

**Comprehensive
Annual Financial Report
of the**

**SAN ANGELO
INDEPENDENT SCHOOL DISTRICT
San Angelo, Texas**

For The Year Ended August 31, 2012

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Annual Financial Report
of the**

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INDEPENDENT SCHOOL DISTRICT
San Angelo, Texas**

For The Year Ended August 31, 2012

**Prepared by
FINANCE DEPARTMENT**

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SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED AUGUST, 31, 2012

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CERTIFICATE OF BOARD

San Angelo Independent School District Tom Green 226903
Name of School District County Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) approved disapproved for the year ended August 31, 2012 at a meeting of the Board of Trustees of such school district on the 21st day of January, 2013.

SIGNED CERTIFICATE IS ON FILE WITH THE DISTRICT

Signature of Board Secretary

Signature of Board President

If the Board of Trustees disapproved of the auditors' report, the reason(s) for disapproving it is (are): (attach list as necessary)

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INTRODUCTORY SECTION

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San Angelo Independent School District
Business Services
1621 University
San Angelo, Texas 76904
(325)947-3766 PHONE
(325)949-1415 FAX

January 7, 2012

Members of the Board of Trustees and Citizens of
San Angelo Independent School District

We are submitting this comprehensive annual financial report of the San Angelo Independent School District (the District) for the fiscal year ended August 31, 2012.

This report is presented in four sections as described below.

1. **Introductory Section** – This section includes this transmittal letter, a list of principal District officials, the District’s organization chart, and the ASBO Certificate of Excellence in Financial Reporting for the prior fiscal year comprehensive annual financial report.
2. **Financial Section** – This section includes the independent auditor’s report on the audit of the financial statements, management’s discussion and analysis of the District’s financial performance for the year, the District’s financial statements, notes to the financial statements, and supplementary statements and schedules.
3. **Statistical Section** – This section is not audited. It includes selected financial and demographic information, primarily in table form for multiple years.
4. **Single Audit Section** – This section includes the independent auditor’s reports on internal control and compliance with laws, regulations, and grant provisions. Related schedules and documents required by laws and regulations are also included as listed in the table of contents.

Management is fully responsible for the completeness and reliability of all the information included in this report. As a basis for making these representations, management of the District has established an internal control framework designed both to protect the District’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District’s financial statements in conformity with generally accepted accounting principles in the United States of America (GAAP). Because the benefits of internal control should be more than their cost, the District’s internal control framework has been designed to provide reasonable rather than absolute assurance that the financial statements will not contain material misstatements. In our capacity as management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Texas Education Code requires an annual audit of the District’s financial statements. The Board of Trustees selected Webb & Webb, a firm of licensed certified public accountants to audit this year’s financial statements. The goal of an independent audit is to provide reasonable

assurance that the financial statements of the District for fiscal year ended August 31, 2012, are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ended August 31, 2012, and are fairly stated in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. The independent audit of the District's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on the administration of federal awards. These reports are found in the fourth section of the report, the single audit section.

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

PROFILE OF THE DISTRICT

The San Angelo Independent School District is located 210 miles west northwest of Austin, Texas in Tom Green County, Texas. The District is empowered to levy property taxes on all real and personal property within its boundaries.

The District is governed by a seven member Board of Trustees (the Board) elected by the registered voters of the District. The Board is responsible, among other things, for adopting and amending the annual budget, making policy, setting goals, approving contracts and personnel appointments, and hiring the superintendent. The superintendent is responsible for carrying out the policies of the Board and for overseeing the day-to-day operations of the District.

The District offers a state mandated, locally derived, standards-based curriculum to all of its students and is focused on high levels of student achievement. Through the District's pre-kindergarten through twelfth grade programs, students receive instruction in over seventy different areas; from reading and language arts in the lower grades to advanced calculus, physics, fine arts, and vocational programs in the District's secondary schools. In addition to regular education programs, the District offers additional services in programs such as special education, bilingual, gifted and talented, head start, early head start, and academic alternative education.

The annual budget is the foundation of the District's financial planning and control. After public hearings, the budget is legally enacted by Board resolution each year prior to September 1. Once it is approved, the budget can only be changed at the function and fund level by amendments

approved by a majority of the members of the Board. Budget-to-actual comparisons are provided in this report for the General Fund, the Food Service special revenue fund, and the Debt Service Fund. The comparison for the General Fund is presented in Exhibit G-1, and the Food Service and Debt Service funds in Exhibits J-4 and J-5, respectively. Most of the other special revenue funds are controlled by project-length budgets approved by State and Federal grantor agencies, for which budget-to-actual comparisons are not included in this report. A project-length spending plan, as outlined in the ordinances, which authorized the bond issues, is used for the Capital Project Fund.

FACTORS AFFECTING FINANCIAL CONDITION

The financial statement information can be better understood when it is considered from the broad perspective of the specific environment within which the District operates.

Local economy – West Texas cities tend to be widely dispersed. San Angelo is one of the largest cities in West Central Texas and serves as the center of commerce, government, medicine, and religion for an expansive area. Three U. S. highways and one State highway serve San Angelo. The San Angelo Regional Airport (Mathis Field) also provides flights that link up with national and international airlines.

San Angelo continues to have a well-diversified economic base with major sectors that include manufacturing, medical care, education, trade, business services, and military. San Angelo is a regional service center for business and agriculture over a fourteen county area. Walmart, Inc./Sam's, AEP Texas North, The Ethicon division of Johnson and Johnson, Verizon Communications, San Angelo Community Medical Center, Shannon Medical Center, Goodfellow Air Force Base, and many other local businesses provide the economic potential of San Angelo.

There are three institutions of higher education in San Angelo. Angelo State University (ASU) offers baccalaureate programs in numerous arts, science, business, education, and medical fields and graduate degrees in seven fields of science, education, arts, and business. Howard College has an extension campus in San Angelo, which concentrates predominately in technical and occupational fields of study. American Commercial College is a private college serving career education through associated programs.

Long-term financial planning – Despite the impact of a \$5.4 billion cut to public education in the 82nd legislative session, the District, through its conservative principles and proactive staffing guidelines and practices, has been able to balance the budget and maintain a strong financial position. Future budgets will be based on the same principles and the district should be able to meet all of its current needs. In addition, the District continues construction and renovations funded in a \$117,000,000 bond election in 2008. The Bonds were issued April 23, 2009. Proceeds and activities to date on the bond projects are reported in a major capital projects fund.

Major Initiatives – The District has not taken on any new major initiatives that are expected to affect future financial position of the district.

Cash management policies and practices – Texas’ Public Funds Investment Act contains specific provisions regarding investment practices, management reports, and establishment of appropriate policies. It requires the District to adopt, implement, and publicize an investment policy. The policy must address the areas of safety and liquidity of investment principal, portfolio diversification, allowable investments, acceptable risk levels, rate of return, maximum allowable maturity of portfolio investments, and investment staff quality and capabilities. State statute authorizes a variety of allowable investments.

During the 2012 fiscal year, the District invested idle cash in state managed investment pools, U.S. Government Agency Securities, Certificates of Deposit, and commercial paper. The District earned \$488,124.31 in interest for the fiscal year. The weak US economy has greatly affected the yields and the District aggressively pursues options to maximize these earnings.

Risk management – The District purchases commercial insurance to cover its exposure to loss from theft, property damage, errors and omissions, and natural disasters. During the fiscal year under audit, the District maintained a modified self-insurance plan to provide health benefits to the employees and their families. The District deposits employee and employer paid premiums into the Health Insurance internal service fund to cover claim payments. The District contracted with a third party consultant to administer and process claims. In fiscal 2012, stop-loss coverage limited claim exposure to \$150,000 per individual and the plan had an annual aggregate limit of \$12,148,232.

The District met its statutory workers compensation obligation in fiscal year 2012 with participation through an inter-local agreement with other school districts in the Texas Workers’ Compensation Solutions Program (TWCS or Program), which is accounted for in the Workers’ Compensation Insurance internal service fund. The District contributed its share of fixed program costs based on a pro-rata share of covered payroll costs, and placed on deposit with the TWCS 10% of the District’s maximum loss amount. Deposits with TWCS must be maintained at a level equal to at least 5% of the maximum loss projection. The Program purchases specific and aggregate re-insurance to protect the program in the event of claims in excess of member districts’ maximum loss funds.

Additional information on the District’s health insurance and workers compensation insurance plans is in Note IV.J. in the notes to the financial statements.

Pension benefits – The District provides pension benefits for its employees through the Teacher Retirement System of Texas (TRS), a cost-sharing multiple employer-defined benefit pension plan. In fiscal 2012, eligible employees contributed 6.4% of their compensation to the plan. The state matched the employee contributions with 6.0% of compensation up to the statutory minimum. The District made contributions for salaries above the state minimum and federal programs provide the matching contributions for employees working in the program. Legislation requires school districts to contribute 0.65% of each member employee’s salary each month to fund the system’s medical insurance plan for retired members. The District was subject to a surcharge of 13.044% of salary paid to TRS retirees who return to the workforce. Additional information is found in Note IV.I. in the notes to the financial statements.

Board of Trustees and Citizens
January 7, 2013

AWARDS AND ACKNOWLEDGMENTS

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to San Angelo ISD for its comprehensive annual financial report for the fiscal year ended August 31, 2011. To be awarded a Certificate of Excellence, a school district must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administrative departments. We express our appreciation to all of the staff members who assisted and contributed to the preparation of this report. Credit must also be given to the members of the Board of Trustees for their support and leadership.

Respectfully submitted,

Jeff Bright

Jeff Bright, Assistant Superintendent

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
DISTRICT OFFICIALS, STAFF AND CONSULTANTS
FOR THE YEAR ENDED AUGUST 31, 2012

Elected Officials – Board of Trustees

<u>Name and Title</u>	<u>Term Expires</u>	<u>Occupation</u>
Lanny Layman, President	May 2015	President / CEO – Standard Sales Company, LP
Max Parker, Vice President	May 2015	Attorney
Tim Archer, Treasurer	May 2013	Owner / Manager, Archer Floor Company
Gerard Gallegos, Secretary	May 2015	Access Billing Rep. / Verizon, Inc.
Art Hernandez, Trustee	May 2013	Funeral and Cemetery Family Service Counselor
Bill Dendle, Trustee	May 2013	Managing Partner, Angelo Plumbing Supply
Cookie Roberts, Trustee	May 2013	Property Manager

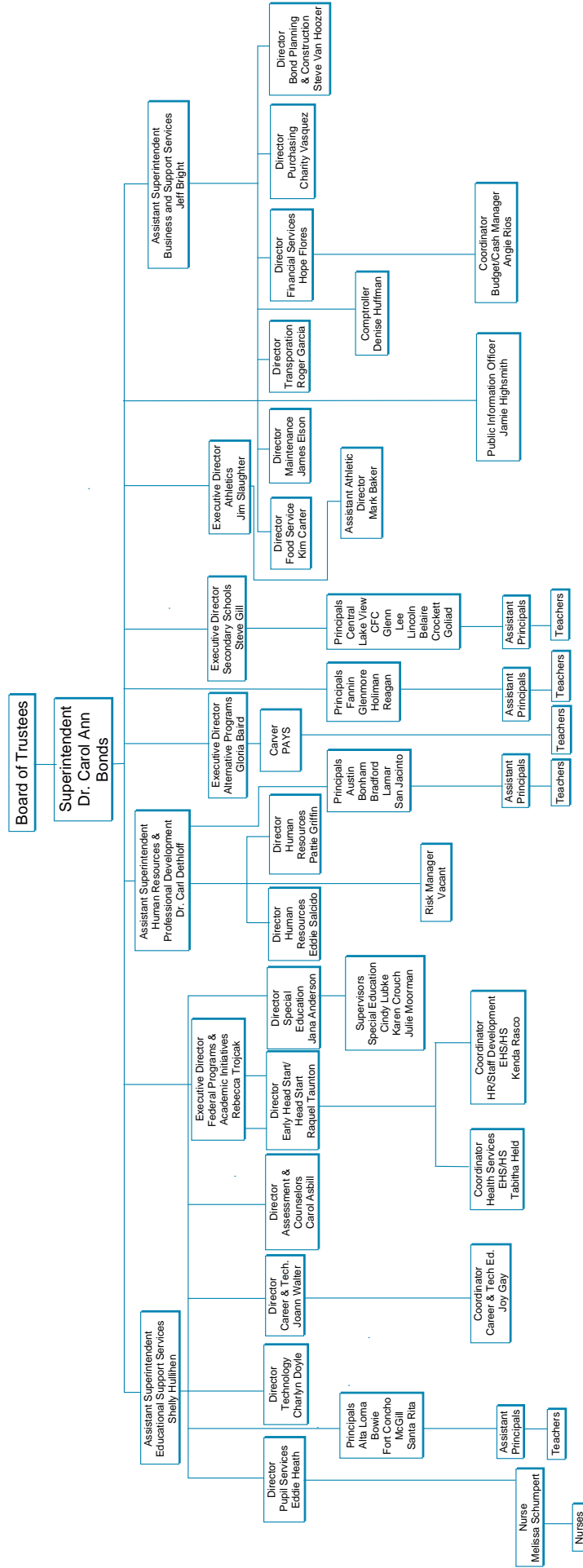
Selected Administrative Staff

<u>Name</u>	<u>Position</u>	<u>Length of Service</u>	<u>Total School District Service</u>
Dr. Carol Ann Bonds	Superintendent of Schools	6 Years	33 Years
Shelly Hullihen	Assistant Superintendent, Educational Support Services	5 Years	32 Years
Jeff Bright	Assistant Superintendent, Business & Support Services	9 Years	25 Years
Carl Dethloff	Assistant Superintendent, Human Resources & Staff Development	3 Years	20 Years
Denise Huffman	Comptroller	10 Years	16 Years
Hope Flores	Director of Financial Services	14 Years	14 Years

Consultants and Advisors

Auditors.....	Webb and Webb Certified Public Accountants San Angelo, Texas
Bond Counsel.....	Fulbright & Jaworski, L.L.P. Dallas, Texas
Financial Advisor.....	First Southwest Company Dallas, Texas

San Angelo Independent School District Administrative Organizational Chart School Year 2011-2012



Revised
4/2012

Association of School Business Officials International



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

San Angelo Independent School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended August 31, 2011*

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



Handwritten signature of Brian L. Mee in black ink, positioned above a horizontal line.

Brian L. Mee, SFO, RSBA
President

Handwritten signature of John D. Musso in black ink, positioned above a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

FINANCIAL SECTION

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**UNQUALIFIED OPINION ON BASIC FINANCIAL STATEMENTS
ACCOMPANIED BY REQUIRED SUPPLEMENTARY INFORMATION
AND OTHER SUPPLEMENTARY INFORMATION INCLUDING THE
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS**

Independent Auditor's Report

Board of Trustees
San Angelo Independent School District
1621 University Avenue
San Angelo, Texas 76904

Members of the Board:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of San Angelo Independent School District (the District) as of and for the year ended August 31, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's administrators. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the San Angelo Independent School District as of August 31, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2012, on our consideration of the San Angelo 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* and should be considered in assessing the results of our audit.

Management's discussion and analysis and budgetary comparison immediately following this report and immediately following the notes to the financial statements, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the San Angelo Independent School District's basic financial statements. The introductory section, combining and other statements, statistical tables, schedule of expenditures of federal awards, and information required by the Texas Education Agency (which is identified in the Table of Contents as Exhibits J-1 through J-5) are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and other statements, schedule of expenditures of federal awards, and information required by the Texas Education Agency have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Webb & Webb

December 20, 2012

Management's Discussion and Analysis San Angelo Independent School District

In this section of the Annual Financial and Compliance Report, we, the managers of San Angelo Independent School District, discuss and analyze the District's financial performance for the fiscal year ended August 31, 2012. Please read it in conjunction with, the independent auditors' report immediately preceding this report, and the District's Basic Financial Statements, which begin with Exhibit A-1.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Assets and the Statement of Activities (Exhibits A-1 and B-1). These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (starting with Exhibit C-1) report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how goods or services of the District were sold to departments within the District or to external customers and how the sales revenues covered the expenses of the goods or services. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the district.

The notes to the financial statements (immediately after Exhibit E-2) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The combining and other statements for nonmajor funds contain even more information about the District's individual funds. These are not required by TEA. The sections labeled Compliance Schedules (Required by Texas Education Agency) and Single Audit Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

REPORTING THE DISTRICT AS A WHOLE

The Statement of Net Assets and the Statement of Activities

The analysis of the District's overall financial condition and operations begins with Exhibit A-1. Its primary purpose is to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Assets includes all the District's assets and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The District's revenues are divided into those provided by outside parties who share the costs of some programs, such as tuition received from students from outside the district, food service revenues, rents, and curriculum sales (program revenues), and revenues provided by the taxpayers or by TEA in equalization funding processes (general revenues). All the District's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the District's net assets and changes in them. The District's net assets (the difference between assets and liabilities) provide one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net assets are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider non-financial factors as well, such as changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

In the Statement of Net Assets and the Statement of Activities, we divide the District into two kinds of activities:

- Governmental activities— Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.
- Business-type activities— The District charges a fee to “customers” to help it cover all or most of the cost of services it provides in the concessions activity. The District has transferred the rights to sell advertising on a jumbo-tron scoreboard at the District's athletic stadium as payment for installation of the jumbo-tron.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements begin with Exhibit C-1 and provide detailed information about the most significant funds—not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received under the Elementary and Secondary Education Act from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities) The District's two kinds of funds, governmental and proprietary, use different accounting approaches.

- Governmental funds – Most of the District's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial

statements.

- Proprietary funds – The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Assets and the Statement of Activities. The District's enterprise funds, one category of proprietary funds, are the business-type activities reported in the government-wide statements but contain more detail and additional information, such as cash flows. The internal service funds (the other category of proprietary funds) reports activities that provide services for the District's other programs and activities through the District's self-insurance programs.

THE DISTRICT AS TRUSTEE

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for money raised by student activities and alumnae scholarship programs. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets, Exhibits E-1 and E-2. We exclude these resources from the District's other financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT WIDE FINANCIAL ANALYSIS

Our analysis focuses on the net assets (Table I) and changes in net assets (Table II) of the District's governmental and business-type activities.

Table I
San Angelo Independent School District
Net Assets
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Assets:						
Current and Other Assets	\$79,017	\$110,076	\$ 54	\$46	\$79,071	\$110,122
Capital Assets	177,560	150,588	156	210	177,716	150,798
Total Assets	<u>256,577</u>	<u>260,664</u>	<u>210</u>	<u>256</u>	<u>256,787</u>	<u>260,920</u>
Liabilities:						
Current Liabilities	16,097	18,107	70	84	16,167	18,218
Long Term Liabilities	131,507	135,653	166	210	131,673	135,837
Total Liabilities	<u>147,604</u>	<u>153,760</u>	<u>236</u>	<u>294</u>	<u>147,840</u>	<u>154,055</u>
Net Assets:						
Invested in capital assets, net of related debt	71,331	68,123	(10)	(1)	71,321	68,122
Restricted	4,327	3,660	-	-	4,327	3,660
Unrestricted	33,315	35,121	(16)	(38)	33,299	35,083
Total Net Assets	<u>\$108,973</u>	<u>\$106,904</u>	<u>\$(26)</u>	<u>\$(39)</u>	<u>\$108,947</u>	<u>\$106,865</u>

Net Assets. The District's governmental activities net asset position improved 1.9% from \$106,904,000 to \$108,973,000. The District continues to service the \$117 million in bonds issued in fiscal 2009 and has completed or progressed on all eleven proposed bond projects.

In the business-type activities, current operations of the concessions fund were profitable. In the enterprise fund established to satisfy the cost of installation of a jumbo-tron, current charges for interest and depreciation exceeded current advertising revenues generated reducing the overall net assets in Business type activities. Net assets of the business type activities are unrestricted.

The results of the governmental and business-type activities compared to the results from the prior year are summarized in Table II.

Table II
San Angelo Independent School District
Changes in Net Assets
(in thousands)

	Governmental Activities		Business- type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program Revenues:						
Charges for Services	\$3,259	\$3,107	\$174	\$166	\$3,433	\$3,273
Operating Grants & Contributions	24,603	30,601	-	-	24,603	30,601
General Revenues:						
Maint & Oper Taxes	33,528	31,839	-	-	33,528	31,839
Debt Service Taxes	7,736	8,342	-	-	7,736	8,342
State Aid Formula Grants	55,450	55,339	-	-	55,450	55,339
Grants, Contrib not restricted to specific functions	-	3,519	-	-	-	3,519
Investment Earnings	433	1,005	-	-	433	1,005
Miscellaneous	996	2,599	-	-	996	2,599
Special Item – Capital Asset Impairment Loss	(88)	-	-	-	(88)	-
Total Revenues	<u>125,917</u>	<u>136,351</u>	<u>174</u>	<u>166</u>	<u>126,091</u>	<u>136,517</u>
Expenses:						
Instruction, Curriculum, Media	68,524	74,004	-	-	68,524	74,004
Instructional/School Leadership	8,430	8,470	-	-	8,430	8,470
Guidance, Social Work, Health &Transportation	8,927	9,163	-	-	8,927	9,163
Child Nutrition	7,078	7,053	-	-	7,078	7,053
Co-curricular Activities	4,960	4,582	-	-	4,960	4,582
General Administration	2,523	2,643	-	-	2,523	2,643
Plant Maint, Security, Data Proc	16,118	16,063	-	-	16,118	16,063
Community Services	264	333	-	-	264	333
Debt Service	6,200	6,552	-	-	6,200	6,552
Other Intergovernmental Charges	828	814	-	-	828	814

Other: Business-type Activities	-		158	168	158	168
Total Expenses	<u>123,852</u>	<u>129,677</u>	<u>158</u>	<u>168</u>	<u>124,010</u>	<u>129,845</u>
Change in Net Assets	2,065	6,674	(72)	(2)	2,081	6,672
Excess (Deficiency) Before Transfers	-	-	-	-	-	-
Transfer In (Out)	4	-	(4)	-	-	-
Net Assets at September 1	<u>106,904</u>	<u>100,230</u>	<u>(38)</u>	<u>(36)</u>	<u>106,866</u>	<u>100,194</u>
Ending Net Assets at August 31	<u>\$108,973</u>	<u>\$106,904</u>	<u>\$(26)</u>	<u>\$(38)</u>	<u>\$108,947</u>	<u>\$106,866</u>

Changes in Net Assets. The District's total revenues decreased by \$10,434,000 (7.7%) over fiscal 2011 while expenses declined by \$5,825,000 (4.5%). Primary revenue decreases came from reduced federal funding, low investment earnings, and miscellaneous revenues. The most noteworthy reductions in spending came from the instructional, curriculum, and media categories. Overall revenues and expenditures were significantly affected from the \$5.4 billion in cuts that the state legislature imposed on public schools in Senate Bill 1 passed in the 82nd legislative session.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of remaining resources. In particular, unassigned fund balance often serves as a useful measure of a governmental agency's net resources available for spending at the end of a fiscal year. The board maintains fund balances adequate for sound fiscal management and provide for the stewardship of public funds. Fund balances are primarily used for cash flow purposes, as financial strength indicators for debt rating agencies, in planned capital projects and one-time expenditures, and emergency situations that may arise from internal and external factors. The district maintains policy related to target levels of fund balances.

The District's General Fund reported a slight decrease in fund balance to \$30,039,090. At the end of the fiscal year, the General Fund's unassigned fund balance stood at \$22,384,107. The remainder of the fund balance is non-spendable, restricted, committed, or assigned as required by GASB 54. Amounts are approved through board action each year.

The other governmental funds include the debt service fund, a capital projects fund and special revenue grant funds. Debt tax collections decreased from the previous fiscal year following a reduction in the debt service tax rate from \$0.2725 to \$0.24 per \$100 property value. State revenues increased to \$2.7 million as the Existing Debt Allotment became available to service the 2008 School Building Bonds.

At year-end, the District's Debt Service Fund had a \$2.2 million fund balance, an increase of \$199,891 from the prior year. Bonds payable totaling \$128,690,000 have maturities scheduled into 2034 with fixed interest rates ranging from 2.4% to 5.25%. The 2009 Bonds are rated AA+ by Standard and Poor's Rating Services by virtue of a municipal bond insurance policy issued by Assured Guaranty. The Bonds and other outstanding tax supported debt of the District are rated AA- by Standard and Poor's and AA by Fitch without regard to credit enhancement. The District also has issues outstanding which are rated AAA by Standard and Poor's by virtue of the

guarantee of the Permanent School Fund of the State of Texas. Other obligations of the district include accrued benefits for unused vested sick leave. Detailed information about the District's long-term liabilities is presented in Note IV.H to the financial statements.

The Capital Projects Fund ended the fiscal year with a total fund balance of \$24,422,633. This represents funds remaining from the 2008 bond referendum and are dedicated to the completion of the eleven original projects proposed by the District and approved by the voters.

