

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2016

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

ANNUAL FINANCIAL REPORT
For the Year Ended August 31, 2016

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INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

ANNUAL FINANCIAL REPORT
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INTRODUCTORY SECTION

CERTIFICATE OF BOARD

Snyder Consolidated
Independent School District
Name of School District

Scurry
County

208-902
Co.- Dist Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and approved disapproved (check one) for the year ended August 31, 2016 at a meeting of the Board of Trustees of such school district on the 12th day of January, 2017.



Signature of Board Secretary



Signature of Board President

If the Board of Trustees disapproved of the auditor's report, the reason(s) for disapproving it is (are):

(attach list as necessary):

FINANCIAL SECTION

Terry & King, CPAs, P.C.

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P.O. Box 93550
Lubbock, TX 79493-3550

Randel J. Terry, CPA
Ryan R. King, CPA

Telephone - (806) 698-8858 – Fax – (866) 288-6490

Independent Auditors' Report on Financial Statements

Board of Trustees
Snyder Consolidated
Independent School District
2901 37th Street
Snyder, Texas 79549

Members of the Board of Trustees:

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 the Snyder Consolidated Independent School 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, identified as Required Supplementary Information 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 Snyder Consolidated Independent School District's basic financial statements. The accompanying other schedules listed in the table of contents as Other Supplementary Information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

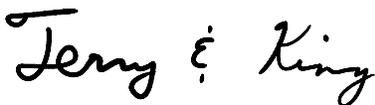
This information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected 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, this information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Fund Balance and Cash Flow Calculation Worksheet-General Fund has 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2016, on our consideration of the Snyder Consolidated Independent School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Snyder Consolidated Independent School District's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in cursive script that reads "Terry & King". The signature is written in black ink and is positioned above the typed name of the firm.

Terry & King, CPAs, P.C.
Lubbock, Texas
December 16, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Snyder Independent School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended August 31, 2016. This section provides additional insight into the District and should be read in conjunction with the independent auditor's report on page 2 and the basic financial statements that begin on page 15.

FINANCIAL HIGHLIGHTS

- The District's total combined net position was \$77,739,795 at August 31, 2016.
- During the year, the District's expenses (including depreciation expense) were \$6,849,785 less than the \$48,486,172 generated in taxes and other revenues for governmental activities.
- The total cost of the District's programs decreased 9% primarily due to expenditures for contracted instructional services between schools.
- The general fund balance decreased from \$34,639,351 to \$28,998,331 between fiscal years 2015 and 2016. The District expended \$12,015,000 of general fund fund balance to finish the construction of the new Junior High School building. A total of \$7,505,000 in fund balance was committed for construction and other capital expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and *other supplementary information* that presents TEA required schedules.

The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District's operations in *more* detail than the government-wide statements.
 - The *governmental fund* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
 - *Proprietary fund* statements provide information about the fund types that operate similar to a business enterprise.
 - *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. The following table summarizes the major features of the District's financial statements, including the portion of the District government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Major Features of the District's Government-Wide and Fund Financial Statements				
Type of Statement	Government-wide	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary	Activities the District operates similar to private businesses	Instances in which the District is the trustee or agent for someone else's accounts
Required financial statements	Statement of net assets	Balance sheet	Statement of net assets	Statement of fiduciary net assets
	Statement of activities	Statement of revenues, expenditures and changes in fund balances	Statement of revenues, expenses and changes in fund net assets Statement of cash flows	Statement of changes in fiduciary net assets, when applicable
Accounting basis and measurement focus	Accrual accounting and economic resources measurement focus	Modified accrual accounting and current financial resources measurement focus	Accrual accounting and economic resources measurement focus	Accrual accounting and economic resources measurement focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term, the District's funds do not currently contain capital assets, although they can
Type of in flow/out flow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's *net position* and how it has changed. Net position - the difference between the District's assets and liabilities, is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional nonfinancial factors such as changes in the District's tax base.

The government-wide financial statements of the District include:

- *Governmental activities* – Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum and staff development, health services, and general administration. Property taxes and grants finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds*-not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Board of Trustees established other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has three kinds of funds:

- *Governmental funds*- Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund financial statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the subsequent page that explains the relationship (or differences) between them.
- *Proprietary funds*- The District uses internal service funds to account for the District's employee health and workers' compensation claims. Because these services solely benefit the District rather than business-type functions, the assets have been included within governmental activities in the government-wide financial statements.

- *Fiduciary funds*- The District is the trustee, or *fiduciary*, for certain funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

There are two key components to net position of the District. The first component is net investment in capital assets. This portion of net position reflects the District's investment in capital assets, less any related debt used to acquire those assets that remain outstanding. The District utilizes these assets to provide its services; consequently, these assets are not available to provide for day-to-day operations. In addition, although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities. This amount totals \$49,601,950 or 64% of total net position for the fiscal year ended August 31, 2016.

The second component of net position is unrestricted net position. This portion of net position is used by the District to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. This amount totals \$25,832,710 or 33% of total net position as of August 31, 2016. This surplus is not an indication that the District has significant resources available to meet financial obligations next year, but rather the result of having long-term commitments that are less than currently available resources.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position. The District's combined net position was \$77,739,795 at August 31, 2016. (See Table A-1).

Table A-1
Snyder Consolidated Independent School District's Net Position

	Governmental Activities		Percentage Change
	August 31, 2016	August 31, 2015	
Current assets:			
Cash and cash equivalents	26,027,119	45,234,171	-42%
Due from other governments	7,532,210	1,485,299	407%
Taxes Receivable, net	389,702	205,894	89%
Inventories	27,050	33,831	-20%
Prepaid Expense or Expenditures	43,475	43,475	0%
Other Receivables	140,747	288,402	-51%
Total current assets:	34,160,303	47,291,072	-28%
Noncurrent assets:			
Land	594,018	594,018	0%
Construction in Progress	4,310	8,787,030	-100%
Buildings & Improvements	99,203,568	72,924,550	36%
Less accumulated depreciation, buildings & improvements	(26,885,299)	(24,741,224)	9%
Vehicles	3,092,327	3,072,955	1%
Less accumulated depreciation, vehicles	(2,344,109)	(2,190,250)	7%
Furniture & Equipment	7,538,024	6,258,963	20%
Less accumulated depreciation, furniture & equipment	(6,003,206)	(5,809,393)	3%
Total noncurrent assets	75,199,633	58,896,649	28%
Total Assets	109,359,936	106,187,721	3%
Deferred Outflow of Resources:			
Deferred charge on bond defeasance	326,679	371,980	-12%
Deferred outflows - pension	2,675,861	802,244	234%
Total Deferred Outflows of Resources	3,002,540	1,174,224	156%
Current liabilities:			
Accounts Payable	107,537	117,352	-8%
Interest Payable	35,804	38,842	-8%
Accrued Wages Payable	977,170	860,815	14%
Due to Other Governments	21,086	385,168	-95%
Accrued Expenditures/Expenses	280,180	232,737	20%
Unearned Revenue	346,140	1,741,122	-80%
Total current liabilities	1,767,917	3,376,036	-48%
Long-term liabilities:			
Compensated Absences - due in more than one year	234,929	217,205	8%
Premium on Bond Issuance	1,307,616	1,485,433	-12%
Bonds and Notes - Due within one year	2,215,000	2,370,000	-7%
Bonds and Notes - Due in more than one year	22,410,000	24,625,000	-9%
Net Pension Liability	6,223,982	3,367,984	85%
Total long-term liabilities	32,391,527	32,065,622	1%
Total Liabilities	34,159,444	35,441,658	-4%
Deferred Inflows of Resources:			
Deferred Inflows - Pension	463,237	1,030,277	-55%
Net Position:			
Net investment in capital assets	49,601,950	30,749,353	61%
Restricted for Food Service	104,305	566,257	-82%
Restricted for Debt Service	2,200,830	1,648,101	34%
Unrestricted	25,832,710	37,926,299	-32%
Total Net Position	77,739,795	70,890,010	10%

The \$25,832,710 of unrestricted net position represents resources available to fund the programs of the District next year.

Changes in net position. The District's total revenues were \$48,486,172. (See table "Changes in the District's Net Position"). A significant portion (64%) of the District's revenue comes from local property taxes, 34% comes from grants and contributions. Property tax revenue decreased 20% from the prior year. Grants and contributions increased approximately 64%.

