting Services**

**Lee Davidson, CPA
Executive Director for Budget and Financial Services**

INTRODUCTORY SECTION

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
Principal Officials and Advisors

Board of Trustees

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>	<u>Length of Service</u>	<u>Occupation</u>
Wanda Heath Johnson	President	2015	6 years	Teacher
Joe Stephens	Vice President	2015	6 years	Insurance Agency Owner
Wilfred J. Broussard, Jr.	Secretary	2017	7 years	Real Estate Broker
Jeff Miller	Board Member	2016	19 years	Independent Insurance Agent
Dawn Thompson Fisher	Board Member	2017	13 years	Legal Assistant
Ramon Garza	Board Member	2016	5 years	Insurance Agent
Minnie Rivera	Board Member	2015	4 years	Office Manager

Administrative Officials

<u>Name</u>	<u>Position</u>	<u>Length of Service</u>
Angi Williams, Ed.D.	Superintendent	29 years
Orphalinda Bazan	Assistant to Superintendent	16 years
Kenneth Wallace	Associate Superintendent for Educational Support and School Administration	14 years
Crystal Murray	Administrative Support	10 years

CERTIFICATE OF BOARD

Galena Park Independent School District
Name of School District

Harris
County

101-910
Co.- Dist. No.

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and approved for the year ended August 31, 2014, at a meeting of the board of trustees of such school district on January 14, 2015.

President of the Board

Secretary of the Board

GALENA PA

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

Profile of the District

The Galena Park Independent School District encompasses 33 square miles and is located in southeastern Harris County, Texas. Interstate Highway 10 bisects the District. While a small portion of the District is located inside the city limits of Houston, it also includes portions of the incorporated cities of Galena Park, Jacinto City, and the unincorporated communities of Greens Bayou, Woodland Acres, and the Cloverleaf Addition. The District is not included in any other governmental "reporting entity" since the Board of Trustees is elected by the public and has decision-making authority. Residents of the District elect a seven-member Board of Trustees. The respective Trustees serve overlapping three-year terms. There are no component units included in the reporting entity.

The purpose and responsibility of the District is to provide a thorough and efficient educational system for the children, pre-kindergarten through grade 12, enrolled in public schools within its boundaries, whereby each child has access to programs and services that are appropriate to his or her educational needs. In addition to its regular educational program, the District offers comprehensive programs in the areas of career and technology education, special education, bilingual education, compensatory education and gifted and talented education. The District is accredited by the Texas Education Agency.

The District's 15 elementary schools, 5 middle schools, 2 high schools, and 1 alternative high school campuses are well-known for innovative programs and academic accomplishments. The District educates children from diverse backgrounds. The student body reflects the cultural diversity of Texas. Of the approximately 22,500 students enrolled, 76% are Hi

Factors Affecting Financial Condition

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

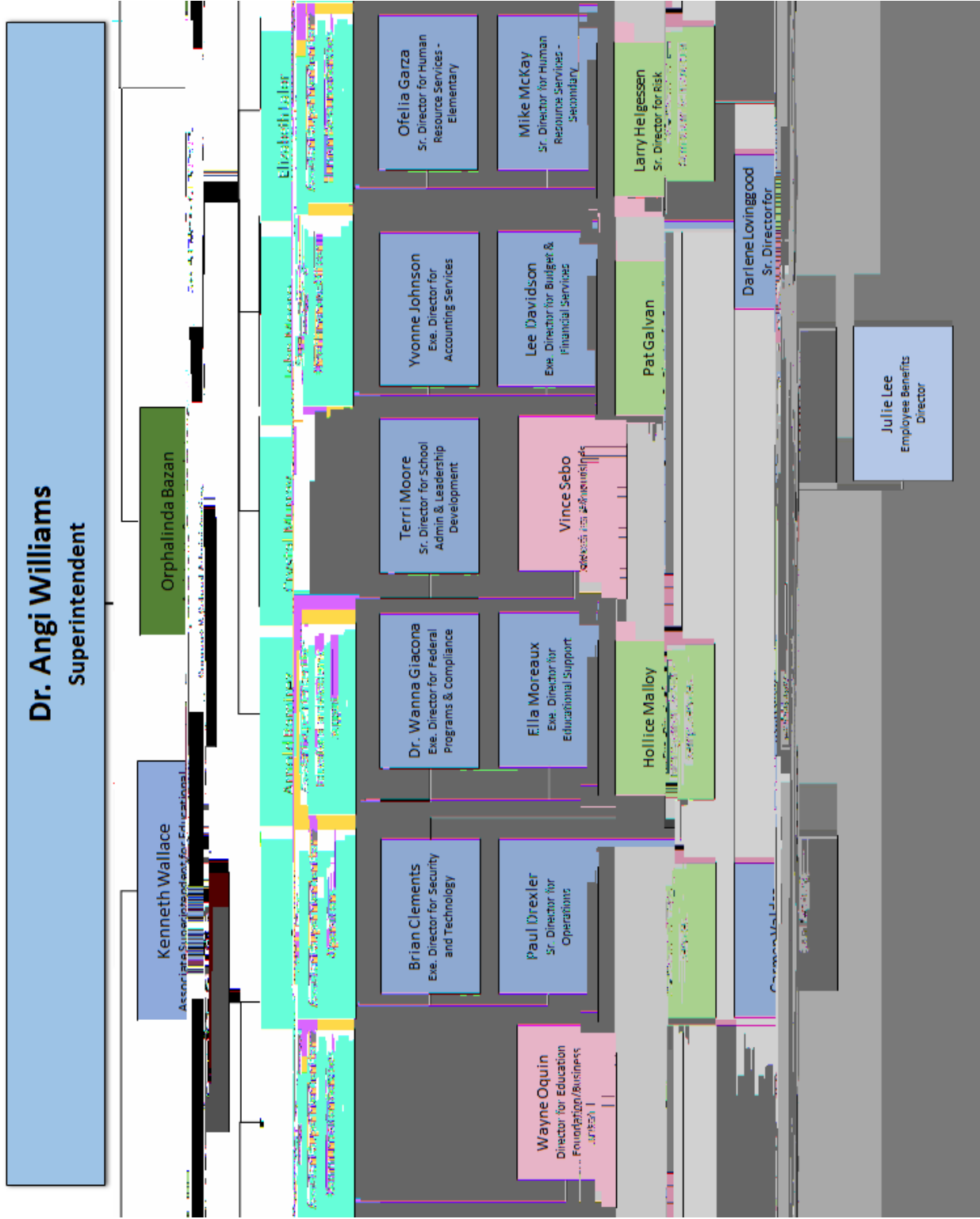
Local Economy. The District is located in the heart of the Houston Ship Channel industrial area, and the majority of the labor force is employed at nearby chemical plants and oil refineries. The Houston Ship Channel is located just south of the District boundary, and many residents are employed in the industrial area surrounding the Channel. The Port of Houston is one of the largest ports in the world in terms of foreign waterborne tonnage and total tonnage. Each year, more than 8,000 vessels and 200,000 barges ship goods through the port, and more than 100 steamship lines offer service, linking Houston with 1,053 ports around the world. A vital element in the infrastructure of Houston and the region, the port maintains a high level of commercial prominence that solidifies its status as a major gateway to global commerce.