Proprietary Funds. The District's risk management strategy used internal service funds to report the accumulation of reserves for self-insurance of employee health benefits and workers' compensation benefits. The reserves are accumulated through payroll charges to the governmental funds based on actuarial estimates of the relevant claims liabilities. The internal service funds are consolidated into the governmental activities in the government-wide financial statements. The District planned and budgeted a deficit in the health insurance fund and utilized one-time Edu Jobs funding to cover the shortfall. As expected, The Health Fund experienced an increase in claims costs in 2012 that exceeded payroll benefit charges accumulating in the fund. The general fund budget was amended near year end to fund the increase in claims expenditures and allow the Health Fund to remain viable to continue paying claims in the 2012 fiscal year. At the close of fiscal year 2012, the District chose to enter the state's TRS ActiveCare health insurance program and any monies left in the fund will be used to pay run-out claims. The Worker's Compensation Fund remains stable and reported net assets of \$729,355 available to meet the ongoing claims liabilities. Both internal service funds had declines in investment earnings due to interest rate declines. Additional information about the internal service funds is found in note IV.J in this report.

Enterprise Funds. The funds reported in the government wide financial statements as business-type activities are the District's enterprise funds. The business-type activities are relatively insignificant to the overall operations of the District. The concession fund reported net revenue on concession services. The District negotiated an agreement in 2005 to finance installation of a jumbo-tron scoreboard at the District's athletic stadium by transferring the rights to sell advertising on the board. The transaction is reported as a capital lease asset acquisition in an enterprise fund. Advertising revenue sold will satisfy repayment of the cost of the board with expected payout in approximately ten years. Current charges for interest and depreciation exceeded current advertising revenues in the fund to reduce the net assets of the fund and of the overall business activities for the year.

CAPITAL ASSETS

At the end of 2012 the District had \$177.6 million (net of accumulated depreciation) invested in a broad range of capital assets, including land, construction in progress, buildings and improvements, and furniture and equipment. This amount represents an increase of \$27.6 million from the prior year.

San Angelo ISD Capital Assets

Land	\$ 6,842,962
Construction in Progress	89,064,730
Buildings and Improvements	74,296,170
Furniture and Equipment	<u>7,356,197</u>
Total	<u>\$177,560,059</u>

Additional information regarding capital assets is presented in note IV.F. to the financial statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's Board of Trustees adopts the general fund, debt service, and food service fund budgets annually. Over the course of the year, the Board of Trustees revised the District's general fund budget several times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect actual beginning balances (versus the amounts estimated in August 2012). The second category includes changes that the Board made during the year. The third category involved amendments that moved funds from programs that did not need all the resources originally appropriated to programs with resource needs. Revenues were amended to adjust state formula allotments and increase federal revenues related to health services. The principal expenditure amendments were to budget capital expenditures. In the general fund, actual revenues reported were 101% of the amended budget and expenditures were 98.3% of the amended budget. Actual expenditures exceeded revenue by \$372,516.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

As the 2012-2013 budget was prepared, the district maintained its maintenance and operating tax rate at \$1.04 and decreased the debt tax rate to \$0.22. The District budgeted an increase in local property tax collections due to the elimination of the 20% Local Optional Homestead Exemption. Enrollment is a major factor in determining state revenues for the district as funding formulas are driven by average daily student attendance and although enrollment experienced a slight increase in the 2011 year and is forecast to remain stable. Budgeted revenues available for appropriation in the general fund budget are \$96.184 million and expenditures are budgeted at approximately \$95.1 million. Excess funds will be utilized for capital outlay requests pending enrollment figures coming in as projected.

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's business office at San Angelo Independent School District, 1621 University, San Angelo, Texas 76904.

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BASIC FINANCIAL STATEMENTS

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SAN ANGELO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET ASSETS
AUGUST 31, 2012

Data Control Codes	1	2 Primary Government	3
	Governmental Activities	Business Type Activities	Total
ASSETS			
1110 Cash and Cash Equivalents	\$ 31,920,649	\$ 46,283	\$ 31,966,932
1120 Current Investments	27,158,901	-	27,158,901
1220 Property Taxes Receivable (Delinquent)	1,797,533	-	1,797,533
1230 Allowance for Uncollectible Taxes	(88,079)	-	(88,079)
1240 Due from Other Governments	3,525,500	-	3,525,500
1250 Accrued Interest	53,190	-	53,190
1290 Other Receivables, net	204,850	7,905	212,755
1300 Inventories	722,548	-	722,548
1410 Deferred Expenses	733,001	-	733,001
1420 Capitalized Bond and Other Debt Issuance Costs	1,539,762	-	1,539,762
Capital Assets:			
1510 Land	6,842,962	-	6,842,962
1520 Buildings, Net	74,296,170	-	74,296,170
1530 Furniture and Equipment, Net	7,356,197	-	7,356,197
1550 Leased Property Under Capital Leases, Net	-	156,042	156,042
1580 Construction in Progress	89,064,730	-	89,064,730
1800 Restricted Assets	370,044	-	370,044
1910 Long Term Investments	11,078,626	-	11,078,626
1000 Total Assets	<u>256,576,584</u>	<u>210,230</u>	<u>256,786,814</u>
LIABILITIES			
2110 Accounts Payable	7,877,021	679	7,877,700
2140 Interest Payable	260,315	-	260,315
2150 Payroll Deductions & Withholdings	142,132	-	142,132
2160 Accrued Wages Payable	2,989,123	-	2,989,123
2180 Due to Other Governments	47,114	-	47,114
2190 Due to Student Groups	2,809	-	2,809
2200 Accrued Expenses	443,592	-	443,592
2300 Deferred Revenues	4,334,194	69,603	4,403,797
Noncurrent Liabilities			
2501 Due Within One Year	4,260,000	48,068	4,308,068
2502 Due in More Than One Year	127,246,784	117,962	127,364,746
2000 Total Liabilities	<u>147,603,084</u>	<u>236,312</u>	<u>147,839,396</u>
NET ASSETS			
3200 Invested in Capital Assets, Net of Related Debt	71,331,462	(9,988)	71,321,474
Restricted for:			
3820 Restricted for Federal and State Programs	1,755,280	-	1,755,280
3850 Restricted for Debt Service	2,241,004	-	2,241,004
3890 Restricted for Other Purposes	331,113	-	331,113
3900 Unrestricted Net Assets	33,314,641	(16,094)	33,298,547
3000 Total Net Assets	<u>\$ 108,973,500</u>	<u>\$ (26,082)</u>	<u>\$ 108,947,418</u>

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2012

Data Control Codes	1	Program Revenues	
		3	4
	Expenses	Charges for Services	Operating Grants and Contributions
Primary Government:			
GOVERNMENTAL ACTIVITIES:			
11 Instruction	\$ 66,164,039	\$ 496,433	\$ 12,341,293
12 Instructional Resources and Media Services	1,530,895	-	65,785
13 Curriculum and Staff Development	828,657	-	413,588
21 Instructional Leadership	1,857,948	4,978	410,594
23 School Leadership	6,572,481	248,886	2,997,455
31 Guidance, Counseling and Evaluation Services	4,816,003	-	1,029,575
32 Social Work Services	656,475	-	231,256
33 Health Services	687,262	-	202,089
34 Student (Pupil) Transportation	2,767,646	-	106,650
35 Food Services	7,078,316	1,823,703	5,554,351
36 Extracurricular Activities	4,960,017	247,956	102,124
41 General Administration	2,522,886	-	98,454
51 Facilities Maintenance and Operations	13,164,586	436,744	841,854
52 Security and Monitoring Services	443,446	-	(1,212)
53 Data Processing Services	2,509,966	-	85,212
61 Community Services	264,170	-	119,983
72 Debt Service - Interest on Long Term Debt	6,200,033	-	-
81 Capital Outlay	-	-	4,374
99 Other Intergovernmental Charges	828,172	-	-
[TG] Total Governmental Activities:	<u>123,852,998</u>	<u>3,258,700</u>	<u>24,603,425</u>
BUSINESS-TYPE ACTIVITIES:			
01 Concession Fund	87,635	106,280	-
02 JumboTron Fund	70,343	68,059	-
[TB] Total Business-Type Activities:	<u>157,978</u>	<u>174,339</u>	<u>-</u>
[TP] TOTAL PRIMARY GOVERNMENT:	<u>\$ 124,010,976</u>	<u>\$ 3,433,039</u>	<u>\$ 24,603,425</u>

Data	General Revenues:
Control	Taxes:
Codes	MT Property Taxes, Levied for General Purposes
	DT Property Taxes, Levied for Debt Service
	GC Grants and Contributions not Restricted
	IE Investment Earnings
	MI Miscellaneous Local and Intermediate Revenue
	S2 Special Item - Capital Asset Impairment Loss
	FR Transfers In (Out)
	TR Total General Revenues, Special Items, & Transfers
	CN Change in Net Assets
	NB Net Assets--Beginning
	NE Net Assets--Ending

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

Net (Expense) Revenue and
Changes in Net Assets

6	7	8
Primary Government		
Governmental Activities	Business Type Activities	Total
\$ (53,326,313)	\$ -	\$ (53,326,313)
(1,465,110)	-	(1,465,110)
(415,069)	-	(415,069)
(1,442,376)	-	(1,442,376)
(3,326,140)	-	(3,326,140)
(3,786,428)	-	(3,786,428)
(425,219)	-	(425,219)
(485,173)	-	(485,173)
(2,660,996)	-	(2,660,996)
299,738	-	299,738
(4,609,937)	-	(4,609,937)
(2,424,432)	-	(2,424,432)
(11,885,988)	-	(11,885,988)
(444,658)	-	(444,658)
(2,424,754)	-	(2,424,754)
(144,187)	-	(144,187)
(6,200,033)	-	(6,200,033)
4,374	-	4,374
(828,172)	-	(828,172)
<u>(95,990,873)</u>	<u>-</u>	<u>(95,990,873)</u>
-	18,645	18,645
-	(2,284)	(2,284)
<u>-</u>	<u>16,361</u>	<u>16,361</u>
<u>(95,990,873)</u>	<u>16,361</u>	<u>(95,974,512)</u>
33,528,320	-	33,528,320
7,737,289	-	7,737,289
55,449,625	-	55,449,625
432,806	-	432,806
996,085	-	996,085
(87,997)	-	(87,997)
3,934	(3,934)	-
<u>98,060,062</u>	<u>(3,934)</u>	<u>98,056,128</u>
2,069,189	12,427	2,081,616
106,904,311	(38,509)	106,865,802
<u>\$ 108,973,500</u>	<u>\$ (26,082)</u>	<u>\$ 108,947,418</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2012

Data Control Codes	10 General Fund	60 2008 Bond Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
1110 Cash and Cash Equivalents	\$ 24,650,573	\$ 1,034,708	\$ 4,276,356	\$ 29,961,637
1120 Investments - Current	6,190,118	20,968,783	-	27,158,901
1220 Property Taxes - Delinquent	1,495,376	-	302,157	1,797,533
1230 Allowance for Uncollectible Taxes (Credit)	(73,273)	-	(14,806)	(88,079)
1240 Receivables from Other Governments	1,934,103	-	1,591,397	3,525,500
1250 Accrued Interest	454	52,736	-	53,190
1260 Due from Other Funds	1,516,094	-	-	1,516,094
1290 Other Receivables	151,421	-	16,655	168,076
1300 Inventories	-	-	722,548	722,548
1410 Deferred Expenditures	733,001	-	-	733,001
1900 Other Assets	3,003,679	8,074,947	-	11,078,626
1000 Total Assets	<u>\$ 39,601,546</u>	<u>\$ 30,131,174</u>	<u>\$ 6,894,307</u>	<u>\$ 76,627,027</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
2110 Accounts Payable	\$ 1,136,199	\$ 5,707,749	\$ 78,854	\$ 6,922,802
2150 Payroll Deductions and Withholdings Payable	142,132	-	-	142,132
2160 Accrued Wages Payable	2,989,123	-	-	2,989,123
2170 Due to Other Funds	-	792	1,280,798	1,281,590
2180 Due to Other Governments	7,896	-	39,218	47,114
2190 Due to Student Groups	-	-	2,809	2,809
2300 Unearned Revenues	5,287,106	-	587,689	5,874,795
2000 Total Liabilities	<u>9,562,456</u>	<u>5,708,541</u>	<u>1,989,368</u>	<u>17,260,365</u>
Fund Balances:				
Nonspendable Fund Balance:				
3410 Inventories	-	-	722,548	722,548
3430 Prepaid Items	733,001	-	-	733,001
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	-	-	1,755,280	1,755,280
3470 Capital Acquisition and Contractual Obligation	-	24,422,633	-	24,422,633
3480 Retirement of Long-Term Debt	1,115,869	-	2,241,004	3,356,873
3490 Other Restricted Fund Balance	331,113	-	-	331,113
Committed Fund Balance:				
3510 Construction	825,000	-	-	825,000
3530 Capital Expenditures for Equipment	3,150,000	-	-	3,150,000
3545 Other Committed Fund Balance	1,500,000	-	186,107	1,686,107
3600 Unassigned Fund Balance	22,384,107	-	-	22,384,107
3000 Total Fund Balances	<u>30,039,090</u>	<u>24,422,633</u>	<u>4,904,939</u>	<u>59,366,662</u>
4000 Total Liabilities and Fund Balances	<u>\$ 39,601,546</u>	<u>\$ 30,131,174</u>	<u>\$ 6,894,307</u>	<u>\$ 76,627,027</u>

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS
AUGUST 31, 2012

Total Fund Balances - Governmental Funds	\$	59,366,662
1 The District uses internal service funds to charge the costs of self-insurance 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 assets. The net effect of this consolidation is to increase net assets.		729,355
2 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. In addition, long term liabilities, including bonds payable, are not due and payable in the current period, and, there for are not rported as liabilities in the funds. Beginning of year balances were: Capital assets - \$211,621,353; Accumulated depreciation - \$(61,033,698); Long term debt - \$(135,653,309), Accrued interest payable - \$(311,136); Capitalized interest costs - \$1,676,705. The net effect of including the beginning balances for capital assets (net of depreciation) long-term debt, and debt issuance costs in the governmental activities is to increase net assets.		16,299,915
3 Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. Current year capital asset and long term debt adjustments were: Capital outlay - \$31,409,602; Debt principal payments - \$3,523,823; Write off basis of capital asset dispositions - \$(375,372); Amortize premiums, refunding difference and issuance costs - \$469,611; Decrease in compensated absences - \$16,149; Decrease in accrued interest payable - \$50,821 The net effect of including the 2012 capital outlays and debt principal payments is to increase net assets.		35,094,633
4 The 2012 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net assets.		(4,061,826)
5 Other reclassifications necessary to convert from modified accrual basis of accounting to the accrual basis of accounting were: Recognize deferred current roll property taxes as revenue - \$540,898; Reclassify deferred delinquent roll property tax to beginning net assets - \$1,003,863. The net effect of these reclassifications and recognitions is to increase net assets.		1,544,761
19 Net Assets of Governmental Activities	\$	108,973,500

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2012

Data Control Codes		10 General Fund	60 2008 Bond Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 35,542,561	\$ 307,930	\$ 10,266,259	\$ 46,116,750
5800	State Program Revenues	55,447,857	4,375	3,816,469	59,268,701
5900	Federal Program Revenues	1,388,385	-	19,394,963	20,783,348
5020	Total Revenues	<u>92,378,803</u>	<u>312,305</u>	<u>33,477,691</u>	<u>126,168,799</u>
EXPENDITURES:					
Current:					
0011	Instruction	54,282,019	-	9,792,932	64,074,951
0012	Instructional Resources and Media Services	1,458,391	-	2,918	1,461,309
0013	Curriculum and Instructional Staff Development	392,410	-	413,667	806,077
0021	Instructional Leadership	1,487,054	-	353,937	1,840,991
0023	School Leadership	3,308,973	-	3,068,148	6,377,121
0031	Guidance, Counseling and Evaluation Services	3,913,291	-	826,834	4,740,125
0032	Social Work Services	411,257	-	206,915	618,172
0033	Health Services	491,343	-	184,497	675,840
0034	Student (Pupil) Transportation	2,546,038	-	1,491	2,547,529
0035	Food Services	-	-	6,928,173	6,928,173
0036	Extracurricular Activities	4,302,148	-	-	4,302,148
0041	General Administration	2,330,013	-	9,089	2,339,102
0051	Facilities Maintenance and Operations	12,127,499	-	523,692	12,651,191
0052	Security and Monitoring Services	399,246	-	(5,414)	393,832
0053	Data Processing Services	2,200,234	-	-	2,200,234
0061	Community Services	141,363	-	118,416	259,779
Debt Service:					
0071	Principal on Long Term Debt	-	-	3,523,822	3,523,822
0072	Interest on Long Term Debt	-	-	6,857,408	6,857,408
0073	Bond Issuance Cost and Fees	-	-	8,256	8,256
Capital Outlay:					
0081	Facilities Acquisition and Construction	2,131,868	28,257,467	436,170	30,825,505
Intergovernmental:					
0099	Other Intergovernmental Charges	828,172	-	-	828,172
6030	Total Expenditures	<u>92,751,319</u>	<u>28,257,467</u>	<u>33,250,951</u>	<u>154,259,737</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(372,516)</u>	<u>(27,945,162)</u>	<u>226,740</u>	<u>(28,090,938)</u>
OTHER FINANCING SOURCES (USES):					
7912	Sale of Real and Personal Property	34,966	-	-	34,966
7915	Transfers In	-	-	171,198	171,198
8911	Transfers Out (Use)	(167,264)	-	-	(167,264)
7080	Total Other Financing Sources (Uses)	<u>(132,298)</u>	<u>-</u>	<u>171,198</u>	<u>38,900</u>
1200	Net Change in Fund Balances	(504,814)	(27,945,162)	397,938	(28,052,038)
0100	Fund Balance - September 1 (Beginning)	<u>30,543,904</u>	<u>52,367,795</u>	<u>4,507,001</u>	<u>87,418,700</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ 30,039,090</u>	<u>\$ 24,422,633</u>	<u>\$ 4,904,939</u>	<u>\$ 59,366,662</u>

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED AUGUST 31, 2012

Total Net Change in Fund Balances - Governmental Funds	\$	(28,052,038)
The District uses internal service funds to charge the costs self-insurance to appropriate functions in other funds. The net income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to decrease net assets.		(712,257)
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. Current year capital asset and long term debt adjustments were: Capital outlay \$30,409,602; Debt principal payments - \$3,523,822; Write off basis of asset dispositions - \$(375,372) Amortize refunding difference and issuance costs - \$469,611; Decrease in compensated absences - \$16,149; Decrease in accrued interest payable - \$50,821, The net effect of removing the 2012 capital outlays and debt principal payments is to increase net assets.		35,094,633
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net assets.		(4,061,826)
Other reclassifications necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting are: Recognize deferred current roll property taxes as revenue - \$540,898; Reclassify current year collections of and adjustments to prior years' property tax rolls to beginning net assets - \$(740,221). The net effect of these reclassifications and recognitions is to decrease net assets.		(199,323)
Change in Net Assets of Governmental Activities	\$	2,069,189

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
AUGUST 31, 2012

EXHIBIT D-1

	Business-Type Activities -	Governmental Activities -
	Total Enterprise Funds	Total Internal Service Funds
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 46,283	\$ 1,959,012
Other Receivables	7,905	36,774
Total Current Assets	54,188	1,995,786
Noncurrent Assets:		
Capital Assets:		
Leased Property Under Capital Leases	535,000	-
Depreciation on Capital Leases	(378,958)	-
Restricted Assets	-	370,044
Total Noncurrent Assets	156,042	370,044
Total Assets	210,230	2,365,830
LIABILITIES		
Current Liabilities:		
Accounts Payable	679	954,219
Due to Other Funds	-	234,504
Accrued Expenses	-	443,592
Deferred Revenues	69,603	4,160
Total Current Liabilities	70,282	1,636,475
Noncurrent Liabilities:		
Capital Leases Payable - Due Within One Year	48,068	-
Capital Lease Payable - Due in More than One Year	117,962	-
Total Noncurrent Liabilities	166,030	-
Total Liabilities	236,312	1,636,475
NET ASSETS		
Investments in Capital Assets, Net of Debt	(9,988)	-
Unrestricted Net Assets	(16,094)	729,355
Total Net Assets	\$ (26,082)	\$ 729,355

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2012

	Business-Type Activities -	Governmental Activities -
	Total Enterprise Funds	Total Internal Service Funds
OPERATING REVENUES:		
Local and Intermediate Sources	\$ 174,339	\$ 12,913,127
Total Operating Revenues	<u>174,339</u>	<u>12,913,127</u>
OPERATING EXPENSES:		
Payroll Costs	37,838	40,672
Professional and Contracted Services	1,482	1,919,993
Supplies and Materials	47,991	4,752
Other Operating Costs	324	11,661,775
Depreciation Expense	53,500	-
Total Operating Expenses	<u>141,135</u>	<u>13,627,192</u>
Operating Income (Loss)	<u>33,204</u>	<u>(714,065)</u>
NONOPERATING REVENUES (EXPENSES):		
Earnings from Temporary Deposits & Investments	-	1,808
Non-operating Expenses	<u>(16,843)</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>(16,843)</u>	<u>1,808</u>
Income (Loss) Before Transfers	16,361	(712,257)
Transfers Out	<u>(3,934)</u>	<u>-</u>
Change in Net Assets	12,427	(712,257)
Total Net Assets - September 1 (Beginning)	<u>(38,509)</u>	<u>1,441,612</u>
Total Net Assets - August 31 (Ending)	<u>\$ (26,082)</u>	<u>\$ 729,355</u>

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2012

EXHIBIT D-3

	Business-Type Activities	Governmental Activities -
	Total Enterprise Funds	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>		
Cash Received from User Charges	\$ 159,933	\$ 2,296,024
Cash Received from Assessments - Other Funds	-	10,431,093
Cash Payments to Employees for Services	(37,839)	(40,672)
Cash Payments for Insurance Claims	-	(11,647,406)
Cash Payments for Suppliers	(57,022)	(1,488,757)
Cash Payments for Claims Loss Fund	-	(19,970)
Net Cash Provided by (Used for) Operating Activities	<u>65,072</u>	<u>(469,688)</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>		
Increase(decrease) in Short-term Loans	-	192,815
Operating Transfer Out	(3,935)	-
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>(3,935)</u>	<u>192,815</u>
<u>Cash Flows from Capital & Related Financing Activities:</u>		
Retirement of Long-term Debt	(44,507)	-
Interest Paid on Long-term Debt	(16,843)	-
Net Cash Provided by (Used for) Capital & Related Financing Activities	<u>(61,350)</u>	<u>-</u>
<u>Cash Flows from Investing Activities:</u>		
Interest and Dividends on Investments	-	1,808
Net Decrease in Cash and Cash Equivalents	(213)	(275,065)
Cash and Cash Equivalents at Beginning of Year	46,496	2,234,077
Cash and Cash Equivalents at End of Year	<u>\$ 46,283</u>	<u>\$ 1,959,012</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>		
<u>Provided by (Used for) Operating Activities:</u>		
Operating Income (Loss):	\$ 33,204	\$ (714,065)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used For) Operating Activities:		
Depreciation	53,500	-
Effect of Increases and Decreases in Current Assets and Liabilities:		
Decrease (increase) in Receivables	(7,905)	(21,970)
Decrease (increase) in Restricted Assets	-	(19,970)
Increase (decrease) in Accounts Payable	(7,226)	435,988
Increase (decrease) in Unearned Revenues	(6,501)	(164,040)
Increase (decrease) in Accrued Expenses	-	14,369
Net Cash Provided by (Used for) Operating Activities	<u>\$ 65,072</u>	<u>\$ (469,688)</u>

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
AUGUST 31, 2012

EXHIBITE-1

	Private Purpose Trust Fund	Agency Fund
ASSETS		
Cash and Cash Equivalents	\$ 56,009	\$ 460,785
Other Receivables	-	1,899
Total Assets	56,009	\$ 462,684
LIABILITIES		
Accounts Payable	-	\$ 1,111
Due to Student Groups	-	461,573
Total Liabilities	-	\$ 462,684
NET ASSETS		
Unrestricted Net Assets	56,009	
Total Net Assets	\$ 56,009	

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF CHANGES IN FIDUCIARY FUND NET ASSETS
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2012

	Private Purpose Trust Fund
ADDITIONS:	
Local and Intermediate Sources	\$ 662
Total Additions	<u>662</u>
DEDUCTIONS:	
Other Operating Costs	<u>2,261</u>
Total Deductions	<u>2,261</u>
Change in Net Assets	(1,599)
Total Net Assets - September 1 (Beginning)	<u>57,608</u>
Total Net Assets - August 31 (Ending)	<u><u>\$ 56,009</u></u>

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

San Angelo Independent School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven member Board of Trustees (the "Board") elected by registered voters of the District. The District prepares its basic financial statements in conformity with U. S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement on Auditing Standards No. 69* of the American Institute of Certified Public Accountants; and it complies with the requirements of the appropriate version of Texas Education Agency's *Financial Accountability System Resource Guide* (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

I.A. Reporting Entity

The Board of Trustees (the "Board") is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by the Governmental Accounting Standards Board ("GASB") in its Statement No. 14, "The Financial Reporting Entity". There are no component units included within the reporting entity.

