

La Porte Independent School District
Notes to the Basic Financial Statements

Note 7. Bonded Debt Payable

Bonded debt payable as of June 30, 2018 is as follows:

Description	Interest Rate Payable	Amount of Original Issue	Amount Outstanding 7/1/2017	Issued Current Year	Retired Current Year	Amount Outstanding 6/30/2018
Unlimited Tax School Building Bonds Series 2016	2.00-5.00	\$ 43,385,000	\$ 37,780,000	\$ -	\$ 1,015,000	\$ 36,765,000
Unlimited Tax Refunding Bonds Series 2016	2.50-5.00	21,370,000	21,370,000	-	-	21,370,000
Unlimited Tax School Building Bonds Series 2015	2.00-5.00	72,545,000	63,040,000	-	3,275,000	59,765,000
Unlimited Tax Refunding Bonds Series 2015	3.00-5.00	67,760,000	67,760,000	-	2,890,000	64,870,000
Unlimited Tax Refunding Bonds Series 2014	2.00-4.00	6,090,000	2,860,000	-	90,000	2,770,000
Unlimited Tax School Building Bonds Series 2014	1.50-5.00	99,675,000	88,180,000	-	2,770,000	85,410,000
Unlimited Tax Refunding Bonds Series 2012	2.00-5.00	40,685,000	40,475,000	-	1,085,000	39,390,000
Unlimited Tax School House Bonds Series 2010B	3.52-4.64	18,880,000	18,880,000	-	-	18,880,000
Unlimited Tax School House Bonds Series 2010A	2.00-4.00	7,780,000	3,745,000	-	715,000	3,030,000
Unlimited Tax Refunding Bonds Series 2010	2.25-5.00	19,500,000	5,675,000	-	2,475,000	3,200,000
Unlimited Tax School House Bonds Series 2009	3.00-5.00	29,480,000	1,215,000	-	1,215,000	-
Total bonded debt payable			<u>\$ 350,980,000</u>	<u>\$ -</u>	<u>\$ 15,530,000</u>	<u>\$ 335,450,000</u>

In prior years, the District defeased certain general obligation bonds by placing the proceeds of the bonds in an irrevocable trust for all future debt service payments on the refunded bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the District's financial statements. There were no defeased bonds outstanding at June 30, 2018.

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The debt service requirements on the District's bonds are as follows:

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 15,465,000	\$ 13,862,199	\$ 29,327,199
2020	15,385,000	13,187,399	28,572,399
2021	15,340,000	12,466,599	27,806,599
2022	15,315,000	11,747,020	27,062,020
2023	15,825,000	11,017,726	26,842,726
2024-2028	87,495,000	44,269,982	131,764,982
2029-2033	83,715,000	27,049,369	110,764,369
2034-2038	70,815,000	12,959,112	83,774,112
2039	16,095,000	707,400	16,802,400
Totals	\$ 335,450,000	\$ 147,266,806	\$ 482,716,806

Bonded debt payable is collateralized by revenue from the District's tax collections.

As of June 30, 2018, the District has \$30,000,000 of authorized but unissued bonds from the May 2014 election.

Note 8. Accumulated Unpaid Leave Benefits

A summary of changes in accumulated unpaid leave benefits are as follows:

Balance, July 1, 2017:	\$ 1,013,325
New entrants and salary increments	234,725
Payments to participants	<u>(150,937)</u>
Balance, June 30, 2018	\$ <u>1,097,113</u>

Unpaid leave benefits are liquidated by the funds based on the department personnel to whom the claims relate. In prior years, this has typically been the General Fund.

Note 9. Defined Benefit Pension Plans

A. Plan Description

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

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