A cornerstone of the area economy, the Port of Houston is a 25-mile-long complex of diversified public and private facilities designed for handling general cargo, containers, grain and other dry bulk materials, project and heavy-lift cargo, and other types of cargo. Overall, more than 1,026,000 jobs throughout Texas are directly and indirectly related to the diverse global trade and commerce activities at the port. In addition, the port generates nearly \$178.5 billion of economic activity in Texas each year. Additionally, more than \$4.5 billion in state and local tax revenues are generated by business activities related to the port.

Economic Outlook. Houston's energy, healthcare, transportation and distribution sectors have supported continuous tax base growth. The District's tax base growth occurring during fiscal year ended 2014 and expected to continue at a slower pace in fiscal year 2015 can be directly attributed to the petrochemical industry. Shale gas exploration has created a highly affordable supply of natural gas. Natural gas is driving significant capital investments in the U.S. manufacturing industry. Numerous petrochemical expansion projects have been announced or are underway in the Houston Ship Channel area. Construction material needs supplied by area businesses and the creation of thousands of temporary and hundreds of permanent jobs to construct and maintain the port have a positive financial impact on the region.

Access. The District is connected to Downtown Houston via Interstate 10 and is also linked to the entire Houston metropolitan area via the Sam Houston Toll Road. Both of these thoroughfares pass through the center of the District. The District's proximity to Houston provides the area with access to one of the nation's leading centers for medical education and research, many colleges and universities, and a major medical center.

GALENA PARK INDEPENDENT SCHOOL DISTRICT ORGANIZATIONAL CHART





Government Finance Officers' Association
 of
 Achievement
 for Excellence
 in Financial

Reporting

Presented to

Galena Park

Independent School District

Texas

For its Commitment
 to Financial

John A. ...

Executive Director

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Galena Park Independent School District
Galena Park, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Galena Park Independent School District (the "District") as of and for the year ended August 31, 2014, and the related notes to financial statements, which collectively comprise the District's basic financial statements as list A14 Financial Statements

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The government-wide financial statements of the District are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include Instruction, Instructional Resources and Media Services, Curriculum and Instructional Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Extracurricular Activities, General Administration, Facilities Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Interest on Long-term Debt, Bond Issuance Costs and Fees, Facilities Acquisition and Construction, and Payments to Appraisal Districts.

The government-wide financial statements can be found on pages 18 through 19 of this report.

Fund Financial Statements

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

Governmental Funds

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

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

The District maintains twenty-two individual governmental funds. Information is presented separately in

GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Galena Park Independent School District's Changes in Net Position

	2014	2013, Restated
Program Revenues		
Charges for services	\$ 5,106,726	\$ 4,258,050
Operating grants	36,638,833	33,165,174
General Revenues		
Property taxes	101,858,021	96,263,557
State aid	104,724,697	103,793,652
Grants and contributions not restricted	86,213	7,039
Interest earnings	167,415	177,448
Other	266,551	264,545
Total Revenues	<u>248,848,456</u>	<u>237,929,465</u>

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Governmental Activities

Governmental activities the District's net position by . Key elements of this are as follows:

Revenues are generated primarily from two sources. Grants and contributions (program and general revenues totaling (\$141,449,743) represent 57 percent of total revenues and property taxes (\$101,858,021) represent of total revenues. The remaining \$5,540,692 is generated from charges for services, investment earnings, and miscellaneous revenues. Property tax revenues increased by approximately 1.9 percent, services, investment earnings, and miscellaneous revenues increased by 10.6 percent. Total revenues increased by 7.2 percent from 868,469,860 in 2010 to 910,318,552 in 2011. Total revenues are projected to increase by 7.8 percent to 971,800,000 in 2012.

R e v e n u e

GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Long-term Liabilities

At the end of the current fiscal year, the District had \$256,887,401 in bonded debt outstanding, a decrease of \$7,465,324 over the previous year. The District's bonds are sold with a "AAA" rating and are guaranteed through the Texas Permanent School Fund Guarantee Program or by a municipal bond insurance policy. The underlying rating of the bonds from Standard and Poor's is "A+" and from Moody's Investors Service is "Aa2" for general obligation debt.

Changes to long-term debt, for the year ended August 31, 2014 are as follows:

Galena Park Independent School District's Long-term Liabilities

	Balance September 1 , 2013	Additions	Retirements	Balance August 31, 2014
General obligation bonds	\$ 205,045,213	\$ 8,970,000	\$ (18,766,543)	\$ 195,248,670
Plus amounts for issuance premiums	6,493,751			
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GALENA PARK INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Amounts available for appropriation in the general fund are \$191.2 million, an increase of \$15.9 million from the previous year. Expenditures are budgeted to increase 7.7% to \$190.2 million. The majority of the increase in budgeted expenditures was to fund a salary increase for teachers and other staff.

All of these factors were considered in preparing the district's budget for the 2014-2015 fiscal year. If these estimates are realized, the District's General Fund fund balance will increase by \$1 million by August 31, 2015.

BASIC FINANCIAL STATEMENTS

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Exhibit A-1

STATEMENT OF NET POSITION

August 31, 2014

Data Control Codes		Governmental Activities
	Assets	
1110	Cash and cash equivalents	\$ 108,695,814
1225	Property taxes receivables, net	8,337,969
1240	Due from other governments	13,002,623
1267	Due from fiduciary funds	49,223
1290	Other receivables, net	727,041
1300	Inventories	635,561
1490	Other current assets	500
	Capital assets not subject to depreciation:	
1510	Land	13,550,599
	Capital assets net of depreciation:	
1520	Buildings and improvements, net	220,078,571
1531	Vehicles, net	3,418,573
1530	Furniture and equipment, net	13,891,426
1000	Total Assets	382,387,900
	Deferred Outflows of Resources	
1700	Deferred loss on refunding	2,418,958
	Total Deferred Outflows of Resources	2,418,958
	Liabilities	
2110	Accounts payable	2,683,592
2140	Interest payable	455,731
2150	Payroll deductions and withholdings	831,583
2160	Accrued wages payable	2,585,681
2180	Due to other governments	5,495
2300	Unearned revenue	138,463
	Noncurrent Liabilities:	
2501	Due within one year	13,540,500
2502	Due in more than one year	243,346,901
2000	Total Liabilities	259,405,856

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GALENA PARK INDEPENDENT SCHOOL DISTRICT

Exhibit B-1

STATEMENT OF ACTIVITIES

For the Year Ended August 31, 2014

Data Control Codes	Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Position
			Charges for Services	Operating Grants and Contributions	Primary

Governmental activities:

11	Instruction	\$ 113,536,472	\$ 1,055,658	\$ 15,077,816	\$ (97,402,998)
12	Instructional resources and media services	2,543,759	-	136,750	(2 (a)-49.7 (nd m)14.5 (e

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS TO
STATEMENT OF NET POSITION
August 31, 2014

Exhibit C-2

Data Control Codes		
	Total fund balance, governmental funds	\$ 116,769,663
	Amounts reported for governmental activities in the statement of net position (A-1) are different because:	
	Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
1	Capital assets at historical cost, net of accumulated depreciation, where applicable	250,939,169
2	Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, these property taxes and related penalty and interest amounts (net of allowance for uncollectible accounts).	8,337,968
3	Deferred loss on refunding	2,418,958
	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. Long-term liabilities at year end consist of:	
4	General obligation bonds	(198,091,541)
5	Premiums on issuance	(5,953,105)
6	Accreted interest on premium compound interest bonds	(51,690,280)
7	Accrued compensated absences	(1,152,475)
8	Accrued interest payable	(455,731)
9	Addition of Internal Service fund net position	<u>96,286</u>
19	Total net position - governmental activities	<u><u>\$ 121,218,912</u></u>

See Notes to the Financial Statements.