**CHANGES IN NET POSITION
TOTAL REVENUES**

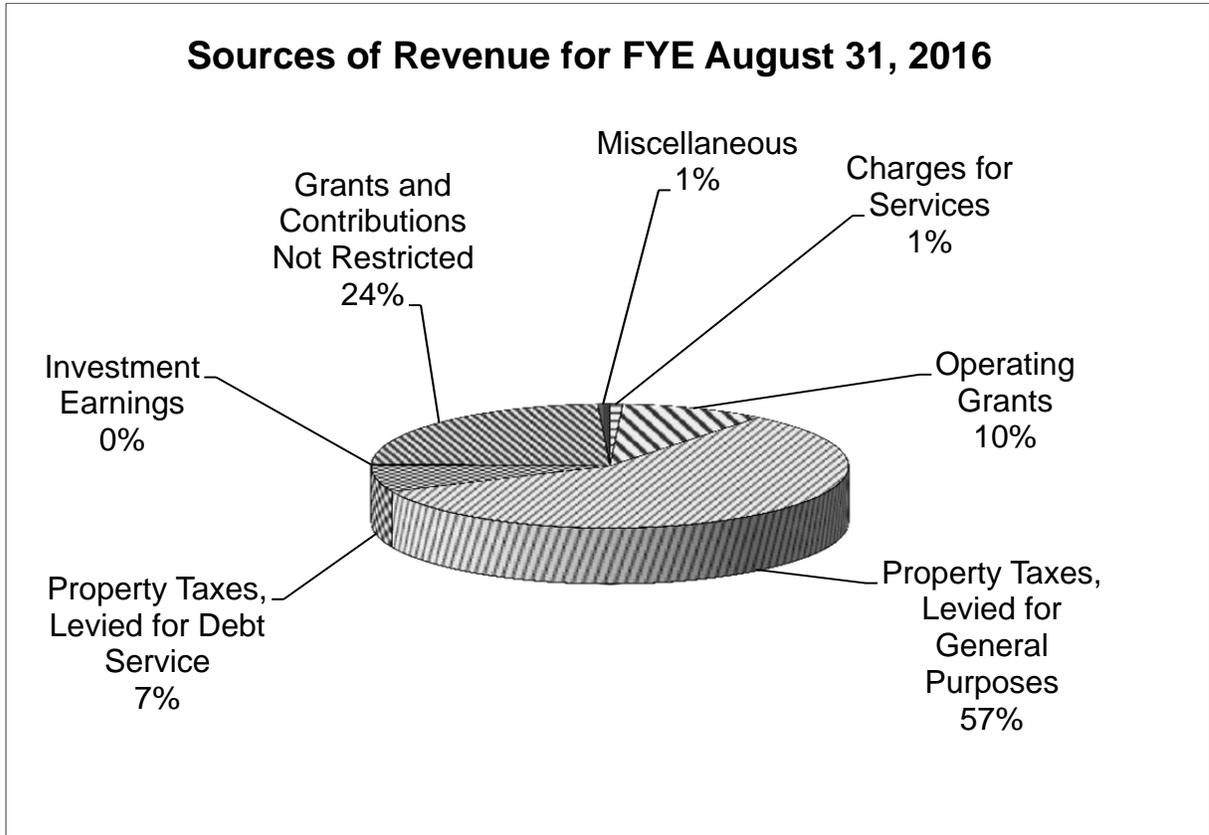


Table A-2
Changes in Snyder Consolidated Independent School District's Net Position

	Governmental Activities		Percentage Change
	<u>2016</u>	<u>2015</u>	
Program Revenues:			
Charges for Services	414,805	438,579	-5%
Operating Grants and Contributions	4,764,941	4,434,742	7%
General Revenues:			
Property Taxes, Levied for General Purposes	27,877,810	34,755,142	-20%
Property Taxes, Levied for Debt Service	3,387,784	4,237,286	-20%
Grants and Contributions not restricted	11,479,888	5,461,219	110%
Investment Earnings	166,858	168,627	-1%
Other	394,086	653,431	-40%
Total Revenues	<u>48,486,172</u>	<u>50,149,026</u>	-3%
Instruction	17,095,464	17,058,585	0%
Instructional Resources and Media Services	688,947	659,823	4%
Curriculum Development and Instructional Staff Development	94,175	155,771	-40%
Instructional Leadership	628,388	596,774	5%
School Leadership	1,661,826	1,605,426	4%
Guidance, Counseling and Evaluation Services	886,634	1,073,650	-17%
Social Work Services	-	23,776	-100%
Health Services	174,846	104,893	67%
Student (Pupil) Transportation	988,298	845,739	17%
Food Services	1,641,986	1,660,478	-1%
Curricular/Extracurricular Activities	1,098,328	1,247,865	-12%
General Administration	1,031,680	1,070,506	-4%
Plant Maintenance & Operation	3,212,388	3,351,536	-4%
Security & Monitoring Services	46,251	54,608	-15%
Data Processing Services	292,666	472,886	-38%
Community Services	55,931	95,104	-41%
Interest on Long-Term Debt	761,717	816,704	-7%
Bond Issuance Costs and Fees	52,832	49,347	7%
Contracted instructional services between schools	10,315,676	14,102,064	-27%
Payments to Tax Increment Fund	206,807	209,876	-1%
Other Intergovernmental Charges	701,547	746,952	-6%
Total Expenses	<u>41,636,387</u>	<u>46,002,363</u>	-9%
Increase (Decrease) in Net Position	6,849,785	4,146,663	65%
Net Position - Beginning	70,890,010	70,559,287	0%
GASB Standard Change	-	(3,815,940)	-100%
Net Position - Ending	<u><u>77,739,795</u></u>	<u><u>70,890,010</u></u>	10%

The following table presents the cost of each of the District's largest programs as well as each program's *net cost* (total cost less fees generated by the program's activities and intergovernmental aid). The net cost shows the financial burden that was placed on the District's taxpayers and state aid funding by each of these functions.

	Total Cost of Services	Program Revenues	Net Costs	
			2016	2015
Instruction	\$ 17,095,464	\$ 2,979,866	\$ 14,115,598	\$ 14,415,506
Plant maintenance & operations	3,212,388	75,489	3,136,899	3,268,384
General administration	1,031,680	24,225	1,007,455	1,043,558
Food service	1,641,986	1,535,705	106,281	179,359
Extracurricular activities	1,098,328	27,276	1,071,052	1,221,076
Contracted instruction services between schools	10,315,676	0	10,315,676	14,102,064
Other programs	7,240,865	537,185	6,703,680	6,899,095
Total	<u>\$ 41,636,387</u>	<u>\$ 5,179,746</u>	<u>\$ 36,456,641</u>	<u>\$ 41,129,042</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Revenues from governmental fund types totaled \$48,299,365 a decrease of \$1,826,286 from 2015. Local revenues decreased \$8,179,305 primarily due to decreased property tax collections. State program revenues increased \$6,350,845. Federal grant revenues increased \$2,474.

General Fund Budgetary Highlights

Actual revenues in the general fund were \$157,301 more than the final budgeted revenues. Actual expenditures were \$553,457 below final budget amounts.

The Board adopted a budget with an estimated decrease in fund balance of \$6,351,778. The actual net change in fund balance for the general fund was a decrease of \$5,641,020.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2016, the District had invested \$110,432,247 in a broad range of capital assets, including buildings, equipment and vehicles. (See table below).

District's Capital Assets

	Governmental Activities	
	<u>2016</u>	<u>2015</u>
Land	\$ 594,018	\$ 594,018
Construction in Progress	8,791,339	8,787,029
Buildings & Improvements	90,416,539	72,924,550
Vehicles	3,092,327	3,072,955
Furniture & Equipment	<u>7,538,024</u>	<u>6,258,962</u>
Total Capital Assets	110,432,247	91,637,514
Less: Accumulated Depreciation	<u>(35,232,616)</u>	<u>(32,740,866)</u>
Due in one year or more	<u>\$ 75,199,631</u>	<u>\$ 58,896,648</u>

Long-term Debt

District's Long-Term Debt

	Governmental Activities	
	<u>2016</u>	<u>2015</u>
Compensated absences payable	\$ 234,929	\$ 217,206
2005 Unlimited Tax School Building Bonds	3,645,000	4,440,000
2011 Maintenance Tax Note	4,255,000	4,730,000
2013 Unlimited Tax Refunding Bonds	5,800,000	5,800,000
2014 Unlimited Tax School Building Bonds	10,925,000	12,025,000
Net Pension Liability	6,223,982	3,367,984
Premium on bond issuance	<u>1,307,616</u>	<u>1,485,434</u>
Total long-term debt	32,391,527	32,065,624
Less: Due within one year	<u>(2,215,000)</u>	<u>(2,370,000)</u>
Due in one year or more	<u>\$ 30,176,527</u>	<u>\$ 29,695,624</u>

More detailed information about the District's debt is presented in the Notes to the Financial Statements.

ECONOMIC FACTORS AND BUDGET FOR 2016-2017

The District's elected and appointed officials considered many factors when setting the fiscal year 2016-2017 budget and tax rate. The budget process begins with identifying needs and maintaining quality staff, supplies, and facilities. First and foremost, the District's instructional needs were identified at the District Planning Retreat. Other areas including maintenance, transportation, food service, and administration were also reviewed. All campuses and departments have significant input into the budget process. The District's budget is based on a compilation of this data and the amount of funding from the state and local property taxes. The tax rate and tax base dictates how much local funding the District will receive. The District's economy is based on oil and gas production and related industries.

There are several reasons to view the District's future with optimistic caution. The funding formula used by the state is stagnant in nature and therefore does not allow for increases in costs to operate a school district. As utility, fuel, and other support service costs continue to increase, more funds will be diverted from instruction and instruction related areas to support these operations. The District continues to use a portion of the general operating budget to fund much needed renovations and construction. Other funding sources will be evaluated to see if additional repairs and renovations can be made.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances as well as demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, Snyder I.S.D., 2901 37th St., Snyder, Texas, 79549-5226.