I.B. Government-Wide and Fund Financial Statements

The Statement of Net Assets and the Statement of Activities are government-wide financial statements. They report information on all of the San Angelo Independent School District non-fiduciary activities with most of the inter-fund activities removed. *Governmental activities* include programs supported primarily by taxes, State foundation funds, grants and other intergovernmental revenues. *Business-type activities* include operations that rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of the direct costs. The "charges for services" column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the District. Examples include tuition paid by students not residing in the district, school lunch charges, etc. The "grants and contributions" column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act. If revenue is not program revenue, it is general revenue used to support all of the District's functions. Taxes are always general revenues.

Inter-fund activities between governmental funds and between governmental funds and proprietary funds that represent lending/borrowing arrangements outstanding at year-end appear as due to/due from other funds on the Governmental Fund Balance Sheet, the Proprietary Fund Statement of Net Assets, and the Statement of Fiduciary Net Assets. For the government-wide financial statements, all inter-fund activities between governmental funds and between governmental funds and internal service funds, except inter-fund services provided and used, are eliminated. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide Statement of Net Assets as internal balances. Interfund activities between governmental funds and fiduciary funds remain as due to/from on the government-wide Statement of Activities.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012

The fund financial statements provide reports on the financial condition and results of operations for three fund categories; governmental, proprietary, and fiduciary. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in the government-wide statements. The District considers some governmental and enterprise funds major and reports their financial position and results of operations in a separate column.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues result from providing goods and services in connection with a proprietary fund's principal ongoing operations; they usually come from exchange or exchange-like transactions. All other revenues are non-operating. Operating expenses can be tied specifically to the production of the goods and services, such as materials and labor and direct overhead. Other expenses are non-operating.

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

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

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The District considers all revenues available if they are collectible within 60 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, that is, when they are both measurable and available. The District considers them "available" if they will be collected within 60 days of the end of the fiscal year. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

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

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012

The Proprietary Fund Types and Fiduciary Funds, except Agency Funds, are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. Agency Funds also 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. For Enterprise Funds the District applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless these pronouncements conflict or contradict GASB pronouncements. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund Statement of Net Assets. The fund equity is segregated into invested in capital assets net of related debt, restricted net assets, and unrestricted net assets.

I.D. Fund Accounting

The District reports the following major governmental funds:

1. The General Fund – The general fund is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
2. 2008 Bond Fund – This fund is used to account for the proceeds of the Unlimited School Building Bonds issued in fiscal 2009 that are restricted by bond covenants to complete projects on eleven of the District's campuses.

Additionally, the District reports the following fund types:

Governmental Funds:

1. Special Revenue Funds – The District accounts for resources restricted or committed for specific purposes by the District or a grantor in a special revenue fund. Most federal and some state financial assistance are accounted for in special revenue funds, and sometimes unused balances must be returned to the grantor at the close of specified project periods.
2. The Capital Project Funds – The capital project funds account for financial resources that are restricted, committed, or assigned for acquisition and construction of major capital assets from the proceeds of general obligation bonds and/or gifts, contributions and designated local resources. The District's major capital projects fund is the 2008 Bond fund which accounts for funds that are restricted by bond covenants to complete projects on eleven of the District's campuses. The District's non-major capital project fund is the San Angelo Fieldhouse Fund which included funds from community donations, contracted revenues from a beverage sales agreement, and maintenance and operations funds which were restricted or committed to complete the construction project. The project was completed in fiscal 2011 leaving the remaining fund balance unassigned.
3. Debt Service Fund – The District accounts for resources that are restricted for principal and interest on general obligation long-term debt of governmental funds in a debt service fund.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012

Proprietary Funds:

1. Enterprise Funds – The District's activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities are accounted for in an enterprise fund. The District has two non-major enterprise funds. The concessions fund reports sales of concessions at athletic events. The Jumbotron Fund reports advertising revenues being collected by Daktronics, Inc. as payments on a “capital lease” for a jumbotron electronic scoreboard installed at San Angelo Stadium

2. Internal Service Funds – Revenues and expenses related to services provided to organizations inside the District on a cost reimbursement basis are accounted for in an internal service fund. The District's two internal service funds are the health insurance fund and the workers compensation fund.

Fiduciary Funds:

1. Private Purpose Trust Funds – The District accounts for donations for which the donor has stipulated that both the principal and the income may be used for purposes that benefit parties outside the District in a private purpose trust fund. The District's private purpose trust fund is the scholarship fund.

2. Agency Funds – The District accounts for resources held for others in a custodial capacity in agency funds. The District's agency fund is student activity.

I.E. Other Accounting Policies

1. For purposes of the statement of cash flows for proprietary and similar fund-types, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

2. Investments are carried at fair value and temporary investments are reported in cash and cash equivalents in the financial statements. U. S. Treasury and State of Texas obligations are valued at the last reported sales price on a national exchange. State managed local government investment pools operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, and use amortized cost instead of fair value to report net assets to compute share prices. Accordingly, the fair value of the position in the pools is the same as the value of the shares. The State Comptroller of Public Accounts exercises oversight responsibility over the pools. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both pool participants and other persons who do not have a business relationship with the pools. The advisory board members review the investment policy and management fee structure. Year to year changes in the fair value of investments, if any, are shown as an adjustment to investment income. Additional investment information is presented in Note IV.A.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012

3. The District reports inventories of cafeteria food products and supplies at weighted average cost. Food products and supplies are recorded as expenditures when they are consumed. Inventories of food commodities are recorded at market values supplied by the Texas Department of Human Services. Although commodities are received at no cost, their fair market value is supplied by the Texas Department of Human Services and recorded as inventory and deferred revenue when received. When requisitioned, inventory and deferred revenue are relieved, expenditures are charged, and revenue is recognized for an equal amount. Following the consumption method, certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government wide and fund financial statements.

4. In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, issuance costs, and difference on advance refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and difference on advance refunding. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. 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, along with accrued interest between debt date and issue date, 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 administrative expenditures.

5. It is the District's policy to permit some employees to accumulate earned but unused sick pay benefits. The liability for unpaid accumulated sick leave is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Additional information is disclosed in Note IV.H.

6. Capital assets, which include land, buildings, furniture and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the statements of net assets of proprietary fund financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The District does not have any significant infrastructure assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Construction period interest is not capitalized.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

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

<u>Assets</u>	<u>Years</u>
Buildings	50
Site Improvements	20
Vehicles	10
Equipment	10
Computer Equipment	3

7. The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Liability and vehicle damage risks are covered by participation in the Property and Casualty Alliance of Texas (PCAT). The District established a modified self-insurance plan to provide health benefits to the employees and their dependents. The plan is accounted for in an internal service fund. Fiscal year 2012 was the final year for that plan as the District will move to a fully insured employee health plan under TRS Active Care in fiscal 2013. Risks from employee injuries on the job are provided through participation in Texas Workers Compensation Solutions. The District’s reserves for workers compensation are accounted for in an internal service fund. Unemployment compensation risk is provided for by participation in the Texas Association of School Boards (TASB) Risk Management Funds. Additional disclosures are in Notes IV.J and IV.K.

8. Since Internal Service Funds support the operations of governmental funds, they are consolidated with the governmental funds in the government-wide financial statements. The expenditures of governmental funds that create the revenues of internal service funds are adjusted for their pro-rata share of the Internal Service Funds’ operating income or loss to avoid “grossing up” the revenues and expenses of the District as a whole.

9. For the year ended August 31, 2012 the District Financial Statements are prepared in accordance with Governmental Accounting Standards Board Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* which established a fund balance hierarchy based on the extent to which a government must observe constraints imposed upon the use of the resources reported in governmental funds. Prescribed fund balance classifications are described below:

Non Spendable - Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of constraints imposed by external providers or by constitutional provisions, enabling legislation or regulations of other governments.

Committed - Amounts that are committed for use by the highest level of decision making, requiring formal action at that level both to impose and remove the commitment. The highest level at the District is the Board of Trustees.

Assigned – Amounts that are assigned an intended use by the highest level of decision making or by a body or official designated with that authority by the highest level of decision making. The Board has not authorized anyone to make assignments.

Unassigned - Amounts that are available for any purpose.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012

Per the District’s adopted board policy CE(Local), the minimum fund level for the unassigned fund balance shall be 20% to a maximum of 25% of the current budget of the general and debt service funds.

When expenditure is incurred that could be used from more than one category of fund balance, the funds are considered to be used from the highest level of constraint first, and then from each successively lower constraint category.

Details about fund balance reported in Exhibit C-1 follow:

GASB 54 Categories	General Fund	Bond Fund	Other Funds
Non Spendable			
Inventories	\$ -	\$ -	\$ 722,548
Prepaid expenditures	733,001		
Restricted			
Federal and State Funds Grant Restriction			1,755,280
Capital Acquisition and Contractual Obligation- Bond Funds		24,422,633	
Long term debt- the estimated liability for District retirement benefits	1,115,869		
Long term debt- restricted for payment of bonded debt			2,241,004
Other Restricted - Under terms of the agreement with the purchasing district, the gain on the sale of weighted average daily attendance (WADA) can only be expended for instructional technology. The unexpended balance at year-end is restricted.	331,113		
Committed by the Board of Trustees for:			
Construction- Central High School Revitalization \$625,000	825,000		
Glenn/Fannin Paving \$200,000			
Capital Equipment- Charter bus replacement \$500,000			
San Angelo Stadium & Lake View Tracks \$650,000			
Campus HVAC replacements \$2,000,000	3,150,000		
Other: Demolition at Old Lincoln Campus \$300,000			
Property Insurance Deductibles \$200,000			
E-Rate Projects-(technology) \$1,000,000	1,500,000		
Campus Activity Funds			186,107
Unassigned	22,384,107		
Total Fund Balance	\$ 30,039,090	\$ 24,422,633	\$ 4,904,939

10. In Exhibit A-1, net assets restricted for “Other Purposes” is composed of the following:

WADA Gain restricted to use for	
Instructional Technology	\$ 331,113
	\$ 331,113

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

11. In the government-wide statement of net assets, Exhibit A-1, and proprietary funds statement of net assets, Exhibit D-1, Invested in Capital Assets, Net of Related Debt is calculated as follows:

	Governmental Activities	Business-Type Activities / Enterprise
Capital assets, net of depreciation	\$ 177,560,059	\$ 156,042
Accrued interest on long term debt	(260,315)	-
Bonds payable	(130,390,914)	-
Unexpended debt proceeds	24,422,633	
Capital lease payable		(166,030)
	\$ 71,331,463	\$ (9,988)

12. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

II.A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

Exhibit C-2 provides the reconciliation between the fund balances for total governmental funds on the governmental fund balance sheet (Exhibit C-1) and the net assets for governmental activities as reported in the government-wide statement of net assets (Exhibit A-1). The details of the elements are presented in Exhibit C-2 and need no further explanation.

II.B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

Exhibit C-4 provides details of the reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures, and changes in fund balances (Exhibit C-3) and the changes in net assets of governmental activities as reported on the government-wide statement of activities (Exhibit B-1). The details of the elements are presented in Exhibit C-4 and need no further explanation.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012

III.A Deficit Fund Equity

The following funds had deficit fund equity:

Jumbo- Tron enterprise fund	\$(79,383)
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The enterprise fund's deficit net assets will be covered by future operating revenues. The fund is projected to have positive earnings in 2013 and a positive net asset position in 2016 as advertising earnings will exceed interest and depreciation on the jumbo-tron.

IV. DETAILED NOTES ON ALL FUNDS

IV.A. Deposits and Investments

The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank in an amount sufficient to protect 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.

The District's cash deposits at August 31, 2012 and during the year ended August 31, 2012, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name. The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio 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. Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The district is in substantial compliance with the requirements of the Act and with local policies.

Additional policies governing deposits and investments for San Angelo Independent School District are specified below.

Credit Risk

As of August 31, 2012, the districts investments were diversified in U.S. Treasury securities, governmental agency securities and local government investment pools rated no lower than AAA or AAAM by at least one nationally recognized rating service as required by the District's investment policy, which follows the Public Funds Investment Act Sec. 2256.016. Ratings of Investments held at August 31, 2012 were:

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TexPool	Standard & Poor's AAAM
Lone Star Investment Pool Liquidity Plus Fund	Standard & Poor's AAAM
Lone Star Overnight Plus Fund	Standard & Poor's AAAf/S1+
MBIA Texas CLASS	Standard & Poor's AAAM
Texas TERM Texas Daily Fund	Standard & Poor's AAAM
Texas TERM	Standard & Poor's AAAf

Interest Rate Risk

District investment policy is designed to manage interest rate risk by limiting stated maturity for individual investments to three years unless specifically authorized by the board. The investment portfolio is structured to have sufficient liquidity to meet anticipated cash flow requirements.

Custodial Credit Risk

All securities purchased are held in the District's name by the District or its agent. District policy requires clearly marked receipts providing proof of the District's ownership. Policy allows investment pools to hold legal title as custodian of investments purchased by the investment pool with District funds.

Concentration of Credit Risk

Investments are diversified as required by District policy in terms of maturity scheduling, class of investment, and specific issuer.

The District's investments on August 31, 2012, are shown below. The carrying value is the same as fair value.

Governmental Activities

	Fair Value	Investment Maturities	
		Under 1 yr	1 - 5 yrs
Investments:			
Investment Pools	\$ 32,690,974	\$ 34,946,353	\$ -
Certificates of Deposit	6,695,000	6,695,000	-
Commercial Paper	18,490,615	18,490,615	
U.S. Agency Bonds	11,051,912	-	11,051,912
Total Investments	<u>\$ 68,928,501</u>	<u>\$ 60,131,968</u>	<u>\$ 11,051,912</u>
Presented on Balance Sheet / Statement of Net Assets:			
Included in Cash and Cash Equivalents	\$ 32,690,974	\$ 32,690,974	\$ -
Current Investments	25,185,615	25,185,615	-
Long Term Investments	11,051,912	-	11,051,912
Total Investments	<u>\$ 68,928,501</u>	<u>\$ 57,876,589</u>	<u>\$ 11,051,912</u>

Proprietary and Fiduciary Funds

The district's proprietary and fiduciary funds had investments in local government investment pools, which are included in cash and cash equivalents. Carrying value is the same as fair value.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

At August 31, 2012 those funds' investments were:

Internal Service Funds	\$ 1,957,990
Fiduciary Funds	\$ 293,683

IV.B. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 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 (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the school fiscal year.

IV.C. Delinquent Taxes Receivable

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

IV.D. Due from Other Governments

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita programs. Due from other governments at year end were as follows:

	General Fund	Special Revenue Funds	Total
Federal Grants	\$ 469,201	\$ 18,087	\$ 487,288
State Entitlements	1,464,902	1,197,798	2,662,700
Concho Valley Council of Governments	-	375,512	375,512
	<u>\$ 1,934,103</u>	<u>\$ 1,591,397</u>	<u>\$ 3,525,500</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012

IV.E. Inter-fund Receivables and Payables / Transfers

1. Inter-fund balances at August 31, 2012 consisted of the following:

	Due from Other Funds	Due to Other Funds
General Fund:		
2008 Bond Fund	\$ 792	\$ -
Nonmajor Governmental funds	1,280,798	-
Internal Service Funds	234,504	-
	1,516,094	-
2008 Bond Fund:		
General Fund	-	792
Nonmajor Governmental funds:		
General Fund	-	1,280,798
Nonmajor Governmental funds	-	-
	-	1,280,798
Total Governmental funds	1,516,094	1,281,590
Internal Service funds:		
General Fund	-	234,504
Total Internal Service funds	-	234,504
Total All Funds	\$ 1,516,094	\$ 1,516,094

Purposes of the inter-fund balances:

\$792 due to General Fund from the Capital Projects Bond Fund is for bond project legal fees paid from the General Fund. \$1,280,798 due to the General Fund from non-major governmental funds is for \$1,243,960 cash overdrafts in the pooled cash account pending transfer from the General Fund or receipt of reimbursements from granting agencies and \$36,838 in fees collected on school campuses. \$234,504 due to the General Fund from the Internal Service Funds is for a \$ 232,496 reduction in fringe expense to fund health care costs for fiscal 2012 and \$2,008 in employee premiums refunded

Transfers:

\$3,934 was transferred from the Concession Fund to the Food Service Fund cover uncollected school lunch fees. \$5,364 was transferred from the General Fund to the San Jacinto Clinic Fund for utilities as a matching cost. \$31,370 was transferred from the General Fund to the Child and Adult Care Feeding Fund for food costs in the Head Start/Early Head Start Program. \$130,530 was transferred from the General Fund to the Field House Capital Projects Fund to complete the field house renovation project.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012

IV.F. Capital Asset Activity

Governmental Activities

	Beginning Balance	Additions	Reclassifi- cations	Dispositions	Ending Balance
<u>Assets Not Being Depreciated</u>					
Land	\$ 6,841,921	\$ 1,041	\$ -	\$ -	\$ 6,842,962
Construction in Progress	59,987,796	30,732,169	(1,655,235)	-	89,064,730
Idle facility - Old Lincoln JH	971,942	-	(971,942)	-	-
Accum Deprec. Idle Facilities	(259,785)	-	259,785	-	-
Total Not Being Depreciated	<u>67,541,874</u>	<u>30,733,210</u>	<u>(2,367,392)</u>	<u>-</u>	<u>95,907,692</u>
<u>Assets Being Depreciated</u>					
Buildings & Improvements	122,630,203	-	2,103,123	(811,059)	123,922,267
Vehicles	8,068,452	339,096	-	(161,587)	8,245,961
Furniture and Equipment	13,121,038	362,266	499,085	(336,030)	13,646,359
	<u>143,819,693</u>	<u>701,362</u>	<u>2,602,208</u>	<u>(1,308,676)</u>	<u>145,814,587</u>
<u>Accumulated Depreciation</u>					
Buildings & Improvements	(47,417,133)	(2,385,817)	(259,785)	436,638	(49,626,097)
Vehicles	(5,132,585)	(602,036)	-	161,587	(5,573,034)
Furniture and Equipment	(8,224,195)	(1,073,973)	-	335,079	(8,963,089)
	<u>(60,773,913)</u>	<u>(4,061,826)</u>	<u>(259,785)</u>	<u>933,304</u>	<u>(64,162,220)</u>
Total Being Depreciated, Net	<u>83,045,780</u>	<u>(3,360,464)</u>	<u>2,342,423</u>	<u>(375,372)</u>	<u>81,652,367</u>
Total Capital Assets, Net	<u>\$ 150,587,654</u>	<u>\$ 27,372,746</u>	<u>\$ (24,969)</u>	<u>\$ (375,372)</u>	<u>\$ 177,560,059</u>

The “reclassifications” column above is to reclassify completed construction in progress projects and placing buildings at Lincoln back into service. The \$24,969 reclassification is the total of items not meeting the capitalization policy, and which has been charged to appropriate functional expenses in the government-wide statement of activities.

Assets disposed during the period consisted of artificial turf removed from San Angelo Stadium and buildings demolished at Central High School. The turf had an estimated useful life of 20 years, but wore out before the end of the estimated life. The buildings were demolished as part of the bond renovation at Central. The net remaining basis of the buildings is shown as a special item – impairment of capital assets on the government-wide statement of activities.

The ending construction in progress consists of the following:

Bond construction projects	\$ 87,898,288
Heating and air for two campuses	1,065,904
Other equipment installations	<u>100,538</u>
	<u>\$ 89,064,730</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012

Business-Type Activities

	Balance	Additions	Dispositions	Balance
<u>Assets Being Depreciated</u>				
Furniture and Equipment acquired by capital lease	\$ 535,000	\$ -	\$ -	\$535,000
<u>Accumulated Depreciation</u>				
Furniture and Equipment acquired by capital lease	(325,458)	(53,500)	-	(378,958)
Total Capital Assets, Net	\$ 209,542	\$ (53,500)	\$ -	\$156,042

Depreciation expense was charged to governmental functions as follows:

Governmental Activities:

Instruction	\$ 1,884,887
Instructional Resources	59,948
Curriculum Development & Staff Development	21,615
Instructional Leadership	28,092
School Leadership	165,211
Guidance Counseling & Evaluation	44,283
Social Work Services	32,150
Health Services	7,121
Student Transportation	475,070
Food Service	120,725
Cocurricular/Extracurricular	387,847
General Administration	26,794
Plant Maintenance & Operations	409,155
Security & Monitoring Services	54,649
Data Processing Services	342,384
Community Services	1,895
Total Depreciation Expense - Governmental Activities	\$ 4,061,826

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012

IV.G. Deferred / Unearned Revenue

Deferred / Unearned Revenue at year-end consisted of the following:

	General Fund	Special Rev Funds	Debt Svce Fund	Total
Net Property Taxes	\$ 1,284,484	\$ -	\$ 260,277	\$ 1,544,761
Season Ticket Sales	24,445	-	-	24,445
Rent, Fees, Insurance	331,250	-	-	331,250
State Revenues	3,642,435	218,314	-	3,860,749
Federal Revenues	-	-	-	-
Local and Donation Revenue	4,492	6,839	-	11,331
Campus Miscellaneous Revenues	-	8,670	-	8,670
USDA Donated Commodities on Hand	-	93,589	-	93,589
Total Deferred Revenue Exhibit C-1	<u>\$ 5,287,106</u>	<u>\$ 327,412</u>	<u>\$ 260,277</u>	<u>5,874,795</u>
Internal Service Funds: Campus Wellness Incentives				4,160
Enterprise Funds: Advertising Revenue for Subsequent Fiscal Year Athletic Events				69,603
Net Property Taxes Recognized in Government-Wide Financial Statements				<u>(1,544,761)</u>
Total Unearned Revenue Exhibit A-1				<u>\$ 4,403,797</u>

IV.H. Long-Term Debt

Long-term debt includes par bonds, capital appreciation bonds (CAB), vested sick leave benefits, and capital lease obligations.

The District has entered into a continuing disclosure undertaking whereby its financial advisor, First Southwest Company in Dallas, Texas provides the District's annual financial reports and material events notices to the Electronic Municipal Market Access ("EMMA") website, an online repository which is hosted by the Municipal Securities Rulemaking Board ("MSRB"). The disclosures can be accessed on the EMMA, Texas Municipal Advisory Council, and former Nationally Recognized Municipal Securities Repositories websites. This information is required under SEC rule 15c2-12 to enable investors to analyze the financial conditions and operation of the District.

In prior years, the District defeased outstanding 1996 bonds by placing the proceeds of new bonds in an irrevocable trust to provide for the future debt service payments on the old bonds. Accordingly, the trust account assets and defeased bonds are not included in the District's financial statements. At August 31, 2012 no amounts of the defeased debt remain outstanding.

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FOR THE YEAR ENDED AUGUST 31, 2012

Following is a summary of changes in general long-term debt for the current fiscal year:

Governmental Activities

Description	Beginning	New Debt	Debt Retired	Ending	Due Within One Year
Par Bonds Payable - Face	\$ 132,213,823	\$ -	\$ (3,523,823)	\$ 128,690,000	\$ 4,180,000
Bond Premiums	2,090,376	-	(226,819)	1,863,557	-
Interest Accretion CAB	465,496	90,681	(556,177)	-	-
Difference on Refunding	(248,404)	-	85,762	(162,642)	-
Net Bonds Payable	134,521,291	90,681	(4,221,057)	130,390,915	4,180,000
Vested Sick Leave	1,132,018	75,374	(91,523)	1,115,869	80,000
Totals	<u>\$ 135,653,309</u>	<u>\$ 166,055</u>	<u>\$ (4,312,580)</u>	<u>\$ 131,506,784</u>	<u>\$ 4,260,000</u>

Business-Type Activities

Description	Beginning	New Debt	Debt Retired	Ending	Due Within One Year
Capital Lease Payable	\$ 210,537	\$ -	\$ (44,507)	\$ 166,030	\$ 48,068

1. Bonds Payable

Bonded indebtedness of the District is accounted for internally in its General Long-Term Debt fund. Current requirements for principal and interest expenditures are accounted for in the Debt Service Fund. Outstanding bonds payable at year-end are as follows (**amounts are in \$1,000's**):

Issue	Original		Interest Rate	Interest Curr. Yr.	Outstanding at Year-End				
	Principal	Maturities			Face	Prem.	Ref. Diff.	CAB int	Net
Par Bonds:									
2004 Refunding Bonds	14,315	2.15.05-2.15.16	2.5-5.0%	\$ 414	6,975	162	(162)	-	\$ 6,975
2005 Refunding Bonds	6,970	2.15.06-2.15.21	3.6-4.5%	200	4,430	53	-	-	4,483
2009 School Bldg. Bond	117,000	2.15.12-2.15.34	3.6-4.5%	6,041	114,585	1,612	-	-	116,197
2009 Refunding Bonds	4,090	08.31.12-8.31.34	3.6-4.5%	106	2,700	36	-	-	2,736
Total Bonds Payable				<u>\$ 6,761</u>	<u>\$ 128,690</u>	<u>\$ 1,863</u>	<u>\$ (162)</u>	<u>\$ -</u>	<u>\$ 130,391</u>

Debt service requirements for the four bond issues are as follows:

Fiscal Year	Principal	Interest	Total
2013	\$ 4,180,000	\$ 6,174,280	\$ 10,354,280
2014	4,320,000	6,025,355	10,345,355
2015	4,480,000	5,860,061	10,340,061
2016	4,660,000	5,672,186	10,332,186
2017	4,305,000	5,474,474	9,779,474
2018-2022	23,340,000	24,229,010	47,569,010
2023-2027	28,665,000	17,925,656	46,590,656
2028-2032	37,045,000	9,542,319	46,587,319
2033-2034	17,695,000	941,194	18,636,194
	<u>\$ 128,690,000</u>	<u>\$ 81,844,535</u>	<u>\$ 210,534,535</u>

\$2,241,004 is available in the Debt Service Fund for bonded debt service.