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Exhibit C-3

STATEMENT OF REVENUES, EXPENDITURES AND FINANCIAL POSITION FOR THE YEAR ENDED 2019

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Exhibit C-4

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

For the Year Ended August 31, 2014

**Data
Control
Codes**

Net change in fund balances - total governmental funds (from C-3) \$ 24,643,488

Amounts reported for governmental activities in the statement of activities (B-1) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

1 Governmental funds capital outlay 3,459,858
2 Governmental activities depreciation expense (11,490,730)

3 Governmental funds report the entire sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain or loss on the sale of the assets. Thus the change in net position differs from the change in fund balance by the book value of the assets sold and disposed. The District disposed of certain assets that resulted in a loss. (122,381)

4 Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (40,680)

5 Repayment of bond principal of \$10,528,062 is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position. The District also refunded \$8,970,000 in bonds. This payment was made to the bond refunding escrow agent. 19,498,062

6 Proceeds from issuance of refunding bonds is reported as an other financing source (\$8,970,000) in the governmental funds. In the government-wide financial statements, proceeds are treated as an increase in long-term liabilities. The premium (\$441,141) and deferred loss on refundings (\$771,305) associated with the issuance is treated as a deferred outflow of resources. (8,594,009)

Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

7 Decrease in interest payable not recognized in fund statements (14,457)

8 Increase in long-term portion of accrued compensated absences (583,107)

9 Accreted interest on capital appreciation bonds, which includes its related premium of \$545,701 (5,413,734)

10 Amotrization of premiums, deferred loss on refunding 555,051

11 Capital appreciation bonds matured and related accreted interest 2,393,457

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GALENA PARK INDEPENDENT SCHOOL DISTRICT

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

August 31, 2014

GALENA PARK INDEPENDENT SCHOOL DISTRICT*Exhibit D-2***STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION****PROPRIETARY FUNDS***For the Year Ended August 31, 2014*

Data Control Codes		Governmental Activities
		Internal Service Fund
	Operating Revenues	
5749	Miscellaneous revenue from local sources	\$ 293,063
5020	Total Operating Revenues	<u>293,063</u>
	Operating Expenses	
6100	Payroll costs	65,480
6200	Purchased and contracted services	152,884
6300	Supplies and materials	<u>43,332</u>
6030	Total Operating Expenses	<u>261,696</u>
1200	Operating Income (Loss)	31,367
	Net Position	
0100	Net Position - September 1 (Beginning)	<u>64,919</u>
3300	Net Position - August 31 (Ending)	<u>\$ 96,286</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT*Exhibit D-3***STATEMENT OF CASH FLOWS****PROPRIETARY FUNDS***Year Ended August 31, 2014*

	<u>Governmental Activities</u>
	<u>Internal Service Fund</u>
Cash Flows from Operating Activities:	
Cash received from customers	\$ 293,063
Cash payments to suppliers for goods and services	(216,221)
Cash payments to employees	(65,438)
Net Cash Provided by Operating Activities	<u>11,404</u>
Net Increase in Cash and Cash Equivalents	11,404
Cash and Cash Equivalents at Beginning of Year	<u>106,363</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 117,767</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 31,367
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Change in Assets and Liabilities:	
Increase (decrease) in Accounts Payable	(28,920)
Increase (increase) in Accrued Wages Payable	42
Increase (increase) in Interfund Payables	<u>8,915</u>
Net Cash Provided by (Used for) Operating Activities	<u><u>\$ 11,404</u></u>

See Notes to the Financial Statements.

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Exhibit E-2

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended August 31, 2014

	Private Purpose Trust Fund
Additions	
Gifts and contributions	\$ 57,093
Earnings on investments	235
Total Additions	<u>57,328</u>
Deductions	
Scholarships awarded	<u>31,500</u>
Total deductions	<u>31,500</u>
Change in net position	25,828
Net position, beginning of year	<u>86,578</u>
Net position, end of year	<u><u>\$ 112,406</u></u>

See Notes to the Financial Statements.

Note 1 - Summary of Significant Accounting Policies

The Galena Park Independent School District (the "District") is an independent public educational agency operating under applicable laws and regulations of the State of Texas. The District is autonomously governed by a seven member Board of Trustees elected by the District's residents.

The District prepares its basic financial statements in conformity with Generally Accepted Accounting Principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement of Auditing Standards No. 69* of the American Institute of Certified Public Accountants. Additionally, the District complies with the requirements of the appropriate version of the Texas Education Agency (TEA) *Financial Accountability System Resource Guide* (FASRG) and the requirements of contracts and grants of agencies from which it receives funds.

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

Reporting Entity

The District is considered an independent entity for financial reporting purposes and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations or functions as part of the District's financial reporting entity. Based on these considerations, the District's basic financial statements do not include any other entities. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the District's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the District is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the District's financial reporting entity status is that of a primary government are: that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include: considerations pertaining to organizations for which the primary government is financially accountable 5.2 1mit Admgova rep.6 (uatfcount.9 (acc7 Td(oable)J0.0008 Tc n (rrndepsi2.9

GALENA PARK INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Exhibit F-1

Note 1 - Summary of Significant Accounting Policies (continued)

Government-wide and Fund Financial Statements (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

	General Fund
Insurance Deductibles	\$ 4,563,500
Contingency - Unanticipated Deficits or Revenue	
Reductions for Adverse Economic Conditions	26,414,779
Capital and Lifecycle Expenditures	9,200,000
Capital Expenditures - Roofing Projects	17,803,502
Campus Budget Carryover	130,588
Campus Match for Fixed Asset Replacements	275,000
Contingency Liability - Internal Revenue Service (IRS)	100,000
Technology Initiatives	3,900,000
Total Assigned Fund Balance	<u>\$ 62,387,369</u>

Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the general fund. The District strives for a minimum unassigned General Fund Balance of ten to fifteen percent of operating expenditures. In the Debt Service Fund, the District’s goal is to have a fund balance of fifteen percent of debt service expenditures.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Data Control Codes

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

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The District only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The District’s deferred loss on refunding totaled \$2,418,958.

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

Note 2 - Deposits and Investments (continued)

Investments

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

For fiscal year 2014, the District invested in the State of Texas TexPool, Lone Star Investment Pool, and Local Government Investment Cooperative (LOGIC). TexPool is duly chartered and overseen by the State Comptroller's Office and administered by Lehman Brothers and Federated Investors, Inc. The State Street Bank is the custodial bank. The portfolio consists of U.S. T-Bills, T-Notes, collateralized repurchase and reverse repurchase agreements, and no-load money market mutual funds regulated by the Securities and Exchange Commission and rated AAA or equivalent by at least one nationally recognized rating service. The investment activities of LOGIC are administered by First Southwest Asset Management, Inc. and JPMorgan Chase.