BASIC FINANCIAL STATEMENTS

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

STATEMENT OF NET POSITION
August 31, 2016

<u>Data Control Codes</u>		1 <u>Governmental Activities</u>
	ASSETS:	
1110	Cash and Cash Equivalents	\$ 26,027,119
1225	Taxes Receivable, Net	389,702
1240	Due from Other Governments	7,532,210
1290	Other Receivables	140,747
1300	Inventories	27,050
1410	Prepaid Expenses	43,475
	Capital Assets:	
1510	Land	594,018
1520	Buildings & Improvements, net	72,318,269
1530	Furniture & Equipment, net	2,283,036
1580	Construction in Progress	4,310
1000	<u>TOTAL ASSETS</u>	<u>\$ 109,359,936</u>
	DEFERRED OUTFLOWS OF RESOURCES:	
1701	Deferred Charge on Bond Defeasance	\$ 326,679
1710	Deferred Outflows - Pension	2,675,861
	<u>TOTAL DEFERRED OUTFLOWS OF RESOURCES</u>	<u>\$ 3,002,540</u>
	LIABILITIES:	
	Current Liabilities:	
2110	Accounts Payable	\$ 107,537
2140	Interest Payable	35,804
2160	Accrued Wages Payable	977,170
2180	Due to Other Governments	21,086
2210	Accrued Expenses	280,180
2300	Unearned Revenue	346,140
	Noncurrent Liabilities:	
2501	Bonds -Due within one year	2,215,000
2502	Bonds - Due in more than one year	22,410,000
2530	Compensated absences payable	234,929
2540	Net Pension Liability	6,223,982
2590	Premium on bond issuance	1,307,616
2000	<u>Total Liabilities</u>	<u>34,159,444</u>
	DEFERRED INFLOWS OF RESOURCES	
2605	Deferred Inflows - Pension	463,237
	<u>Total Deferred Inflows of Resources</u>	<u>463,237</u>
	NET POSITION:	
3200	Net investment in capital assets	49,601,950
	Restricted for:	
3450	Food Service	104,305
3850	Debt Service	2,200,830
3900	Unrestricted	25,832,710
3000	<u>TOTAL NET POSITION</u>	<u>\$ 77,739,795</u>

The accompanying notes are an integral part of this statement.

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

STATEMENT OF ACTIVITIES
For the Year Ended August 31, 2016

Data Control		1	3	4	Net (Expense)
			Program Revenues		
Codes	Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
	Government Activities:				
11	Instruction and Instruction-Related Services	\$ 17,095,464	\$ 330	\$ 2,979,536	\$ (14,115,598)
12	Instructional Resources and Media Services	688,947	-	24,452	(664,495)
13	Curriculum Development and Instructional Staff Development	94,175	-	41,111	(53,064)
21	Instructional Leadership	628,388	-	135,243	(493,145)
23	School Leadership	1,661,826	-	79,130	(1,582,696)
31	Guidance, Counseling, & Evaluation Services	886,634	-	158,437	(728,197)
32	Social Work Services	-	-	-	-
33	Health Services	174,846	-	8,714	(166,132)
34	Student (Pupil) Transportation	988,298	-	33,423	(954,875)
35	Food Services	1,641,986	410,920	1,124,785	(106,281)
36	Extracurricular Activities	1,098,328	-	27,276	(1,071,052)
41	General Administration	1,031,680	-	24,225	(1,007,455)
51	Plant Maintenance and Operations	3,212,388	3,555	71,934	(3,136,899)
52	Security and Monitoring Services	46,251	-	-	(46,251)
53	Data Processing	292,666	-	4,549	(288,117)
61	Community Services	55,931	-	27,684	(28,247)
72	Interest on Long-Term Debt	761,717	-	24,442	(737,275)
73	Bond Issuance Costs and Fees	52,832	-	-	(52,832)
91	Contracted instructional services between schools	10,315,676	-	-	(10,315,676)
97	Payments to Tax Increment Fund	206,807	-	-	(206,807)
99	Other Ingovernmental Charges	701,547	-	-	(701,547)
TG	<u>Total Government Activities</u>	<u>41,636,387</u>	<u>414,805</u>	<u>4,764,941</u>	<u>(36,456,641)</u>
TP	Total Primary Government	<u>41,636,387</u>	<u>414,805</u>	<u>4,764,941</u>	<u>(36,456,641)</u>
	General Revenues:				
MT	Property Taxes, Levied for General Purposes				27,877,810
DT	Property Taxes, Levied for Debt Service				3,387,784
IE	Investment Earnings				166,858
GC	Grants and Contributions Not Restricted to Specific Programs				11,479,888
MI	Miscellaneous				391,086
S1	Gain on Sale of Assets				3,000
TR	Total General Revenues and Special Items				<u>43,306,426</u>
CN	Change in Net Position				6,849,785
NB	Net Position -- Beginning				<u>70,890,010</u>
NE	Net Position -- Ending				<u>\$ 77,739,795</u>

The accompanying notes are an integral part of this statement.

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

BALANCE SHEET - GOVERNMENTAL FUNDS
August 31, 2016

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds	
ASSETS:						
1110	Cash and Cash Equivalents	\$ 22,374,090	\$ 2,156,290	\$ 8,253	\$ 475,309	\$ 25,013,942
1225	Taxes Receivable, Net	348,187	41,515	-	-	389,702
1240	Due from Other Governments	6,646,507	-	-	885,703	7,532,210
1260	Due from Other Funds	769,296	24,442	-	-	793,738
1290	Other Receivables	125,116	14,387	-	1,223	140,726
1300	Inventories	27,050	-	-	-	27,050
1410	Prepaid Expenditures	43,475	-	-	-	43,475
1000	<u>TOTAL ASSETS</u>	<u>\$ 30,333,721</u>	<u>\$ 2,236,634</u>	<u>\$ 8,253</u>	<u>\$ 1,362,235</u>	<u>\$ 33,940,843</u>
LIABILITIES:						
Current Liabilities:						
2110	Accounts Payable	\$ 39,420	\$ -	\$ -	\$ 67,578	\$ 106,998
2160	Accrued Wages Payable	903,041	-	-	74,129	977,170
2170	Due to Other Funds	40,673	-	-	753,065	793,738
2180	Due to Other Governments	-	-	-	21,086	21,086
2300	Unearned Revenue	4,069	-	-	342,072	346,141
2000	<u>Total Liabilities</u>	<u>987,203</u>	<u>-</u>	<u>-</u>	<u>1,257,930</u>	<u>2,245,133</u>
DEFERRED INFLOWS OF RESOURCES:						
2601	Unavailable Revenue - Property Taxes	348,187	41,515	-	-	389,702
	<u>Total Deferred Inflows of Resources</u>	<u>348,187</u>	<u>41,515</u>	<u>-</u>	<u>-</u>	<u>389,702</u>
FUND BALANCES:						
Nonspendable Fund Balances:						
3410	Investments in Inventory	27,050	-	-	-	27,050
3430	Prepaid Items	43,475	-	-	-	43,475
Restricted Fund Balances:						
3450	Food Service	-	-	-	104,305	104,305
3470	Capital Acquisition Program	-	-	8,253	-	8,253
3480	Retirement of Long-Term Debt	-	2,195,119	-	-	2,195,119
Committed Fund Balances:						
3510	Construction and Land Purchase	2,005,000	-	-	-	2,005,000
3545	Other Committed	5,500,000	-	-	-	5,500,000
3600	Unassigned	21,422,806	-	-	-	21,422,806
3000	<u>Total Fund Balance</u>	<u>28,998,331</u>	<u>2,195,119</u>	<u>8,253</u>	<u>104,305</u>	<u>31,306,008</u>
4000	<u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>	<u>\$ 30,333,721</u>	<u>\$ 2,236,634</u>	<u>\$ 8,253</u>	<u>\$ 1,362,235</u>	<u>\$ 33,940,843</u>

The accompanying notes are an integral part of this statement.

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
August 31, 2016

Total Fund Balances -- Governmental Funds Balance Sheet	\$ 31,306,008
Amounts reported for governmental activities in the statement of net position (A-1) are different because:	
1 Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	75,199,633
2 Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.	389,702
3 Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(24,895,733)
4 The amount of premium/discount on bonds is required to be recognized in the statement of net position.	(1,307,615)
5 The net charge related to the defeasance of bonds is reported as a deferred outflow of resources on the statement of net position.	326,679
6 Internal Service Funds are used by management to charge the costs of certain activities to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is an increase in net position.	732,479
7 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68 in the amount of \$6,223,982, a deferred resource inflow related to TRS in the amount of \$463,237, and a deferred resource outflow related to TRS in the amount of \$2,675,861. This resulted in a decrease in net position by \$4,011,358.	<u>(4,011,358)</u>
Net Position of Governmental Activities -- Statement of Net Position	<u>\$ 77,739,795</u>

The accompanying notes are an integral part of this statement.

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
GOVERNMENTAL FUNDS
For the Year Ended August 31, 2016

Data Control Codes		10 General Fund	50 Debt Service Fund	60 Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds
	REVENUES:					
5700	Local and Intermediate Sources	\$ 28,252,610	\$ 3,379,247	\$ 9,573	\$ 413,103	\$ 32,054,533
5800	State Program Revenues	12,273,001	24,442	-	219,732	12,517,175
5900	Federal Program Revenues	193,754	-	-	3,533,903	3,727,657
5020	<u>Total Revenues</u>	<u>40,719,365</u>	<u>3,403,689</u>	<u>9,573</u>	<u>4,166,738</u>	<u>48,299,365</u>
	EXPENDITURES:					
	Current:					
0011	Instruction and Instruction-Related Services	13,065,809	-	-	2,328,669	15,394,478
0012	Instructional Resources and Media Services	623,738	-	-	-	623,738
0013	Curriculum Development and Instructional Staff Development	45,002	-	-	40,998	86,000
0021	Instructional Leadership	452,294	-	-	110,747	563,041
0023	School Leadership	1,492,011	-	-	-	1,492,011
0031	Guidance, Counseling, & Evaluation Services	671,053	-	-	122,468	793,521
0032	Social Work Services	-	-	-	-	-
0033	Health Services	158,036	-	-	-	158,036
0034	Student (Pupil) Transportation	913,844	-	-	-	913,844
0035	Food Services	-	-	-	1,999,841	1,999,841
0036	Cocurricular/Extracurricular Activities	993,473	-	-	-	993,473
0041	General Administration	923,135	-	-	-	923,135
0051	Plant Maintenance and Operations	2,850,450	-	73,975	-	2,924,425
0052	Security and Monitoring Services	46,251	-	-	-	46,251
0053	Data Processing Services	291,917	-	-	-	291,917
0061	Community Services	28,096	-	-	25,967	54,063
0071	Principal on Long-Term Debt	475,000	1,895,000	-	-	2,370,000
0072	Interest on Long-Term Debt	10,367	932,206	-	-	942,573
0073	Bond Issuance Costs and Fees	-	7,531	-	-	7,531
0081	Capital Outlay	83,879	-	18,191,483	-	18,275,362
0091	Contracted instructional services between schools	10,315,676	-	-	-	10,315,676
0097	Payments to Tax Increment Fund	206,807	-	-	-	206,807
0099	Other Ingovernmental Charges	701,547	-	-	-	701,547
6030	<u>Total Expenditures</u>	<u>34,348,385</u>	<u>2,834,737</u>	<u>18,265,458</u>	<u>4,628,690</u>	<u>60,077,270</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	6,370,980	568,952	(18,255,885)	(461,952)	(11,777,905)
	Other Financing Sources and (Uses):					
7912	Sale of Real or Personal Property	3,000	-	-	-	3,000
7915	Operating Transfers In	-	-	12,015,000	-	12,015,000
8911	Operating Transfers Out	(12,015,000)	-	-	-	(12,015,000)
	<u>Total Other Financing Sources and (Uses)</u>	<u>(12,012,000)</u>	<u>-</u>	<u>12,015,000</u>	<u>-</u>	<u>3,000</u>
1200	Net Change in Fund Balances	(5,641,020)	568,952	(6,240,885)	(461,952)	(11,774,905)
0100	Fund Balances -- Beginning	34,639,351	1,626,167	6,249,138	566,257	43,080,913
1300	Prior Period Adjustment	-	-	-	-	-
3000	<u>Fund Balances -- Ending</u>	<u>\$ 28,998,331</u>	<u>\$ 2,195,119</u>	<u>\$ 8,253</u>	<u>\$ 104,305</u>	<u>\$ 31,306,008</u>