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 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

2. Vested Sick Leave

Upon retirement or death of certain employees, the District pays for a portion of accrued sick leave earned while employed by the District in a lump sum cash payment to such employee or his/her estate. Payments for and usage of vested sick leave has been typically accounted for in the General Fund.

Any additions for new entrants and salary increments and the deductions for payments to and use of prior accumulations are shown in the “New Debt” and “Debt Retired” columns, respectively, of the above summary of changes in general long-term debt. The District estimates that the amount of compensated absences due within one year is \$80,000, based on the payoffs budgeted in the next fiscal year.

3. Capital Leases

Equipment at a cost of \$535,000 was acquired in 2005 with a capital lease. Depreciation of \$378,958 has been taken on the equipment. The District entered into an agreement with Daktronics, Inc. (Daktronics) whereby the District received a Jumbotron electronic scoreboard in exchange for granting exclusive rights to advertising revenues sufficient to pay for the scoreboard to Daktronics over a period of ten years or more. The transaction is being reported in an enterprise fund as a capital lease. Interest of \$28,802 at 8% reduces the total \$194,831 minimum lease payments to \$166,029.

Debt service requirements for the capital lease are as follows:

Fiscal Year	Total	Less Interest	Principal Net Present Value
2013	\$ 61,350	\$ 13,282	\$ 48,068
2014	61,350	9,436	51,914
2015	61,350	5,284	56,066
2016	10,781	799	9,982
2017	-	-	-
	\$ 194,831	\$ 28,801	\$ 166,030

IV.I. Defined Benefit Pension Plan

Plan Description. San Angelo Independent School District contributes to the Teacher Retirement System of Texas (TRS), a cost-sharing multiple employer defined benefit pension plan. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Art. XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. TRS also administers proportional retirement benefits and service credit transfer under Texas Government Code, Title 8, Chapters 803 and 805, respectively. The Texas state legislature has the authority to establish and amend benefit provisions of the pension plan and may, under certain circumstances, grant special authority to the TRS Board of Trustees. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. That report may be obtained by downloading the report from the TRS internet website, www.trs.state.tx.us, under the TRS Publications heading, by

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calling TRS Communications Department at 1-800-223-8778, or by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701.

Funding Policy. Contribution requirements are not actuarially determined but are established and amended pursuant to the following state funding policy: (1) The state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10.0% of the aggregate annual compensation of all members of the system; (2) A state statute prohibits benefit improvements, if as a result of a 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. Contribution rates and contributions for fiscal years 2012-2010 are shown in the table below. These rates are set by the General Appropriations Act. In certain instances, the reporting district is required to make all or a portion of the state's and/or member's contribution such as the state's contribution on the portion of the employee's salaries that exceeded the statutory minimum. Contributions made by the State are recorded as on-behalf both revenue and expenditure as on-behalf payments.

Defined Benefit Pension Plan
 Contribution Rates and Contribution Amounts

Year	Member		State (on behalf)		Federal for State	Statutory Minimum
	Rate	Amount	Rate	Amount	Amount	Amount
2012	6.4%	4,561,525	6.0%	3,238,957	627,870	403,478
2011	6.4%	4,817,091	6.644%	3,746,004	669,347	565,555
2010	6.4%	4,901,402	6.644%	3,802,000	659,484	523,029

IV.J. Self-Insurance Plans

1. Health Care Coverage. In fiscal 2012 the District sponsored a modified self-insurance plan to provide health care benefits to staff members and their dependents. Transactions related to the plan are accounted for in the Health Insurance Fund (the "Fund"), an internal service fund of the District. Partial staff member contributions were required for personal coverage and total staff member contributions were required for coverage of dependents. The District obtained excess loss insurance which limited annual claims paid from the Fund for the year ended August 31, 2012, to \$150,000 with an annual maximum benefit of \$2,000,000 for any individual participant; and an annual aggregate deductible of \$12,148,232. Stop loss reimbursements for claims in excess of the limits amounted to \$117,123, \$0, and \$294,031 during fiscal years ended August 31, 2012, 2011, and 2010 respectively. During fiscal 2012 the District made the decision to discontinue the modified self- insurance plan and move to fully insured health coverage as a member of TRS Active Care with the Teacher Retirement System of Texas as of September 1, 2012.

2. Workers Compensation Coverage. Beginning with fiscal year 2004, the District's statutory workers compensation obligation was met with participation through inter-local agreement in the Texas Workers Compensation Solutions Program (TWCS or the Program). Transactions of this plan are accounted for in the Workers Compensation Fund, an internal service fund of the District. TWCS provides a non-profit contractual mechanism by which each Program member provides self-insurance to extend workers compensation benefits to its employees through an inter-local agreement with other Districts. The District must contribute to the Program its share of fixed program costs based on a pro-rata share of its covered payroll costs. The District's contractual

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maximum loss and expected costs for claims incurred are actuarially determined for each program year by TWCS. The District places on deposit with TWCS an amount equal to 10% of the District's maximum loss for each claims year. The District must maintain on deposit at least 5% of the maximum loss at all times. Additionally, member districts would share proportionately in excess claims should any member exceed its maximum loss fund of the Program. The TWCS program purchases specific and aggregate re-insurance to protect the program if claims exceed the member districts' maximum loss funds. The District has contributed to its internal service fund annually to reserve funds for its actuarially determined expected losses as well as a portion of the contractual maximum loss. TWCS contracts annually for an independent audit of its financial statements and an actuarial study to provide estimates necessary for its financial statements and program operations. Then reports are presented and approved by the TWCS Board in January after its fiscal year end of August 31 and are available at the TWCS office located at 1002 Marble Heights Drive, Marble Falls Texas.

3. Changes in Claims Liabilities

Estimates of claims payable and of claims incurred, but not reported at August 31, 2012, are reflected as accounts and claims payable of the plans funds. The plans are funded to discharge liabilities of the funds as they become due.

Changes in the balances of claims liabilities during the past two years are as follows:

	Health Insurance	Workers Compensation	Total
August 31, 2010	\$ 238,346	\$ 240,790	\$ 479,136
FY 2011:			
Incurred Claims - Including IBNR	10,056,931	322,928	10,379,859
Claim Payments - Net of Stop Loss Reimbursements	(10,057,780)	(371,992)	(10,429,772)
August 31, 2011	237,497	191,726	429,223
FY 2012:			
Incurred Claims - Including IBNR	11,439,730	236,414	11,676,144
Claim Payments - Net of Stop Loss Reimbursements	(11,373,553)	(288,222)	(11,661,775)
August 31, 2012	<u>\$ 303,674</u>	<u>\$ 139,918</u>	<u>\$ 443,592</u>

IV.K. Participation in Risk Management Pools

1. Unemployment Compensation

During the year ended August 31, 2012, the District provided unemployment compensation coverage to its employees through participation in the Texas Association of School Boards (TASB) Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Unemployment Compensation Program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund meets its quarterly obligations to the Texas Workforce Commission. Expenses are accrued each month until the quarterly payment has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop loss coverage for Unemployment Compensation pool.

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 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2011, are available at the TASB offices and have been filed with the Texas State Board of Insurance in Austin, Texas.

IV.L. School District Retiree Health Plan

Plan Description. San Angelo Independent School 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 Teacher Retirement System of Texas 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 at www.trs.state.tx.us under the TRS Publications heading, by calling the TRS Communications Department at 1-800-223-8778, or by writing to the 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 rate 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. Contributions for Retiree health care coverage made by District employees, the State of Texas, the Federal government (state share for federal funded positions), and the school district are shown in the following table. Contributions made by the State are recorded as both revenue and expenditure as on-behalf payments.

Post Employment Health Care
 Contribution Rates and Contribution Amounts

Year	Member		State (on behalf)		Federal for State	School District	
	Rate	Amount	Rate	Amount	Amount	Rate	Amount
2012	0.65%	463,287	1.00%	539,826	106,140	0.55%	398,522
2011	0.65%	489,796	1.00%	609,815	103,170	0.55%	421,091
2010	0.65%	497,797	1.00%	618,930	103,548	0.55%	429,011

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 Texas Public School Retired Employee Group Insurance Program (TRS-Care), administered by TRS, to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. The allocation of these on behalf payments is based on the ration of a reporting entity's covered payroll to the entire payroll reported by all

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2012

reporting entities. TRS based this allocation percentage on the “completed” report submissions by reporting entities for the month of May. The Early Retiree Reinsurance Program (ERRP is a provision of the Patient Protection and Affordable Care Act (PPACA) and provides reimbursement to plan sponsors for a portion of the cost of providing health benefits to retirees between the ages of 55-64 and their covered dependents regardless of age. An “early retiree” is defined as a plan participant aged 55-64 who is not eligible for Medicare and is not covered by an active employee of the plan sponsor. TRS has been certified for this program and has received funds from the ERRP program. These funds were allocated to reporting agencies using the same basis the Medicare Part D-On Behalf Payments (GASB 24).

Contributions for Retiree health care coverage made by Medicare Part D and ERRP district are shown in the following table. These amounts are reported as both revenue and expenditure as on-behalf payments in the District financial statements.

Post Employment Health Care Federal Contributions Allocated to SAISD					
Year	Medicare Part D		ERRP		
	Amount		Amount		
2012	\$ 159,100	\$	175,435	\$	
2011	175,942		-		
2010	190,137		-		

IV.M. Revenue from Local and Intermediate Sources

During the current year, revenues from local and intermediate sources for governmental funds consisted of the following:

	General Fund	2008 Bond Fund	Nonmajor Spec. Rev. Funds	Debt Service Fund	Nonmajor Cap. Proj. Funds	Total
Property Taxes	\$33,660,064	\$ -	\$ -	\$7,761,678	\$ -	\$41,421,742
Penalty, Interest and Other						
Tax-Related Revenue	569,962	-	-	94,751	-	664,713
Sale of WADA	185,700	-	-	-	-	185,700
Tuition and Fees	196,200	-	-	-	-	196,200
Investment Earnings	114,042	307,930	999	9,028	-	431,999
Rental Revenues	146,330	-	-	-	-	146,330
Gifts and Bequests	12,500	-	-	-	51,800	64,300
Food Sales	-	-	1,825,858	-	-	1,825,858
Sale of Surplus Items	11,926	-	-	-	-	11,926
Co-curricular and Enterprising						
Activities	229,093	-	168,080	-	-	397,173
E-Rate reimbursements	273,631	-	-	-	-	273,631
Campus payroll reimbursements	34,525	-	-	-	-	34,525
Insurance Proceeds	-	-	-	-	-	-
PEP	46,820	-	-	-	-	46,820
Other Local Revenues	61,770	-	5,769	1,595	17,008	86,142
Totals	<u>\$35,542,563</u>	<u>\$ 307,930</u>	<u>\$2,000,706</u>	<u>\$7,867,052</u>	<u>\$ 68,808</u>	<u>\$45,787,059</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

V. CONTINGENCIES AND COMMITMENTS

V.A. Federal Assistance Programs

Amounts received or receivable from grantor agencies are subject to adjustments by the grantor agencies, principally the federal government, upon review of audit reports on those programs. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantors, cannot be determined at this time.

V.B. Construction Commitments

The District had the following construction commitments as of August 31, 2012:

Name of Project	Contractor	Contract Amount
Lee Middle School Renovation	Templeton Construction	\$ 10,946,452
Goliad Elementary Renovation	Mid-Tex of Midland	8,227,964
San Jacinto Elementary Renovation	Templeton Construction	5,785,707
Crockett Elementary Renovation	Templeton Construction	7,672,417
Glenmore Elementary Renovation	Mid-Tex of Midland	4,800,000
Bradford Elementary Renovation	Lee Lewis Construction	7,200,000
Reagan Elementary Renovation	Mid-Tex of Midland	5,791,637
Central High School Building	Lee Lewis Construction	21,600,476
Central High School Renovation	Lee Lewis Construction	15,223,274

**REQUIRED SUPPLEMENTARY
INFORMATION**

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SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED AUGUST 31, 2012

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 34,465,000	\$ 34,500,000	\$ 35,542,561	\$ 1,042,561
5800	State Program Revenues	55,462,000	55,588,000	55,447,857	(140,143)
5900	Federal Program Revenues	745,000	1,245,000	1,388,385	143,385
5020	Total Revenues	90,672,000	91,333,000	92,378,803	1,045,803
EXPENDITURES:					
Current:					
0011	Instruction	53,400,373	54,635,259	54,282,019	353,240
0012	Instructional Resources and Media Services	1,495,916	1,504,313	1,458,391	45,922
0013	Curriculum and Instructional Staff Development	474,433	482,506	392,410	90,096
0021	Instructional Leadership	1,489,657	1,510,006	1,487,054	22,952
0023	School Leadership	3,100,779	3,378,910	3,308,973	69,937
0031	Guidance, Counseling and Evaluation Services	3,807,974	3,927,194	3,913,291	13,903
0032	Social Work Services	389,609	429,415	411,257	18,158
0033	Health Services	497,012	510,511	491,343	19,168
0034	Student (Pupil) Transportation	2,183,231	2,725,995	2,546,038	179,957
0036	Extracurricular Activities	4,063,825	4,342,975	4,302,148	40,827
0041	General Administration	2,357,701	2,360,333	2,330,013	30,320
0051	Facilities Maintenance and Operations	11,359,458	12,444,952	12,127,499	317,453
0052	Security and Monitoring Services	355,351	426,464	399,246	27,218
0053	Data Processing Services	2,189,963	2,211,075	2,200,234	10,841
0061	Community Services	139,971	156,160	141,363	14,797
Capital Outlay:					
0081	Facilities Acquisition and Construction	-	2,525,000	2,131,868	393,132
Intergovernmental:					
0099	Other Intergovernmental Charges	825,000	830,000	828,172	1,828
6030	Total Expenditures	88,130,253	94,401,068	92,751,319	1,649,749
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	2,541,747	(3,068,068)	(372,516)	2,695,552
OTHER FINANCING SOURCES (USES):					
7912	Sale of Real and Personal Property	-	-	34,966	34,966
8911	Transfers Out (Use)	-	(136,530)	(167,264)	(30,734)
7080	Total Other Financing Sources (Uses)	-	(136,530)	(132,298)	4,232
1200	Net Change in Fund Balances	2,541,747	(3,204,598)	(504,814)	2,699,784
0100	Fund Balance - September 1 (Beginning)	30,543,904	30,543,904	30,543,904	-
3000	Fund Balance - August 31 (Ending)	\$ 33,085,651	\$ 27,339,306	\$ 30,039,090	\$ 2,699,784

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE YEAR ENDED AUGUST 31, 2012

The Board of Trustees adopts an "appropriated budget" on the GAAP basis for the General Fund, the Debt Service Fund and the Child Nutrition Program Fund (a nonmajor Special Revenue Fund). The District is required to present the original adopted and final amended budgeted revenues and expenditures for each of these funds. The District compares the final amended budget to actual revenues and expenditures. The General Fund budget report appears in this section as Exhibit G-1 and the other two reports are in the T.E.A. Required Schedules as Exhibits J-4 and J-5.

BUDGETARY PROCESS

Prior to August 20, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.

A meeting of the Board is then called for the purpose of adopting the proposed budget. At least ten days public notice of the meeting must be given.

Prior to September 1, the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Board. Amendments are presented to the board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year end. All budget appropriations lapse at year end. The budgets were amended shortly after the beginning of the year to adjust the beginning fund balances to actual after prior year end adjustments. The General Fund budget was also amended during the year to reflect revised revenue estimates and provide for supplemental appropriations and reallocations between functions (net increase in expenditures of \$6,270,815 and increase in revenues of \$661,000).

EXCESS OF EXPENDITURES OVER APPROPRIATIONS

There were no expenditures in excess of appropriations for any function.

RECONCILIATION OF SPECIAL REVENUE FUND BALANCES

Nonappropriated Budget Funds:	
Summer Feeding Program	\$ 22,394
Advanced Placement Incentives	20,068
High School Allotment Fund	310,913
AP / Read to Succeed	2,490
Campus Activity Funds	186,107
	<hr/>
	541,972
Appropriated Budget Fund – Child Nutrition Program	2,121,963
Total Special Revenue Fund Balances	<hr/> <u>\$ 2,663,935</u>

COMBINING AND OTHER STATEMENTS

Included in this section are combining nonmajor funds financial statements, and agency fund statement of changes in assets and liabilities.

GOVERNMENTAL FUNDS

Following is a description of the purposes of governmental funds.
REPORTED AS MAJOR FUNDS IN THE BASIC FINANCIAL STATEMENTS

- General Fund is the District's primary operating fund. It is used to account for all financial resources not required to be reported in another fund. It is always a major fund.
- 2008 Bond Fund is used to account for the expenditure of the proceeds of general obligation bonds issued to fund projects as authorized in the bond election.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

- Funds 200 through 289 are used to account for the receipt and expenditure of federally funded programs. Revenues are generally recognized to the extent of eligible expenditures.
- Funds 380 through 429 are used to account for the State of Texas funded programs. Revenues are generally recognized to the extent of eligible expenditures.
- Funds 460 through 499 are used to account for the receipt and expenditure of local and intermediate source funded programs.

Debt Service Fund is used to account for the accumulation of resources and payment of principal and interest on general obligation bonds. Resources are provided by an annual ad valorem tax levy and State of Texas Foundation Program revenues. Proceeds of refunding bond issues are also accounted for in this fund.

Capital Project Funds

- San Angelo Fieldhouse Project is used to account for funds received for the purpose of building a fieldhouse.

INTERNAL SERVICE FUNDS

Following is a description of the purpose of each internal service fund.

Health Insurance Fund – to account for health insurance claims for the District's employees and their dependents.

Workers Compensation Insurance Fund – to account for workers compensation coverage for the District employees.

ENTERPRISE FUNDS

A brief description of the purpose of each enterprise fund follows.

Concession Fund – to account for the concessions operations at athletic events.

Jumbo-Tron Fund – to account for advertising revenues and operating costs of an electronic scoreboard installed at San Angelo Stadium.

AGENCY FUND

Student Activity Accounts are used to account for funds which belong to student groups.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NON MAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2012

Data Control Codes	205 Head Start	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula
ASSETS				
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 9,986
1220 Property Taxes - Delinquent	-	-	-	-
1230 Allowance for Uncollectible Taxes (Credit)	-	-	-	-
1240 Receivables from Other Governments	255,613	267,661	15,372	193,619
1290 Other Receivables	-	-	-	98
1300 Inventories	-	-	-	-
1000 Total Assets	<u>\$ 255,613</u>	<u>\$ 267,661</u>	<u>\$ 15,372</u>	<u>\$ 203,703</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
2110 Accounts Payable	\$ 8,512	\$ 7,778	\$ 5,349	\$ 1,207
2170 Due to Other Funds	240,382	259,883	10,023	202,496
2180 Due to Other Governments	-	-	-	-
2190 Due to Student Groups	-	-	-	-
2300 Unearned Revenues	6,719	-	-	-
2000 Total Liabilities	<u>255,613</u>	<u>267,661</u>	<u>15,372</u>	<u>203,703</u>
Fund Balances:				
Nonspendable Fund Balance:				
3410 Inventories	-	-	-	-
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	-	-	-	-
3480 Retirement of Long-Term Debt	-	-	-	-
Committed Fund Balance:				
3545 Other Committed Fund Balance	-	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities and Fund Balances	<u>\$ 255,613</u>	<u>\$ 267,661</u>	<u>\$ 15,372</u>	<u>\$ 203,703</u>

225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program	242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 Title XIV ARRA State Stabilization	282 Early Head Start
\$ -	\$ 1,409,268	\$ 22,394	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
9,548	120,725	-	41,781	62,696	7,000	-	119,899
-	568	-	-	-	-	-	-
-	722,548	-	-	-	-	-	-
<u>\$ 9,548</u>	<u>\$ 2,253,109</u>	<u>\$ 22,394</u>	<u>\$ 41,781</u>	<u>\$ 62,696</u>	<u>\$ 7,000</u>	<u>\$ -</u>	<u>\$ 119,899</u>
\$ -	\$ 37,557	\$ -	\$ 1,272	\$ -	\$ 910	\$ -	\$ 1,557
9,548	-	-	40,509	62,696	6,090	-	118,222
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	93,589	-	-	-	-	-	120
<u>9,548</u>	<u>131,146</u>	<u>-</u>	<u>41,781</u>	<u>62,696</u>	<u>7,000</u>	<u>-</u>	<u>119,899</u>
-	722,548	-	-	-	-	-	-
-	1,399,415	22,394	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>2,121,963</u>	<u>22,394</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 9,548</u>	<u>\$ 2,253,109</u>	<u>\$ 22,394</u>	<u>\$ 41,781</u>	<u>\$ 62,696</u>	<u>\$ 7,000</u>	<u>\$ -</u>	<u>\$ 119,899</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NON MAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2012

Data Control Codes	283 IDEA, Pt. B ARRA Formula	287 Education Jobs Fund	288 Child and Adult Care Feeding	289 Other Federal Special Revenue Funds
ASSETS				
1110	Cash and Cash Equivalents	\$ 3,260	\$ -	\$ -
1220	Property Taxes - Delinquent	-	-	-
1230	Allowance for Uncollectible Taxes (Credit)	-	-	-
1240	Receivables from Other Governments	-	271,813	18,087
1290	Other Receivables	-	-	7,599
1300	Inventories	-	-	-
1000	Total Assets	<u>\$ 3,260</u>	<u>\$ 271,813</u>	<u>\$ 18,087</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
2110	Accounts Payable	\$ -	\$ -	\$ 3,657
2170	Due to Other Funds	3,260	271,813	14,430
2180	Due to Other Governments	-	-	-
2190	Due to Student Groups	-	-	-
2300	Unearned Revenues	-	-	-
2000	Total Liabilities	<u>3,260</u>	<u>271,813</u>	<u>18,087</u>
Fund Balances:				
Nonspendable Fund Balance:				
3410	Inventories	-	-	-
Restricted Fund Balance:				
3450	Federal or State Funds Grant Restriction	-	-	-
3480	Retirement of Long-Term Debt	-	-	-
Committed Fund Balance:				
3545	Other Committed Fund Balance	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 3,260</u>	<u>\$ 271,813</u>	<u>\$ 18,087</u>

394 Life Skills Program	397 Advanced Placement Incentives	410 State Textbook Fund	411 Technology Allotment	428 High School Allotment	429 Other State Special Revenue Funds	461 Campus Activity Funds	Total Nonmajor Special Revenue Funds
\$ 18,313	\$ 20,068	\$ 66	\$ -	\$ 310,913	\$ 2,490	\$ 242,439	\$ 2,039,197
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	199,984	-	-	-	-	1,591,397
-	-	-	-	-	-	-	666
-	-	-	-	-	-	-	722,548
<u>\$ 18,313</u>	<u>\$ 20,068</u>	<u>\$ 200,050</u>	<u>\$ -</u>	<u>\$ 310,913</u>	<u>\$ 2,490</u>	<u>\$ 242,439</u>	<u>\$ 4,353,808</u>
\$ 49	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,015	\$ 78,854
-	-	-	-	-	-	36,838	1,280,798
-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,809	2,809
18,264	-	200,050	-	-	-	8,670	327,412
<u>18,313</u>	<u>-</u>	<u>200,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,332</u>	<u>1,689,873</u>
-	-	-	-	-	-	-	722,548
-	20,068	-	-	310,913	2,490	-	1,755,280
-	-	-	-	-	-	-	-
-	-	-	-	-	-	186,107	186,107
-	20,068	-	-	310,913	2,490	186,107	2,663,935
<u>\$ 18,313</u>	<u>\$ 20,068</u>	<u>\$ 200,050</u>	<u>\$ -</u>	<u>\$ 310,913</u>	<u>\$ 2,490</u>	<u>\$ 242,439</u>	<u>\$ 4,353,808</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AUGUST 31, 2012