Mutual Funds

Lone Star Corporate Overnight Plus Fund, a mutual fund, is duly chartered by the State of Texas Interlocal Cooperation Act and is administered by First Public, LLC, and managed by Bank of New York Mellon and American Beacon Advisors. The Bank of New York is the custodial bank. The Corporate Overnight Plus Fund may invest in all securities authorized under the Investment Act. However, it is the Board's policy to have these additional restrictions:

- f* The Corporate Overnight Plus Fund shall not invest its assets in any one nongovernmental issuer in an amount that exceeds 5 percent of the total fund assets at cost.
- f* If an A-1 or P-1 investment is placed on the watch list with negative implications by a rating agency, the investment manager must sell the investment within one week.

At year-end, the District's cash and investments balances and the weighted average maturity of these investments were as follows:

	Fair Value	Weighted Average Maturity (Days)
Cash and deposits	\$ 5,494,080	N/A
Investments		
Local Government Investment Pools		
LOGIC	598,911	56
TexPool	2,960,951	53
Mutual Fund - Lone Star	100,137,217	49
Total Investments	<u>103,697,079</u>	49
Total Cash and Investments	<u>\$109,191,159</u>	49

Note 2 - Deposits and Investments (continued)

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates may adversely affect the value of the investments. The District monitors interest rate risk utilizing weighted average maturity analysis. In accordance with its investment policy, the District reduces its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio as a whole to no more than 360 days, with the exception of bond proceeds that are matched to a specific cash flow; diversification; and by holding securities to maturity. In addition, the District shall not directly invest in an individual security maturing more than twenty-four months from the date of purchase.

Credit Risk:

State law and the District's investment policy limits investments in all categories to top ratings issued by nationally recognized statistical rating organizations. As of August 31, 2014, the District's investment in TexPool was rated AAAM by Standard and Poor's. The District's investments in Lone Star Corporate Overnight Plus Fund and LOGIC were rated AAAs and AAAM, respectively, by Standard and Poor's.

Concentration of Credit Risk:

The District's investment policy requires the investment portfolio to be diversified in terms of investment instruments, maturity scheduling, and financial institutions in order to reduce the risk of loss resulting from concentration of investments in any one issuer, industry, or geographic area. The District's investment portfolio is diversified across various investment vehicles, including but not limited to, equity securities, fixed income securities, and alternative investments. The District's investment portfolio is diversified across various investment vehicles, including but not limited to, equity securities, fixed income securities, and alternative investments.

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_____	_____	_____	_____
_____	_____	_____	_____
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GALENA PARK INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (continued)

Exhibit F-1

Note 6 - Long-term Liabilities (continued)

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

Bond Series	Issue Amount	Interest Rate (%)	Matures	Amount Outstanding
1996 Unlimited Tax School Bldg & Refunding Bonds	\$ 40,054,475	4.40 - 6.425	2031	\$ 12,317,931
2002 Maintenance Tax Note ("QZAB")	8,000,000	0.65	2016	773,121
2002 Unlimited Tax School Bldg & Refunding Bonds	29,496,438	3.00 - 5.00	2032	16,626,438
2003 Maintenance Tax Note ("QZAB")	8,000,000	0.13	2019	2,069,752
2005 Unlimited Tax School Building Bonds	7,000,000	3.80 - 5.25	2026	1,730,000
2006 Unlimited Tax School Building Bonds	15,000,000	4.25 - 5.50	2033	7,335,000
2007 Unlimited Tax School Bldg & Refunding Bonds	68,790,870	3.62 - 4.54	2033	60,910,000
2008 Unlimited Tax School Building Bonds	18,000,000	4.50 - 5.25	2034	16,655,000
2010 Unlimited Tax School Building Bonds	17,000,000	4.00-5.00	2034	16,590,000
2011 Unlimited Tax School Building Bonds	9,250,000	2.00-4.00	2026	8,795,000
2012 Unlimited Tax Refunding Bonds	9,234,299	2.50-3.25	2032	9,234,299
2013 Unlimited Tax Refunding Bonds	9,440,000	3.0-3.75	2032	7,645,000
2013 Unlimited Tax Refunding Taxable Bonds	28,550,000	4.00-4.50	2021	28,550,000
2014 Unlimited Tax Refunding Bonds, Series 2014	8,970,000	2.0-3.25	2029	8,860,000
	Total Bonds Payable			198,091,541
	Plus: Unamortized Premiums on Issuance			5,953,105
				204,044,646
	Less: Current Portion			(10,975,838)
				<u>\$ 193,068,808</u>

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

Year Ending August 31,	Principal	Interest	Total
2015	\$ 10,975,838	\$ 7,513,248	\$ 18,489,086
2016	11,283,335	7,224,431	18,507,766
2017	10,037,460	6,462,872	16,500,332
2018	10,849,482	6,220,132	17,069,614
2019	11,155,712	5,873,686	17,029,398
2020-2024	54,284,777	22,657,091	76,941,868
2025-2029	41,129,672	12,440,118	53,569,790
2030-2034	48,375,265	7,259,122	55,634,387
	<u>198,091,541</u>	<u>\$ 75,650,700</u>	<u>\$ 273,742,241</u>
Less Current Portion	<u>10,975,838</u>		
Long Term Debt	<u>\$ 187,115,703</u>		

Note 8 - Defined Benefit Pension Plan

Plan Description

The Galena Park Independent School District contributes to the Teacher Retirement System of Texas (TRS), a cost-sharing multiple-employer defined benefit pension plan. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of the employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. TRS also administers proportional retirement benefits and service credit transfer under Texas Government Code, Title 8, Chapters 803 and 805, respectively. The Texas state legislature has the authority to establish and amend benefit provisions of the pension plan and may, under certain circumstances, grant special authority to the TRS Board of Trustees. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. That report may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701, by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS Internet website, www.trs.state.tx.us, under the TRS Publications heading.

Funding Policy

Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The state funding policy is as follows: (1) the state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10% of the aggregate annual compensation of all members of the system; (2) a state statute prohibits benefit improvements or contribution reductions if, as a result of the particular action(s), the time required to amortize TRS's unfunded actuarial liabilities would be increased to a period that exceeds 31 years; or, (3) if the amortization period already exceeds 31 years, the period would be increased by such action. State law provides for a member contribution rate of 6.4% for fiscal years 2014, 2013, and 2012. The State contributed at a rate of 6.8% for fiscal year 2014, 6.4% for fiscal year 2013, and 6.0% for fiscal year 2012 of all employees' eligible gross earnings, except for those staff members subject to statutory minimum requirements and those staff members being paid from and participating in federally funded programs. State statutes establish these rates. The statutory minimum requirements are based on the State of Texas teacher schedules adjusted based on local tax rates. For staff members funded by federal programs, the federal programs are required to contribute 6.8% for fiscal year 2014, 6.4% for fiscal year 2013, and 6.0% for fiscal year 2012.