The accompanying notes are an integral part of this statement.

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

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

Net Change in Fund Balances -- Total Governmental Funds	\$ (11,774,905)
Amounts reported for governmental activities in the statement of activities ("SOA") 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 useful lives as depreciation expense. This is the amount of capital outlays during the current period.	18,794,734
The depreciation of capital assets is not reported in the funds. This is the amount of current depreciation on these assets.	(2,491,749)
Certain property tax revenues are unavailable in the funds. These are the amounts that have not been collected and are therefore do not provide current financial resources. This is the amount that these accounts changed during the current period.	183,808
Repayment of debt principal is an expenditure in the governmental funds, but is a reduction of long-term debt in the statement of net position. This amount is the total debt principal repaid for capital leases, loans & bonded indebtedness.	2,370,000
The amount of interest which is accrued but not yet paid for bond payments is recognized in the governmental funds. This is the change in interest payable.	3,037
Premiums received from the issuance of bonds is recorded in the governmental funds as an other source of current resources. For the statement of net position, these premiums are amortized and a portion recognized as revenue over the life of the bonds.	177,818
Charges related to early defeasance of long-term debt are recorded in the governmental funds as an expenditure of current resources. For the statement of net position, these charges are amortized and a portion recognized as expense over the life of the bonds.	(45,301)
Certain costs associated with the accrual of sick leave are recognized as expenditures in the governmental funds when established. This is the change in sick leave accrual.	(17,723)
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	65,407
The implementation of GASB 68 required that certain expenditures be de-expended and recorded as deferred resource inflows. These contributions made after the measurement date of 8/31/15 caused the change in the ending net position to increase in the amount of \$547,096. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability for the District. This caused a decrease in the change in net position totaling \$531,234. The District's proportionate share of the TRS pension expense on the plan as a whole had to be recorded as an expense. The net pension expense decreased the change in net position \$431,203. The result of these amounts is to decrease the change in net position by \$415,341.	<u>(415,341)</u>
Change in Net Position of Governmental Activities -- Statement of Activities	<u>\$ 6,849,785</u>

The accompanying notes are an integral part of this statement.

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
August 31, 2016

<u>Data Control Codes</u>		<u>Nonmajor Internal Service Fund</u>
	ASSETS:	
	Current Assets:	
1110	Cash and Cash Equivalents	\$ 1,013,177
1290	Other Receivables	21
	Total Assets	<u>\$ 1,013,198</u>
	LIABILITIES:	
2110	Accounts Payable	\$ 539
2170	Due to Other Funds	-
2210	Accrued Expenses	280,180
2000	Total Liabilities	<u>\$ 280,719</u>
	NET POSITION:	
3900	Unrestricted Net Position	<u>\$ 732,479</u>
3000	Total Net Position	<u>\$ 732,479</u>

The accompanying notes are an integral part of this statement.

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - INTERNAL SERVICE FUND
For the Year Ended August 31, 2016

Data Control Codes		Nonmajor Internal Service Fund
	OPERATING REVENUES:	
5700	Local & Intermediate Sources	\$ 2,504,907
	Total Operating Revenues	2,504,907
	OPERATING EXPENSES:	
6200	Professional and Contracted Services	2,335,735
6300	Supplies & Materials	-
6400	Other Operating Costs	107,867
6030	Total Expenses	2,443,602
	Operating Income (Loss)	61,305
	NONOPERATING REVENUES (EXPENSES):	
	Interest Income	4,102
	Total Nonoperating Revenues (Expenses)	4,102
1300	Change in Net Position	65,407
0100	Total Net Position - Beginning	667,072
3300	Total Net Position - Ending	\$ 732,479

The accompanying notes are an integral part of this statement.

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended August 31, 2016

	<u>Nonmajor Internal Service Fund</u>
<u>Cash Flows from Operating Activities:</u>	
Cash Receipts (Payments) for Quasi-external Operating Transactions with Other Funds	\$ 2,504,907
Cash Payments to Other Suppliers for Goods and Services	<u>(2,395,641)</u>
Net Cash Provided (Used) by Operating Activities	<u>109,266</u>
 <u>Cash Flows from Non-Capital Financing Activities:</u>	
Transfers to Primary Government	<u>-</u>
Net Cash Used by Non-Capital Financing Activities	<u>-</u>
 <u>Cash Flows from Investing Activities:</u>	
Interest Earned on Investments	<u>4,102</u>
Net Cash Provided (Used) by Investing Activities	<u>4,102</u>
Net Increase (Decrease) in Cash and Cash Equivalents	113,368
Cash and Cash Equivalents at Beginning of Year	<u>899,809</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 1,013,177</u></u>
 <u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>	
Operating Income (Loss)	\$ 61,305
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	(21)
Increase (Decrease) in Liabilities	<u>47,982</u>
Net Cash Provided by (Used for) Operating Activities	<u><u>\$ 109,266</u></u>

The accompanying notes are an integral part of this statement.

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
August 31, 2016

<u>Data Control Codes</u>		<u>Agency Funds</u>
	ASSETS:	
1110	Cash and Cash Equivalents	<u>\$ 236,805</u>
1000	TOTAL ASSETS	<u><u>\$ 236,805</u></u>
	LIABILITIES:	
2190	Due to Student Groups	<u>\$ 236,805</u>
2000	TOTAL LIABILITIES	<u><u>\$ 236,805</u></u>

The accompanying notes are an integral part of this statement.

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

NOTES TO THE FINANCIAL STATEMENTS
Year Ended August 31, 2016

A. Summary of Significant Accounting Policies

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

1. 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 District. The Board is elected by the public and has exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency ("TEA") or to the State Board of Education are reserved for the Board, and the TEA may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District receives funding from local, state and federal government sources and must comply with the requirements of those funding entities. However, the District is not included in any other governmental "reporting entity" as defined by GASB in its Statement No. 14, "The Financial Reporting Entity," as revised by GASB Statement No. 39, and there are no component units included within the reporting entity.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the over-reporting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non exchange transactions.

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

NOTES TO THE FINANCIAL STATEMENTS, Page 2
Year Ended August 31, 2016

A. Summary of Significant Accounting Policies (Continued)

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. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, 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. Revenues that are not classified as program revenues, including all of taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

Debt Service Fund: This is the District's fund for the collection of revenues from property taxes for the specific purpose of retiring loans and bonded indebtedness.

Capital Projects Fund: This fund is used to report the District's construction and investment in physical plant and other capital assets.

In addition, the District reports the following fund types:

Special Revenue Funds: These funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal financial assistance generally is accounted for in a special revenue fund. Except for the food service fund, any unused balances are returned to the grantor at the close of specific project periods. The food service fund is the only required budgeted special revenue fund. For all other funds in this fund type, project accounting is employed to maintain integrity for the various sources of funds.

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

NOTES TO THE FINANCIAL STATEMENTS, Page 3
Year Ended August 31, 2016

A. Summary of Significant Accounting Policies (Continued)

Internal Service Funds: These funds are used to account for revenues and expenses related to services provided to parties inside the District. The District uses an internal service fund to account for the operation of its partially self-funded insurance plan on a cost-reimbursement basis.

Agency Funds: These funds are used to report student activity funds and other resources held in a purely custodial capacity (assets equal liabilities). Agency funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support the District programs, these funds are not included in the government-wide statements.

b. Measurement Focus, Basis of Accounting

Government-wide and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flows take place. Nonexchange 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. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Proprietary Fund Types and Fiduciary Funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund Statement of Net Position. Operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as investment earnings, result from non-exchange transactions or ancillary activities. The fund equity is segregated into net investment in capital assets, restricted net position, and unrestricted net position.

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

NOTES TO THE FINANCIAL STATEMENTS, Page 4
Year Ended August 31, 2016

A. Summary of Significant Accounting Policies (Continued)

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, the revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received.