Data Control Codes	599 Debt Service Fund	630 Fieldhouse Fund	Total Nonmajor Governmental Funds
ASSETS			
1110 Cash and Cash Equivalents	\$ 2,237,159	\$ -	\$ 4,276,356
1220 Property Taxes - Delinquent	302,157	-	302,157
1230 Allowance for Uncollectible Taxes (Credit)	(14,806)	-	(14,806)
1240 Receivables from Other Governments	-	-	1,591,397
1290 Other Receivables	15,989	-	16,655
1300 Inventories	-	-	722,548
1000 Total Assets	<u>\$ 2,540,499</u>	<u>\$ -</u>	<u>\$ 6,894,307</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
2110 Accounts Payable	\$ -	\$ -	\$ 78,854
2170 Due to Other Funds	-	-	1,280,798
2180 Due to Other Governments	39,218	-	39,218
2190 Due to Student Groups	-	-	2,809
2300 Unearned Revenues	260,277	-	587,689
2000 Total Liabilities	<u>299,495</u>	<u>-</u>	<u>1,989,368</u>
Fund Balances:			
Nonspendable Fund Balance:			
3410 Inventories	-	-	722,548
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	-	-	1,755,280
3480 Retirement of Long-Term Debt	2,241,004	-	2,241,004
Committed Fund Balance:			
3545 Other Committed Fund Balance	-	-	186,107
3000 Total Fund Balances	<u>2,241,004</u>	<u>-</u>	<u>4,904,939</u>
4000 Total Liabilities and Fund Balances	<u>\$ 2,540,499</u>	<u>\$ -</u>	<u>\$ 6,894,307</u>

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SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NON MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2012

Data Control Codes	205 Head Start	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	224 IDEA - Part B Formula
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	2,415,898	3,577,827	118,006	3,122,328
5020 Total Revenues	<u>2,415,898</u>	<u>3,577,827</u>	<u>118,006</u>	<u>3,122,328</u>
EXPENDITURES:				
Current:				
0011 Instruction	1,192,252	3,220,889	46,471	2,252,790
0012 Instructional Resources and Media Services	-	2,918	-	-
0013 Curriculum and Instructional Staff Development	116,019	171,235	-	46,603
0021 Instructional Leadership	-	123,863	71,214	101,596
0023 School Leadership	393,303	4	-	-
0031 Guidance, Counseling and Evaluation Services	53,960	-	-	694,584
0032 Social Work Services	162,118	-	-	-
0033 Health Services	102,090	4,866	-	20,661
0034 Student (Pupil) Transportation	1,491	-	-	-
0035 Food Services	45,247	-	-	-
0041 General Administration	-	3,850	-	2,800
0051 Facilities Maintenance and Operations	296,423	-	-	-
0052 Security and Monitoring Services	5,000	-	-	-
0061 Community Services	47,995	50,202	321	3,294
Debt Service:				
0071 Principal on Long Term Debt	-	-	-	-
0072 Interest on Long Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	<u>2,415,898</u>	<u>3,577,827</u>	<u>118,006</u>	<u>3,122,328</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - August 31 (Ending)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program	242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 Title XIV ARRA State Stabilization	282 Early Head Start
\$ -	\$ 1,820,970	\$ 5,611	\$ -	\$ -	\$ -	\$ -	\$ -
-	101,641	-	-	-	-	-	-
116,533	4,983,629	99,525	209,333	746,192	77,137	-	1,052,498
116,533	6,906,240	105,136	209,333	746,192	77,137	-	1,052,498
116,533	-	-	79,432	676,291	75,585	10,997	892,765
-	-	-	-	-	-	-	-
-	-	-	46,624	13,594	1,182	-	15,152
-	-	-	4,987	45,307	370	-	-
-	-	-	-	-	-	-	50,361
-	-	-	78,290	-	-	-	-
-	-	-	-	-	-	-	44,797
-	-	-	-	-	-	-	20,392
-	-	-	-	-	-	-	-
-	6,305,033	94,815	-	-	-	-	244
-	-	-	-	800	-	-	-
-	184,913	4,417	-	-	-	-	27,569
-	-	-	-	-	-	(10,997)	583
-	-	-	-	10,200	-	-	635
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
116,533	6,489,946	99,232	209,333	746,192	77,137	-	1,052,498
-	416,294	5,904	-	-	-	-	-
-	3,934	-	-	-	-	-	-
-	3,934	-	-	-	-	-	-
-	420,228	5,904	-	-	-	-	-
-	1,701,735	16,490	-	-	-	-	-
\$ -	\$ 2,121,963	\$ 22,394	\$ -	\$ -	\$ -	\$ -	\$ -

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NON MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2012

Data Control Codes	283 IDEA, Pt. B ARRA Formula	287 Education Jobs Fund	288 Child and Adult Care Feeding	289 Other Federal Special Revenue Funds
REVENUES:				
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-
5900	Federal Program Revenues	3,260	2,381,746	451,234
5020	Total Revenues	<u>3,260</u>	<u>2,381,746</u>	<u>451,234</u>
EXPENDITURES:				
Current:				
0011	Instruction	2,143	-	-
0012	Instructional Resources and Media Services	-	-	-
0013	Curriculum and Instructional Staff Development	-	-	-
0021	Instructional Leadership	1,117	-	-
0023	School Leadership	-	2,381,746	-
0031	Guidance, Counseling and Evaluation Services	-	-	-
0032	Social Work Services	-	-	-
0033	Health Services	-	-	36,488
0034	Student (Pupil) Transportation	-	-	-
0035	Food Services	-	482,544	-
0041	General Administration	-	-	-
0051	Facilities Maintenance and Operations	-	-	8,693
0052	Security and Monitoring Services	-	-	-
0061	Community Services	-	-	-
Debt Service:				
0071	Principal on Long Term Debt	-	-	-
0072	Interest on Long Term Debt	-	-	-
0073	Bond Issuance Cost and Fees	-	-	-
Capital Outlay:				
0081	Facilities Acquisition and Construction	-	-	-
6030	Total Expenditures	<u>3,260</u>	<u>2,381,746</u>	<u>482,544</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(31,310)</u>
OTHER FINANCING SOURCES (USES):				
7915	Transfers In	-	31,370	5,364
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>31,370</u>	<u>5,364</u>
1200	Net Change in Fund Balance	-	60	-
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>(60)</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

394 Life Skills Program	397 Advanced Placement Incentives	410 State Textbook Fund	411 Technology Allotment	428 High School Allotment	429 Other State Special Revenue Funds	461 Campus Activity Funds	Total Nonmajor Special Revenue Funds
\$ 5,769	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 498,049	\$ 2,330,399
-	7,335	806,986	178,049	-	133	-	1,094,144
-	-	-	-	-	-	-	19,394,963
<u>5,769</u>	<u>7,335</u>	<u>806,986</u>	<u>178,049</u>	<u>-</u>	<u>133</u>	<u>498,049</u>	<u>22,819,506</u>
-	4,778	806,986	178,049	-	-	236,971	9,792,932
-	-	-	-	-	-	-	2,918
-	2,560	-	-	-	-	698	413,667
-	-	-	-	-	-	5,483	353,937
-	-	-	-	-	-	242,734	3,068,148
-	-	-	-	-	-	-	826,834
-	-	-	-	-	-	-	206,915
-	-	-	-	-	-	-	184,497
-	-	-	-	-	-	-	1,491
-	-	-	-	-	-	290	6,928,173
-	-	-	-	-	-	1,639	9,089
-	-	-	-	-	-	1,677	523,692
-	-	-	-	-	-	-	(5,414)
5,769	-	-	-	-	-	-	118,416
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>5,769</u>	<u>7,338</u>	<u>806,986</u>	<u>178,049</u>	<u>-</u>	<u>-</u>	<u>489,492</u>	<u>22,425,295</u>
-	(3)	-	-	-	133	8,557	394,211
-	-	-	-	-	-	-	40,668
-	-	-	-	-	-	-	40,668
-	(3)	-	-	-	133	8,557	434,879
-	20,071	-	-	310,913	2,357	177,550	2,229,056
<u>\$ -</u>	<u>\$ 20,068</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 310,913</u>	<u>\$ 2,490</u>	<u>\$ 186,107</u>	<u>\$ 2,663,935</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2012

Data Control Codes	599 Debt Service Fund	630 Fieldhouse Fund	Total Nonmajor Governmental Funds
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 7,867,052	\$ 68,808	\$ 10,266,259
5800 State Program Revenues	2,722,325	-	3,816,469
5900 Federal Program Revenues	-	-	19,394,963
5020 Total Revenues	<u>10,589,377</u>	<u>68,808</u>	<u>33,477,691</u>
EXPENDITURES:			
Current:			
0011 Instruction	-	-	9,792,932
0012 Instructional Resources and Media Services	-	-	2,918
0013 Curriculum and Instructional Staff Development	-	-	413,667
0021 Instructional Leadership	-	-	353,937
0023 School Leadership	-	-	3,068,148
0031 Guidance, Counseling and Evaluation Services	-	-	826,834
0032 Social Work Services	-	-	206,915
0033 Health Services	-	-	184,497
0034 Student (Pupil) Transportation	-	-	1,491
0035 Food Services	-	-	6,928,173
0041 General Administration	-	-	9,089
0051 Facilities Maintenance and Operations	-	-	523,692
0052 Security and Monitoring Services	-	-	(5,414)
0061 Community Services	-	-	118,416
Debt Service:			
0071 Principal on Long Term Debt	3,523,822	-	3,523,822
0072 Interest on Long Term Debt	6,857,408	-	6,857,408
0073 Bond Issuance Cost and Fees	8,256	-	8,256
Capital Outlay:			
0081 Facilities Acquisition and Construction	-	436,170	436,170
6030 Total Expenditures	<u>10,389,486</u>	<u>436,170</u>	<u>33,250,951</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>199,891</u>	<u>(367,362)</u>	<u>226,740</u>
OTHER FINANCING SOURCES (USES):			
7915 Transfers In	-	130,530	171,198
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>130,530</u>	<u>171,198</u>
1200 Net Change in Fund Balance	199,891	(236,832)	397,938
0100 Fund Balance - September 1 (Beginning)	<u>2,041,113</u>	<u>236,832</u>	<u>4,507,001</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 2,241,004</u>	<u>\$ -</u>	<u>\$ 4,904,939</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF NET ASSETS
 INTERNAL SERVICE FUNDS
 AUGUST 31, 2012

	753	770	
	Health	Workers'	Total
	Insurance	Compensation	Internal
		Fund	Service Funds
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 1,450,453	\$ 508,559	\$ 1,959,012
Other Receivables	36,774	-	36,774
Total Current Assets	<u>1,487,227</u>	<u>508,559</u>	<u>1,995,786</u>
Noncurrent Assets:			
Restricted Assets	-	370,044	370,044
Total Noncurrent Assets	<u>-</u>	<u>370,044</u>	<u>370,044</u>
Total Assets	<u>1,487,227</u>	<u>878,603</u>	<u>2,365,830</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	944,889	9,330	954,219
Due to Other Funds	234,504	-	234,504
Accrued Expenses	303,674	139,918	443,592
Deferred Revenues	4,160	-	4,160
Total Liabilities	<u>1,487,227</u>	<u>149,248</u>	<u>1,636,475</u>
NET ASSETS			
Unrestricted Net Assets	<u>-</u>	<u>729,355</u>	<u>729,355</u>
Total Net Assets	<u>\$ -</u>	<u>\$ 729,355</u>	<u>\$ 729,355</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2012

	753	770	
	Health	Workers'	Total
	Insurance	Compensation	Internal
		Fund	Service Funds
OPERATING REVENUES:			
Local and Intermediate Sources	\$ 12,345,784	\$ 567,343	\$ 12,913,127
Total Operating Revenues	<u>12,345,784</u>	<u>567,343</u>	<u>12,913,127</u>
OPERATING EXPENSES:			
Payroll Costs	20,336	20,336	40,672
Professional and Contracted Services	1,657,416	262,577	1,919,993
Supplies and Materials	4,752	-	4,752
Other Operating Costs	11,373,553	288,222	11,661,775
Total Operating Expenses	<u>13,056,057</u>	<u>571,135</u>	<u>13,627,192</u>
Operating Income (Loss)	<u>(710,273)</u>	<u>(3,792)</u>	<u>(714,065)</u>
NONOPERATING REVENUES (EXPENSES):			
Earnings from Temporary Deposits & Investments	<u>1,315</u>	<u>493</u>	<u>1,808</u>
Total Nonoperating Revenues (Expenses)	<u>1,315</u>	<u>493</u>	<u>1,808</u>
Change in Net Assets	(708,958)	(3,299)	(712,257)
Total Net Assets - September 1 (Beginning)	<u>708,958</u>	<u>732,654</u>	<u>1,441,612</u>
Total Net Assets - August 31 (Ending)	<u>\$ -</u>	<u>\$ 729,355</u>	<u>\$ 729,355</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2012

	753	770	
	Health	Workers'	Total
	Insurance	Compensation	Internal
		Fund	Service Funds
<u>Cash Flows from Operating Activities:</u>			
Cash Received from User Charges	\$ 2,296,024	\$ -	\$ 2,296,024
Cash Received from Assessments - Other Funds	9,856,470	574,623	10,431,093
Cash Payments to Employees for Services	(20,336)	(20,336)	(40,672)
Cash Payments for Insurance Claims	(11,307,376)	(340,030)	(11,647,406)
Cash Payments for Suppliers	(1,235,510)	(253,247)	(1,488,757)
Cash Payments for Claims Loss Fund	-	(19,970)	(19,970)
Net Cash Used For Operating Activities	<u>(410,728)</u>	<u>(58,960)</u>	<u>(469,688)</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Increase(decrease) in Short-term Loans	<u>234,504</u>	<u>(41,689)</u>	<u>192,815</u>
<u>Cash Flows from Investing Activities:</u>			
Interest and Dividends on Investments	<u>1,315</u>	<u>493</u>	<u>1,808</u>
Net Decrease in Cash and Cash Equivalents	(174,909)	(100,156)	(275,065)
Cash and Cash Equivalents at Beginning of Year	<u>1,625,362</u>	<u>608,715</u>	<u>2,234,077</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,450,453</u>	<u>\$ 508,559</u>	<u>\$ 1,959,012</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Used for Operating Activities:</u>			
Operating Income (Loss):	\$ (710,273)	\$ (3,792)	\$ (714,065)
Effect of Increases and Decreases in Current Assets and Liabilities:			
Decrease (increase) in Receivables	(29,250)	7,280	(21,970)
Decrease (increase) in Restricted Assets	-	(19,970)	(19,970)
Increase (decrease) in Accounts Payable	426,658	9,330	435,988
Increase (decrease) in Unearned Revenues	(164,040)	-	(164,040)
Increase (decrease) in Accrued Expenses	<u>66,177</u>	<u>(51,808)</u>	<u>14,369</u>
Net Cash Used for Operating Activities	<u>\$ (410,728)</u>	<u>\$ (58,960)</u>	<u>\$ (469,688)</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF NET ASSETS
 NONMAJOR ENTERPRISE FUNDS
 AUGUST 31, 2012

	711	712	Total
	Concession Fund	Jumbotron Fund	Nonmajor Enterprise Funds
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 46,283	\$ -	\$ 46,283
Other Receivables	7,697	208	7,905
Total Current Assets	<u>53,980</u>	<u>208</u>	<u>54,188</u>
Noncurrent Assets:			
Capital Assets:			
Leased Property Under Capital Leases	-	535,000	535,000
Depreciation on Capital Leases	-	(378,958)	(378,958)
Total Noncurrent Assets	<u>-</u>	<u>156,042</u>	<u>156,042</u>
Total Assets	<u>53,980</u>	<u>156,250</u>	<u>210,230</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	679	-	679
Deferred Revenues	-	69,603	69,603
Total Current Liabilities	<u>679</u>	<u>69,603</u>	<u>70,282</u>
NonCurrent Liabilities:			
Capital Leases Payable - Due Within One Year	-	48,068	48,068
Capital Lease Payable - Due in More than One Year	-	117,962	117,962
Total Noncurrent Liabilities	<u>-</u>	<u>166,030</u>	<u>166,030</u>
Total Liabilities	<u>679</u>	<u>235,633</u>	<u>236,312</u>
NET ASSETS			
Investments in Capital Assets, Net of Debt	-	(9,988)	(9,988)
Unrestricted Net Assets	53,301	(69,395)	(16,094)
Total Net Assets	<u>\$ 53,301</u>	<u>\$ (79,383)</u>	<u>\$ (26,082)</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2012

	711	712	Total
	Concession	Jumbotron	Nonmajor
	Fund	Fund	Enterprise
			Funds
OPERATING REVENUES:			
Local and Intermediate Sources	\$ 106,280	\$ 68,059	\$ 174,339
Total Operating Revenues	<u>106,280</u>	<u>68,059</u>	<u>174,339</u>
OPERATING EXPENSES:			
Payroll Costs	37,838	-	37,838
Professional and Contracted Services	1,482	-	1,482
Supplies and Materials	47,991	-	47,991
Other Operating Costs	324	-	324
Depreciation Expense	-	53,500	53,500
Total Operating Expenses	<u>87,635</u>	<u>53,500</u>	<u>141,135</u>
Operating Income	<u>18,645</u>	<u>14,559</u>	<u>33,204</u>
NONOPERATING REVENUES (EXPENSES):			
Non-operating Expenses	-	(16,843)	(16,843)
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>(16,843)</u>	<u>(16,843)</u>
Income (Loss) Before Transfers	18,645	(2,284)	16,361
Transfers Out	(3,934)	-	(3,934)
Change in Net Assets	14,711	(2,284)	12,427
Total Net Assets - September 1 (Beginning)	<u>38,590</u>	<u>(77,099)</u>	<u>(38,509)</u>
Total Net Assets - August 31 (Ending)	<u>\$ 53,301</u>	<u>\$ (79,383)</u>	<u>\$ (26,082)</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2012

	711	712	Total
	Concession	Jumbotron	Nonmajor
	Fund	Fund	Enterprise
			Funds
<u>Cash Flows from Operating Activities:</u>			
Cash Received from User Charges	\$ 98,583	\$ 61,350	\$ 159,933
Cash Payments to Employees for Services	(37,839)	-	(37,839)
Cash Payments for Suppliers	(57,022)	-	(57,022)
Net Cash Provided by Operating Activities	<u>3,722</u>	<u>61,350</u>	<u>65,072</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Operating Transfer Out	(3,935)	-	(3,935)
<u>Cash Flows from Capital & Related Financing Activities:</u>			
Retirement of Long-term Debt	-	(44,507)	(44,507)
Interest Paid on Long-term Debt	-	(16,843)	(16,843)
Net Cash Used For Capital and Related Financing Activities	<u>-</u>	<u>(61,350)</u>	<u>(61,350)</u>
Net Decrease in Cash and Cash Equivalents	(213)	-	(213)
Cash and Cash Equivalents at Beginning of Year	46,496	-	46,496
Cash and Cash Equivalents at End of Year	<u>\$ 46,283</u>	<u>\$ -</u>	<u>\$ 46,283</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>			
Operating Income:	\$ 18,645	\$ 14,559	\$ 33,204
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	-	53,500	53,500
Effect of Increases and Decreases in Current Assets and Liabilities:			
Decrease (increase) in Receivables	(7,697)	(208)	(7,905)
Increase (decrease) in Accounts Payable	(7,226)	-	(7,226)
Increase (decrease) in Unearned Revenues	-	(6,501)	(6,501)
Net Cash Provided by Operating Activities	<u>\$ 3,722</u>	<u>\$ 61,350</u>	<u>\$ 65,072</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE SEPTEMBER 1 2011	ADDITIONS	DEDUCTIONS	BALANCE AUGUST 31 2012
STUDENT ACTIVITY ACCOUNT				
Assets:				
Cash and Cash Equivalents	\$ 437,385	\$ 385,314	\$ 361,913	\$ 460,786
Other Receivables	1,233	3,927	3,262	1,898
Total Assets	<u>\$ 438,618</u>	<u>\$ 389,241</u>	<u>\$ 365,175</u>	<u>\$ 462,684</u>
Liabilities:				
Accounts Payable	\$ 89	\$ 26,686	\$ 26,614	\$ 161
Due to Student Groups	438,530	386,969	362,976	462,523
Total Liabilities	<u>\$ 438,619</u>	<u>\$ 413,655</u>	<u>\$ 389,590</u>	<u>\$ 462,684</u>
TOTAL AGENCY FUNDS				
Assets:				
Cash and Temporary Investments	\$ 437,385	\$ 385,314	\$ 361,913	\$ 460,786
Other Receivables	1,233	3,927	3,262	1,898
Total Assets	<u>\$ 438,618</u>	<u>\$ 389,241</u>	<u>\$ 365,175</u>	<u>\$ 462,684</u>
Liabilities:				
Accounts Payable	\$ 89	\$ 26,686	\$ 26,614	\$ 161
Due to Student Groups	438,530	386,969	362,976	462,523
Total Liabilities	<u>\$ 438,619</u>	<u>\$ 413,655</u>	<u>\$ 389,590</u>	<u>\$ 462,684</u>

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COMPLIANCE SCHEDULES
(Required by Texas Education Agency)

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FISCAL YEAR ENDED AUGUST 31, 2012

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2003 and prior years	\$ 1.500000	\$ 0.069130	\$ 1,990,448,037
2004	1.500000	0.067500	2,083,581,041
2005	1.500000	0.075250	2,179,369,700
2006	1.500000	0.072000	2,318,913,431
2007	1.370000	0.070000	2,567,976,619
2008	1.040000	0.070000	2,718,372,546
2009	1.040000	0.070000	2,888,797,097
2010	1.040000	0.312500	3,033,131,516
2011	1.040000	0.272500	3,064,378,472
2012 (School year under audit)	1.040000	0.240000	3,244,186,953
1000 TOTALS			

(10) Beginning Balance 9/1/2011	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2012
\$ 299,316	\$ -	\$ 2,709	\$ 368	\$ (17,141)	\$ 279,098
34,098	-	1,178	53	(1,024)	31,843
40,354	-	2,661	134	(1,392)	36,167
44,223	-	6,750	324	(2,096)	35,053
53,410	-	16,167	826	(4,003)	32,414
67,960	-	28,707	1,932	(2,140)	35,181
179,446	-	81,958	5,517	(2,278)	89,693
463,734	-	168,645	50,675	(10,782)	233,632
805,953	-	295,922	77,538	(41,824)	390,669
-	41,525,593	33,037,847	7,624,113	(229,850)	633,783
<u>\$ 1,988,494</u>	<u>\$ 41,525,593</u>	<u>\$ 33,642,544</u>	<u>\$ 7,761,480</u>	<u>\$ (312,530)</u>	<u>\$ 1,797,533</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES FOR COMPUTATIONS OF INDIRECT COST FOR 2013-2014
 GENERAL AND SPECIAL REVENUE FUNDS
 AUGUST 31, 2012

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

Account Number	Account Name	1	2	3	4	5	6	7
		(702) School Board	(703) Tax Collections	(701) Supt's Office	(750) Indirect Cost	(720) Direct Cost	(other) Miscellaneous	Total
611X-6146	PAYROLL COSTS	\$ 27,529	\$ -	\$ 236,138	\$ 1,380,013	\$ 169,911	\$ -	\$ 1,813,591
6149	Leave for Separating Employees in Fn 41 & 53	-	-	-	-	-	-	-
6149	Leave - Separating Employees not in 41 & 53	-	-	-	-	-	-	-
6211	Legal Services	86,631	-	-	-	-	-	86,631
6212	Audit Services	-	-	-	51,656	-	-	51,656
6213	Tax Appraisal/Collection - Appraisal in Fn 99	-	828,172	-	-	-	-	828,172
6214	Lobbying	-	-	-	-	-	-	-
621X	Other Professional Services	12,358	-	10,719	68,416	-	-	91,493
6220	Tuition and Transfer Payments	-	-	-	-	-	-	-
6230	Education Service Centers	-	-	-	-	-	-	-
6240	Contr. Maint. and Repair	-	-	-	-	41,175	-	41,175
6250	Utilities	-	-	-	-	-	-	-
6260	Rentals	-	-	-	15,149	925	-	16,074
6290	Miscellaneous Contr.	-	-	4,500	4,255	-	-	8,755
6320	Textbooks and Reading	-	-	-	936	870	-	1,806
6330	Testing Materials	-	-	-	-	-	-	-
63XX	Other Supplies Materials	10,798	-	1,167	69,667	13,522	-	95,154
6410	Travel, Subsistence, Stipends	2,565	-	3,232	28,604	2,850	-	37,251
6420	Ins. and Bonding Costs	-	-	-	-	49,613	-	49,613
6430	Election Costs	-	-	-	-	-	-	-
6490	Miscellaneous Operating	44,554	-	17,385	45,747	12,773	-	120,459
6500	Debt Service	-	-	-	-	-	-	-
6600	Capital Outlay	-	-	-	-	-	1,041	1,041
6000	TOTAL	\$ 184,435	\$ 828,172	\$ 273,141	\$ 1,664,443	\$ 291,639	\$ 1,041	\$ 3,242,871

Total expenditures/expenses for General and Special Revenue Funds: (9) \$ 115,176,613

LESS: Deductions of Unallowable Costs

FISCAL YEAR

Total Capital Outlay (6600)	(10)	\$ 2,915,331
Total Debt & Lease(6500)	(11)	-
Plant Maintenance (Function 51, 6100-6400)	(12)	12,514,229
Food (Function 35, 6341 and 6499)	(13)	2,518,605
Stipends (6413)	(14)	-
Column 4 (above) - Total Indirect Cost		<u>1,664,443</u>