Contributions

Contributions made by the State, District and staff members to TRS for the years ended August 31, 2014, 2013, and 2012, are as follows:

For the Year Ended August 31,	State TRS Contributions Made on Behalf of the District	District Required Contributions to TRS	Staff Members Contributions to TRS	Total Covered Payroll
2014	\$ 6,398,502	\$ 2,458,438	\$ 8,335,929	\$130,249,117
2013	5,955,807	2,012,917	8,073,070	126,142,312
2012	5,582,505	2,078,627	8,171,012	127,628,389

Note 12 - Arbitrage

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of (1) the amount earned on investments purchased with bond proceeds over (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five year anniversary date of the bond issue. As of August 31, 2014, there was no liability related to arbitrage.

Note 13 - Prior Period Adjustment

During fiscal year 2014, the District implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Under this new standard, bond issuance costs have been removed from the Statement of Net Position. The beginning net position for governmental activities has been restated. Beginning with fiscal year 2014, bond issuance costs were treated as period costs.

In addition, the District no longer accounts for prepaid items using the consumption method. Beginning with fiscal year 2014, the District began using the purchase method where payments for prepaid items are fully recognized as expenditures in the year of payment. The District believes the purchase method is preferable and consistent with the governmental fund concept of reporting only expendable financial resources. As such, restatement of the General Fund's beginning fund balance and Governmental Activities beginning net position was necessary.

	Governmental Activities	General Fund
Beginning Net Position/Fund Balance	\$ 100,171,744	\$ 77,511,233
Prior Period Adjustment -		
Bond Issuance Costs	(1,427,191)	
Prepaid Items	(1,847,826)	(1,847,826)
Beginning Net Position/Fund Balance, as Restated	<u>\$ 96,896,727</u>	<u>\$ 75,663,407</u>

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REQUIRED SUPPLEMENTARY INFORMATION

GALENA PARK INDEPENDENT SCHOOL DISTRICT

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212	224	225	226	240	244
ESEA Title I, Part C	IDEA B Formula	IDEA B Preschool Grant	IDEA B- Discretionary	Child Nutrition	Vocational Ed -Basic
\$ -	\$ -	\$ -	\$ -	\$ 4,198,632	\$ -
19,612	651,458	3,251	-	257,803	-
24,591	237,081	3,092	-	2,225	-
61	-	-	-	6,664	-
-	-	-	-	328,052	-
<u>\$ 44,264</u>	<u>\$ 888,539</u>	<u>\$ 6,343</u>	<u>\$ -</u>	<u>\$ 4,793,376</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ 60,826	\$ -
3,931	54,927	53	-	68,487	-
40,333	833,612	6,290	-	643,135	-
-	-	-	-	-	-
<u>44,264</u>	<u>888,539</u>	<u>6,343</u>	<u>-</u>	<u>772,448</u>	<u>-</u>
-	-	-	-	328,052	-
-	-	-	-	3,692,876	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,020,928</u>	<u>-</u>
<u>\$ 44,264</u>	<u>\$ 888,539</u>	<u>\$ 6,343</u>	<u>\$ -</u>	<u>\$ 4,793,376</u>	<u>\$ -</u>

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2014

Data Control Codes	255 Title II, Part A	263 Title III, Part A	265 21st Century Grant
Assets			
1110	\$ -	\$ -	\$ -
Receivables:			
1240	134,770	34,759	7,336
1260	76,753	159,825	-
1290	-	-	-
1310	-	-	-
1000	<u>\$ 211,523</u>	<u>\$ 194,584</u>	<u>\$ 7,336</u>
Liabilities and Fund Balance			
Liabilities:			
Current Liabilities:			
2110	\$ -	\$ -	\$ -
2160	10,636	6,617	699
2170	200,887	187,967	6,637
2300	-	-	-
2000	<u>211,523</u>	<u>194,584</u>	<u>7,336</u>
Fund Balance:			
Nonspendable			
3410	-	-	-
Restricted			
3450	-	-	-
3470	-	-	-
Committed			
3545	-	-	-
3000	<u>-</u>	<u>-</u>	<u>-</u>
4000	<u>\$ 211,523</u>	<u>\$ 194,584</u>	<u>\$ 7,336</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
August 31, 2014

<u>Data Control Codes</u>	486	699	Total Nonmajor Governmental Funds
	<u>Miscellaneous Donations</u>	<u>Capital Projects Fund</u>	<u>Funds</u>
Assets			
1110	Cash and temporary investments	\$ 411	\$ 1,650,616
			\$ 7,155,092
Receivables:			
1240	Receivables from other governments		

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended August 31, 2014

		255	263	265
Data Control Codes		Title II, Part A	Title III, Part A	21st Century Grant
<hr/>				
Revenues				
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	<u>723,670</u>	<u>544,111</u>	<u>253,876</u>
5020	Total revenues	<u><u>723,670</u></u>	<u><u>544,111</u></u>	<u><u>253,876</u></u>

253,876 253,876 2

289 397 410 429 461 481

<u>Various Federal Funds</u>	<u>Advanced Placement Incentive</u>	<u>Instructional Materials Allotment</u>	<u>State Funded Special Revenue</u>	<u>Campus Activity Funds</u>	<u>Other Local Funds</u>
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GALENA PARK INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
August 31, 2014

Exhibit H-3

	Balance September 1, 2013	Additions	Deductions	Balance August 31, 2014
Assets				
Cash and Cash Equivalents	\$ 337,119	\$ 2,887,281	\$ 2,849,742	\$ 374,658
Due From Others	4,943	93,829	95,174	3,598
Other Receivables	172	972	918	226
	<u>\$ 342,234</u>	<u>\$ 2,982,082</u>	<u>\$ 2,945,834</u>	<u>\$ 378,482</u>
Liabilities				
Accounts Payable	\$ 25,600	\$ 1,030,809	\$ 1,054,391	\$ 2,018
Due to Other Funds	54,954	2,825,341	2,835,224	45,071
Due to Student Groups	261,680	1,217,487	1,147,774	331,393
	<u>\$ 342,234</u>	<u>\$ 5,073,637</u>	<u>\$ 5,037,389</u>	<u>\$ 378,482</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF DELINQUENT TAXES RECEIVABLE

For the Year Ended August 31, 2014

<u>Last Ten Fiscal Years</u>	<u>Tax Rates</u>		<u>Net Assessed/Appraised Value For School Tax Purposes</u>	<u>Beginning Balance 9/1/13</u>
	<u>Maintenance</u>	<u>Debt Service</u>		
2005 and prior	Various	Various	Various	\$ 1,621,864
2006	1.61000	0.20500	3,800,153,223	241,704
2007	1.46750	0.24750	4,219,257,026	213,707
2008	1.18340	0.24750	4,817,270,110	234,345
2009	1.18340	0.27250	5,466,719,898	352,202
2010	1.18340	0.29500	5,682,442,359	397,936
2011	1.18340	0.33000	5,462,732,192	433,775
2012	1.18340	0.33000	5,420,068,595	574,816
2013	1.18340	0.33000	6,362,846,718	1,412,560
2014	1.24330	0.27010	6,748,726,082	
1000 Totals				<u><u>\$ 5,482,909</u></u>
9000	Portion of Row 1000 for Taxes Paid into Tax Increment Zone Under Chapter 311, Tax Cose (Function 97)			<u>-</u>