Grant funds are considered 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 related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims, and judgments, which are recognized as expenditures to the extent they have matured. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

c. Fund Balance Classification

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of bonds and are restricted by State Statute. Capital projects are restricted by State Statute and are legally segregated for funding of capital improvements.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

NOTES TO THE FINANCIAL STATEMENTS, Page 5
Year Ended August 31, 2016

A. Summary of Significant Accounting Policies (Continued)

c. Fund Balance Classification

Unassigned: This classification includes the residual fund balance for the General Fund.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

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.

The District reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

d. 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.

3. Financial Statement Amounts

a. Deposits and Investments

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

For purposes of the statement of cash flows, the District considers all highly liquid investments purchased with maturity of three months or less to be cash equivalents.

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS, Page 6
Year Ended August 31, 2016

A. Summary of Significant Accounting Policies (Continued)

State statutes authorize the District to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and State Treasurer's Investment Pools.

Investments for the District are reported at fair value. 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. The State Treasurer's Investment Pools are operated in accordance with appropriate state laws and regulations. The reported values of the pools are the same as the fair value of the pool shares (Level 1 inputs).

b. Property Taxes

Property taxes are levied by October 1 on assessed value listed as of the prior January 1st for all real and business personal property 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 1st of the year following the year in which imposed. On January 1st 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 or past due and receivable within the current period. It is the District's policy to record property tax revenue in the fund financial statements when collected within the current period or collected within 60 days of the end of the current fiscal period.

Allowances for uncollectible tax receivables are based upon historical experience in collecting property taxes. As of August 31, 2016, the amount deemed uncollectible by this estimate was \$348,923. 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.

c. Inventories and Prepaid Items

The District records purchases of supplies as expenditures, utilizing the purchase method of accounting for inventory in accordance with the Resource Guide. Certain payments to vendors reflect the cost applicable to future periods and are recorded as prepaid items.

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS, Page 7
Year Ended August 31, 2016

A. Summary of Significant Accounting Policies (Continued)

d. Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of the period end.

e. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair market value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings	50
Building Improvements	20
Vehicles	5-15
Office Equipment and Furniture	3-15
Computer Equipment	3

SNYDER CONSOLIDATED
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NOTES TO THE FINANCIAL STATEMENTS, Page 8
Year Ended August 31, 2016

A. Summary of Significant Accounting Policies (Continued)

f. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line on the government-wide statement of net position.

g. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount.

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

h. 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 currently has two items which qualify for reporting in this category.

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NOTES TO THE FINANCIAL STATEMENTS, Page 9
Year Ended August 31, 2016

A. Summary of Significant Accounting Policies (Continued)

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 currently has one type of item which arises under the modified accrual basis of accounting and one type of item that qualifies under the accrual basis of accounting. Accordingly, unavailable ad valorem tax revenue is only reported in the governmental funds balance sheet; and deferred inflows related to pensions is only reported in the government-wide statement of net position. These amounts are deferred and recognized as an inflow of resources in the period when the amounts become available.

i. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

j. Data Control Codes

Data Control Codes appear in the rows and above the columns of certain financial statements. The Texas Education Agency requires the display of 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.

B. Stewardship, Compliance and Accountability

1. 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

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS, Page 10
Year Ended August 31, 2016

B. Stewardship, Compliance and Accountability (continued)

2. Budgetary Information

Formal budgetary accounting is employed for all required Governmental Fund Types, as outlined in TEA's Financial Accounting and Reporting module, and is presented on the modified accrual basis of accounting consistent with generally accepted accounting principles. The budget is prepared and controlled at the function level within each organization to which responsibility for controlling operations is assigned.

The official school budget is prepared for adoption for required Governmental Fund Types prior to August 20 of the preceding fiscal year for the subsequent fiscal year beginning September 1. The budget is formally adopted by the Board of Trustees at a public meeting held at least ten days after public notice has been given.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Debt Service Fund, Capital Projects Fund, and the Child Nutrition Fund. The remaining special revenue funds adopt project-length budgets that do not correspond to the District's fiscal year. Each annual budget is presented on the modified accrual basis of accounting that is consistent with generally accepted accounting principles.

C. Deposits and Investments

Under Texas state law, the District's funds are required to be deposited and invested under the terms of a depository contract. 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 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.

Cash Deposits

At August 31, 2015, the carrying amount of the District's deposits (cash, certificates of deposit, and interest bearing savings accounts included in temporary investments) was \$26,263,924 and the bank balance was \$26,734,190. The District's cash deposits at August 31, 2016 and during the period then ended, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

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INDEPENDENT SCHOOL DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS, Page 11
Year Ended August 31, 2016

C. Deposits and Investments (Continued)

Investments

The District is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principle and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Public Funds Investment Act (“Act”) requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the financial statements disclosed that in the areas of investment practices, management reports an establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

State statutes and Board policy authorize the District to invest in 1) obligations of the U.S. or its agencies and instrumentalities; 2) obligations of state, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than “A” or its equivalent; 3) guaranteed or secured certificates of deposit issued by state or national banks domiciled in Texas; 4) obligations of the state of Texas or its agencies; 5) other obligations guaranteed by the U.S. or the state of Texas or their agencies and instrumentalities; 6) fully collateralized repurchase agreements; and 7) public funds investment pools. Temporary investments are reported at cost, which approximates market, and are secured, when necessary, by the FDIC or obligations of items 1-4 above at 102% of the investment’s market value.

The District’s investments at August 31, 2016 included demand deposits in the amount of \$24,202 and Investment Pool accounts of \$14,837,844.

The District’s investment pools at August 31, 2016 are shown below:

<u>Investment Pool</u>	<u>Account Name</u>	<u>Fund Rating (Standard & Poor's)</u>	<u>Wtd Average Maturity</u>	<u>Amount</u>
TexasDAILY	General Fund	AAAm	Daily	\$ 1,078
TexStar	General Fund	AAAm	39 days	14,032,019
TexStar	Debt Service	AAAm	39 days	1,005
TexPool - LGIP	Debt Service	AAAm	42 days	1,025
TexStar	Internal Service Fund	AAAm	39 days	<u>802,717</u>
Total Investment Pools				<u>\$ 14,837,844</u>

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INDEPENDENT SCHOOL DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS, Page 12
Year Ended August 31, 2016

C. Deposits and Investments (Continued)

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 Public Funds Investment Act (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 now lower than AAA or AAA-m 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 share 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.

Analysis of Specific Deposit and Investment Risks

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

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

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NOTES TO THE FINANCIAL STATEMENTS, Page 13
Year Ended August 31, 2016

C. Deposits and Investments (Continued)

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name.

At year end, the District was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

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NOTES TO THE FINANCIAL STATEMENTS, Page 14
Year Ended August 31, 2016

D. Capital Assets

Capital asset activity for the year ended August 31, 2016 was as follows:

<u>Government Activities</u>	<u>Balance</u> <u>09/01/15</u>	<u>Additions</u>	<u>Reclassifications/ Deletions</u>	<u>Balance</u> <u>08/31/16</u>
Land	\$ 594,018	\$ -	\$ -	\$ 594,018
Construction in Progress	8,787,029	4,310	(8,787,029)	4,310
Buildings & Improvements	72,924,551	17,491,989	8,787,029	99,203,569
Vehicles	3,072,955	19,372	-	3,092,327
Furniture & Equipment	<u>6,258,962</u>	<u>1,279,062</u>	<u>-</u>	<u>7,538,024</u>
Total Capital Assets	91,637,515	18,794,733	-	110,432,248
<u>Less Accumulated</u> <u>Depreciation:</u>				
Buildings & Improvements	24,741,224	2,144,076	-	26,885,300
Vehicles	2,190,250	153,860	-	2,344,110
Furniture & Equipment	<u>5,809,392</u>	<u>193,814</u>	<u>-</u>	<u>6,003,206</u>
Total Accum. Depreciation	<u>32,740,866</u>	<u>2,491,750</u>	<u>-</u>	<u>35,232,616</u>
Net Capital Assets	<u>\$ 58,896,649</u>	<u>\$16,302,983</u>	<u>\$ -</u>	<u>\$ 75,199,632</u>

Depreciation was charges to functions as follows:

11-Instructions	\$ 1,458,992
12-Instructional Resources & Media Services	59,115
13-Curriculum Development	8,150
21-Instructional Leadership	53,362
23-School Leadership	141,403
31-Guidance, Counseling & Evaluation Services	75,205
33-Health Services	14,978
34-Student (Pupil) Transportation	86,608
35-Food Service	142,145
36-Cocurricular/Extracurricular Activities	94,155
41-General Administration	87,489
51-Plant Maintenance & Operations	<u>270,148</u>
	<u>\$ 2,491,750</u>

SNYDER CONSOLIDATED
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NOTES TO THE FINANCIAL STATEMENTS, Page 15
Year Ended August 31, 2016

E. Interfund Balances and Activities

Interfund balances at August 31, 2016 consisted of the following individual fund balances:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
<u>General Fund:</u>		
Special Revenue Funds	\$ 753,065	\$ -
Debt Service Fund	<u>-</u>	<u>24,442</u>
<u>Total General Fund</u>	<u>\$ 753,065</u>	<u>\$ -</u>
<u>Special Revenue Funds:</u>		
General Fund	<u>-</u>	<u>753,065</u>
<u>Debt Service Fund:</u>		
General Fund	<u>24,442</u>	<u>-</u>
<u>Total</u>	<u>\$ 777,507</u>	<u>\$ 777,507</u>

These interfund receivables and payables were recorded to eliminate cash flow deficits of special revenue funds. All amounts due are scheduled to be repaid within one year.

F. Interfund Transfers

<u>Transfer From Fund</u>	<u>Transfer To Fund</u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$ 12,015,000

The District transferred \$12,015,000 from the General Fund to the Capital Projects to fund the construction and equipment of a new Junior High School building.