SubTotal: 19,612,608

Net Allowed Direct Cost \$ 95,564,005

CUMULATIVE

Total Cost of Buildings before Depreciation (1520)	(15)	\$ 123,922,266
Historical Cost of Building over 50 years old	(16)	\$ 13,119,446
Amount of Federal Money in Building Cost (Net of #16)	(17)	\$ 137,018
Total Cost of Furniture & Equipment before Depreciation (1530 & 1540)	(18)	\$ 22,427,320
Historical Cost of Furniture & Equipment over 16 years old	(19)	\$ 1,898,067
Amount of Federal Money in Furniture & Equipment (Net of #19)	(20)	\$ 1,382,436

(8) NOTE A: \$75,599 in Function 53 expenditures are included in this report on administrative costs.
 \$828,172 in Function 99 expenditures for appraisal district costs are included in this report on administrative costs.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 FUND BALANCE AND CASH FLOW CALCULATION WORKSHEET
 GENERAL FUNDS AS OF AUGUST 31, 2012

EXHIBIT J-3

UNAUDITED

1	Total General Fund Balance as of 8/31/12 (Exhibit C-1 object 3000 for the General Fund Only)		\$ 30,039,090
2	Total Non-Spendable Fund Balance (from Exhibit C-1 - for the General Fund Only)	\$ 733,001	
3	Total Restricted Fund Balance (from Exhibit C-1 - for the General Fund Only)	1,446,982	
4	Total Committed Fund Balance (from Exhibit C-1 - for the General Fund Only)	5,475,000	
5	Total Assigned Fund Balance (from Exhibit C-1 - for the General Fund Only)	-	
6	Estimated amount needed to cover fall cash flow deficits in the General Fund (Net of borrowed funds and funds representing deferred revenues.)	-	
7	Estimate of two month's average cash disbursements during the fiscal year.	14,688,376	
8	Estimate of delayed payments from state sources (58xx).	6,460,432	
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)	1,781,038	
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 (Lines 2+3+4+5+6+7+8+9+10+11)		<u>30,584,829</u>
13	Excess (Deficit) Unassigned Fund Balance (Line 1 minus Line 12)		<u><u>\$ (545,739)</u></u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
 FOR THE YEAR ENDED AUGUST 31, 2012

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 1,779,600	\$ 1,779,600	\$ 1,820,970	\$ 41,370
5800 State Program Revenues	40,000	40,000	101,641	61,641
5900 Federal Program Revenues	5,106,800	5,106,800	4,983,629	(123,171)
5020 Total Revenues	6,926,400	6,926,400	6,906,240	(20,160)
EXPENDITURES:				
0035 Food Services	6,728,200	6,728,200	6,305,033	423,167
0051 Facilities Maintenance and Operations	198,200	198,200	184,913	13,287
6030 Total Expenditures	6,926,400	6,926,400	6,489,946	436,454
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	416,294	416,294
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	3,935	3,934	(1)
7080 Total Other Financing Sources (Uses)	-	3,935	3,934	(1)
1200 Net Change in Fund Balances	-	3,935	420,228	416,293
0100 Fund Balance - September 1 (Beginning)	1,701,735	1,701,735	1,701,735	-
3000 Fund Balance - August 31 (Ending)	\$ 1,701,735	\$ 1,705,670	\$ 2,121,963	\$ 416,293

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND
 FOR THE YEAR ENDED AUGUST 31, 2012

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 7,632,000	\$ 7,632,000	\$ 7,867,052	\$ 235,052
5800 State Program Revenues	2,760,000	2,760,000	2,722,325	(37,675)
5020 Total Revenues	10,392,000	10,392,000	10,589,377	197,377
EXPENDITURES:				
Debt Service:				
0071 Principal on Long Term Debt	3,523,822	3,523,822	3,523,822	-
0072 Interest on Long Term Debt	6,857,408	6,857,408	6,857,408	-
0073 Bond Issuance Cost and Fees	10,770	10,770	8,256	2,514
6030 Total Expenditures	10,392,000	10,392,000	10,389,486	2,514
1200 Net Change in Fund Balances	-	-	199,891	199,891
0100 Fund Balance - September 1 (Beginning)	2,041,113	2,041,113	2,041,113	-
3000 Fund Balance - August 31 (Ending)	\$ 2,041,113	\$ 2,041,113	\$ 2,241,004	\$ 199,891

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STATISTICAL SECTION

(UNAUDITED - for Analytical Purposes Only)

This part of San Angelo Independent School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

TABLE	CONTENTS
	Financial Trends
	<i>These tables contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</i>
	Entity-wide information:
1	Net assets by component, last ten fiscal years
2	Changes in net assets, last ten fiscal years
	Governmental Funds Information:
3	Fund balances, last ten fiscal years
4	Changes in fund balances, last ten fiscal years
	Revenue Capacity
	<i>These tables contain information to help the reader assess the District's most significant local revenue source, the property tax.</i>
5	Assessed value and actual value of taxable property, and Comptroller's valuation of standardized base, last ten fiscal years; and tax base distribution, last two tax years
6	Allocation of property tax rates and tax levies, last ten fiscal years
7	Direct and overlapping property tax rates, last ten fiscal years
8	Property use categories at gross appraised market value, tax year 2011
9	Principal property taxpayers, current year and nine years ago
10	Property tax levies and collections, last ten fiscal years
	Debt Capacity
	<i>These tables present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.</i>
11	Ratios of outstanding debt by type, last ten fiscal years
12	Ratios of net general bonded debt outstanding, last ten fiscal years; and statement of legal debt margin
13	Direct and overlapping governmental activities debt as of August 31, 2012
14	Pledged revenue coverage, last five fiscal years
	Demographic and Economic Information
	<i>These tables offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.</i>
15	Demographic and economic statistics, last ten calendar years
16	Principal employers, current year and nine years ago
	Operating Information
	<i>These tables contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and activities it performs.</i>
17	Staff information, last ten fiscal years
18	Student information, last ten fiscal years
19	Operating statistics, last ten fiscal years
20	Capital assets information, last ten fiscal years

Sources: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in fiscal year 2001-02; tables presenting entity-wide information include information beginning in that year.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NET ASSETS BY COMPONENT,
LAST TEN FISCAL YEARS
(UNAUDITED - accrual basis of accounting)

	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
Governmental Activities:				
Invested in capital assets, net of related debt	\$ 71,331,462	\$ 68,123,024	\$ 65,774,951	\$ 59,756,813
Restricted	4,327,397	3,660,369	3,126,860	3,060,134
Unrestricted	33,314,641	35,120,918	31,328,351	33,445,859
Total Governmental Activities Net Assets	<u>\$ 108,973,500</u>	<u>\$ 106,904,311</u>	<u>\$ 100,230,162</u>	<u>\$ 96,262,806</u>
Business-Type Activities:				
Invested in capital assets, net of related debt	\$ (9,988)	\$ (994)	\$ 3,307	\$ 6,411
Unrestricted	(16,094)	(37,514)	(39,262)	113,088
Total Business-Type Activities Net Assets	<u>\$ (26,082)</u>	<u>\$ (38,508)</u>	<u>\$ (35,955)</u>	<u>\$ 119,499</u>
Primary Government:				
Invested in capital assets, net of related debt	\$ 71,321,474	\$ 68,122,030	\$ 65,778,258	\$ 59,763,224
Restricted	4,327,397	3,660,369	3,126,860	3,060,134
Unrestricted	33,298,547	35,083,404	31,289,089	33,558,947
Total Primary Government Net Assets	<u>\$ 108,947,418</u>	<u>\$ 106,865,803</u>	<u>\$ 100,194,207</u>	<u>\$ 96,382,305</u>

TABLE 1

Fiscal Year					
2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
\$ 59,894,274	\$ 56,027,686	\$ 51,638,749	\$ 49,308,846	\$ 47,946,035	\$ 46,587,772
2,683,486	5,411,438	5,908,971	6,366,179	3,179,815	3,277,146
34,719,205	34,359,236	31,029,257	29,993,404	28,436,998	25,440,099
<u>\$ 97,296,965</u>	<u>\$ 95,798,360</u>	<u>\$ 88,576,977</u>	<u>\$ 85,668,429</u>	<u>\$ 79,562,848</u>	<u>\$ 75,305,017</u>
\$ 31,079	\$ 56,724	\$ 92,673	\$ 120,955	\$ -	\$ -
80,179	37,797	18,161	58,267	181,702	162,564
<u>\$ 111,258</u>	<u>\$ 94,521</u>	<u>\$ 110,834</u>	<u>\$ 179,222</u>	<u>\$ 181,702</u>	<u>\$ 162,564</u>
\$ 59,925,353	\$ 56,084,410	\$ 51,731,422	\$ 49,429,801	\$ 47,946,035	\$ 46,587,772
2,683,486	5,411,438	5,908,971	6,366,179	3,179,815	3,277,146
34,799,384	34,397,033	31,047,418	30,051,671	28,618,700	25,602,663
<u>\$ 97,408,223</u>	<u>\$ 95,892,881</u>	<u>\$ 88,687,811</u>	<u>\$ 85,847,651</u>	<u>\$ 79,744,550</u>	<u>\$ 75,467,581</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 CHANGES IN NET ASSETS,
 LAST TEN FISCAL YEARS
(UNAUDITED - accrual basis of accounting)

	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
Expenses				
Governmental Activities:				
Instruction	\$ 66,164,039	\$ 71,147,496	\$ 70,438,360	\$ 69,866,593
Instructional resources and media services	1,530,895	1,693,393	1,731,606	1,794,081
Curriculum and instructional staff development	828,657	1,163,024	1,970,955	1,714,766
Instructional leadership	1,857,948	1,983,233	1,623,201	1,612,794
School leadership	6,572,481	6,486,493	6,349,709	6,480,282
Guidance, counseling and evaluation services	4,816,003	5,015,244	4,959,488	5,038,544
Social work services	656,475	711,054	632,153	781,189
Health services	687,262	764,970	711,952	651,877
Student (pupil) transportation	2,767,646	2,671,412	2,553,837	2,686,420
Food Services	7,078,316	7,052,970	6,365,531	6,380,281
Cocurricular / extracurricular activities	4,960,017	4,581,926	4,557,832	4,501,260
General Administration	2,522,886	2,643,524	2,584,419	2,333,118
Facilities maintenance and operation	13,164,586	13,219,909	12,851,443	12,550,670
Security and monitoring services	443,446	414,299	340,489	265,218
Data processing services	2,509,966	2,428,527	2,434,173	2,451,835
Community services	264,170	333,666	352,370	367,348
Interest and fees on long-term debt	6,200,033	6,551,812	6,720,769	3,164,894
Other Governmental Charges (Appraisal District)	828,172	814,001	741,234	739,774
Total Governmental Activities Expenses	<u>123,852,998</u>	<u>129,676,953</u>	<u>127,919,521</u>	<u>123,380,944</u>
Business-Type Activities:				
Concessions	87,635	93,968	95,111	98,840
Jumbo-tron (FY 2005-06 first year of operations)	70,343	74,279	78,311	80,617
Total Business-Type Activities Expenses	<u>157,978</u>	<u>168,247</u>	<u>173,422</u>	<u>179,457</u>
Total Primary Government Expenses	<u>\$ 124,010,976</u>	<u>\$ 129,845,200</u>	<u>\$ 128,092,943</u>	<u>\$ 123,560,401</u>
Program Revenues				
Governmental Activities:				
Charges for services:				
Instruction	\$ 496,433	\$ 473,003	\$ 428,715	\$ 368,070
Curriculum and staff development	-	-	-	-
Instructional leadership	4,978	4,637	4,286	5,140
School leadership	248,886	231,845	231,441	359,739
Health services	-	-	-	-
Food services	1,823,703	1,742,433	1,849,258	2,032,920
Cocurricular / extracurricular activities	247,956	237,287	167,505	284,288
General administration	436,744	417,901	-	-
Plant maintenance and operations	-	-	387,439	419,868
Security and monitoring services	-	-	-	-
Community services	-	-	-	-
Operating grants and contributions	24,603,425	30,601,466	30,140,043	23,731,424
Total Governmental Activities Program Revenues	<u>27,862,125</u>	<u>33,708,572</u>	<u>33,208,687</u>	<u>27,201,449</u>
Business-Type Activities:				
Concessions	106,280	109,464	97,217	116,047
Jumbo-tron (FY 2005-06 first year of operations)	68,059	56,230	70,751	71,651
Total Business-Type Activities Program Revenues	<u>174,339</u>	<u>165,694</u>	<u>167,968</u>	<u>187,698</u>
Total Primary Government Program Revenues	<u>\$ 28,036,464</u>	<u>\$ 33,874,266</u>	<u>\$ 33,376,655</u>	<u>\$ 27,389,147</u>

TABLE 2

Fiscal Year					
2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
\$ 66,730,115	\$ 62,891,886	\$ 59,995,560	\$ 59,150,115	\$ 57,911,223	\$ 57,746,439
1,752,858	1,731,854	1,686,587	1,849,016	2,158,872	2,070,998
1,854,410	1,968,999	2,145,896	2,055,694	2,033,225	1,276,159
1,483,523	1,503,316	1,516,922	1,552,335	1,580,468	1,661,642
6,128,517	5,506,764	5,356,399	5,108,608	4,855,298	4,763,121
4,875,257	4,728,389	4,687,291	4,294,429	4,091,444	3,714,610
687,144	881,673	853,070	802,268	596,056	571,872
642,762	642,670	530,031	510,326	444,322	460,857
2,472,937	2,061,204	2,035,353	1,696,127	1,623,991	1,436,954
6,078,305	5,637,225	5,571,653	5,059,659	5,042,455	5,102,336
3,855,451	3,568,880	3,521,852	3,369,334	3,114,868	2,873,534
2,571,825	2,306,466	2,156,444	2,116,171	2,012,038	2,312,371
13,258,884	12,063,215	12,631,582	11,731,458	10,506,827	9,900,130
310,337	300,352	258,479	222,473	218,134	215,199
3,974,257	2,910,624	1,875,665	1,930,522	1,941,230	1,576,951
364,730	367,276	314,665	372,672	293,493	267,935
1,087,381	1,179,872	1,280,628	1,288,614	1,262,707	1,587,145
782,194	749,415	707,984	644,469	593,716	614,989
<u>118,910,887</u>	<u>111,000,080</u>	<u>107,126,061</u>	<u>103,754,290</u>	<u>100,280,367</u>	<u>98,153,242</u>
99,653	93,721	97,059	82,253	78,478	58,483
82,845	84,249	91,082	-	-	-
<u>182,498</u>	<u>177,970</u>	<u>188,141</u>	<u>82,253</u>	<u>78,478</u>	<u>58,483</u>
<u>\$ 119,093,385</u>	<u>\$ 111,178,050</u>	<u>\$ 107,314,202</u>	<u>\$ 103,836,543</u>	<u>\$ 100,358,845</u>	<u>\$ 98,211,725</u>
\$ 635,338	\$ 499,170	\$ 418,821	\$ 455,478	\$ 554,156	\$ 660,754
40,843	83,735	11,614	-	-	6,436
5,427	9,362	9,237	9,760	16,311	25,743
206,233	168,519	161,650	180,557	217,477	109,408
265,619	-	-	-	-	-
1,926,885	1,727,874	1,615,911	1,549,197	1,636,474	1,518,449
254,284	191,127	171,161	138,324	183,384	232,405
-	-	-	-	-	44,855
410,424	361,988	423,981	199,975	104,927	173,175
8,854	-	-	-	-	-
-	-	-	-	-	19,624
22,919,311	21,459,740	21,744,178	21,846,735	18,368,090	18,386,588
<u>26,673,218</u>	<u>24,501,515</u>	<u>24,556,553</u>	<u>24,380,026</u>	<u>21,080,819</u>	<u>21,177,437</u>
118,184	99,106	116,260	79,773	97,616	69,097
81,051	62,551	72,051	-	-	-
<u>199,235</u>	<u>161,657</u>	<u>188,311</u>	<u>79,773</u>	<u>97,616</u>	<u>69,097</u>
<u>\$ 26,872,453</u>	<u>\$ 24,663,172</u>	<u>\$ 24,744,864</u>	<u>\$ 24,459,799</u>	<u>\$ 21,178,435</u>	<u>\$ 21,246,534</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 CHANGES IN NET ASSETS,
 LAST TEN FISCAL YEARS
(UNAUDITED - accrual basis of accounting)

	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
(Continued)				
Net (Expense) / Revenue				
Governmental Activities	\$ (95,990,873)	\$ (95,968,381)	\$ (94,710,834)	\$ (96,179,495)
Business-Type Activities	16,361	(2,553)	(5,454)	8,241
Total Primary Government Net Expense	<u>\$ (95,974,512)</u>	<u>\$ (95,970,934)</u>	<u>\$ (94,716,288)</u>	<u>\$ (96,171,254)</u>
 General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property taxes	\$ 41,265,609	\$ 40,180,884	\$ 40,380,438	\$ 32,030,863
State aid - formula grants not restricted	55,449,625	55,337,595	55,040,403	59,682,867
Grants and contributions not restricted	-	3,519,460	1,216,227	973,798
Investment earnings	432,806	1,005,471	1,457,996	1,368,623
Miscellaneous	996,085	2,599,119	433,126	887,619
Special items	(87,997)	-	-	-
Transfers	3,934	-	150,000	-
Total Governmental Activities	<u>98,060,062</u>	<u>102,642,529</u>	<u>98,678,190</u>	<u>94,943,770</u>
Business-Type Activities:				
Transfers	(3,934)	-	(150,000)	-
Total Primary Government	<u>\$ 98,056,128</u>	<u>\$ 102,642,529</u>	<u>\$ 98,528,190</u>	<u>\$ 94,943,770</u>
 Change in Net Assets				
Governmental Activities	\$ 2,069,189	\$ 6,674,148	\$ 3,967,356	\$ (1,235,725)
Business-Type Activities	12,427	(2,553)	(155,454)	8,241
Total Primary Government	<u>\$ 2,081,616</u>	<u>\$ 6,671,595</u>	<u>\$ 3,811,902</u>	<u>\$ (1,227,484)</u>

TABLE 2

Fiscal Year					
2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
\$ (92,237,669)	\$ (86,498,565)	\$ (82,569,508)	\$ (79,374,264)	\$ (79,199,548)	\$ (76,975,805)
16,737	(16,313)	170	(2,480)	19,138	10,614
<u>\$ (92,220,932)</u>	<u>\$ (86,514,878)</u>	<u>\$ (82,569,338)</u>	<u>\$ (79,376,744)</u>	<u>\$ (79,180,410)</u>	<u>\$ (76,965,191)</u>
\$ 30,024,562	\$ 36,770,046	\$ 36,368,433	\$ 34,156,856	\$ 32,411,887	\$ 31,202,186
60,271,087	52,935,269	43,436,664	44,742,927	47,831,742	51,380,282
931,001	972,650	644,935	1,270,569	936,377	810,070
1,624,328	2,420,467	2,390,069	1,263,371	495,185	615,976
546,413	621,516	2,560,992	2,826,062	1,783,748	1,680,750
-	-	(470,639)	1,220,060	-	-
-	-	68,558	-	-	-
<u>93,397,391</u>	<u>93,719,948</u>	<u>84,999,012</u>	<u>85,479,845</u>	<u>83,458,939</u>	<u>85,689,264</u>
-	-	(68,558)	-	-	-
<u>\$ 93,397,391</u>	<u>\$ 93,719,948</u>	<u>\$ 84,930,454</u>	<u>\$ 85,479,845</u>	<u>\$ 83,458,939</u>	<u>\$ 85,689,264</u>
\$ 1,159,722	\$ 7,221,383	\$ 2,429,504	\$ 6,105,581	\$ 4,259,391	\$ 8,713,459
16,737	(16,313)	(68,388)	(2,480)	19,138	10,614
<u>\$ 1,176,459</u>	<u>\$ 7,205,070</u>	<u>\$ 2,361,116</u>	<u>\$ 6,103,101</u>	<u>\$ 4,278,529</u>	<u>\$ 8,724,073</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 FUND BALANCES, GOVERNMENTAL FUNDS,
 LAST TEN FISCAL YEARS
(UNAUDITED - modified accrual basis of accounting)

	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>
General Fund:			
Non Spendable Fund Balance			
Inventory	\$ -	\$ -	\$ -
Prepaid Expenditures	733,001	313,487	236,893
Total Non Spendable Fund Balance	<u>733,001</u>	<u>313,487</u>	<u>236,893</u>
Restricted Fund Balance			
Retirement of LT Debt	1,115,869	1,132,018	1,128,768
Other Restricted	331,113	224,212	338,562
Total Restricted Fund Balance	<u>1,446,982</u>	<u>1,356,230</u>	<u>1,467,330</u>
Committed Fund Balance			
Construction	825,000	400,000	-
Capital Expenditures for Equipment	3,150,000	2,000,000	
Self Insurance	-	2,350,000	350,000
Other Committed	1,500,000	1,500,000	3,500,000
Total Committed Fund Balance	<u>5,475,000</u>	<u>6,250,000</u>	<u>3,850,000</u>
Unassigned Fund Balance	<u>22,384,107</u>	<u>22,624,187</u>	<u>20,611,877</u>
Total General Fund	<u><u>\$ 30,039,090</u></u>	<u><u>\$ 30,543,904</u></u>	<u><u>\$ 26,166,100</u></u>
All Other Governmental Funds:			
Non Spendable Fund Balance			
Inventory	\$ 722,548	\$ 656,522	\$ 484,376
Restricted Fund Balance			
Retirement of Long Term Debt	2,241,004	2,041,113	1,840,439
Federal or State Funds and Grant Restrictions	1,755,280	1,395,044	1,491,909
Capital Acquisition and Contractual Obligations	24,422,633	52,367,795	91,379,811
Total Restricted Fund Balance	<u>28,418,917</u>	<u>55,803,952</u>	<u>94,712,159</u>
Committed Fund Balance			
Construction	-	-	646,725
Campus Activity Funds	186,107	-	
Unassigned Fund Balance	<u>-</u>	<u>414,322</u>	<u>162,754</u>
Total Other Governmental Funds:	<u><u>\$ 29,141,465</u></u>	<u><u>\$ 56,874,796</u></u>	<u><u>\$ 96,006,014</u></u>
All Governmental Funds:			
Non Spendable	1,455,549	970,009	721,269
Restricted	29,865,899	57,160,182	96,179,489
Committed	5,661,107	6,250,000	4,496,725
Unassigned	22,384,107	23,038,509	20,774,631
Total All Governmental Funds	<u><u>\$ 59,366,662</u></u>	<u><u>\$ 87,418,700</u></u>	<u><u>\$ 122,172,114</u></u>

Note: Fund balances increase in Fiscal Year 2008-09 is due to issuance of school building bonds
 Fund balance for years prior to 2011 have been re-stated with GASB 54 Component Categories

TABLE 3

Fiscal Year						
2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
\$ -	\$ -	\$ -	\$ 682	\$ 5,453	\$ 19,919	\$ 11,272
133,491	104,224	52,276	25,855	25,928	16,157	391,480
<u>133,491</u>	<u>104,224</u>	<u>52,276</u>	<u>26,537</u>	<u>31,381</u>	<u>36,076</u>	<u>402,752</u>
1,127,281	1,036,984	1,112,901	974,188	849,909	747,274	756,832
469,812	826,006	2,612,188	3,627,265	3,305,009	-	-
<u>1,597,093</u>	<u>1,862,990</u>	<u>3,725,089</u>	<u>4,601,453</u>	<u>4,154,918</u>	<u>747,274</u>	<u>756,832</u>
3,000,000	5,500,000	2,500,000	2,500,000	5,550,000	5,900,000	
250,000	-				450,000	1,483,291
2,909,750	2,512,352	3,360,216	2,406,137	2,337,073	500,000	7,357,195
<u>6,159,750</u>	<u>8,012,352</u>	<u>5,860,216</u>	<u>4,906,137</u>	<u>7,887,073</u>	<u>9,360,689</u>	<u>8,840,486</u>
21,168,391	21,222,296	24,642,524	22,062,852	18,649,481	17,047,851	13,999,931
<u>\$ 29,058,725</u>	<u>\$ 31,201,862</u>	<u>\$ 34,280,105</u>	<u>\$ 31,596,979</u>	<u>\$ 30,722,853</u>	<u>\$ 27,191,890</u>	<u>\$ 24,000,001</u>
\$ 564,571	\$ 539,757	\$ 408,909	\$ 530,950	\$ 363,354	\$ 308,006	\$ 350,780
1,898,914	1,395,582	1,238,235	995,655	794,708	992,606	1,889,466
1,623,899	1,066,155	1,047,471	402,886	1,435,494	1,467,424	1,429,689
113,393,995	-	-	-	-	949,331	7,727,091
<u>116,916,808</u>	<u>2,461,737</u>	<u>2,285,706</u>	<u>1,398,541</u>	<u>2,230,202</u>	<u>3,409,361</u>	<u>11,046,246</u>
(53,483)	181,853					
197,359	160,242	205,484	195,930	190,187	194,120	177,897
<u>\$ 117,625,255</u>	<u>\$ 3,343,589</u>	<u>\$ 2,900,099</u>	<u>\$ 2,125,421</u>	<u>\$ 2,783,743</u>	<u>\$ 3,911,487</u>	<u>\$ 11,574,923</u>
698,062	643,981	461,185	557,487	394,735	344,082	753,532
118,513,901	4,324,727	6,010,795	5,999,994	6,385,120	4,156,635	11,803,078
6,106,267	8,194,205	5,860,216	4,906,137	7,887,073	9,360,689	8,840,486
21,365,750	21,382,538	24,848,008	22,258,782	18,839,668	17,241,971	14,177,828
<u>\$ 146,683,980</u>	<u>\$ 34,545,451</u>	<u>\$ 37,180,204</u>	<u>\$ 33,722,400</u>	<u>\$ 33,506,596</u>	<u>\$ 31,103,377</u>	<u>\$ 35,574,924</u>