Exhibit J-1

20	31	32	40	50
Current Year's Total Levy	Maintenance Total Collections	Debt Service Total Collections	Entire Year's Adjustments	Ending Balance 8/31/14
\$ -	\$ 43,563	\$ 5,499	\$ (57,886)	\$ 1,514,916
-	20,426	2,601	(5,708)	212,969
-	14,295	2,411	(5,565)	191,436
-	24,207	5,063	(5,823)	199,252
-	57,009	13,127	(7,534)	274,532
-	49,528	12,346	(23,878)	312,184
-	101,853	28,403	10,310	313,829
-	57,914	16,150	(118,316)	382,436
-	(61,272)	(13,311)	(844,782)	642,361
<u>101,872,657</u>	<u>82,879,136</u>	<u>17,931,741</u>	<u>337,281</u>	<u>1,399,061</u>
<u>\$ 101,872,657</u>	<u>\$ 83,186,659</u>	<u>\$ 18,004,030</u>	<u>\$ (721,901)</u>	<u>5,442,976</u>
				Penalty and interest receivable on taxes <u>4,324,198</u>
				Total taxes receivable per Governmental Fund Balance Sheet (C-1) <u>\$ 9,767,174</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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STATISTICAL SECTION
(UNAUDITED)

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GALENA PARK INDEPENDENT SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

Table 1

2011	2010	2009	2008	2007	2006	2005
\$ 53,833,026	\$ 49,875,572	\$ 52,299,778	\$ 51,849,703	\$ 51,112,413	\$ 61,209,595	\$ 52,104,329
10,531,018	9,835,302	9,702,298	8,028,543	8,122,503	7,557,687	9,825,046
5,897,450	10,646,315	5,488,537	4,843,758	(1,221,323)	(4,191,321)	10,500,883
<u>\$ 70,261,494</u>	<u>\$ 70,357,189</u>	<u>\$ 67,490,613</u>	<u>\$ 64,722,004</u>	<u>\$ 58,013,593</u>	<u>\$ 64,575,961</u>	<u>\$ 72,430,258</u>

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ (172,940,948)	\$ (174,692,874)	\$ (168,335,446)	\$ (152,228,928)	\$ (154,582,328)	\$ (149,789,436)	\$ (144,744,058)
<u>(172,940,948)</u>	<u>(174,692,874)</u>	<u>(168,335,446)</u>	<u>(152,228,928)</u>	<u>(154,582,328)</u>	<u>(149,789,436)</u>	<u>(144,744,058)</u>
84,019,149	79,970,986	\$ 70,110,785	\$ 72,803,076	\$ 68,572,107	\$ 64,881,658	\$ 61,606,343
88,240,597	96,509,112	98,205,339	81,439,459	75,730,783	73,887,932	76,565,779
133,886	366	7,260	836,330	1,022,391	-	-
285,073	1,041,617	2,709,581	3,497,284	1,883,506	1,386,141	1,072,089
166,548	37,369	71,096	361,190	811,173	687,274	899,243
<u>172,845,253</u>	<u>177,559,450</u>	<u>171,104,061</u>	<u>158,937,339</u>	<u>148,019,960</u>	<u>140,843,005</u>	<u>140,143,454</u>
<u>172,845,253</u>	<u>177,559,450</u>	<u>171,104,061</u>	<u>158,937,339</u>	<u>148,019,960</u>	<u>140,843,005</u>	<u>140,143,454</u>
<u>(95,695)</u>	<u>2,866,576</u>	<u>2,768,615</u>	<u>6,708,411</u>	<u>(6,562,368)</u>	<u>(8,946,431)</u>	<u></u>
<u>\$ (95,695)</u>	<u>\$ 2,866,576</u>	<u>\$ 2,768,615</u>	<u>\$ 6,708,411</u>	<u>\$ (6,562,368)</u>	<u>\$ (8,946,431)</u>	<u>\$</u>

Table 3

2010	2009	2008	2007	2006	2005
\$ 2,481,483	\$ 2,481,483	\$ 1,155,917	\$ 606,890	\$ 963,930	\$ 772,189
41,272,266	41,272,266	34,900,554	28,486,876	18,835,642	17,135,877
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 43,753,749</u>	<u>\$ 43,753,749</u>	<u>\$ 36,056,471</u>	<u>\$ 29,093,766</u>	<u>\$ 19,799,572</u>	<u>\$ 17,908,066</u>
\$ 8,881,453	\$ 8,451,723	\$ 8,372,217	\$ 7,850,712	\$ 6,443,115	\$ 6,617,530
22,880,112	10,909,530	18,606,927	19,446,036	14,055,414	180,343
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 31,761,565</u>	<u>\$ 19,361,253</u>	<u>\$ 26,979,144</u>	<u>\$ 27,296,748</u>	<u>\$ 20,498,529</u>	<u>\$ 6,797,873</u>

Table 4

2011	2010	2009	2008	2007	2006	2005
\$ 88,352,462	\$ 87,446,212	\$ 84,497,542	\$ 76,939,894	\$ 81,180,321	\$ 75,795,623	\$ 69,634,169
101,831,613	99,495,102	107,326,585	108,661,567	89,350,078	84,504,845	80,218,538
35,122,701	41,171,536	24,513,530	20,167,976	20,779,916	24,276,860	21,005,108
<u>225,306,776</u>	<u>228,112,850</u>	<u>216,337,657</u>	<u>205,769,437</u>	<u>191,310,315</u>	<u>184,577,328</u>	<u>170,857,815</u>
113,533,933	116,343,652	108,274,823	101,879,051	92,229,252	98,041,149	92,355,708
2,238,478	2,250,754	2,146,819	2,070,834	1,863,613	1,958,966	1,793,341
5,322,015	5,883,925	5,135,790	4,248,338	4,003,173	4,692,582	4,332,033
5,027,723	4,851,875	4,366,090	4,667,600	3,884,720	3,585,125	3,328,759
10,470,061	11,055,609	10,162,127	9,853,352	8,698,078	8,820,235	8,383,028
6,582,751	6,881,197	6,087,783	6,041,654	5,568,678	5,512,675	5,326,858
386,115	534,991	591,089	623,889	672,099	645,132	523,274
1,695,358	1,686,373	1,535,239	1,379,020	1,272,822	1,189,086	1,157,530
5,098,572	5,446,174	4,762,776	4,707,440	4,671,273	4,807,268	4,141,943
13,163,036	11,077,711	11,113,215	9,987,017	9,286,177	8,741,126	9,752,885
4,182,803	3,885,984	3,345,017	2,908,841	2,808,282	2,904,334	2,850,486
6,732,709	6,980,173	5,856,038	5,846,843	6,165,420	6,163,492	6,520,521
23,414,498	21,786,715	20,754,911	19,874,965	17,603,073	16,912,996	17,396,556
2,006,943	2,332,810	2,104,542	2,090,946	1,808,093	1,776,129	1,654,694
2,449,516	2,051,911	2,694,735	1,911,618	1,646,654	1,235,252	1,420,618
1,373,535	1,305,020	1,284,313	1,076,330	942,597	1,048,651	1,069,834
10,848,290	10,025,749	9,199,916	8,854,781	8,869,751	7,631,519	7,156,719
10,496,688	10,771,053	11,195,372	10,561,545	9,215,243	7,934,507	7,554,575
165,893	99,352	-	-	-	-	534,410
8,337,870	3,175,535	5,004,840	18,107,897	22,041,543	7,553,097	21,282,926
687,831	667,412	586,095	563,772	-	-	-
<u>234,214,618</u>	<u>229,093,975</u>	<u>216,201,530</u>	<u>217,255,733</u>	<u>203,250,541</u>	<u>191,153,321</u>	<u>198,536,698</u>
(8,907,842)	(981,125)	136,127	(11,486,296)	(11,940,226)	(6,575,993)	(27,678,883)
9,250,000	-	-	-	-	-	-
-	17,000,000	-	18,000,000	68,790,871	22,000,000	52,248,708
79,973	39,096	24,581	39,341	32,434	18,034	24,995
235,750	68,924	28,106	9,819	-	1,656,096	1,616,306
671,423	85,170	-	92,057	2,960,392	150,121	5,690,743
(235,750)	(40,928)	(27,948)	(9,819)	(554,346)	(1,656,096)	(1,616,306)
(9,753,590)	-	-	-	(43,077,608)	-	(57,409,513)
89,284	26,578	-	-	-	-	-
-	-	(81,480)	-	(119,103)	-	-
<u>337,090</u>	<u>17,178,840</u>	<u>(56,741)</u>	<u>18,131,398</u>	<u>28,032,640</u>	<u>22,168,155</u>	<u>554,933</u>
\$ (8,570,752)	\$ 16,197,715	\$ 79,386	\$ 6,645,102	\$ 16,092,414	\$ 15,592,162	\$ (27,123,950)
9.52%	9.25%	9.66%	9.75%	9.98%	8.48%	8.60%