G. Short-Term Debt Activity

The District accounts for short-term debts for maintenance purposes through the General Fund. The proceeds from loans are shown in the financial statements as Other Resources.

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS, Page 16
Year Ended August 31, 2016

H. Long-Term Obligations

Long-term obligations include debt and other long-term liabilities. During each year while bonds are outstanding, the District is required to levy and collect sufficient ad valorem taxes to provide for the payment of principal and interest as it becomes due. The District complied with all significant limitations and restrictions contained in the bond indentures. Interest costs of \$942,573 were paid during the year ended August 31, 2016 on bonded indebtedness. The federal government pays the interest on the Qualified School Construction Maintenance Tax Note, however, the District paid interest of \$10,367 on this note due to a 6.8% reduction in funding for Qualified School Construction Notes as a result of the federal sequestration in the current fiscal year.

1. Changes in long-term obligations for the year ended August 31, 2016, are as follows:

<u>Governmental</u> <u>Activities:</u>	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decrease</u>	<u>Ending</u> <u>Balance</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
General obligation bonds	\$ 22,265,000	\$ -	\$ 1,895,000	\$ 20,370,000	\$ 1,740,000
Qualified Tax Note	4,730,000	-	475,000	4,255,000	475,000
Premium on Bonds	1,485,434	-	177,818	1,307,616	-
Net Pension Liability	3,367,984	3,377,362	521,364	6,223,982	-
Compensated Absences	217,206	17,723	-	234,929	-
Total governmental activities	<u>\$ 32,065,624</u>	<u>\$ 3,395,085</u>	<u>\$ 3,069,182</u>	<u>\$ 32,391,527</u>	<u>\$ 2,215,000</u>

<u>General Obligation Bonds – Descriptions</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Amount</u> <u>Of Original</u> <u>Issue</u>	<u>Amount</u> <u>Outstanding</u> <u>8/31/2016</u>
Unlimited Tax School Building Bonds-Series 2005	3.00% to 5.50%	2-15-2020	\$ 24,170,000	\$ 3,645,000
Unlimited Tax Refunding Bonds-Series 2013	2.00% to 3.50%	2-15-2026	8,985,000	5,800,000
Unlimited Tax School Building Bonds-Series 2014	2.00% to 5.00%	2-15-2034	13,840,000	10,925,000
				<u>\$ 20,370,000</u>
<u>Qualified Tax Note – Description</u>				
Qualified School Construction Maintenance Tax Note	3.25%	8-15-2025	\$ 6,155,000	<u>\$ 4,255,000</u>

2. Debt service requirements on general obligation bonds and qualified tax note at August 31, 2016, are as follows:

<u>Year Ending August 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 2,215,000	\$ 997,576	\$ 3,212,576
2018	2,060,000	912,856	2,972,856
2019	1,900,000	826,894	2,726,894
2020	1,740,000	749,806	2,489,806
2021	1,800,000	669,288	2,469,288
2022-2026	9,305,000	2,312,413	11,617,413
2027-2031	3,240,000	1,012,500	4,252,500
2032-2034	2,365,000	181,375	2,546,375
	<u>\$ 24,625,000</u>	<u>\$ 7,662,708</u>	<u>\$ 32,287,708</u>

SNYDER CONSOLIDATED
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NOTES TO THE FINANCIAL STATEMENTS, Page 17
Year Ended August 31, 2016

I. Pension Plan

1. 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.

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.

2. 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.

3. 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

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NOTES TO THE FINANCIAL STATEMENTS, Page 18
 Year Ended August 31, 2016

I. Pension Plan (continued)

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 in (1) above.

4. 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.

	<u>Contribution Rates</u>	
	<u>2015</u>	<u>2016</u>
Member	6.7%	7.2%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers	6.8%	6.8%
2016 Employer Contributions	\$ 547,096	
2016 Member Contributions	\$ 1,142,168	
2015 NECE On-behalf Contributions	\$ 799,740	

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).

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

NOTES TO THE FINANCIAL STATEMENTS, Page 19
Year Ended August 31, 2016

I. Pension Plan (continued)

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 the fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, or other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

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

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

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

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS, Page 20
Year Ended August 31, 2016

I. Pension Plan (continued)

5. 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
Single Discount Rate	8.00%
Long-term expected Investment Rate of Return	8.00%
Inflation	2.5%
Salary Increases including inflation	3.5% to 9.5%
Payroll Growth Rate	2.5%
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.

6. 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:

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

NOTES TO THE FINANCIAL STATEMENTS, Page 21
Year Ended August 31, 2016

I. Pension Plan (continued)

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Expected Contribution to Long-Term Portfolio Returns
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 Expectations			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.*

7. 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:	\$ 9,751,806	\$ 6,223,982	\$ 3,285,523

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS, Page 22
Year Ended August 31, 2016

I. Pension Plan (continued)

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

At August 31, 2015, the District reported a liability of \$6,223,982 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	\$ 6,223,982
State's proportionate share that is associated with the District	<u>\$ 9,544,390</u>
Total	<u>\$ 15,768,372</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 employer's proportion of the collective net pension liability was 0.0176074% which was an increase of 0.0049986% 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

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

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

NOTES TO THE FINANCIAL STATEMENTS, Page 23
Year Ended August 31, 2016

I. Pension Plan (continued)

Mortality Assumptions

7. 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.
8. 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.
9. 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.

Other Demographic Assumptions

10. Previously, it was assumed 10% of all members who had contributed in the past 5 years to be an active member. This was 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.
11. 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.
12. Small adjustments were made to the retirement patterns for members consistent with experience and future expectations.
13. 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.
14. 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

15. 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.

SNYDER CONSOLIDATED
 INDEPENDENT SCHOOL DISTRICT
 Snyder, Texas

NOTES TO THE FINANCIAL STATEMENTS, Page 24
 Year Ended August 31, 2016

I. Pension Plan (continued)

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

For the year ended August 31, 2015, the District recognized pension expense of \$1,359,922 and revenue of \$1,359,922 for support provided by the State.

At August 31, 2015, 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual		
Economic experience	\$ 43,319	\$ 239,193
Changes in actuarial assumptions	182,071	222,044
Difference between projected and actual		
Investment earnings	760,783	-
Changes in proportion and difference between		
The employer's contributions and the		
Proportionate share of contributions	<u>1,142,592</u>	<u>\$ 2,000</u>
Total as of August 31, 2015 measurement date	<u>\$ 2,128,765</u>	<u>\$ 463,237</u>
Contributions paid to TRS subsequent to		
The measurement date	<u>547,096</u>	<u>-</u>
Total as of fiscal year-end	<u>\$ 2,675,861</u>	<u>\$ 463,237</u>

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:

<u>Year ended August 31:</u>	<u>Pension Expense Amount</u>
2017	\$ 286,543
2018	286,543
2019	286,545
2020	543,892
2021	157,986
Thereafter	104,018

SNYDER CONSOLIDATED
 INDEPENDENT SCHOOL DISTRICT
 Snyder, Texas

NOTES TO THE FINANCIAL STATEMENTS, Page 25
 Year Ended August 31, 2016

J. Health Care Coverage

During the year ended August 31, 2016, employees of the District were covered by a health insurance plan (the Plan). The District paid premiums of \$388 per month per employee participating in the plan. Employees, at their option, authorized payroll deductions to pay premiums for dependents. All premiums were paid to a licensed insurer. The Plan was authorized by Section 21.922, Texas Education Code and was documented by contractual agreement.

The contract between the District and the licensed insurer is renewable annually, and terms of coverage and premium costs are included in the contractual provisions.

K. Workers' Compensation Pool

The District participates in a modified self-funded workers' compensation insurance pool with other districts which are located in the state of Texas. The District's contributions to the pool are based on the loss experience of the District and the other districts in the pool. Creative Risk Funding is the third party administrator for the pool. The District's maximum loss under the agreement for 2016 was set at \$47,443. The pool has purchased reinsurance to protect the member districts against the risk of large or unexpected losses. The stop loss policy covers individual claims in excess of \$350,000 per incident. The District accounts for its costs associated with the pool through an internal service fund.

Changes in the balance of workers' compensation claim liabilities during the past year are as follows.

	<u>Period Ended August 31, 2016</u>
Unpaid claims at September 1, 2015	\$ 22,162
Incurred claims	37,935
Total payments	<u>(53,478)</u>
Total Unpaid Claims at August 31, 2016	<u>\$ 6,619</u>
Claims Incurred But Not Reported (IBNR)	<u>\$ 280,180</u>

SNYDER CONSOLIDATED
 INDEPENDENT SCHOOL DISTRICT
 Snyder, Texas

NOTES TO THE FINANCIAL STATEMENTS, Page 26
 Year Ended August 31, 2016

L. School District Retiree Health Plan

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

Funding Policy - Contribution requirements are not actuarially determined but are legally established each biennium by the Texas Legislature. Texas Insurance Code, Sections 1575.202, 203, and 204 establish state, active employee, and public school contributions, respectively. Funding for free basic coverage is provided by the program based upon 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 in the table below for fiscal years 2016-2014.

Contribution Rates and Contribution Amounts

Year	Active Member		State		School District	
	Rate	Amount	Rate	Amount	Rate	Amount
2016	0.65%	\$ 103,112	1.0%	\$ 158,635	0.55%	\$ 87,250
2015	0.65%	\$ 104,311	1.0%	\$ 160,479	0.55%	\$ 88,263
2014	0.65%	\$ 103,530	1.0%	\$ 159,277	0.55%	\$ 87,602

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS, Page 27
Year Ended August 31, 2016

M. 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 of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug expenditures for eligible TRS-Care participants. The District's portion of subsidy reimbursements received by TRS for the years ended August 31, 2016, 2015, and 2014 were \$46,209, \$65,347, and \$42,781, respectively.