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(UNAUDITED - modified accrual basis of accounting)

	2011-12	2010-11	2009-10	2008-09
Revenues				
Local and intermediate sources:				
Property taxes, penalty and interest	\$ 42,086,455	\$ 40,707,500	\$ 40,580,189	\$ 31,980,079
Gain (loss) from sale of WADA	-	-	-	(6,577)
Tuition and fees	185,700	181,271	166,793	175,271
Food services	1,825,858	1,723,990	1,817,763	2,013,359
Co-curricular and enterprising activities	397,173	803,376	587,101	724,846
Investment earnings	431,999	1,003,562	1,455,093	1,344,712
Insurance proceeds - property damage	-	14,269	-	-
Other revenues	1,189,565	621,574	646,477	1,121,249
Total local and intermediate sources	46,116,750	45,055,542	45,253,416	37,352,939
State program revenues	59,268,701	63,963,052	60,583,329	66,402,684
Federal program revenues	20,783,348	25,494,872	25,812,511	17,981,982
Total revenues	126,168,799	134,513,466	131,649,256	121,737,605
Expenditures				
Instruction	64,074,951	69,442,509	69,126,938	66,646,625
Instructional resources and media services	1,461,309	1,641,580	1,688,076	1,720,634
Curriculum and instructional staff development	806,077	1,142,672	1,951,157	1,682,331
Instructional leadership	1,840,991	1,956,431	1,620,561	1,573,034
School leadership	6,377,121	6,320,002	6,194,309	6,207,918
Guidance, counseling and evaluation services	4,740,125	4,976,653	4,917,808	4,926,144
Social work services	618,172	678,612	600,941	731,573
Health services	675,840	757,953	705,689	633,367
Student (pupil) transportation	2,547,529	2,493,675	2,559,739	2,659,373
Food Services	6,928,173	6,991,112	6,596,523	6,151,043
Cocurricular / extracurricular activities	4,302,148	4,452,010	4,447,667	4,312,721
General Administration	2,339,102	2,467,637	2,381,155	2,298,659
Facilities maintenance and operation	12,651,191	12,813,566	12,522,735	12,307,568
Security and monitoring services	393,832	359,955	298,585	208,543
Data processing services	2,200,234	2,638,293	2,260,193	2,326,700
Community services	259,779	332,128	351,291	357,378
Debt service:				
Principal	3,523,822	3,556,162	2,235,000	6,220,000
Interest and fees	6,865,664	6,769,531	8,126,568	3,000,088
Capital outlay	30,825,505	40,489,391	26,755,825	8,106,941
Intergovernmental: tax appraisal and collection	828,172	814,001	741,234	739,774
Total expenditures	154,259,737	171,093,873	156,081,994	132,810,414
Excess revenues over (under) expenditures	(28,090,938)	(36,580,407)	(24,432,738)	(11,072,809)
Other financing sources (uses)				
Proceeds of debt issued	-	-	-	121,089,985
Sale of real and personal property	34,966	1,826,993	17,417	11,827
Premium or (discount) on issuance of bonds	-	-	-	2,109,526
Prepaid interest	-	-	-	-
Transfers in	171,198	4,443	3,999,835	2,500,000
Transfers out	(167,264)	(4,443)	(4,096,380)	(2,500,000)
Payment to bond refunding escrow agent	-	-	-	-
Total other financing sources (uses)	38,900	1,826,993	(79,128)	123,211,338
Restatement of beginning fund balance	-	-	-	-
Net change in fund balances	\$ (28,052,038)	\$ (34,753,414)	\$ (24,511,866)	\$ 112,138,529
Debt service as a percentage of noncapital expenditures	8.4%	7.9%	8.0%	7.4%

Fiscal Year 2008-09 debt service included \$4.09 million bonds refunded and issuance costs on the total bonds issued.

TABLE 4

		Fiscal Year									
		2007-08	2006-07	2005-06	2004-05	2003-04	2002-03				
\$	30,378,113	\$	37,177,634	\$	36,887,479	\$	34,620,491	\$	32,620,665	\$	31,618,052
	18,433		33,459		1,968,604		2,329,201		1,046,261		66,041
	162,899		123,464		39,555		20,103		18,764		77,058
	1,918,031		1,727,874		1,615,911		1,549,537		1,634,260		1,515,646
	726,169		659,236		633,019		659,379		743,418		768,624
	1,523,015		2,288,266		2,306,078		1,225,378		503,833		607,723
	-		-		-		-		384,012		1,137,179
	1,058,919		669,701		632,371		326,503		339,321		518,405
	35,785,579		42,679,634		44,083,017		40,730,592		37,290,534		36,308,728
	67,239,684		59,242,151		48,857,731		50,395,136		53,168,315		58,584,344
	16,870,719		16,063,156		16,872,658		17,406,281		13,944,878		11,965,781
	119,895,982		117,984,941		109,813,406		108,532,009		104,403,727		106,858,853
	66,689,574		61,798,924		59,719,554		58,690,291		56,701,417		57,048,400
	1,701,402		1,719,874		1,651,153		1,823,826		2,121,707		2,112,076
	1,831,746		1,941,101		2,121,540		2,042,944		2,012,229		1,254,967
	1,465,325		1,473,094		1,510,357		1,554,282		1,574,801		1,644,730
	5,964,782		5,321,636		5,184,746		5,052,874		4,739,594		4,670,007
	4,819,169		4,679,206		4,639,941		4,298,333		4,071,798		3,686,001
	653,472		855,569		833,283		792,523		575,029		556,662
	639,602		637,811		528,333		517,805		444,941		463,204
	2,557,399		2,210,572		2,245,154		1,786,965		1,683,514		2,072,185
	5,976,265		5,472,914		5,832,777		5,107,263		5,011,487		5,114,645
	4,430,190		3,440,628		3,382,414		3,171,834		2,957,846		3,259,476
	2,574,113		2,245,536		2,046,795		2,015,569		1,997,907		2,288,736
	14,362,296		11,745,817		11,264,709		10,512,294		9,740,957		9,824,102
	430,212		257,293		423,028		363,180		216,279		212,869
	2,374,291		2,466,624		2,401,726		1,981,681		1,931,672		1,457,043
	361,770		362,671		313,337		378,586		294,238		256,527
	2,060,000		1,858,283		2,005,199		2,741,175		2,308,250		3,347,875
	1,067,260		1,304,324		1,229,926		1,297,443		1,699,651		1,591,635
	2,059,483		4,028,422		1,663,032		2,748,845		8,503,745		3,926,011
	782,194		749,415		707,984		644,469		593,716		614,989
	122,800,545		114,569,714		109,704,988		107,522,182		109,180,778		105,402,140
	(2,904,563)		3,415,227		108,418		1,009,827		(4,777,051)		1,456,713
	-		-		-		6,970,000		15,574,991		-
	269,810		42,577		38,828		1,230,020		79,322		50,615
	-		-		-		148,267		1,280,304		-
	-		-		-		29,978		-		-
	1,441,938		49,712		68,558		-		-		-
	(1,441,938)		(49,712)		-		-		-		-
	-		-		-		(6,984,873)		(16,627,553)		-
	269,810		42,577		107,386		1,393,392		307,064		50,615
	-		-		-		-		(1,560)		(80,138)
\$	(2,634,753)	\$	3,457,804	\$	215,804	\$	2,403,219	\$	(4,471,547)	\$	1,427,190
	2.6%		2.9%		3.0%		3.9%		4.0%		5.0%

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 AND COMPTROLLER'S VALUATION OF STANDARDIZED BASE,
 LAST TEN FISCAL YEARS;
 AND TAX BASE DISTRIBUTION, LAST TWO TAX YEARS
 (UNAUDITED)

Fiscal Year	Tax Year	Actual Value				Less: Exemptions	Net Assessed Taxable Value	Standardized Local Tax Base (Comptroller's Valuation)
		Real Property	Personal Property	Minerals	Total			
2002-03	2002	\$ 2,310,453,328	\$ 498,609,524	\$ 1,924,880	\$ 2,810,987,732	\$ 806,820,789	\$ 2,004,166,943	\$ 2,193,984,904
2003-04	2003	2,396,539,852	506,370,811	2,089,620	2,905,000,283	822,419,242	2,082,581,041	2,281,593,847
2004-05	2004	2,509,274,792	526,091,286	2,442,540	3,037,808,618	858,438,918	2,179,369,700	2,379,969,402
2005-06	2005	2,686,291,947	528,366,266	1,088,730	3,215,746,943	896,833,512	2,318,913,431	2,531,683,952
2006-07	2006	2,953,804,520	559,553,004	1,162,270	3,514,519,794	946,543,175	2,567,976,619	2,793,904,510
2007-08	2007	3,149,706,998	548,977,256	1,249,600	3,699,933,854	984,141,502	2,715,792,352	2,955,169,446
2008-09	2008	3,413,826,818	584,451,554	738,620	3,999,016,992	1,092,467,934	2,906,549,058	3,155,991,134
2009-10	2009	3,700,835,549	580,548,049	588,530	4,281,972,128	1,252,285,419	3,029,686,709	3,271,153,786
2010-11	2010	3,774,575,922	557,021,230	1,208,690	4,332,805,842	1,248,042,382	3,084,763,460	3,367,273,539
2011-12	2011	3,918,783,728	611,004,314	891,120	4,530,679,162	1,289,737,911	3,240,941,251	3,542,638,679
Tax Base Distribution								
					2011 Tax Roll	2010 Tax Roll		
		Property Type:						
		Real Property				\$ 3,918,783,728	\$ 3,774,575,922	
		Personal Property				611,004,314	557,021,230	
		Minerals				891,120	1,208,690	
		Total Gross Values				<u>4,530,679,162</u>	<u>4,332,805,842</u>	
		Less Exemptions:						
		Agricultural Productivity				90,012,430	89,042,130	
		Freeport				16,775,710	12,878,028	
		Pollution Control				6,272,514	6,274,004	
		Mandatory Homestead				334,280,390	332,207,490	
		Mandatory Over 65				69,712,940	67,719,390	
		Mandatory Disabled				9,359,500	8,813,250	
		Mandatory Disabled Veteran				35,579,700	31,608,400	
		Optional 20% Homestead				459,777,693	433,064,312	
		Optional \$25,000 Disability				15,541,620	14,291,940	
		Over 65 Freeze Credit				178,067,826	167,866,290	
		Disabled Freeze Credit				8,400,688	7,119,008	
		Cap Credit (on Appraisals of Real Estate)				65,956,900	77,158,140	
		Total Exemptions				<u>1,289,737,911</u>	<u>1,248,042,382</u>	
		Total Net Valuation				<u>\$ 3,240,941,251</u>	<u>\$ 3,084,763,460</u>	

Sources: Actual Value, Exemptions and Net Assessed Value - Tom Green County Appraisal District.
 Standardized Local Tax Base - TEA Academic Excellence Indicator System - PEIMS Data.

Notes: Property is assessed at full market value.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
ALLOCATION OF PROPERTY TAX RATES AND TAX LEVIES,
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	District's Direct Tax Rates (Per \$100 of Assessed Value)			District's Tax Levies		
	General Fund	Debt Service Fund	Total	General Fund	Debt Service Fund	Original Levy Total
2002-03	1.50000 *	0.06913	1.56913	\$ 30,062,512	\$ 1,385,472	\$ 31,447,984
2003-04	1.50000 *	0.06750	1.56750	31,238,723	1,405,770	32,644,493
2004-05	1.50000 *	0.07525	1.57525	32,690,550	1,639,975	34,330,525
2005-06	1.50000 *	0.07200	1.57200	34,783,702	1,669,617	36,453,319
2006-07	1.37000	0.07000	1.44000	35,181,280	1,797,584	36,978,864
2007-08	1.04000	0.07000	1.11000	28,244,254	1,901,057	30,145,311
2008-09	1.04000	0.07000	1.11000	30,259,904	2,036,725	32,296,629
2009-10	1.04000	0.31250	1.35250	31,544,522	9,478,582	41,023,104
2010-11	1.04000	0.27250	1.31250	32,113,728	8,414,412	40,528,140
2011-12	1.04000	0.24000	1.28000	33,739,544	7,786,049	41,525,593

Source: Tom Green County Appraisal District.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 DIRECT AND OVERLAPPING PROPERTY TAX RATES,
 LAST TEN FISCAL YEARS
 (UNAUDITED)

Fiscal Year	Tax Year	District's Total Direct Rates	Overlapping Rates*	
			Tom Green County	City of San Angelo
2002-03	2002	1.56913	0.52360	0.86830
2003-04	2003	1.56750	0.52285	0.86830
2004-05	2004	1.57525	0.52285	0.86830
2005-06	2005	1.57200	0.52285	0.85500
2006-07	2006	1.44000	0.52285	0.85000
2007-08	2007	1.11000	0.52582	0.84000
2008-09	2008	1.11000	0.52582	0.82750
2009-10	2009	1.35250	0.52500	0.81750
2010-11	2010	1.31250	0.52500	0.81750
2011-12	2011	1.28000	0.52500	0.78600

* Includes rates for maintenance & operations and debt service.

Tax Due Dates and Penalties:

Tax statements are mailed in October and are considered delinquent on February 1. Penalties and interest begin to accrue on that date.

Source: Tom Green County Appraisal District.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
PROPERTY USE CATEGORIES AT GROSS APPRAISED MARKET VALUE
TAX YEAR 2011
(UNAUDITED)

Property Code	Property Use Category	Items		Gross Appraised Market Value
		Description	Number	
A	Single family residence	No. of properties	29,754	\$ 2,885,080,000
B	Multi-family residence	No. of properties	415	163,851,207
C	Vacant lots/tracts	No. of properties	4,229	57,934,020
D-1	Qualified Ag land	No. of acres	72,047	97,646,100
D-2	Non-qualified land	No. of acres	3,802	16,516,000
E	Farm and ranch improvements	No. of parcels	226	11,809,550
F-1	Real: Commercial	No. of properties	2,375	629,626,107
F-2	Real: Industrial	No. of properties	69	29,029,400
G-1	Minerals: Oil and gas	No. of leases	4	891,120
J	Real and personal: utilities	No. of companies	27	109,368,189
L-1	Personal: Commercial	No. of properties	3,528	359,660,964
L-2	Personal: Industrial	No. of properties	45	130,066,726
M-1	Mobile homes	No. of homes	628	7,389,021
O	Real property: Inventory	No. of properties	900	10,287,893
S	Special inventory	No. of accounts	35	21,522,865
Totals				\$ 4,530,679,162
			Total parcels in category D	952

Source: Tom Green County Appraisal District.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Taxpayer	Type of Business	Fiscal Year 2011-12			Fiscal Year 2002-03		
		Assessed Value	Rank	Percent of Total Assessed Value	Assessed Value	Rank	Percent of Total Assessed Value
Alexander Properties	Real Estate						
Shannon Medical Center	Hospital						
Walmart, Inc. / Sam's	Discount Retail	\$ 59,593,912	1	1.84%	\$ 24,806,433	5	1.24%
Ethicon, Inc	Manufacturer	59,237,530	2	1.83%	53,035,934	2	2.65%
AEP Texas North/ WTU	Utility	37,047,600	3	1.14%	38,352,940	3	1.91%
Angelo Community Medical	Hospital	37,165,635	4	1.15%	30,586,190	4	1.53%
Verizon Southwest	Utility	28,858,913	5	0.89%	61,366,220	1	3.06%
Martifer Energy	Utility	27,201,240	6	0.84%	16,594,650	6	0.83%
Nabors Well Service	Petroleum Indus	20,504,890	7	0.63%	-	-	0.00%
Sunset Mall	Real Estate	19,485,250	8	0.60%	16,567,250	7	0.83%
Alexander Construction	Real Estate	17,913,524	9	0.55%	-	-	0.00%
Suddenlink	Utility	14,735,761	10	0.45%	-	-	0.00%
Hirschfeld Steel, Inc	Manufacturer	-		0.00%	11,060,490	8	0.55%
T.C.A. Cable TV	Utility	-		0.00%	9,952,396	9	0.50%
Town and Country Food Stores	Retail Grocery	-		0.00%	9,192,704	10	0.46%
	Total	<u>\$ 321,744,255</u>		<u>9.92%</u>	<u>\$ 271,515,207</u>		<u>13.56%</u>
	Total Assessed Value	<u>\$ 3,244,186,953</u>			<u>\$ 2,004,166,828</u>		

Source: Tom Green County Appraisal District.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percent of Original Levy		Amount	Percent of Adjusted Levy
2002-03	\$ 31,447,984	\$ (369,949)	\$ 31,078,035	\$ 30,488,051	96.95%	\$ 558,550	\$ 31,046,601	99.90%
2003-04	32,644,493	(260,673)	32,383,820	31,690,583	97.08%	659,139	32,349,722	99.89%
2004-05	34,330,525	(206,711)	34,123,814	33,488,062	97.55%	595,398	34,083,460	99.88%
2005-06	36,453,319	(95,515)	36,357,804	35,777,389	98.15%	536,192	36,313,581	99.88%
2006-07	36,978,864	(248,699)	36,730,165	36,192,868	97.87%	483,887	36,676,755	99.85%
2007-08	30,173,935	(174,703)	29,999,232	29,542,993	97.91%	388,279	29,931,272	99.77%
2008-09	32,296,629	(364,503)	31,932,126	31,217,259	96.66%	535,421	31,752,680	99.44%
2009-10	41,023,104	(665,633)	40,357,471	39,528,397	96.36%	365,340	39,893,737	98.85%
2010-11	40,528,140	(308,173)	40,219,967	39,414,014	97.25%	-	39,414,014	99.64%
2011-12	41,525,593	(230,033)	41,295,560	40,705,951	98.02%	714,205	41,418,156	99.74%

Source: Tom Green County Appraisal District.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE,
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Governmental Activities				Business- Type Activities	Total Primary Government	Percent of Personal Income	Per Capita
	General Obligation Bonds	Contractual Obligations	Loans Payable	Capital Leases	Capital Leases			
2002-03	\$ 33,650,000	\$ 360,000	\$ 85,843	\$ 12,075	\$ -	\$ 34,107,918	1.64%	\$ 387.77
2003-04	31,739,991	-	59,668	-	-	31,799,659	1.46%	360.04
2004-05	29,024,991	-	33,493	-	414,045	29,472,529	1.28%	334.49
2005-06	27,043,082	-	10,203	-	384,369	27,437,654	1.08%	311.74
2006-07	25,195,000	-	-	-	366,818	25,561,818	0.97%	289.49
2007-08	23,135,000	-	-	-	338,963	23,473,963	0.84%	259.43
2008-09	138,004,985	-	-	-	310,131	138,315,116	4.61%	1,505.39
2009-10	135,769,985	-	-	-	259,735	136,029,720	4.44%	1,476.19
2010-11	132,213,823	-	-	-	210,536	132,424,359	3.86%	1,420.86
2011-12	128,690,000	-	-	-	166,029	128,856,029	3.63%	1,362.92

Notes: Details of the District's outstanding debt are in the notes to the financial statements.

Fiscal year 2008-09 general obligation bonds include \$117 million school building bonds issued in that fiscal year.

- a** See Table 15 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING,
LAST TEN FISCAL YEARS;
AND STATEMENT OF LEGAL DEBT MARGIN
(UNAUDITED)

Fiscal Year	Net General Bonded Debt Outstanding				Net General Bonded Debt	Percent of Actual Value of Taxable Property	Per Capita
	General Obligation Bonds	Contractual Obligations	Total General Bonded Debt	Less: Amount in Debt Service Fund			
2002-03	\$ 33,650,000	\$ 360,000	\$ 34,010,000	\$ 1,888,659	\$ 32,121,341	1.14%	\$ 365.19
2003-04	31,739,991	-	31,739,991	970,459	30,769,532	1.06%	348.38
2004-05	29,024,991	-	29,024,991	794,708	28,470,468	0.94%	323.12
2005-06	27,043,082	-	27,043,082	995,655	26,047,427	0.81%	295.95
2006-07	25,195,000	-	25,195,000	1,238,235	23,956,765	0.68%	271.31
2007-08	23,135,000	-	23,135,000	1,395,582	21,739,418	0.59%	240.26
2008-09	138,004,985	-	138,004,985	1,898,914	136,106,071	3.40%	1,481.35
2009-10	135,769,985	-	135,769,985	1,840,439	133,929,546	3.13%	1,453.40
2010-11	132,213,823	-	132,213,823	2,041,113	130,172,710	3.00%	1,396.70
2011-12	128,690,000	-	128,690,000	2,241,004	126,448,996	2.79%	1,337.46

Notes: Details of the District's outstanding debt are in the notes to the financial statements.

a See Table 5 for property value data.

b See Table 15 for population data.

STATEMENT OF LEGAL DEBT MARGIN

The laws of the State of Texas do not prescribe any specific tax-supported debt limit for Texas school districts, therefore a statement of legal debt margin is not presented in this report. However, the Texas Education Code, Sec 45.0031, prescribes a limitation on issuance of such debt, as follows:

Before issuing bonds, the District must demonstrate to the Texas Attorney General that, with respect to the proposed issuance, the District has a projected ability to pay the principal of and interest on the proposed bonds and all previously issued bonds, other than bonds authorized to be issued at an election held on or before April 1, 1991, and issued before September 1, 1992, from a tax at a rate not to exceed \$0.50 per \$100 of valuation.

The District's current debt service tax rate is \$0.240 per \$100 valuation, indicating a margin to service debt of approximately two times that currently being levied.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 AS OF AUGUST 31, 2011
 (UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>As of</u>	<u>Estimated Percentage Applicable</u> a	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes				
City of San Angelo	\$ 18,825,000	09/30/11	100.00%	\$ 18,825,000
Tom Green County	13,165,471	09/30/11	73.88%	9,726,650
Other Debt				
City of San Angelo: COs Serviced by 1/2 Cent Sales Tax	35,035,000	09/30/11	100.00%	35,035,000
Subtotal overlapping debt				<u>63,586,650</u>
District direct debt				b <u>132,213,823</u>
Total Direct & Overlapping Debt				<u><u>\$ 195,800,473</u></u>

Sources: Taxable value used to estimate applicable percentages provided by Tom Green County Appraisal District.
 Outstanding debt data provided by each governmental unit.

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

a The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's taxable value.

b See Table 11 for details of the District's direct governmental activities debt.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 PLEDGED REVENUE COVERAGE,
 LAST FIVE FISCAL YEARS
 (UNAUDITED)

Fiscal Year	Jumbo-Tron Capital Lease Payable						Coverage
	Advertising Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service			
				Principal	Interest	Total	
2007-08	\$ 81,051	\$ -	\$ 81,051	\$ 27,855	\$ 29,345	\$ 57,200	142%
2008-09	71,651	-	71,651	28,832	27,117	55,949	128%
2009-10	70,751	-	70,751	50,395	24,810	75,205	94%
2010-11	56,229	-	56,229	49,199	20,778	69,977	80%
2011-12	68,059	-	68,059	44,507	16,843	61,350	111%

Notes: The Jumbo-tron scoreboard was acquired at the end of fiscal year 2004-05. Fiscal year 2005-06 was the first year of operations.

Revenues from advertising on the scoreboard are pledged for debt service payments on the capital lease.

Operating expenses do not include interest, depreciation, or amortization expenses.

Details of the District's outstanding debt are in the notes to the financial statements.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS,
 LAST TEN CALENDAR YEARS
 (UNAUDITED)

Calendar Year	Population a	Personal Income [Calculated]	Per Capita Income b	Unemployment Rate c
2002	87,959	\$ 2,078,647,088	\$ 23,632	4.8%
2003	88,322	2,185,262,924	24,742	5.2%
2004	88,112	2,302,719,008	26,134	4.8%
2005	88,014	2,532,778,878	28,777	4.4%
2006	88,300	2,639,198,700	29,889	3.4%
2007	90,483	2,803,434,789	30,983	3.8%
2008	91,880	2,997,768,760	32,627	4.5%
2009	92,149	3,062,019,121	33,229	6.5%
2010	93,200	3,432,742,400	36,832	6.4%
2011	94,544	3,548,425,408	37,532	6.2%

Note: Information is for the City of San Angelo, Texas, since the geographic area is approximately the same.

Sources: **a** U.S. Census Bureau.

b U.S. Department of Commerce, Bureau of Economic Analysis for the San Angelo Metropolitan Statistical Area.

c Texas Workforce Commission and San Angelo Chamber of Commerce.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Employer	Fiscal Year 2011-12			Fiscal Year 2002-03		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
Goodfellow Air Force Base	4,998	1	11.24%	4,479	1	8.99%
Shannon Health System	2,615	2	5.88%	2,072	2	4.16%
San Angelo Independent School District	1,971	3	4.43%	1,984	3	3.98%
Angelo State University	1,626	4	3.66%	1,075	7	2.16%
City of San Angelo	875	5	1.97%	843	8	1.69%
San Angelo Community Medical Center	842	6	1.89%	700	9	1.41%
San Angelo State Supported Living Center	840	7	1.89%	690	10	1.38%
Tom Green County	733	8	1.65%	625	11	1.25%
Sitel, Inc.	710	9	1.60%	1,203	6	2.41%
Ethicon (Johnson & Johnson)	523	10	1.18%	1,335	5	2.68%
Verizon, Inc.	504	11	1.13%	1,400	4	2.81%
Totals	<u>16,237</u>		<u>36.52%</u>	<u>16,406</u>		<u>32.92%</u>
Total City of San Angelo Employment	<u>44,483</u>			<u>49,822</u>		

Sources: Principal Employers - San Angelo Chamber of Commerce.

Total City of San Angelo Employment - Texas Workforce Commission, Labor Market & Career Information.

Fiscal year 2002-03 estimated from San Angelo Metropolitan Statistical Area, November 2001. City information not available before 2005 and MSA information not available before January 2000.

Notes: Employment information is for the dates indicated:
Fiscal Year 2011-12-- November 2011
Fiscal Year 2002-03-- November 2002

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
STAFF INFORMATION,
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
Full-time-Equivalent Employees										
Professional Staff:										
Teachers	944.2	987.4	1,016.2	984.1	979.6	968.0	965.6	957.1	971.1	1,001.0
Professional Support	168.7	186.5	186.7	178.8	176.6	169.1	161.1	160.1	152.3	152.3
Campus Administrators	46.1	45.2	45.3	45.5	44.8	45.3	43.2	43.3	44.8	55.2
Central Administrators	17.0	17.0	18.0	16.0	16.5	16.0	17.0	17.0	14.0	15.0
Educational Aides	226.7	244.2	249.0	238.0	228.4	228.9	233.6	242.1	163.5	156.3
Auxiliary Staff	486.2	505.1	498.0	491.1	490.1	499.5	508.5	501.0	490.6	496.6
Total Full-time-Equivalents	1,888.9	1,985.4	2,013.2	1,953.5	1,936.0	1,926.8	1,929.0	1,920.6	1,836.3	1,876.4
Students per Teacher	15.0	14.2	13.7	14.6	14.5	14.8	15.0	15.3	15.5	15.2
Teachers by Years of Experience										
Beginning Teachers	38.4	47.7	71.6	67.6	54.9	48.8	38.3	45.2	46.0	58.8
1-5 Years Experience	230.9	258.8	275.2	247.6	238.6	241.6	242.2	235.6	252.9	275.9
6-10 Years Experience	195.5	200.0	186.4	196.1	193.9	213.2	222.0	214.9	190.6	189.7
11-20 Years Experience	280.5	291.3	291.8	277.1	281.3	259.3	264.2	273.0	269.0	263.3
Over 20 Years Experience	199.0	189.6	191.1	195.7	210.8	205.2	198.9	188.3	212.6	213.4
Average Teacher Salary by Years of Experience										
Beginning Teachers	\$ 31,612	\$ 35,744	\$ 36,464	\$ 35,600	\$ 32,803	\$ 33,959	\$ 32,132	\$ 31,607	\$ 31,703	\$ 28,479
1-5 Years Experience	37,947	38,411	38,454	37,913	37,085	36,270	33,805	33,050	31,718	30,486
6-10 Years Experience	40,652	41,135	41,873	40,136	39,126	37,932	35,170	34,382	33,139	33,506
11-20 Years Experience	44,648	45,240	45,107	44,491	43,874	43,714	41,120	40,854	40,084	41,268
Over 20 Years Experience	53,530	54,061	53,888	53,264	52,363	51,263	48,608	47,645	47,418	47,838
Turnover Rate for Teachers	12.7%	11.6%	13.1%	14.2%	11.2%	12.1%	10.8%	12.9%	13.8%	12.0%
Class Size Average:										
Elementary:										
Kindergarten	19.1	18.5	17.8	19.2	17.9	17.1	18.1	19.0	18.4	18.1
Grade 1	19.0	19.2	17.9	17.4	18.4	17.1	17.3	17.8	18.0	17.3
Grade 2	23.8	18.6	18.3	19.6	18.8	17.2	16.6	17.6	17.8	17.9
Grade 3	34.2	17.8	16.6	17.6	19.5	16.4	16.6	18.1	17.8	18.1
Grade 4	39.0	18.4	17.2	16.9	19.1	17.6	17.8	16.9	18.1	18.3
Grade 5	37.5	21.1	18.6	19.9	20.7	19.6	19.0	20.0	21.2	23.5
Grade 6	22.4	21.8	22.3	21.9	20.1	20.5	21.6	21.2	22.6	22.6
Mixed Grades	N/A	N/A	N/A	N/A	45.3	N/A	N/A	50.0	N/A	41.0
Secondary:										
English	17.0	20.1	19.5	19.4	21.4	21.9	23.5	21.1	22.4	21.8
Foreign Language	20.6	20.8	19.4	21.3	23.0	23.0	24.5	23.2	23.1	25.0
Mathematics	17.0	20.3	19.4	18.8	20.5	19.4	22.3	19.5	20.6	21.4
Science	18.0	20.6	20.4	19.2	20.8	21.3	22.8	21.3	23.2	23.4
Social Studies	17.8	20.6	20.7	20.6	21.6	22.5	24.1	21.9	23.9	24.6

Source: TEA Academic Excellence Indicator System-PEIMS Data

N/A: Information not available

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 STUDENT INFORMATION,
 LAST TEN FISCAL YEARS
 (UNAUDITED)

	Fiscal Year									
	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
Student Ethnic Distribution										
African American	626	599	764	812	782	819	851	912	952	965
Hispanic	8,089	8,017	7,407	7,447	7,259	7,205	7,214	7,213	7,267	7,229
White	5,048	5,054	5,536	5,884	5,937	6,102	6,235	6,331	6,685	6,867
Asian/Pacific Islander	149	154	174	195	171	173	165	165	160	170
Native American	51	55	37	29	27	34	27	32	30	24
Two or more races	184	164								
Total	14,147	14,043	13,918	14,367	14,176	14,333	14,492	14,653	15,094	15,255
Economically Disadvantaged										
Limited English Proficient (LEP)	641	659	718	767	814	767	774	798	797	765
Students w/ disciplinary Placements	N/A	N/A	384	691	772	257	326	293	268	250
Percent of Students Eligible for Free or Reduced Meals	59.2%	61.8%	61.3%	54.2%	53.8%	54.3%	53.3%	53.8%	51.7%	49.6%
Retention Rates by Grade (Non-Special Educ. Rates)										
Kindergarten	2.2%	1.9%	2.6%	4.1%	4.3%	5.5%	5.1%	4.0%	3.9%	3.2%
Grade 1	2.3%	2.5%	1.4%	4.3%	3.3%	5.8%	6.3%	4.4%	3.8%	5.9%
Grade 2	0.9%	1.3%	1.4%	2.2%	2.6%	2.4%	3.1%	1.7%	2.0%	2.1%
Grade 3	0.2%	0.2%	0.6%	1.7%	0.2%	1.6%	1.9%	1.6%	1.6%	0.4%
Grade 4	0.1%	0.2%	0.3%	0.3%	0.2%	0.8%	0.8%	0.3%	0.4%	0.1%
Grade 5	0.1%	0.2%	0.4%	0.6%	0.6%	1.0%	3.2%	0.8%	0.4%	0.6%
Grade 6	0.3%	0.5%	0.9%	1.5%	0.4%	1.7%	1.4%	0.8%	0.6%	0.1%
Grade 7	0.8%	0.8%	1.1%	1.8%	2.3%	3.8%	4.8%	2.6%	3.0%	1.3%
Grade 8	0.2%	0.5%	1.6%	0.7%	2.9%	4.3%	3.9%	3.0%	2.1%	2.5%
Attendance Rate	N/A	N/A	96.3%	96.3%	96.2%	96.1%	96.1%	96.0%	96.0%	96.1%
Annual Dropout Rate Grades 7-8 - Method 1										
	N/A	N/A	0.2%	0.3%	0.5%	0.6%	0.6%	0.3%	0.1%	0.1%
% Students Passing All Sections of the TAAS Exam or met TAKS Standard*†										
Grade 3	N/A	84.0%	87.0%	84.0%	85.0%	81.0%	88.0%	78.0%	88.0%	87.3%
Grade 4	N/A	81.0%	81.0%	83.0%	82.0%	78.0%	79.0%	74.0%	79.0%	76.7%
Grade 5	N/A	79.0%	82.0%	78.0%	78.0%	76.0%	70.0%	61.0%	65.0%	62.6%
Grade 6	N/A	73.0%	74.0%	77.0%	76.0%	78.0%	82.0%	77.0%	76.0%	74.8%
Grade 7	N/A	75.0%	77.0%	74.0%	75.0%	70.0%	64.0%	60.0%	63.0%	62.4%
Grade 8	N/A	68.0%	70.0%	62.0%	56.0%	56.0%	52.0%	58.0%	60.0%	62.7%
Grade 10	N/A	60.0%	56.0%	53.0%	56.0%	53.0%	53.0%	36.0%	47.0%	42.3%
Cumulative Pass Rate--Exit	N/A	91.0%	89.0%	85.0%	85.0%	81.0%	88.0%	89.0%	90.1%	90.7%
SAT/ACT % Tested	N/A	N/A	55.6%	56.5%	59.0%	66.1%	61.8%	62.8%	58.7%	55.7%
Mean SAT Score	N/A	N/A	1052	1003	1016	1000	994	987	1001	984
Mean ACT Score	N/A	N/A	20.8	20.2	20.7	20.2	19.8	19.5	20.4	20.3

Source: TEA Academic Excellence Indicator System-PEIMS Data

N/A: Information not available
 * First year for TAKS 2002-03

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS,
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Modified Accrual Basis			c Accrual Basis			Pupil-Teacher Ratio a, b
	Operating Expenditures	Cost per Pupil a	Percent Change	Expenses	Cost per Pupil a	Percent Change	
2002-03	\$ 94,827,893	\$ 6,216	15.75%	\$ 98,153,242	6,434	13.92%	15.2
2003-04	96,773,234	6,411	3.14%	100,280,367	6,644	3.26%	15.5
2004-05	99,701,571	6,804	6.13%	103,754,290	7,081	6.58%	15.3
2005-06	101,616,792	7,012	3.06%	107,126,061	7,392	4.39%	15.0
2006-07	105,063,376	7,330	4.54%	111,000,080	7,744	4.76%	14.8
2007-08	112,460,305	7,933	8.23%	118,910,887	8,388	8.32%	14.5
2008-09	114,168,496	7,947	0.18%	123,380,944	8,588	2.38%	14.6
2009-10	117,667,207	8,454	6.38%	127,919,521	9,190	7.01%	13.6
2010-11	119,263,358	8,492	0.45%	129,676,953	9,234	0.48%	14.2
2011-12	112,460,649	7,949	-6.39%	98,058,966	6,931	-24.94%	15.0

Notes: Operating expenditures are total expenditures less debt service and capital outlays capitalized.

N/A Not available. Information for accrual basis only available since GASBS No. 34 was implemented.

a See Table 18 for enrollment information.

b See Table 17 for teaching staff information.

c The District began to report accrual basis information when it implemented GASB Statement 34 in fiscal year 2001-02.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
CAPITAL ASSET INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2003-04
Schools										
Elementary:										
Campuses	17	17	17	17	17	17	17	17	19	19
Square feet	809,850	809,850	809,850	809,850	809,850	809,850	809,850	809,850	844,125	844,125
Capacity	8,801	8,801	8,801	8,801	8,801	8,801	8,801	8,801	9,171	9,171
Enrollment	7,053	7,150	7,012	7,204	7,003	7,605	7,580	7,594	7,891	7,938
Middle:										
Campuses	3	3	3	3	3	3	3	4	4	4
Square feet	430,576	430,576	430,576	430,576	430,576	430,576	430,576	557,045	557,045	557,045
Capacity	3,115	3,115	3,115	3,115	3,115	3,115	3,115	3,865	3,865	3,865
Enrollment	3,109	2,985	2,938	2,950	2,946	2,370	2,581	3,444	3,537	3,542
High:										
Campuses	3	3	3	3	3	3	3	2	2	2
Square feet	800,979	800,979	800,979	800,979	800,979	800,979	798,815	672,346	672,346	672,346
Capacity	4,420	4,420	4,420	4,420	4,420	4,420	4,420	3,670	3,670	3,670
Enrollment	3,865	3,929	3,967	4,228	4,237	4,341	4,273	3,559	3,642	3,747
Head Start:										
Campuses	3	3	3	3	3	3	3	3	-	-
Square feet	98,901	98,901	98,901	98,901	98,901	98,901	98,901	98,901	-	-
Capacity	837	837	837	837	837	837	837	837	-	-
Enrollment	120	581	527	564	527	532	554	531	-	-
Alternative Learning:										
Campuses	2	2	2	2	1	1	1	1	1	1
Square feet	24,855	24,855	24,855	24,855	16,641	16,641	16,641	16,641	16,641	16,641
Capacity	230	230	230	230	110	110	110	110	110	110
Enrollment	51	51	48	47	62	68	62	73	56	53
Idle Facilities:										
Campuses	1	1	1	1	1	2	2	2	2	2
Square feet	50,575	50,575	50,575	50,575	50,575	76,630	76,630	76,630	59,256	59,256
Capacity	1,124	1,124	1,124	1,124	1,124	1,704	1,704	1,704	1,421	1,421
Administrative										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	42,295	42,295	42,295	42,295	42,295	42,295	42,295	42,295	42,295	42,295
Transportation										
Garages / buildings	1	1	1	1	1	1	1	1	1	1
Buses	80	80	80	80	80	80	80	85	79	78
Warehouses, Storage, Etc:										
Buildings	8	8	8	8	9	9	9	9	9	9
Square feet	38,279	38,279	38,279	38,279	46,493	46,493	46,493	46,493	46,493	46,493
Athletics										
Stadium Field House	1	1	1	1	1	1	1	1	1	1
Football/Soccer fields	15	15	15	15	15	15	15	13	13	13
Running tracks	2	2	2	2	2	2	2	2	2	2
Baseball / softball	5	5	5	5	5	5	5	5	5	5
Swimming pools	1	1	1	1	1	1	1	1	1	1
Playgrounds	31	31	31	31	31	31	31	31	29	29

Source: District records.

Notes:

1. Prior to fiscal year 2005-06 typically: Elementary Schools were pre-K through 6th grade; Middle (Jr. High) Schools were grades 7 through 9; and High Schools were grades 10 through 12. Beginning with fiscal year 2005-06, transition was started to: Elementary Schools pre-K through 5th grade; Middle Schools grades 6 through 8; and High Schools grades 9 through 12.
2. Portable buildings were extensively used prior to and during the construction and renovation of school buildings which began in fiscal year 1996-97, therefore enrollment exceed capacity in the permanent buildings in some of the fiscal years.
3. Edison Junior High School was converted to the Central Freshmen campus in fiscal year 2005-06.
4. Lamar Elementary School was completed and placed in service in fiscal year 2004-05, and Blackshear, Day and RioVista elementary schools were converted to Head Start Campuses. Day Elementary was temporarily idle in fiscal years 2003-04 and 2002-03.
5. Old Lincoln Junior High became idle in fiscal year 2001-02, and Travis Elementary became idle in fiscal year 2004-05.
6. Travis Elementary was sold in fiscal year 2007-08.
7. Sixth graders moved to Lee and Glenn in fiscal 2008 under middle school concept.
8. Pays campus (alternative learning) was opened in fy 2009.(was under storage etc). Student enrollment is still counted in the high schools.

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SINGLE AUDIT SECTION

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENTAL AUDITING STANDARDS**

Independent Auditor's Report

Board of Trustees
San Angelo Independent School District
1621 University Avenue
San Angelo, Texas 76904

Members of the Board:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of San Angelo Independent School District as of and for the year ended August 31, 2012, which collectively comprise San Angelo Independent School District's basic financial statements and we have issued our report thereon dated December 20, 2012.

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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered San Angelo Independent School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of San Angelo Independent School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of San Angelo Independent School District's internal control over financial reporting.

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 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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether San Angelo Independent School District's financial statements are free of 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*.

We noted certain matters that we reported to management of San Angelo Independent School District in a separate letter dated December 20, 2012.

This report is intended solely for the information and use of the board of trustees, the audit committee, the administration, others within the entity, the Texas Education Agency, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Webb & Webb

December 20, 2012

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

Independent Auditor's Report

Board of Trustees
San Angelo Independent School District
1621 University Avenue
San Angelo, Texas 76904

Members of the Board:

Compliance

We have audited San Angelo Independent School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of San Angelo Independent School District's major federal programs for the year ended August 31, 2012. San Angelo 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of San Angelo Independent School District's management. Our responsibility is to express an opinion on San Angelo Independent School District's compliance based on our audit.

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 OMB Circular A-133. Those standards and OMB Circular A-133 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 San Angelo 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. Our audit does not provide a legal determination of San Angelo Independent School District's compliance with those requirements.

In our opinion, San Angelo Independent School District complied, in all material respects, with the 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, 2012.

Internal Control Over Compliance

Management of San Angelo Independent School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered San Angelo Independent School District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 San Angelo 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of the board of trustees, the audit committee, the administration, others within the entity, Texas Education Agency, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Webb & Webb

December 20, 2012

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2012

I SUMMARY OF THE AUDITOR'S RESULTS:

- a. The type of report issued on the financial statements was an unqualified opinion.
- b. No significant deficiencies in internal control over financial reporting were disclosed by the audit.
- c. The audit did not disclose any noncompliance which is material to the financial statements of the auditee.
- d. No significant deficiencies in internal control over major programs were disclosed by the audit.
- e. The type of report the auditor issued on compliance for major programs was an unqualified opinion.
- f. The audit did not disclose any audit findings that the auditor is required to report under Section ____510 (a).
- g. Major programs were:

Child Nutrition Cluster

10.559 – Summer Feeding Program

10.553 – School Breakfast Program

10.555 – National School Lunch Program

93.600 – Head Start/ Early Head Start

84.410 – Education Jobs Fund - ARRA

- h. The dollar threshold used to distinguish between Type A and Type B programs was \$593,426.
- i. The auditee qualified as a low-risk auditee.

II FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

There are no findings to report.

III FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS INCLUDING AUDIT FINDINGS AS DESCRIBED IN I.f. ABOVE

There are no findings to report.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2012

(Prepared by the District's Administration)

Not applicable – No prior year audit findings.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED AUGUST 31, 2012

(Prepared by the District's Administration)

Not Applicable – No current year findings to report.

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2012

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF DEFENSE			
<u>Direct Programs</u>			
Selected Res. Educ Assist Prog - ROTC (Note A)	12.00		\$ 141,174
Total Direct Programs			\$ 141,174
TOTAL DEPARTMENT OF DEFENSE			\$ 141,174
U.S. DEPARTMENT OF EDUCATION			
<u>Direct Programs</u>			
Impact Aid - P.L. 81.874 (Note A)	84.041		\$ 90,203
Total Direct Programs			\$ 90,203
<u>Passed Through State Department of Education</u>			
**ESEA, Title I, Part A - Improving Basic Programs	84.010A	12610101226903	\$ 3,632,602
ESEA, Title I, Part C - Migratory Children	84.011	12615001226903	119,796
***IDEA - Part B, Formula	84.027	11660001226903660	10,140
***IDEA - Part B, Formula	84.027	12660001226903660	3,159,882
Total CFDA Number 84.027			3,170,022
***IDEA - Part B, Preschool	84.173	126610012269036610	118,316
***IDEA, Part B, Formula - ARRA	84.391	10554001226903	3,310
Total Special Education Cluster (IDEA)			3,291,648
Career and Technical - Basic Grant	84.048	12420006226903	172,087
Career and Technical - Basic Grant	84.048	13420006226903	40,445
Total CFDA Number 84.048			212,532
Title III, Part A - English Language Acquisition	84.365A	12671001226903	78,321
ESEA, Title II, Part A, Teacher/Principal Training	84.367A	12694501226903	757,615
Education Jobs Fund- ARRA	84.410	11550101226903	2,381,746
Summer School LEP	84.369A	69551002	3,329
Total Passed Through State Department of Education			\$ 10,477,589
TOTAL DEPARTMENT OF EDUCATION			\$ 10,567,792
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<u>Passes Through Texas Dept of State Health Services</u>			
DPIS - School Health Program	93.994	2012-036326	\$ 37,047
Total Passes Through Texas Dept of State Health Services			\$ 37,047
<u>Passed Through Concho Valley Council of Government</u>			
Head Start	93.600	06CH7039/08	\$ 2,159,824
Head Start	93.600	06CH7039/09	256,074
Early Head Start	93.600	06CH7039/08	790,829
Early Head Start	93.600	06CH7039/09	261,670
Total CFDA Number 93.600			3,468,397
Total Passed Through Concho Valley Council of Government			\$ 3,468,397
<u>Passed Through Texas Dept of Human Services</u>			
Medicaid Administrative Claiming Program - MAC	93.778	PC1274C	\$ 32,062
Total Passed Through Texas Dept of Human Services			\$ 32,062
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ 3,537,506

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED AUGUST 31, 2012

(1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal CFDA Number	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the State Department of Agriculture</u>			
*School Breakfast Program	10.553	71401101	\$ 1,466,622
*National School Lunch Program - Cash Assistance	10.555	71301101	3,096,978
*National School Lunch Prog. - Non-Cash Assistance	10.555	41300101	420,029
Total CFDA Number 10.555			3,517,007
Total Child Nutrition Cluster			4,983,629
Child and Adult Care Feeding	10.558	75-226-0017	54,674
Child and Adult Care Feeding	10.558	75-226-0017	396,560
Total CFDA Number 10.558			451,234
*Summer School Feeding Program	10.559	7522008	99,525
Total Passed Through the State Department of Agriculture			\$ 5,534,388
TOTAL DEPARTMENT OF AGRICULTURE			\$ 5,534,388
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 19,780,860

*Child Nutrition Cluster ** Title I, Part A Cluster ***Special Education Cluster (IDEA)

NOTE A: ROTC and Impact Aid revenues are accounted for in the General Fund, and the National School Breakfast and Lunch programs are accounted for in a Special Revenue Fund. Expenditures for these programs are not specifically attributable to the federal revenue source are shown on this schedule in an amount equal to revenue for reporting purposes only.

NOTE B: RECONCILIATION TO EXHIBIT C-3 FEDERAL PROGRAM REVENUES:

\$19,780,860	Total federal awards per this schedule
1,000,067	School Health and Related Services (SHARS) in General Fund, not on this schedule.
2,422	Flood Control revenues in the general fund, not on this schedule
(1)	Rounding

\$20,783,348	
=====	

SAN ANGELO INDEPENDENT SCHOOL DISTRICT
NOTES ON ACCOUNTING POLICIES FOR FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2012

1. For all Federal programs, the District uses the fund types specified in Texas Education Agency's *Financial Accountability System Resource Guide*. Special revenue funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund.
2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types and Expendable Trust Funds are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in either a Special Revenue Fund or the General Fund which are Governmental Fund types. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.
3. The modified accrual basis of accounting is used for the Governmental Fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.
4. Federal grant funds are generally considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.
5. The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Availability of Federal Funds, Part 3, OMB Circular A-133 Compliance Statement - Provisional 6/97.
6. CFDA number 10.550 pertains to food commodities distributed by USDA under the following categorical programs (as applicable): the National School Lunch Program (CFDA 10.555). USDA deleted this number from the CFDA on May 6, 2008. The audit covering San Angelo Independent School District fiscal year beginning September 1 2008, and future audits, will therefore identify commodity assistance by the CFDA numbers of the programs under which USDA donated the commodities.

SCHOOLS FIRST QUESTIONNAIRE

San Angelo Independent School District

Fiscal Year 2012

SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning default on bonded indebtedness obligations?	No
SF4	Did the district receive a clean audit? - Was there an unqualified opinion in the Annual Financial Report?	Yes
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls?	No
SF9	Was there any disclosure in the Annual Financial Report of material noncompliance?	No
SF10	Total accumulated accretion on capital appreciation bonds included in government-wide financial statements at fiscal year end.	0

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