GALENA PARK INDEPENDENT SCHOOL DISTRICT

REVENUE BY SOURCE FOR GOVERNMENTAL FUNDS *

LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues from Local and Intermediate Sources:				
Property Taxes	\$ 101,898,646	\$ 96,060,301	\$ 82,518,824	\$ 83,600,427
Food Sales	2,750,940	2,655,573	2,584,201	2,629,662
Earnings on Investments	167,415	177,448	195,268	226,543
Cocurricular / Student Activities	1,062,967	1,367,827	1,121,203	1,025,400
Other Revenues from Local and Intermediate Sources	1,665,146	609,729	420,162	870,430
Total Revenue from Local and Intermediate Sources	<u>107,545,114</u>	<u>100,870,878</u>	<u>86,839,658</u>	<u>88,352,462</u>
 State Program Revenues:				
Foundation School Formula	96,750,134	89,799,577	81,902,071	79,814,416
TRS On-behalf Revenue	7,975,683	6,868,878	7,395,226	8,193,606
Debt Allotment	2,553,951	4,503,773	3,597,685	3,134,120
Available School Fund (Per Capita)	5,347,184	9,490,102	5,056,922	6,555,194
District Awards Teacher Excellence (DATE)	-	-	1,454,823	1,480,587
Texas Educator Excellence Governors Award (TEEG)	-	-	-	-
Technology Allotment	-	-	-	591,107

GALENA PARK INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

Taxing Authority	2014	2013	2012	2011
Overlapping Rates:				
Cities:				
Galena Park, City of	1.04745	1.05745	1.03745	1.03745
Houston, City of	0.63875	0.63875	0.63875	0.63875
Jacinto City, City of	0.79991	0.76612	0.79593	0.80153
Counties:				
Harris Co	0.41455	0.40021	0.39117	0.38805
Municipal Utility Districts:				
Harris Co MUD #8	0.68000	0.68000	0.56500	0.54250
Harris Co MUD #53	0.88000	0.91000	0.87500	0.82500
Harris Co MUD #285	0.96000	0.98000	0.94500	0.93000
Water Control and Improvement Districts:				
Harris Co WC&ID #36	0.33000	0.31000	0.29000	0.29000
Port of Houston Authority	0.01716	0.01952	0.01856	0.02054
<small>06 Td(0320.9 (.3)14.2 (o F)56.1 MCID 25 BDC -0.0209 Tc 7.2 Td(08 Td(029 Tc 7.7CID42 (t)-150s2P))TJ3(t)2 /TD MCID 22d(0)202d(032o tnt)02</small>				
Other Governmental Entities:				
Harris Co Dept of Education				
Harris Co Flood Control District				
Haertt				

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Table 8

PRINCIPAL TAXPAYERS

August 31, 2014

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Helmerich & Payne	\$ 237,572,640	1	3.52%	Not Available		
Oil Tanking Houston, Inc.	169,860,418	2	2.52%	\$ 75,886,991	2	2.05%
Magellan Terminal Holdings	159,690,624	3	2.37%	50,727,810	6	1.37%
GE Packaged Power (1)	133,511,853	4	1.98%	165,654,880	1	4.48%
Marine Well Containment Company LLC	128,226,308	5	1.90%	Not Available		
Velero Marketing & Supply	116,995,705	6	1.73%	Not Available		
PMI Trading Limited	100,361,793	7	1.49%	Not Available		
NOV - Rig Solutions	87,331,470	8	1.29%	Not Available		
NOV Wilson LP	83,542,753	9	1.24%	Not Available		
Equilon Enterprises LLC	81,596,475	10	1.21%	Not Available		
GB Biosciences Corp.	Not Available			71,039,711	3	1.92%
Houston Fuel Oil	Not Available			68,617,640	4	1.86%
Stolt Nielson, Inc.	Not Available			51,374,359	5	1.39%
Centerpoint Energy Houston	Not Available			34,887,800	7	0.94%
GATX Terminals Corp	Not Available			34,342,440	8	0.93%
Haltermann Ltd	Not Available			31,087,700	9	0.84%
Chevron Chemical Co.	Not Available			28,277,320	10	0.76%
	<u>\$ 1,298,690,039</u>		<u>19.24%</u>	<u>\$ 611,896,651</u>		<u>16.55%</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL PERIODS

Table 9

Fiscal Year Ended August 31,	Total Tax Levy * for Fiscal Year (1)	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 63,120,289	\$ 61,390,689	97.26%	\$ 1,396,743	\$ 62,787,432	99.47%
2006	69,325,077	67,322,148	97.11%	1,789,960	69,112,108	99.69%
2007	72,145,369	70,597,750	97.85%	1,356,183	71,953,933	99.73%
2008	68,855,109	67,634,905	98.23%	1,020,952	68,655,857	99.71%
2009	78,941,849	77,745,766	98.48%	921,552	78,667,318	99.65%
2010	83,603,034	81,391,301	97.35%	1,404,042	82,795,343	99.03%
2011	82,672,989	81,347,725	98.40%	714,983	82,062,708	99.26%
2012	81,698,734	80,669,815	98.74%	219,702	80,889,517	99.01%
2013	96,048,750	94,771,892	98.67%	(74,583)	94,697,309	98.59%
2014	101,872,657	100,810,877	98.96%		100,810,877	98.96%

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

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Table 13

2010					
\$					
\$					

GALENA PARK INDEPENDENT SCHOOL DISTRICT

Table 15

PRINCIPAL EMPLOYERS

For the Year Ended August 31, 2014

Taxpayer	2014			2005⁽¹⁾		
	Employees	Rank*	Percentage of Principal Employers	Employees	Rank*	Percentage of Principal Employers
Harris County						
Galena Park ISD	2,958		56.34%			
Chevron Chemical Co.	592		11.28%			
Sam's Club	500		9.52%			
Wal-Mart	400		7.62%			
United State Gypsum Co	350		6.67%			
National Oilwell Varco	350		6.67%			
City of Galena Park	100		1.90%			
Total Harris County Employment	5,250					

⁽¹⁾ Information not readily available.