N. Litigation

There was no litigation pending or in progress against the District at August 31, 2016.

O. Vacation and Sick Leave Benefits

Upon retirement, the District pays employees \$50 per day accumulated unused sick leave. The estimated liability at August 31, 2016, 2015, and 2014 was \$234,929, \$217,206, and \$237,087, respectively. This liability is included in the government-wide financial statements.

P. Commitments and Contingencies

The District participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

NOTES TO THE FINANCIAL STATEMENTS, Page 27
Year Ended August 31, 2016

Q. Subsequent Events

In August 2016, the District authorized the issuance of refunding bonds. \$9,039,995 of Unlimited Tax Refunding Bonds, Series 2016 were funded on September 20, 2016. These bonds were issued as an advance refunding of a portion of the District's existing bonded debt.

REQUIRED SUPPLEMENTARY INFORMATION

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended August 31, 2016

Data Control Codes		Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
		Original	Final		
REVENUES:					
5700	Local and Intermediate Sources	\$ 27,900,127	\$ 28,361,934	\$ 28,252,610	\$ (109,324)
5800	State Program Revenues	10,231,937	10,231,937	12,273,001	2,041,064
5900	Federal Program Revenues	200,000	175,000	193,754	18,754
5020	Total Revenues	<u>38,332,064</u>	<u>38,768,871</u>	<u>40,719,365</u>	<u>1,950,494</u>
EXPENDITURES:					
Current:					
0011	Instruction	14,125,267	13,125,267	13,065,809	59,458
0012	Instructional Resources and Media Services	602,696	631,696	623,738	7,958
0013	Curriculum Dev. & Instructional Staff Dev.	140,566	69,566	45,002	24,564
0021	Instructional Leadership	557,701	474,701	452,294	22,407
0023	School Leadership	1,415,400	1,510,400	1,492,011	18,389
0031	Guidance, Counseling & Evaluation Services	932,015	719,015	671,053	47,962
0032	Social Work Services	25,561	5,561	-	5,561
0033	Health Services	301,725	185,725	158,036	27,689
0034	Student (Pupil) Transportation	826,964	933,964	913,844	20,120
0036	Curricular/Extracurricular Activities	1,157,386	1,041,386	993,473	47,913
0041	General Administration	985,954	932,954	923,135	9,819
0051	Plant Maintenance and Operations	3,108,288	2,933,288	2,850,450	82,838
0052	Security and Monitoring Services	65,150	60,150	46,251	13,899
0053	Data Processing Services	394,945	330,945	291,917	39,028
0061	Community Services	33,224	33,224	28,096	5,128
0071	Principal Payment on Long-Term Debt	475,000	475,000	475,000	-
0072	Interest Payment on Long-Term Debt	20,000	20,000	10,367	9,633
0081	Capital Outlay	400,000	154,000	83,879	70,121
0091	Contracted instructional services between schools	11,900,000	11,950,000	10,315,676	1,634,324
0097	Payments to Tax Increment Fund	-	206,807	206,807	-
0099	Other Ingovernmental Charges	785,000	715,000	701,547	13,453
6030	Total Expenditures	<u>38,252,842</u>	<u>36,508,649</u>	<u>34,348,385</u>	<u>2,160,264</u>
Other Financing Sources (Uses):					
7912	Sale of Real or Personal Property	-	-	3,000	3,000
8911	Transfers Out	-	(12,015,000)	(12,015,000)	-
	Total Other Financing Sources and (Uses)	<u>-</u>	<u>(12,015,000)</u>	<u>(12,012,000)</u>	<u>3,000</u>
1200	Net Change in Fund Balance	79,222	(9,754,778)	(5,641,020)	4,113,758
0100	Fund Balance - Beginning	<u>34,639,351</u>	<u>34,639,351</u>	<u>34,639,351</u>	<u>-</u>
3000	Fund Balance - Ending	<u>\$ 34,718,573</u>	<u>\$ 24,884,573</u>	<u>\$ 28,998,331</u>	<u>\$ 4,113,758</u>

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

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

	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Pension Liability (Asset)	0.0176074%	0.0126088%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 6,223,982	\$ 3,367,984
State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	<u>\$ 9,544,390</u>	<u>\$ 8,375,249</u>
Total	<u>\$ 15,768,372</u>	<u>\$ 11,743,233</u>
District's Covered Employee Payroll	\$ 16,047,923	\$ 15,927,711
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered Employee Payroll	38.78%	21.15%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	78.43%	83.25%

Note: Only two years of data is 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."

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

SCHEDULE OF THE DISTRICT CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM
For the Year Ended August 31, 2016

	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 547,096	\$ 531,234
Contribution in Relation to the Contractually Required Contribution	<u>\$ (547,096)</u>	<u>\$ (531,234)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
District's Covered Employee Payroll	\$ 15,863,458	\$ 16,047,923
Contributions as a percentage of Covered Employee Payroll	3.45%	3.31%

Note: GASB 68, Paragraph 81.2.b requires that the data in this schedule be presented as of the District's current fiscal year as opposed to the time period covered by the measurement date of September 1, 2014-August 31, 2015.

Note: Only two years of data is 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."

OTHER SUPPLEMENTARY INFORMATION

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

SCHEDULE OF DELINQUENT TAXES RECEIVABLE
For the Year Ended August 31, 2016

Last Ten Years Ended	1	2				10	20	31	32	40	50
	Tax Rates		Assessed/Appraised Value for School Tax Purposes	Beginning Balance 09/01/15	Current Year's Total Levy	Maintenance Total Collections	Debt Service Total Collections	Entire Year's Adjustments	Ending Balance 08/31/16		
	Maintenance	Debt Service									
August 31*											
2007 and Prior Years	Various	Various	Various	--	\$ 155,761	\$ -	\$ 2,250	\$ 148	\$ (23,500)	\$ 129,863	
2008	1.37000	0.09000	1.4600	2,322,506,816	14,332	-	469	31	(1,277)	12,555	
2009	1.04000	0.07500	1.1150	2,805,255,197	17,344	-	475	34	(727)	16,108	
2010	1.04000	0.06150	1.1015	2,336,995,275	17,312	-	969	57	(456)	15,830	
2011	1.04000	0.12400	1.1640	2,394,664,519	16,876	-	944	113	(733)	15,086	
2012	1.04000	0.12400	1.1640	2,438,465,206	19,872	-	1,736	207	(522)	17,407	
2013	1.04000	0.12400	1.1640	3,008,928,866	55,911	-	2,982	356	(955)	51,618	
2014	1.04000	0.12400	1.1640	3,150,286,598	66,549	-	11,971	1,427	(538)	52,613	
2015	1.04000	0.12400	1.1640	3,353,020,275	192,616	-	74,192	8,846	(253)	109,325	
2016-School Year Under Audit	1.04000	0.12400	1.1640	2,675,950,687	-	31,148,066	27,447,788	3,336,983	(45,075)	318,220	
1000	TOTALS				\$ 556,573	\$ 31,148,066	\$ 27,543,776	\$ 3,348,202	\$ (74,036)	\$ 738,625	

Columns 10 + 20 - 30 - 30a + 40 Equals Column 50

Column 3 - Assessed/Appraised Value for School Tax Purposes:
This is the net appraised value, after deductions of all exemptions, tax freeze amounts and reductions provided by law and those granted by the district, based on maintenance requirements.

Column 20 - Current Year's Levy:
This amount is calculated by multiplying tax rate(s) times the applicable Assessed/Appraised Value(s) in Column 3.

Columns 30 and 30a - These are the total collections net of adjustments described in Column 40, according to each year of tax levy, and do NOT include penalties and interest.

Column 40 - Entire Year's Adjustments:
Total adjustments include corrections for errors in taxes assessed, taxes lost due to tax freeze and discounts allowed for early payment of taxes.

Column 50 - Ending Balance 08/31/16

SNYDER INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

FUND BALANCE AND CASH FLOW CALCULATION WORKSHEET
GENERAL FUND AS OF AUGUST 31, 2016

Data Control Code	Explanation	Amount
1	Total General Fund Balance 8/31/16 (Exhibit C-1 object 3000 for the General Fund Only)	\$ 28,998,331
2	Total General Fund Nonspendable Fund Balance (from Exhibit C-1 - total of object 341X-344X for the General Fund Only)	27,050
3	Total General Fund Restricted Fund Balance (from Exhibit C-1- total of object 345X-349X for the General Fund only)	-
4	Total General Fund Committed Fund Balance (from Exhibit C-1- total of object 351X-354X for the General Fund only)	7,505,000
5	Total General Fund Assigned Fund Balance (from Exhibit C-1- total of object 355X-359X for the General Fund only)	-
6	Estimated amount needed to cover fall cash flow deficits in General Fund (net of borrowed funds and funds representing deferred revenues)	8,587,096
7	Estimate of two month's average cash disbursements during the fiscal year	6,440,322
8	Estimate of delayed payments from state sources (58XX)	7,100,000
9	Estimate of underpayment from state sources equal to variance between Legislative Payment Estimate (LPE) and District Planning Estimate (DPE) or District's calculated earned state aid amount	-
10	Estimate of delayed payments from federal sources (59XX)	875,000
11	Estimate of expenditures to be reimbursed to General Fund from Capital Projects Fund (uses of General Fund cash after bond referendum and prior to issuance of bonds)	-
12	Optimum Fund Balance and Cash Flow (2 + 3 + 4 + 5 + 6 + 7 + 8 + 9 + 10 + 11)	\$ 30,534,468
13	Excess/(Deficit) Unassigned General Fund Fund Balance (1 - 12)	\$ (1,536,137)

If item 13 is a positive number

Explanation of need for and/or projected use of net positive Unassigned General Fund Fund Balance:

(UNAUDITED)

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

EXHIBIT J-3

DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended August 31, 2016

Data Control Codes	1	2	3
	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES:			
5700 Local and Intermediate Sources	\$ 3,330,000	\$ 3,379,247	\$ 49,247
5800 State Program Revenues	-	24,442	24,442
5020 Total Revenues	<u>3,330,000</u>	<u>3,403,689</u>	<u>73,689</u>
EXPENDITURES:			
Current:			
Debt Service			
0071 Principal on Long-Term Debt	1,895,000	1,895,000	-
0072 Interest on Long-Term Debt	932,206	932,206	-
0073 Bond Issuance Costs and Fees	3,000	7,531	(4,531)
Total Debt Service	<u>2,830,206</u>	<u>2,834,737</u>	<u>(4,531)</u>
6030 Total Expenditures	<u>2,830,206</u>	<u>2,834,737</u>	<u>(4,531)</u>
1200 Net Change in Fund Balance	499,794	568,952	78,220
0100 Fund Balance - Beginning	<u>1,626,167</u>	<u>1,626,167</u>	-
3000 Fund Balance - Ending	<u>\$ 2,125,961</u>	<u>\$ 2,195,119</u>	<u>\$ 78,220</u>

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

EXHIBIT J-4

CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended August 31, 2016

Data Control Codes	1	2	3
	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES:			
5700 Local and Intermediate Sources	\$ 9,500	\$ 9,573	\$ 73
5020 Total Revenues	<u>9,500</u>	<u>9,573</u>	<u>73</u>
EXPENDITURES:			
0051 Plant Maintenance and Operations	74,000	73,975	25
0081 Capital Outlay	<u>18,195,000</u>	<u>18,191,483</u>	<u>3,517</u>
6030 Total Expenditures	<u>18,269,000</u>	<u>18,265,458</u>	<u>3,517</u>
OTHER FINANCING SOURCES AND USES:			
7915 Operating Transfers In	<u>12,015,000</u>	<u>12,015,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>12,015,000</u>	<u>12,015,000</u>	<u>-</u>
1200 Net Change in Fund Balance	(6,244,500)	(6,240,885)	3,590
0100 Fund Balance - Beginning	<u>6,249,138</u>	<u>6,249,138</u>	<u>-</u>
3000 Fund Balance - Ending	<u>\$ 4,638</u>	<u>\$ 8,253</u>	<u>\$ 3,590</u>

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

EXHIBIT J-5

NATIONAL SCHOOL BREAKFAST/LUNCH PROGRAM
BUDGETARY COMPARISON SCHEDULE
For the Year Ended August 31, 2016

Data Control Codes	1	2	3 Variance Positive (Negative)	
	<u>Budget</u>	<u>Actual</u>	<u>(Negative)</u>	
REVENUES:				
5700	\$ 412,115	\$ 413,103	\$ 988	
5800	5,740	7,127	1,387	
5900	1,105,329	1,117,659	12,330	
5020	<u>1,523,184</u>	<u>1,537,889</u>	<u>14,705</u>	
EXPENDITURES:				
Current:				
Support Services-Student (Pupil):				
0035	Food Services	<u>2,001,818</u>	<u>1,999,841</u>	<u>1,977</u>
	Total Support Services - Student (Pupil)	<u>2,001,818</u>	<u>1,999,841</u>	<u>1,977</u>
6030	Total Expenditures	<u>2,001,818</u>	<u>1,999,841</u>	<u>1,977</u>
Other Financing Sources (Uses):				
7915	Operating Transfers In	<u>-</u>	<u>-</u>	<u>-</u>
	Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net Change in Fund Balance	(478,634)	(461,952)	16,682
0100	Fund Balance - Beginning	<u>566,257</u>	<u>566,257</u>	<u>-</u>
3000	Fund Balance - Ending	<u>\$ 87,623</u>	<u>\$ 104,305</u>	<u>\$ 16,682</u>

Terry & King, CPAs, P.C.

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P.O. Box 93550
Lubbock, TX 79493-3550

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Ryan R. King, CPA

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Independent Auditors' Report

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*

Board of Trustees
Snyder Consolidated
Independent School District
2901 37th Street
Snyder, Texas 79549

Members of the Board of Trustees:

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Snyder Consolidated Independent School District, as of and for the year ended August 31, 2016, and the related notes to the financial statements, which collectively comprise the Snyder Consolidated Independent School District's basic financial statements, and have issued our report thereon dated December 16, 2016.

Internal Control Over Financial Reporting

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

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

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

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Members American Institute of Certified Public Accountants and the Texas Society of Certified Public Accountants



The CPA. Never Underestimate The Value.®

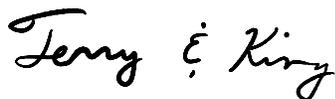
Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

A handwritten signature in black ink that reads "Terry & King". The signature is written in a cursive, flowing style.

Terry & King, CPAs, P.C.
Lubbock, Texas
December 16, 2016

Terry & King, CPAs, P.C.

4216 102nd
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Lubbock, TX 79493-3550

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Independent Auditors' Report

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

Board of Trustees
Snyder Consolidated
Independent School District
2901 37th Street
Snyder, Texas 79549

Members of the Board of Trustees:

Report on Compliance for Each Major Federal Program

We have audited the Snyder Consolidated Independent School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2016. Snyder Consolidated Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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



Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

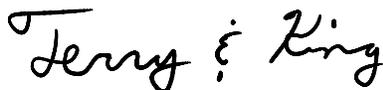
Management of Snyder Consolidated Independent School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal 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 Snyder Consolidated Independent School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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.

Respectfully submitted,



Terry & King, CPAs, P.C.
Lubbock, Texas
December 16, 2016

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended August 31, 2016

A. Summary of Auditors' Results

1. Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:
Material weakness(es) identified? Yes X No

Significant deficiencies identified that
are not considered to be material
weaknesses? Yes X None Reported

Noncompliance material to financial
Statements noted? Yes X No

2. Federal Awards

Internal control over major programs:
Material weakness(es) identified? Yes X No

Significant deficiencies identified that
are not considered to be material
weaknesses? Yes X None Reported

Type of auditor's report issued on compliance
for major programs: Unqualified

Any audit findings disclosed that are required
To be reported in accordance with the
Uniform Guidance? Yes X No

Identification of major programs:
CFDA Number(s) Name of Federal Program or Cluster
84.287C 21st Century

Dollar threshold used to distinguish between
type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes No

B. Financial Statement Findings

NONE

C. Federal Award Findings and Questioned Costs

NONE

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

SUMMARY OF PRIOR AUDIT FINDINGS
For the Year Ended August 31, 2016

<u>Findings/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation if Not Implemented</u>
Not Applicable - None		

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

CORRECTIVE ACTION PLAN
For the Year Ended August 31, 2016

Not Applicable – None Required

SNYDER CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2016

(1)	(2)	(2A)	(3)
Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U.S. Department of Education</u>			
Passed Through State Department of Education:			
ESEA Title 1, Part A - Improving Basic Programs	84.010A	16610101208902	462,297
ESEA Title 1, Part A - Improving Basic Programs	84.010A	17610101208902	58,548
ESEA Title I, Part C - Migrant	84.011A	16615001208902	57,709
ESEA Title I, Part C - Migrant	84.011A	17615001208902	1,739
IDEA-B Formula*	84.027A	166600012089026600	653,900
IDEA-B Formula*	84.027A	176600012089026600	36,100
IDEA-B, Preschool*	84.173A	166610012089026610	22,062
IDEA-B, Preschool*	84.173A	176610012089026610	1,897
Total Special Education Cluster (IDEA)			713,959
Title II - Basic Grants - Vocational Education	84.048	16420006208902	31,660
Title II - Basic Grants - Vocational Education	84.048	17420006208902	7,700
21st Community Learning Centers CY 4 Yr 2	84.287C	166950167110037	930,873
21st Community Learning Centers CY 4 Yr 2	84.287C	176950167110037	30,783
Title VI, Part B, Subpart 2 - Rural and Low-Income Schools	84.358B	16696001208902	20,345
LEP Summer School	84.369A	69551502	1,113
Medicare/Medicaid Reimbursement	93.778	--	177,536
Total Passed Through State Department of Education			2,494,262
Passed Through Region 14 Education Service Center:			
Title II, Part A	84.367	16694501221950	107,565
Title II, Part A	84.367	17694501221950	8,171
Total Passed Through Region 14 Education Service Center			115,736
Total U.S. Department of Education			2,609,998
<u>U.S. Department of Agriculture</u>			
Passed Through State Department of Education:			
National School Lunch Program*	10.555	71301601	685,689
School Breakfast Program*	10.553	71401601	342,473
Total Child Nutrition Cluster			1,028,162
Commodity Supplemental Food Program*	10.565	--	89,497
Total Food Distribution Cluster			89,497
Total U.S. Department of Agriculture			1,117,659
<u>TOTAL EXPENDITURES OF FEDERAL AWARDS</u>			<u>\$ 3,727,657</u>

* - Indicates a cluster program under Uniform Guidance.

The accompanying notes are an integral part of this schedule.

SNYDER CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2016

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Snyder Consolidated Independent School District and is presented on the modified accrual basis of accounting. 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

SNYDER INDEPENDENT SCHOOL DISTRICT
Snyder, Texas

SCHOOLS FIRST QUESTIONNAIRE
For the Year Ended August 31, 2016

SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF4	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	Yes
SF8	Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?	Yes
SF10	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end.	N/A
SF11	Net Pension Assets (1920) at fiscal year-end.	\$ -
SF12	Net Pension Liabilities (2540) at fiscal year-end.	\$ 6,223,982
SF13	Pension Expense (6147) at fiscal year-end.	\$ 415,341