* Ranking is optional

Source: Manta.com

GALENA PARK INDEPENDENT SCHOOL DISTRICT

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES

LAST TEN FISCAL YEARS

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Professional Staff				
Teachers	1,473	1,480	1,492	1,537
Professional Support	263	297	270	307
Campus Administration	76	69	65	74
Central Administration	51	11	35	29
Education Aides	177	127	98	134
Auxiliary Staff	<u>918</u>	<u>956</u>	<u>1,014</u>	<u>1,023</u>
Total	<u><u>2,958</u></u>	<u><u>2,940</u></u>	<u><u>2,974</u></u>	<u><u>3,104</u></u>

Source: Texas Education Agency TAPR (Texas Academic Performance Report)

Table 16

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
1,573	1,520	1,545	1,532	1,603	1,523
274	285	227	218	190	169
70	72	75	67	72	65
34	27	29	36	50	45
167	141	146	176	150	93
<u>976</u>	<u>976</u>	<u>950</u>	<u>914</u>	<u>927</u>	<u>950</u>
<u>3,094</u>	<u>3,021</u>	<u>2,972</u>	<u>2,943</u>	<u>2,992</u>	<u>2,845</u>

GALENA PARK INDEPENDENT SCHOOL DISTRICT

OPERATING STATISTICS

LAST TEN FISCAL YEARS

Fiscal Year August 31,	Average Daily Attendance	Governmental Fund Expenditures		Government-wide Expenses	
		Operating Expenditures (1)	Cost per Student	Governmental Activities Expenses	Cost per Student
2005	19,282	\$ 162,008,068	\$ 8,402	\$ 180,707,121	\$ 9,372
2006	19,609	168,034,198	8,569	190,646,405	9,722
2007	19,587	163,124,004	8,328	183,886,925	9,388
2008	19,585	179,731,510	9,177	203,073,499	10,369
2009	19,780	190,801,402	9,646	213,781,703	10,808
2010	19,830	205,022,286	10,339	229,016,610	11,549
2011	20,114	204,365,877	10,160	226,263,052	11,249
2012	20,226	188,582,707	9,324	211,523,486	10,458
2013	20,500	191,994,074	9,366	213,051,992	10,393
2014	20,884	203,548,714	9,747	224,526,271	10,751

Source: District Records

- (1) Operating expenditures include governmental fund expenditures less debt service and facilities acquisition and construction expenditures.

Table 17

District Employees				Final Enrollment	Percentage Increase in Enrollment	Student / Teacher Ratio	Students Participating in Free/Reduced Lunch Program
Teachers	Professionals	Other	Total				
1,523	279	1,043	2,845	20,724	1.65%	14	14,598
1,603	312	1,077	2,992	21,221	2.40%	13	15,320
1,532	321	1,090	2,943	21,180	-0.19%	14	16,366
1,545	331	1,096	2,972	21,041	-0.66%	14	16,042
1,520	384	1,117	3,021	21,208	0.79%	14	17,983
1,573	379	1,142	3,094	21,409	0.95%	14	17,761
1,537	410	1,157	3,104	21,557	0.69%	14	16,842
1,492	370	1,112	2,974	21,780	1.03%	15	17,216
1,480	297	1,163	2,940	22,012	1.07%	15	18,220
1,473	263	1,222	2,958	22,515	2.29%	15	18,055

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
TEACHER BASE SALARIES
LAST TEN FISCAL YEARS

Table 18

Fiscal Year	Minimum Salary (1)	Maximum Salary (1)	State wide Average (2)
2005	\$ 36,275	\$ 58,875	\$ 41,009
2006	37,500	59,526	41,743
2007	40,000	62,875	44,897
2008	41,000	64,925	46,179
2009	43,000	67,475	47,159
2010	44,500	69,525	48,263
2011	45,000	70,575	48,638
2012	45,000	70,575	48,375
2013	45,000	70,575	48,821
2014	45,500	71,825	49,692

(1) Source: District Records

(2) Source: Texas Education Agency TAPR (Texas Academic Performance Report)

GALENA PARK INDEPENDENT SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS

<u>Building:</u>	<u>Year Built</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
------------------	-------------------	-------------	-------------	-------------

MIDDLE SCHOOLS (continued)

GALENA PARK INDEPENDENT SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS

Building: _____ **Year Built** _____ **2014** _____ **2013** _____ **2012** _____

Elementary (continued)

Tice

Square Footage

Additions

Revised Sq Ft

Capacity (se

seu012.3 (m-39.4 n (l)45.6 (t)TJEMC /T9 MCID8.3 (e)-8299 Tce(r)MCID8.3 (59 119 1.3

GALENA PARK INDEPENDENT SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS

Building:	Year Built	2014	2013	2012
OTHER CAMPUSES				
Becker Early Head Start				
Square Footage		9,295	9,295	9,295
Additions				
Revised Sq Ft		<u>9,295</u>	<u>9,295</u>	<u>9,295</u>
Capacity		64	64	64
Enrollment		64	64	64
PEP Center	2007			
Square Footage		9,651	9,651	9,651
Additions				
Revised Sq Ft		<u>9,651</u>	<u>9,651</u>	<u>9,651</u>
Capacity		48	48	48
Enrollment		48	48	48
Sub-Total Sq Ft. Other Campuses		<u>18,946</u>	<u>18,946</u>	<u>18,946</u>
OTHER FACILITIES				
ACT Clinic	2008			
Square Footage		3,100	3,100	3,100
Administration Building	2001			
Square Footage		81,000	81,000	81,000
Facilities & Planning/Warehouse				
Square Footage		18,456	18,456	18,456
Grounds Maintenance Dept.				
Square Footage		5,670	5,670	5,670
FFA Agricultural Facility	2002			
Square Footage		28,880	28,880	28,880
South Annex	1944			
Square Footage		5,603	5,603	5,603
Maintenance Facility	1950			
Square Footage		22,154	22,154	22,954
Stadium/Natorium	2002			
Square Footage		44,519	44,519	44,519
Transportation Department	2001			
Square Footage		17,700	17,700	17,700
Athletics Office	2002			
Square Footage		10,669	10,669	10,669
North Annex				
Square Footage		<u>2,250</u>	<u>2,250</u>	
Sub-Total Sq Ft. Other Facilities		<u>240,001</u>	<u>240,001</u>	<u>238,551</u>
GRAND TOTAL		<u>3,659,413</u>	<u>3,659,413</u>	<u>3,657,963</u>

Source: District Records

Note #1: Capacity does not include temporary buildings

Note #2: This is a specialized campus where students are enrolled in either GPHS, NSHS, or NSHS West.

Note #3: Northohh4824.3 (ern (ge))-17(R)69.4 (ec)-7.(i)68.3 .3 (ern (s)-47.3 (i)61 en)-24.3 (t)-12.2 ((ec)-7.f)-24.3A-32.5.3 cc (l)68.317 (l)61 (h)-7Waesede

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GALENA PARK INDEPENDENT SCHOOL DISTRICT
REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS