



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2010



BIRDVILLE INDEPENDENT SCHOOL DISTRICT
Haltom City, Texas

Notice: The information presented in this report has not been updated for events that occurred subsequent to the date of the independent auditors' report.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2010

Issued By

Finance Department
Dr. Quentin Burnett
Associate Superintendent



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
Comprehensive Annual Financial Report
Year Ended June 30, 2010

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**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
CERTIFICATE OF BOARD**

| | | |
|--|----------------|------------------------|
| <u>Birdville Independent School District</u> | <u>Tarrant</u> | <u>220-902</u> |
| Name of Local Education Agency | County | County-District Number |

We, the undersigned, certify that the attached annual financial report of the above named school district was reviewed and

Approved

6

Disapproved

Ø

For the year ended June 30, 2010 at a meeting of the Board of Trustees of such school district on the 18th day of November, 2010.


Signature of Board Secretary

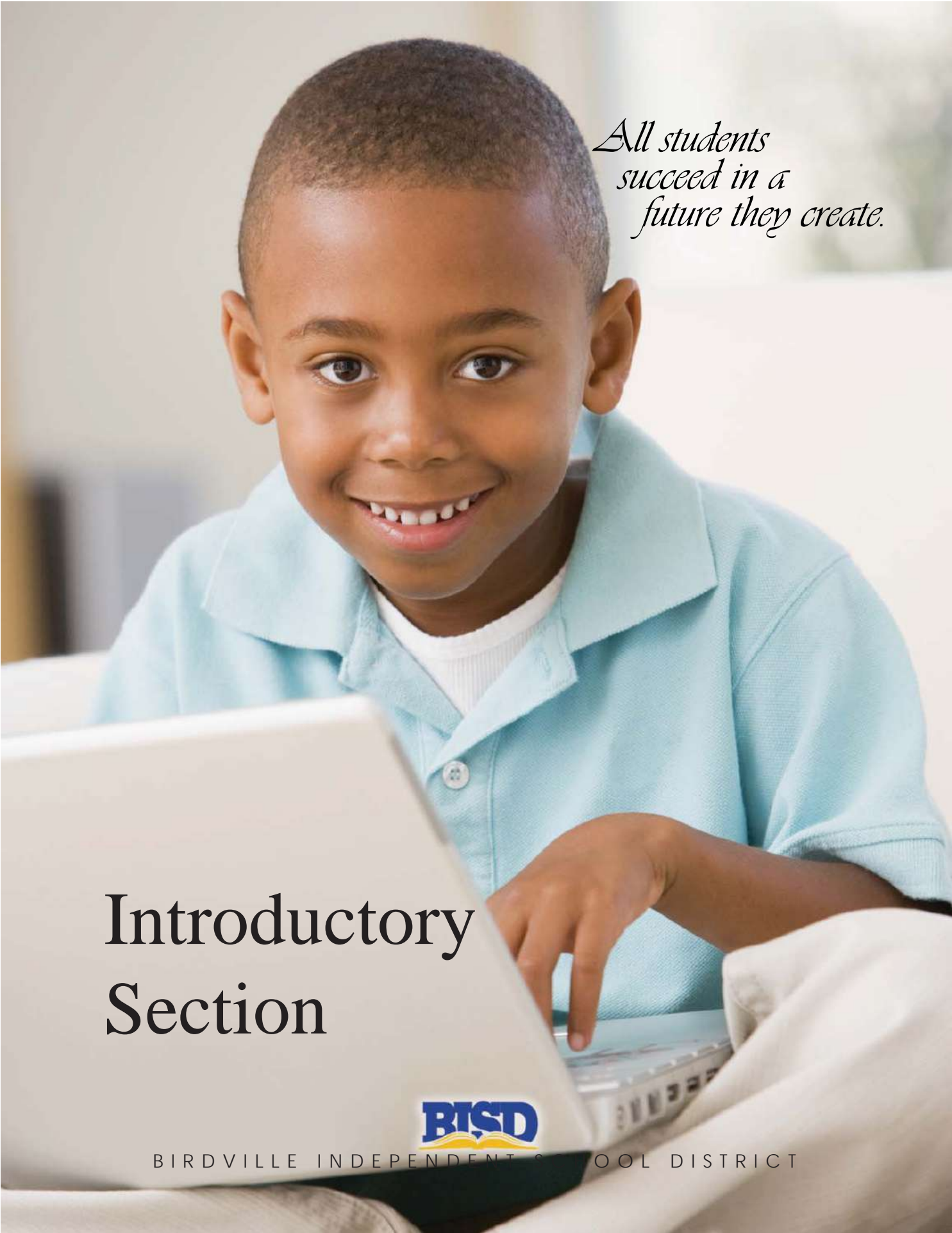

Signature of Board President

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



Birdville Independent School District

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future they create.*

Introductory Section



BIRDVILLE INDEPENDENT SCHOOL DISTRICT

BOARD OF TRUSTEES

| | |
|-------------------|----------------|
| Mr. Joe Tolbert | President |
| Mr. Richard Davis | Vice President |
| Mr. Ralph Kunkel | Secretary |
| Mr. Brad Greene | |
| Mr. Cary Hancock | |
| Mr. David Pokluda | |
| Ms. Dolores Webb | |

SUPERINTENDENT

Dr. Stephen F. Waddell

ASSOCIATE SUPERINTENDENT, STAFF AND STUDENT SERVICES

Dr. Jay Thompson

ASSOCIATE SUPERINTENDENT, FINANCE

Dr. Quentin Burnett

ASSOCIATE SUPERINTENDENT, CURRICULUM AND INSTRUCTION

Dr. Lane Ledbetter

EXECUTIVE DIRECTOR, TECHNOLOGY INFORMATION MANAGEMENT SYSTEMS

Ms. Julie Wallace

DIRECTOR OF BUSINESS

Ms. Katie Bowman, CPA

DIRECTOR OF ACCOUNTING

Ms. Jennifer Bedwell



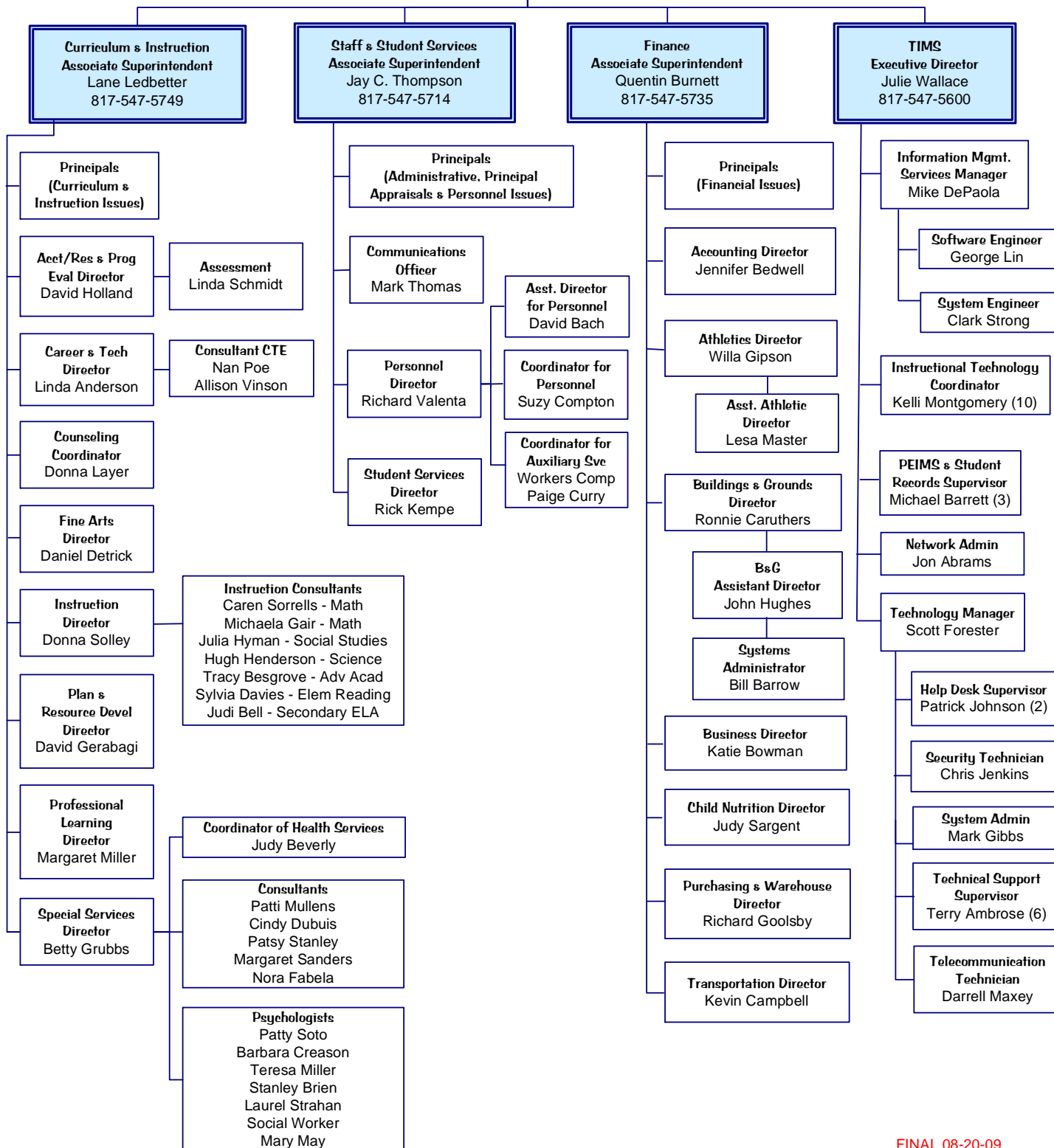
Board of Trustees 2009-2010

Dolores Webb (President) Joe Tolbert (Vice President) Richard Davis (Secretary)
 Brad Greene Cary Hancock Ralph Kunkel Wanda Strong



Superintendent
 Stephen F. Waddell
 817-547-5722

Attorney
 J.B. Morgan





Birdville Independent School District

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Birdville Independent School District

Stephen F. Waddell, Ed.D. • Superintendent

6125 East Belknap • Haltom City, Texas 76117 • 817.547.5700 • Fax 817.547.5530 • www.birdvilleschools.net

November 18, 2010

To the Board of Trustees and the Citizens of the Birdville Independent School District:

The Texas Education Code requires that all school districts file a complete set of financial statements with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants in accordance with generally accepted auditing standards. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Birdville Independent School District (the District) for the year ended June 30, 2010.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The financial statements of the District have been audited by Hankins, Eastup, Deaton, Tonn & Seay, P.C., a firm of independent certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the year ended June 30, 2010, are free of material misstatement. The independent audit involves 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 auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the year ended June 30, 2010, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements is 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 internal controls and legal requirements involving the administration of federal awards. These reports may be found in the Compliance and Federal Awards section of this report.

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—BISD Vision

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

Profile of the District

The name Birdville has its roots from the 1850's settlement established by Jonathon Bird. While classes are estimated to have begun in 1855, the first school, Birdville Academy, opened in 1858 on Birdville Hill. Students from Dallas, Denton, and Parker counties attended classes in Birdville. In 1884, the boundaries of the District were established resulting from the passage of school law reform by the Texas legislature. Major growth in the District didn't occur until 1916 when trustees rode horseback throughout the District to push for the passage of the first bond program. The bonds issued in 1919 allowed the District to erect a new brick school building housing 156 students. In 1926, the District was incorporated as Birdville Independent School District.

Residents of the District elect a seven-member Board of Trustees (the Board), each of whom serves for three-year staggered terms with at large elections held each year. Monthly meetings of the Board are posted and advertised as prescribed under law so that the Board may fulfill its charge to the students, staff, and taxpayers of the District. Special meetings and workshops are scheduled as needed. The Board has final control over all school matters except as limited by state law.

The District currently spans 40 miles in Tarrant County and covers the entire community of Richland Hills and parts of Colleyville, Fort Worth, Haltom City, Hurst, North Richland Hills, and Watauga within its boundaries. The District provides a well-rounded program of public education for children from pre-kindergarten through grade twelve. The District also offers special education, gifted and talented, bilingual/ESL, compensatory education, college preparatory, dual college credit, and career and technology programs. The District is fully accredited by the Texas Education Agency (TEA).

During 2009-2010, the District operated three traditional high schools for students in grades nine through twelve, an alternative high school, a career and technology education center, seven middle schools, and twenty-one elementary schools. Enrollment for the 2009-2010 school year was 22,897, an increase of approximately 1.7 percent over the prior year.

The District attracts highly qualified personnel due to its commitment to excellence. During the 2009-2010 year, the District employed over 2,800 staff consisting of 1,581 professionals, 227 professional support, 262 educational aides, and 784 auxiliary staff. Professional employees include 1,489 teachers with an average of 11.9 years of experience. Over 28 percent of the teachers have earned master's degrees and/or doctorate degrees. The average student teacher ratio for the year was 15.4. Texas law mandates that no more than 22 students can be assigned to one classroom teacher in kindergarten through fourth grade.

Organizational Philosophy

The core ideology of the District outlines the direction of the District and the expectation held for all employees. The mission, vision and belief statements define these core values and represent the foundation for the District's continued success.

Mission

We engage and encourage students and staff every day through meaningful work in a safe and caring environment.

Vision

All students succeed in a future they create.

Beliefs

- Every student is uniquely capable and deserves to learn each day.
- Meaningful work engages students in profound learning.
- Personal commitment to quality from everyone in the learning organization creates student and staff success.
- Trusting relationships in a safe and caring environment are vital to an innovative learning organization.
- Student success requires community support and engagement.
- Quality public schools build and preserve a healthy democratic society.

Economic Condition and Outlook

Birdville ISD is located in the northeastern portion of Tarrant County between the cities of Fort Worth and Dallas. It is traversed by numerous highways and is in close proximity to the Dallas-Fort Worth International Airport. The District is located in an area between Dallas-Fort Worth Airport and Alliance Airport.

Local Economy. The national recession appeared somewhat less severe on the residents of the District during 2009-2010, with 2009 property values holding steady. However, appraisals completed in January 2010 for the 2010 tax roll, reflect a significant decline of around seven percent over the 2009 values. Growing mineral values related to the Barnett Shale natural gas wells across North Texas have kept property values from dropping further. Hold-harmless formulas in the Texas School Finance system and increases in student enrollment have kept the District revenues fairly stable.

Population. The population in the District has increased about nine percent since 2001 to approximately 138,700 including about 53,000 households. The student enrollment has grown nearly eight percent over this same period and is estimated to remain flat for the next several years.

Financial Information

Budgetary Control. State law requires that every local education agency in Texas prepare and file an annual budget of anticipated revenues and expenditures with the Texas Education Agency. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Board. The budget itself is prepared utilizing a detailed line item approach for Governmental Fund types and is prepared in accordance with the budgeting requirements as outlined in the Financial Accountability System Resource Guide for Texas school districts. The Board formally adopts the General Fund, Debt Service Fund, and Child Nutrition Fund.

The District also maintains an encumbrance accounting system as a budgetary control. Outstanding encumbrances at the end of the fiscal year are rolled forward into the subsequent fiscal period and budget amendments are implemented accordingly.

It is the intent of the District that the budgetary process results in the most effective mix of the educational and financial resources available while attaining the goals and objectives of the District. The ultimate decision of the level of funding and the programs to be funded rests with the Board. After considering all factors, the Board sets an ad valorem tax rate that generates sufficient revenues to support the expenditure budget of the District.

The budget may be amended during the year to address unanticipated or changing needs of the District. A change to functional expenditure categories in the general fund, debt service fund, or child nutrition fund requires Board approval.

State Funding. Prior to the 2006-2007 fiscal year, the State of Texas provided funding for public education based on a financing formula which weighed student attendance levels, property value per student, the District's tax effort, and regional variations in payroll and other costs. In response to the decision in school finance litigation known as the West Orange-Cove case, the Texas Legislature enacted House Bill 1 (HB1). This new legislation made significant changes in the funding of Texas school districts effective for the 2006-2007 fiscal year. Under HB1, districts are "held harmless" for state revenue based on a "target revenue amount" per weighted average daily attendance (WADA). Increases or decreases in tax revenues no longer have a significant positive or negative financial impact on a district's finances.

Currently, there is a great discrepancy in the target revenue amount per WADA across Texas school districts. During the first two years of implementation, the target revenue per WADA for Texas districts ranged from \$3,657 to \$12,149 with the average at \$5,076. The District's target revenue per WADA was \$4,588 at that time. Due to increases passed during the 2009 legislative session, the District's current target revenue per WADA is \$4,915 compared with the state average of \$5,323. The District currently has the second lowest target revenue in Tarrant County. Access to the approximate \$400 per WADA difference in the average state rate would have generated an additional \$11 million for the District.

Internal Control. Management is responsible for designing, implementing, and maintaining adequate, efficient, and effective systems of internal control. These systems of control provide reasonable, but not absolute, assurance that:

- District assets and critical records are safeguarded from loss, theft, or misuse;
- Authorized transactions are promptly and accurately recorded;
- District resources are efficiently and economically employed; and,
- Financial reports are prepared in accordance with GAAP.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of “reasonable assurance” recognizes that (1) the cost of a control should not exceed the benefit likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management. Management believes the internal controls adequately meet the above objectives.

Cash Management. Cash available in excess of cash requirements was invested in the Texpool, TASB’s Lone Star Investment Pool, MBIA Texas Class, Bank of America money market account, and U.S. Government Agency Securities. The average yield on investments was approximately .39 percent while the average yield on the six month U.S Treasury bill was .22 percent for the quarter ended June 30, 2010. The District’s investment policy minimizes risk while maintaining a competitive yield on its portfolio. District deposits were fully covered by Federal Deposit Insurance Corporation (FDIC) insurance and pledged collateral for the year ended June 30, 2010.

Risk Management. The objectives of the risk management program are to safeguard the assets of the District, minimize the financial effect of potential losses, and to provide a reasonable level of employee benefits at an affordable funding level.

The District’s property and casualty insurance is provided by national commercial carriers on a fully insured basis. Risks associated with worker’s compensation are maintained through a self-funded worker’s compensation plan. Specific and aggregate stop loss coverage is purchased through a national carrier.

The District provides a health insurance plan through the state’s TRS Active Care and provides other voluntary benefits including dental, vision, life, disability, and cancer.

Major Initiatives and Accomplishments

Birdville Center for Technology and Advanced Learning – The District opened their new facility for technology and advanced learning in the fall of 2009. Advanced career and technology courses offered to students include A/V Production, Architecture, Automotive Technology, Cisco Networking, Computer Maintenance, Construction Technology, Cosmetology, Culinary Arts, Education and Training, Engineering, Health Science Technology, Law/Public Safety/Corrections, and Marketing/Sales/Service.

Open Enrollment – The District began opening enrollment to students outside the District boundaries beginning in the 2008-2009 school year. The program has expanded and now includes more than 500 students from eighteen area districts. These additional students have generated over \$2.5 million for the District.

Scholarship Fund – In September 2009, the Board designated \$7.5 million of the District’s oil and gas lease revenue to establish a scholarship fund. The fund will provide scholarships for District students attending Tarrant County College beginning in the fall of 2010. The scholarship covers the first year of tuition up to \$1,500.

District High School Bands Invited to 2011 Rose Bowl Parade – In September 2009, the District was notified that District high school band students were invited to march in the 2011 Tournament of Roses New Year’s Day Parade in Pasadena, CA. Birdville ISD bands were the only Texas group invited. Over 500 students from the three high school bands will be participating in the event.

Community of Respect Everywhere (CORE) – CORE not only reflects a fundamental belief of the District, but also represents a new initiative the District began which promotes positive and safe learning climates while developing responsibility, accountability, and respect. CORE is a deliberate effort to help individuals understand, care about, and act upon core values. The curriculum creates opportunities to engage students in thoughtful discussion and reflection regarding ethical and moral choices, thus developing critical thinking skills and an understanding of personal and cultural differences.

Awards and Acknowledgements

The Financial Integrity Rating System of Texas (FIRST), a financial accountability system for Texas school districts, was developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas legislature in 1999. The primary goal of FIRST is to achieve quality performance in the management of school district financial resources, a goal made more significant due to the complexity of accounting associated with the Texas school finance system. The District has been awarded a “superior” rating under the FIRST system each year since inception. The “superior” rating is the highest possible financial rating available, demonstrating the quality of Birdville ISD’s sound financial management and reporting systems.

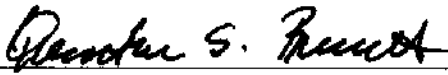
The District was recognized by the Texas Comptroller’s office in May 2010 as a district with high efficiencies coupled with high student achievement. The Comptroller acknowledged the District as a “Best Practices” district and requested the District provide a list of processes and procedures that model why certain districts produce high student achievement while operating on fewer financial resources.

The preparation of this report on a timely basis could not have been accomplished without the dedicated services of the Business and Accounting Department staff. We would like to express our sincere appreciation to the members of these departments who assisted and contributed to the preparation of this report. We would also like to express appreciation to the Board of Trustees for their support and interest in the financial operations of the District. Finally, we would like to thank the residents of the District for their support of and belief in our public schools and the principals and teachers who provide the quality education for which the District is known.

Respectfully submitted,



Katie Bowman, CPA, Director of Business



Quentin S. Burnett, Ph.D., Associate Superintendent for Finance



Stephen F. Waddell, Ed.D., Superintendent of Schools



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Financial Section

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BIRDVILLE INDEPENDENT SCHOOL DISTRICT



Birdville Independent School District

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Birdville Independent School District
Haltom City, Texas

Members of the Board:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Birdville Independent School District (the District), as of and for the year ended June 30, 2010, 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 management. 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Birdville Independent School District as of June 30, 2010, 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 November 3, 2010, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 19 through 29 and 71 through 72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, statistical section, and the required TEA schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements, the required TEA schedules, excluding the Fund Balance and Cash Flow Calculation Worksheet (Exhibit J-3) which is marked unaudited and on which we express no opinion, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Hankins, Eastup, Deaton, Tonn & Seay

Hankins, Eastup, Deaton, Tonn & Seay
A Professional Corporation
Certified Public Accountants

November 3, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Birdville Independent School District's (the "District") annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2010. It should be read in conjunction with the independent auditors' report preceding and the basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- At June 30, 2010, the District's assets exceeded its liabilities by \$52,504,846 (net assets). The unrestricted portion of \$13,119,821 may be used to meet the District's ongoing obligations.
- The District's total net assets increased by \$135,893 during the year ended June 30, 2010.
- At the close of the fiscal year, the District reported \$77,663,442 combined governmental fund balance, a decrease of \$18,332,151 from the prior year. The decrease is primarily attributable to bond construction expenditures. Of the combined fund balance at year end, the District had \$36,113,640 or 46.5% available for the District's ongoing obligations (unreserved and undesignated fund balance).
- As of June 30, 2010, the General Fund's unrestricted, unreserved fund balance was \$35,197,858 representing 23.6% of total general fund expenditures in the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

The basic financial statements include two types of statements that present different views of the District, the government-wide financial statements and the fund financial statements.

Government-wide Financial Statements

The government-wide financial statements, including the *Statement of Net Assets* and the *Statement of Activities*, report on the District as a whole and are designed to provide readers with a broad overview of the District's finances. These statements are presented on the accrual basis of accounting similar to the accounting basis used by most private-sector entities.

The *Statement of Net Assets* presents information on all of the District's assets and liabilities including capital assets and long-term debt. The value of assets less liabilities is reported as net assets. The *Statement of Activities* presents the increases and decreases in net assets for the current fiscal year regardless of when cash is received or paid. Increases and decreases in net assets over time may serve as one indicator of whether the financial position of the District is improving or deteriorating but should be considered with additional factors as well.

Government-wide financial statements distinguish net assets and the changes in net assets between *governmental activities*, which are supported principally by taxes and intergovernmental revenues, and *business-type activities*, which are intended to recover all or a significant portion of their costs through user fees and charges. All of the District's activities are reported as *governmental activities* as they are primarily financed by property taxes, state aid, and federal grants. The District has no *business-type activities*. The government-wide financial statements can be found on pages 33-35 of this report.

Fund Financial Statements

The fund financial statements provide detailed information about the District's most significant funds as opposed to the District as a whole. Funds are accounting devices used to account for specific sources of funding and spending for particular purposes. State law and bond covenants require the District to establish some funds. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

The District's funds include three types: 1) governmental funds, 2) proprietary funds, and 3) fiduciary funds.

Governmental funds

Most of the District's activities are reported in governmental funds. Governmental funds report on the modified accrual basis of accounting which focuses on 1) how cash and other financial resources can be readily converted to cash inflows and outflows and 2) the balances remaining at year end available for future spending. The governmental fund statements provide a detailed short-term view of the District's operations and funds available to finance future operations. Because the focus and accounting methods are different for the governmental fund statements and the government-wide statements, reconciliation schedules are presented following each of the fund financial statements. The governmental fund financial statements can be found on pages 36-43 of this report.

Proprietary funds

Proprietary funds are used to account for operations that provide services and or goods for a fee, whether to outside users or units within the District. Proprietary funds use the accrual basis of accounting the same as the government-wide financial statements. There are two types of proprietary funds, enterprise funds and internal service funds. The enterprise funds report the same functions presented as *business-type activities* in the government-wide financial statements. Internal service funds are an accounting tool used to accumulate and allocate costs internally among various functions. The District uses an internal service fund to report activities for its self-funded workers compensation insurance program. The District has no enterprise funds. The proprietary fund financial statements can be found on pages 44-46 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs. The District is the trustee, or fiduciary, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The District uses fiduciary funds to account for money raised by student activities. The fiduciary fund financial statement can be found on page 47 of this report.

Table I below provides a concise view of the major features of the District's financial statements including the portion of the District they cover and types of information they contain.

| Table I Major Features of the District's Financial Statements | | | | |
|--|--|---|--|---|
| | Government-wide Statements | Fund Statements | | |
| | | Governmental Funds | Proprietary funds | Fiduciary Funds |
| <i>Scope</i> | Entire District (except fiduciary funds) | Activities of the District that are not proprietary or fiduciary | Activities of the District that charge fee for services and or goods | Activities for which the District is the trustee/agent for other parties |
| <i>Required financial statements</i> | <ul style="list-style-type: none"> • Statement of Net Assets • Statement of Activities | <ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures & Changes in Fund Balances | <ul style="list-style-type: none"> • Statement of Net Assets • Statement of Revenues, Expenses & Changes in Fund Net Assets • Statement of Cash Flows | <ul style="list-style-type: none"> • Statement of Fiduciary Net Assets |
| <i>Accounting basis and measurement focus</i> | Accrual accounting and economic resources focus | Modified accrual accounting and current financial resources focus | Accrual accounting and economic resources focus | Modified accrual accounting and current financial resources focus |
| <i>Type of asset/liability information</i> | All assets and liabilities, both financial and capital, short-term and long-term | Only assets expected to be used up and liabilities to be paid during the year or soon thereafter; no capital assets or long-term debt | All assets and liabilities, both financial and capital, short-term and long-term | Only assets expected to be used up and liabilities to be paid during the year or soon thereafter; no capital assets or long-term debt |
| <i>Type of inflow/outflow information</i> | All revenues and expenses during the year, regardless of when cash is received or paid | Revenues for which cash is received during the year or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter | All revenues and expenses during the year, regardless of when cash is received or paid | Agency funds do not report revenues and expenditures |

Notes to the Financial Statements

The notes to the basic financial statements provide additional information that is essential to a complete understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 49-68 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also includes certain *Required Supplementary Information* that further explains and supports the financial statements. Required supplementary information can be found on pages 71-72 of this report.

The combining statements for the district's various non-major funds are presented immediately following the required supplementary information beginning on page 74.

The Texas Education Agency (TEA) requires that certain information be included in this report and those schedules can be found on pages 94-98 and 131.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets. The District's net assets were \$52.5 million at June 30, 2010 (see Table II). The largest portion of the District's net assets (\$31.8 million or 60.6%) is the District's investment in capital assets less related outstanding debt to purchase those assets. The District's investment in capital assets includes land, buildings and furniture and equipment. Due to the nature of these assets, they are not available for future spending. Although the district's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the assets themselves cannot be used to liquidate these liabilities. Approximately \$7.6 million (14.4%) of the District's net assets are restricted for use in food service and debt service. The remaining net assets in the amount of \$13.1 million (25.0%) are unrestricted and may be used to meet the District's ongoing obligations.

| Table II | | | |
|---|--------------------------------|----------------------|---------------------|
| Net Assets | | | |
| | Governmental Activities | | |
| | <u>2010</u> | <u>2009</u> | <u>% Change</u> |
| ASSETS | | | |
| Current and other assets | \$ 107,541,993 | \$ 135,548,210 | -20.7% |
| Capital assets | <u>274,631,311</u> | <u>267,830,217</u> | 2.5% |
| Total Assets | <u>382,173,304</u> | <u>403,378,427</u> | -5.3% |
| LIABILITIES | | | |
| Other liabilities | 26,979,708 | 35,895,482 | -24.8% |
| Long-term liabilities outstanding | <u>302,688,750</u> | <u>315,113,992</u> | -3.9% |
| Total Liabilities | <u>329,668,458</u> | <u>351,009,474</u> | -6.1% |
| NET ASSETS | | | |
| Investment in capital assets, net of related debt | 31,814,453 | 25,027,184 | 27.1% |
| Restricted | 7,570,572 | 8,314,886 | -9.0% |
| Unrestricted | <u>13,119,821</u> | <u>19,026,883</u> | -31.0% |
| Total Net Assets | <u>\$ 52,504,846</u> | <u>\$ 52,368,953</u> | 0.3% |

Changes in Net Assets. Total net assets of the District increased \$135,893 during the year ended June 30, 2010 from the prior year as a result of revenues approximating expenses (see Table III).

| Table III | | | |
|---|--------------------------------|---------------|-----------------|
| Changes in Net Assets | | | |
| | Governmental Activities | | |
| Revenues: | 2010 | 2009 | % Change |
| Program Revenues: | | | |
| Charges for services | \$ 7,041,896 | \$ 7,481,409 | -5.9% |
| Operating grants and contributions | 44,297,566 | 30,948,020 | 43.1% |
| General Revenues: | | | |
| Property taxes | 102,027,623 | 103,872,730 | -1.8% |
| State aid and unrestricted grants | 61,972,808 | 61,830,146 | 0.2% |
| Investment earnings | 549,263 | 3,882,320 | -85.9% |
| Miscellaneous | 616,721 | 224,168 | 175.1% |
| Total Revenues | 216,505,877 | 208,238,793 | 4.0% |
| Expenses: | | | |
| Instruction, curriculum and media services | 129,356,018 | 121,375,059 | 6.6% |
| Instructional and school leadership | 14,118,091 | 13,570,122 | 4.0% |
| Student support services | 11,613,383 | 11,406,273 | 1.8% |
| Food services | 10,471,936 | 10,062,610 | 4.1% |
| Cocurricular/extracurricular activities | 6,762,131 | 7,590,352 | -10.9% |
| General administration | 4,542,043 | 4,501,660 | 0.9% |
| Plant maintenance, security and data processing | 20,359,316 | 19,458,441 | 4.6% |
| Community services | 402,934 | 300,840 | 33.9% |
| Debt service | 15,629,743 | 14,368,330 | 8.8% |
| Facilities acquisition and construction | 1,608,338 | 1,692,310 | -5.0% |
| Intergovernmental charges | 1,506,051 | 796,553 | 89.1% |
| Total Expenses | 216,369,984 | 205,122,550 | 5.5% |
| Increase in net assets | 135,893 | 3,116,243 | -95.6% |
| Beginning net assets | 52,368,953 | 49,252,710 | 6.3% |
| Ending net assets | \$ 52,504,846 | \$ 52,368,953 | 0.26% |

Overall revenues of the District were \$216.5 million, an \$8.2 million or 4.0% increase from the prior year. Property tax revenues decreased \$1.8 million, investment earnings decreased \$3.3 million and operating grants and contributions increased \$13.3 million. The changes in property tax revenues resulted from a one-half cent decrease in the I&S tax rate for the 2010 fiscal year. Investment earnings decreased during the current year due to declining market conditions. In addition, the completion of the 2006 bond construction projects in August 2010 reduced the amount of cash available to invest. Operating grants and contributions increased primarily due to new grants under the American Recovery and Reinvestment Act of 2009 ("ARRA").

Figures 1 and 2 depict the District's revenue sources for fiscal year 2010 and 2009. The graphs show that property taxes are the primary source of revenue for the District followed by state aid and operating grants. Operating grants as a percentage of total revenues increased and property tax as a percentage of total revenues decreased due to the large increase in ARRA grant funds as discussed above.

Figure 1

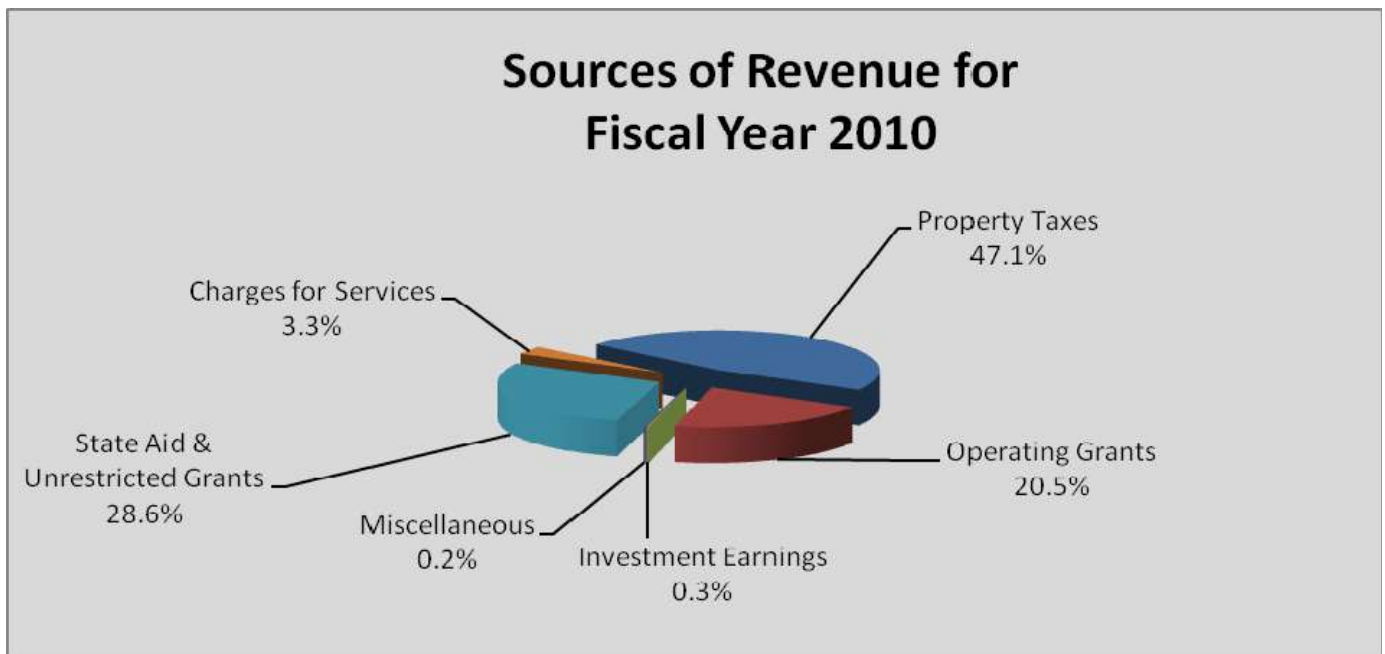
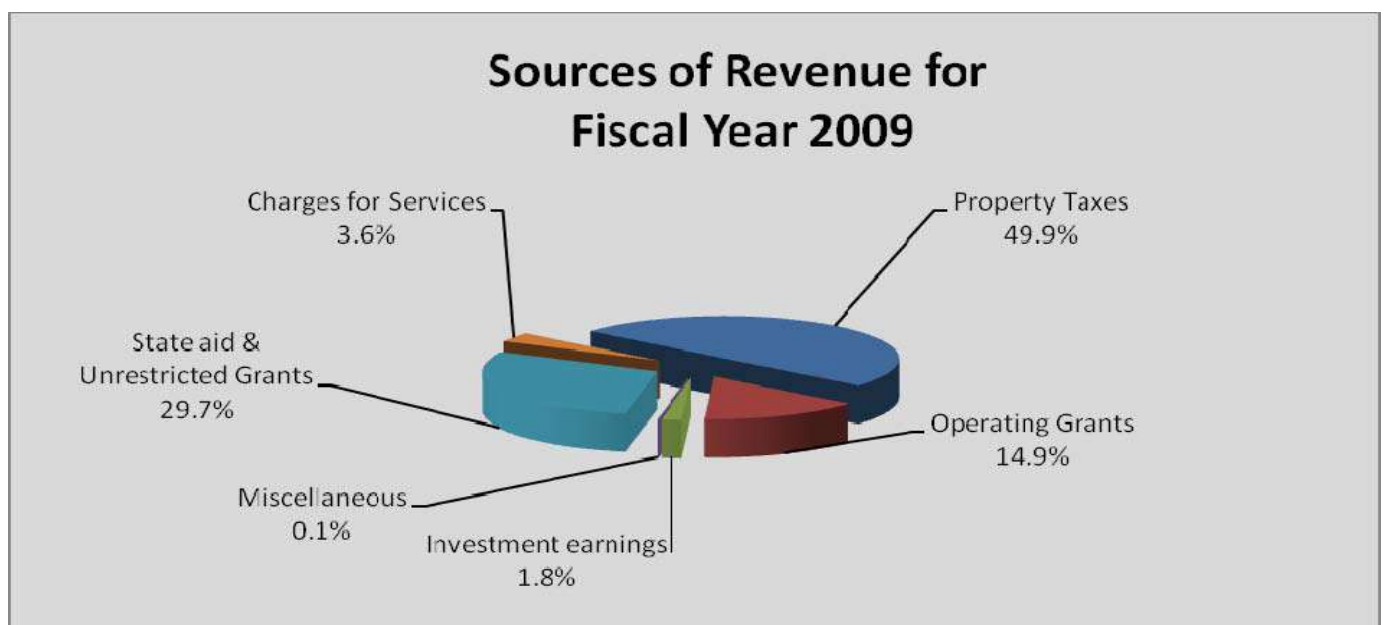


Figure 2



Expenses are shown in Table III by functional categories that reflect the purpose of the transaction. Various operating expenses are reflected in each functional category. Total expenses in the current fiscal year were \$216.4 million, an \$11.2 million or 5.5% increase from the prior year. Costs increased in all areas due to the new ARRA grant funds. The largest increases were payroll costs of \$5.8 million and depreciation expense of \$1.4 million. New grant positions and District approved salary increases of 2% generated the increase in payroll. Depreciation expense increased due to the completion of several large construction projects early in fiscal year 2010.

Figure 3

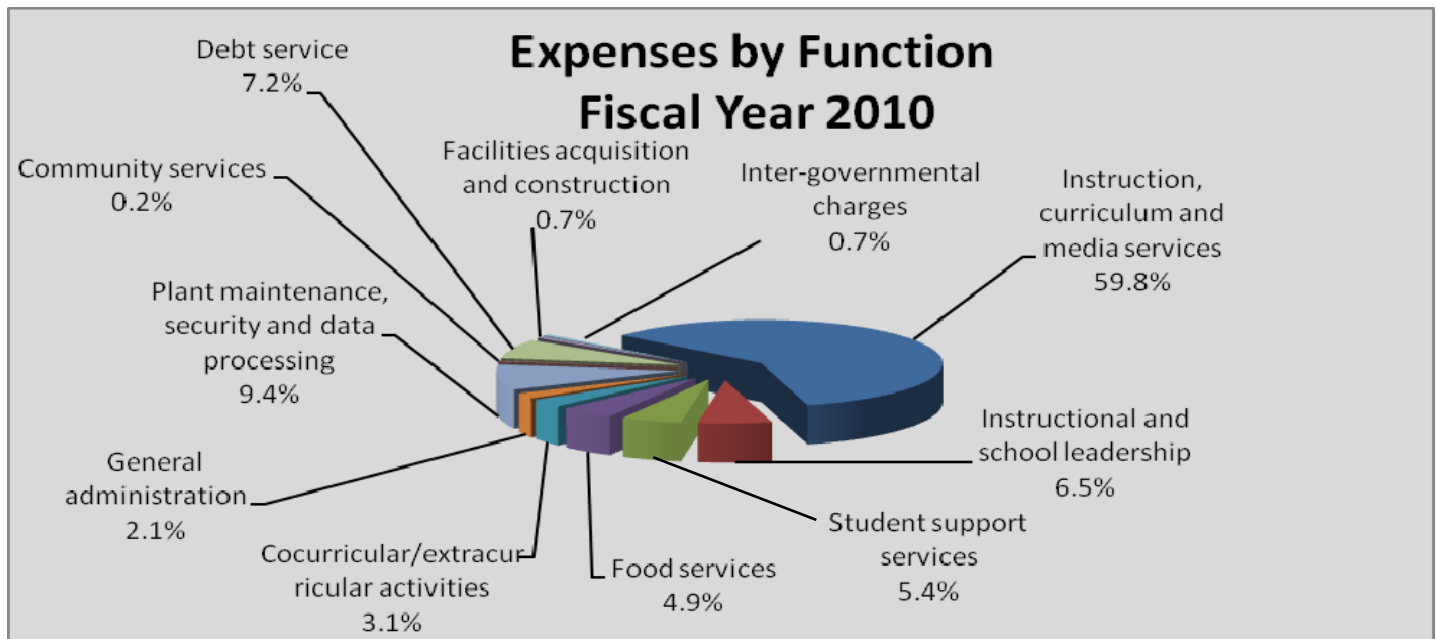


Figure 3 graphically depicts the total expenses of the District by function while Table IV presents the cost of the District's largest programs and each program's net cost (total cost less fees generated by the activities and operating grants). The net cost reflects the financial burden that was placed on the District's taxpayers by each of these programs.

| Table IV | | | | | | |
|---|------------------------|----------------|----------|----------------------|----------------|----------|
| Costs of Services for Major Functions | | | | | | |
| | Total Cost of Services | | | Net Cost of Services | | |
| | 2010 | 2009 | % Change | 2010 | 2009 | % Change |
| Instruction, curriculum and media services | \$ 129,356,018 | \$ 121,375,059 | 6.6% | \$ 101,829,719 | \$ 101,483,396 | 0.3% |
| Plant maintenance, security and data processing | 20,359,316 | 19,458,441 | 4.6% | 19,448,750 | 18,625,503 | 4.4% |
| Debt Service | 15,629,743 | 14,368,330 | 8.8% | 15,097,619 | 13,031,164 | 15.9% |

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, bond covenants, and segregation for particular purposes.

Governmental funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved, undesignated fund balance may serve as a useful measure of the District's net resources available for spending at the end of a fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined fund balances of \$77,663,442 (as presented in the Balance Sheet on pages 36-37), a decrease of \$18.3 million from the prior year. Forty-seven percent or \$36.1 million of the total ending fund balance constitutes unreserved, undesignated fund balance which is available for spending at the District's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending due to the following commitments:

| | |
|----------------------------|------------|
| • Inventory | \$ 881,833 |
| • Debt service payments | 6,725,038 |
| • Prepaid items | 345,100 |
| • Food Service | 3,137,261 |
| • Capital projects | 6,297,371 |
| • Outstanding encumbrances | 3,223,285 |
| • Special projects | 271,831 |
| • Scholarship fund | 8,168,083 |
| • Budgetary contingencies | 12,500,000 |

The general fund is the primary operating fund of the District. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$35,197,858, which is 72.1% of the total general fund balance of \$48,817,297. As a measure of the general fund's liquidity, it may be useful to compare both unreserved, undesignated fund balance and total fund balance to the total fund expenditures. Unreserved, undesignated fund balance represents 23.6% of the current year general fund expenditures while the total general fund balance represents 32.8% of current year general fund expenditures.

The fund balance of the District's general fund increased \$1.6 million during the current fiscal year. Over \$650,000 of this increase is due to the transfer-in of the High School Allotment fund balance previously reported as a special revenue fund. The increase also resulted from unspent budgets by campuses and various departments due to continued efforts by administration to emphasize prudent spending and limited resources. Lastly, certain building projects, originally budgeted in the general fund, were funded through the capital projects fund.

The debt service fund balance of \$6,725,038 is reserved for the payment of debt service. The fund balance decreased \$158,594 from the prior year. Property tax and state revenues are slightly less than the costs to service the outstanding debt.

At year end, the capital projects funds had a combined fund balance of \$6,297,371 which is a decrease of \$18.1 million from the prior year. The fund balance is reserved for outstanding construction encumbrances and completion of various construction projects. The declining balance resulted from the completion of significant construction projects and on-going district facility improvements approved through the 2006 voter approved bonds.

The District's various special revenue funds ended the year with a combined fund balance of \$15,823,736. This represents a decrease of \$1.7 million from the prior year. Revenues typically approximate expenditures in the special revenue funds as grant monies are generally earned when expended. The decrease in the special revenue funds during the current year is attributable to a couple of factors 1) approximately \$667,000 transfer-out of the High School Allotment's beginning fund balance to the general fund, and 2) on-going construction expenditures to renovate the Coliseum (mineral lease proceeds were specially designated by the Board for this purpose).

Proprietary Funds

The District's only proprietary fund is an internal service fund for a self-funded worker's compensation program. The purpose of the fund is to allocate costs of the insurance to the various units and departments of the District. At year end, the proprietary fund had \$961,293 in net assets which was an increase from the prior year of \$920,805. This increase is primarily due to decreases in the actuarially determined estimate of incurred but not reported claims liability at year-end.

General Fund Budgetary Highlights

Over the course of the year, the District revised its budget several times. In accordance with Board Policy CE (Local), the district submits amendments during the course of the budget year to the Board of Trustees for approval. Significant general fund amendments presented to the Board of Trustees for approval during the year included the following:

- Reduction of general fund payroll expenditures and state revenue by \$9.3 million for the ARRA SFSF Federal funds designated by the Texas legislature to supplant a portion of the foundation school fund and the available school fund state revenue. The ARRA SFSF funds are required to be reported as a special revenue fund. This information was not available at the time the 2010 budget was adopted.
- Increase in revenues and expenditures of \$2.1 million for the High School Allotment. Beginning with the 2010 fiscal year, High School Allotment is required to be reported in the general fund instead of a special revenue fund as required in prior years. This information was not available at the time the 2010 budget was adopted.
- Increase in general fund tax revenue of approximately \$900,000 to reflect the property value increases identified in the supplemental tax rolls received in September 2009.

At the end of every fiscal year, school districts across the state adjust their year-end amended budgets to ensure all functional categories will have favorable balances. If unfavorable functional balances are reported in the audit at the close of the fiscal year, a letter issued by the Texas Education Agency stipulating the legal requirements for budgeting. For 2010, the district was in compliance in every functional category.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2010, the District had invested approximately \$274.6 million in a broad range of capital assets, including land, equipment, and buildings, less depreciation (see Table V). Net capital assets increased \$6.8 million from the prior year. The increase was primarily the completion of buildings and improvements in progress at June 30, 2009: a new facility at Richland High School, major renovations at Haltom High School, and a new career center. At June 30, 2010, major construction in progress included renovation of the Coliseum.

| Table V Capital Assets (Net of Depreciation) | | | |
|---|--------------------------------|-----------------------|----------|
| | Governmental Activities | | |
| | 2010 | 2009 | % Change |
| Land | \$ 17,450,534 | \$ 17,450,534 | 0.0% |
| Construction in progress | 1,915,301 | 81,868,807 | -97.7% |
| Buildings and improvements | 250,531,577 | 163,465,606 | 53.3% |
| Furniture and equipment | 4,733,899 | 5,045,270 | -6.2% |
| Totals | <u>\$ 274,631,311</u> | <u>\$ 267,830,217</u> | 2.5% |

Long-Term Debt

The District had \$302.7 million in long-term debt at year end, a decrease of \$12.4 million from the prior year. The District made principal payments of \$17.6 million on the bonds during the fiscal year. The principal payments were offset by approximately \$596,000 in new capital leases and net \$5.8 million increase in accreted interest on capital appreciation bonds.

| Table VI Long-Term Debt | | | |
|--|--------------------------------|-----------------------|----------|
| | Governmental Activities | | |
| | 2010 | 2009 | % Change |
| Bonds payable | \$ 237,995,201 | \$ 255,639,100 | -6.9% |
| Accreted interest | 50,894,677 | 45,110,120 | 12.8% |
| Bond premiums | 12,370,232 | 13,425,197 | -7.9% |
| Deferred loss on bond refunding | (2,411,006) | (2,844,437) | -15.2% |
| Capital Leases | 1,159,802 | 989,847 | 17.2% |
| Compensated Absences | 2,679,844 | 2,794,165 | -4.1% |
| Totals | <u>\$ 302,688,750</u> | <u>\$ 315,113,992</u> | -3.9% |

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

Bond Ratings

The bonds have a municipal bond rating of “Aaa” by Moody’s Investors Service, Inc. (“Moody’s”), “AAA” by Standard & Poor’s Ratings Services (“S&P”) and “AAA” by Fitch Ratings (Fitch) based upon the Permanent School Fund Guarantee of the State of Texas (“PSF Guarantee”). The underlying or secondary credit ratings for the District are “Aa3” by Moody’s, “AA” by S&P and “AA” by Fitch.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The 81st Texas Legislative Session in the spring of 2009 provided approximately \$120 in additional revenue per student for Texas school districts through Federal Stimulus Funds. The majority of these funds were used to provide raises to the 2,900 District staff members for fiscal year 2010. Fiscal year 2011 is wrought with new challenges. No new revenue was provided during the 81st Texas Legislative Session to assist districts with raises or rising operating costs. A Texas Attorney General opinion issued in the summer of 2010 required all districts to provide an additional step salary increase to all teachers, nurses, librarians and counselors based on salaries estimated in the 2008-2009 salary schedule.

An additional challenge for the 2011 fiscal year stems from property tax values. The District’s values dropped around seven percent over the 2010 values. Although districts are held harmless from a loss of property tax revenue in the general fund, the debt service fund tax rate is directly affected by a drop in tax revenue. The District was forced to increase the debt service tax rate for 2011 by two cents due to the drop in values.

For 2011, the Districts M&O tax rate remains at \$1.04 per \$100 of assessed property valuation representing the maximum tax rate allowed without a tax rate election. The Debt Service tax rate was increased to \$.385 per \$100 of assessed property value. The total tax rate adopted by the Board of Trustee in September 2010 was \$1.425

Student enrollment, estimated at 21,617, reached 22,700 by October 2010. This increase represents not only an increase in the open enrollment students but also an increase of around 300 in-district students.

The District’s target revenue remains well below the state average. These revenue limits continue to create challenges for the District’s ability to balance its general fund budget. For the 2011 fiscal year, the District passed a deficit budget of almost \$760,000. After the attorney general’s opinion referred to above, the Board approved one percent raises for all staff. This additional expense increased the approved deficit to almost \$3 million.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate 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 Finance Department.

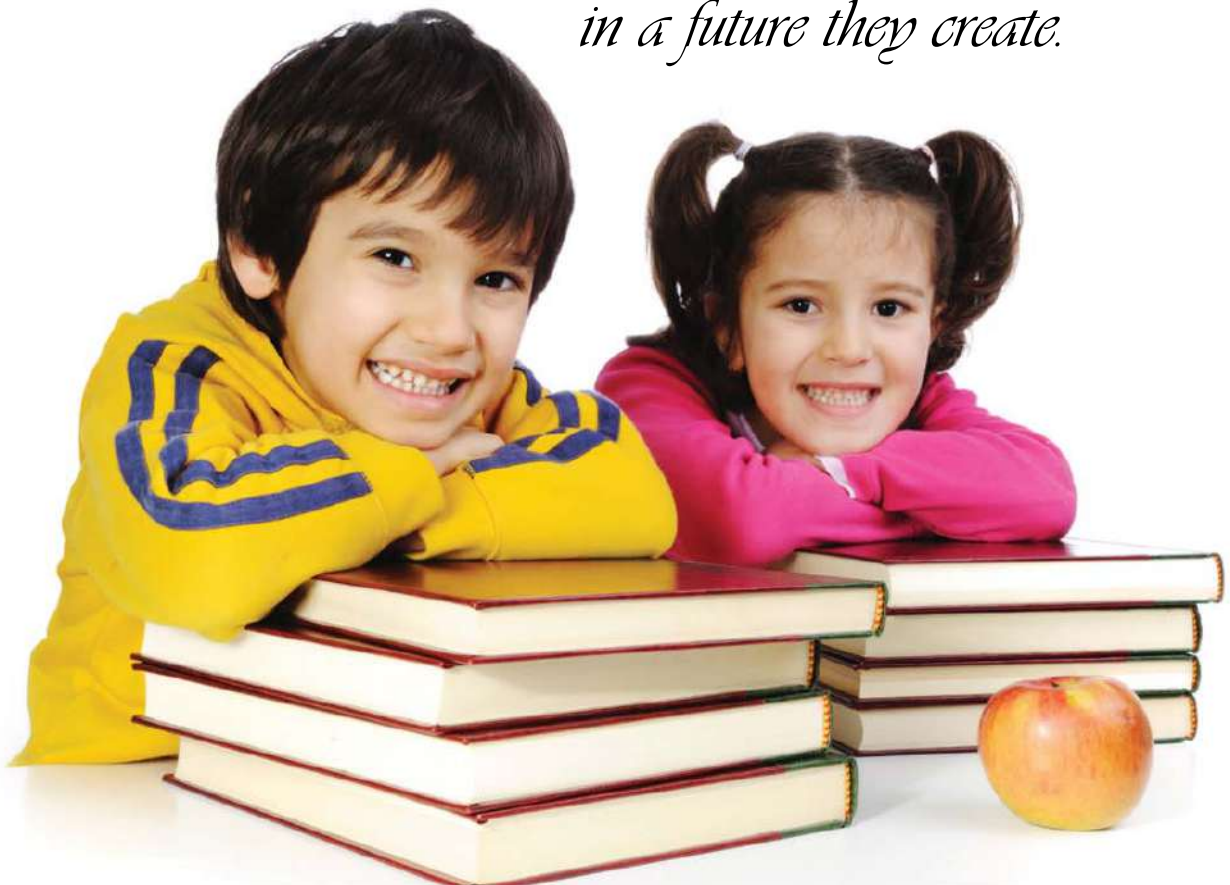


Birdville Independent School District

All students succeed in a future they create.

Basic Financial Statements

*All students succeed
in a future they create.*



BIRDVILLE INDEPENDENT SCHOOL DISTRICT



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2010

| Data Control Codes | Primary Government |
|--|----------------------------|
| | Governmental Activities |
| ASSETS | |
| 1110 Cash and Cash Equivalents | \$ 64,352,079 |
| 1120 Current Investments | 558,476 |
| 1220 Property Taxes Receivable (Delinquent) | 6,649,358 |
| 1230 Allowance for Uncollectible Taxes | (1,663,580) |
| 1240 Due from Other Governments | 22,230,739 |
| 1250 Accrued Interest Receivable | 52,539 |
| 1290 Other Receivables, net | 284,558 |
| 1300 Inventories | 881,833 |
| 1410 Deferred Expenses | 345,100 |
| 1420 Capitalized Bond Issuance Costs | 1,588,761 |
| Capital Assets: | |
| 1510 Land | 17,450,534 |
| 1520 Buildings, Net | 250,531,577 |
| 1530 Furniture and Equipment, Net | 4,733,899 |
| 1580 Construction in Progress | 1,915,301 |
| 1910 Long Term Investments | 12,262,130 |
| 1000 Total Assets | 382,173,304 |
| LIABILITIES | |
| 2110 Accounts Payable | 2,809,063 |
| 2140 Accrued Interest Payable | 2,875,420 |
| 2150 Payroll Deductions & Withholdings | 2,099,692 |
| 2160 Accrued Wages Payable | 17,491,501 |
| 2177 Due to Fiduciary Funds | 598,237 |
| 2200 Accrued Expenses | 1,013,787 |
| 2300 Unearned Revenue | 92,008 |
| Noncurrent Liabilities | |
| 2501 Due Within One Year | 18,475,088 |
| 2502 Due in More Than One Year | 284,213,662 |
| 2000 Total Liabilities | 329,668,458 |
| NET ASSETS | |
| 3200 Invested in Capital Assets, Net of Related Debt | 31,814,453 |
| 3820 Restricted for Food Service | 3,244,755 |
| 3850 Restricted for Debt Service | 4,325,817 |
| 3900 Unrestricted Net Assets | 13,119,821 |
| 3000 Total Net Assets | \$ 52,504,846 |

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



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

EXHIBIT B-1

Net (Expense)
Revenue and
Changes in Net
Assets

| Data Control Codes | 1 Expenses | Program Revenues | | 6 Primary Gov. Governmental Activities |
|--|-----------------------|------------------------------|---|---|
| | | 3 Charges for Services | 4 Operating Grants and Contributions | |
| Primary Government: | | | | |
| GOVERNMENTAL ACTIVITIES: | | | | |
| 11 Instruction | \$ 123,678,615 | \$ 834,976 | \$ 24,540,388 | \$ (98,303,251) |
| 12 Instructional Resources and Media Services | 2,921,302 | - | 127,360 | (2,793,942) |
| 13 Curriculum and Staff Development | 2,756,101 | - | 2,023,575 | (732,526) |
| 21 Instructional Leadership | 3,367,861 | - | 1,721,957 | (1,645,904) |
| 23 School Leadership | 10,750,230 | - | 631,737 | (10,118,493) |
| 31 Guidance, Counseling and Evaluation Services | 5,643,635 | - | 4,331,021 | (1,312,614) |
| 32 Social Work Services | 207,845 | - | 70,576 | (137,269) |
| 33 Health Services | 2,298,119 | - | 170,195 | (2,127,924) |
| 34 Student (Pupil) Transportation | 3,463,784 | - | 1,138,793 | (2,324,991) |
| 35 Food Services | 10,471,936 | 3,699,251 | 6,622,886 | (149,799) |
| 36 Extracurricular Activities | 6,762,131 | 2,373,246 | 10,347 | (4,378,538) |
| 41 General Administration | 4,542,043 | - | 581,244 | (3,960,799) |
| 51 Plant Maintenance and Operations | 17,190,213 | 134,423 | 681,157 | (16,374,633) |
| 52 Security and Monitoring Services | 646,192 | - | 7,217 | (638,975) |
| 53 Data Processing Services | 2,522,911 | - | 87,769 | (2,435,142) |
| 61 Community Services | 402,934 | - | 98,097 | (304,837) |
| 72 Debt Service - Interest on Long Term Debt | 15,474,756 | - | 532,124 | (14,942,632) |
| 73 Debt Service - Bond Issuance Cost and Fees | 154,987 | - | - | (154,987) |
| 81 Capital Outlay | 1,608,338 | - | 246,193 | (1,362,145) |
| 93 Payments related to Shared Services Arrangements | 674,930 | - | 674,930 | - |
| 95 Payments to Juvenile Justice Alternative Ed. Prg. | 107,375 | - | - | (107,375) |
| 97 Payments to Tax Increment Fund | 120,834 | - | - | (120,834) |
| 99 Other Intergovernmental Charges | 602,912 | - | - | (602,912) |
| [TP] TOTAL PRIMARY GOVERNMENT: | \$ 216,369,984 | \$ 7,041,896 | \$ 44,297,566 | (165,030,522) |

Data
Control
Codes

General Revenues:
Taxes:

| | | |
|----|--|---------------|
| MT | Property Taxes, Levied for General Purposes | 75,510,985 |
| DT | Property Taxes, Levied for Debt Service | 26,516,638 |
| SF | State Aid - Formula Grants | 61,879,515 |
| GC | Grants and Contributions not Restricted | 93,293 |
| IE | Investment Earnings | 549,263 |
| MI | Miscellaneous Local and Intermediate Revenue | 616,721 |
| TR | Total General Revenues | 165,166,415 |
| CN | Change in Net Assets | 135,893 |
| NB | Net Assets--Beginning | 52,368,953 |
| NE | Net Assets--Ending | \$ 52,504,846 |

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

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

| Data Control Codes | 10 General Fund | 50 Debt Service Fund | 60 Capital Projects |
|--|-----------------------|----------------------------|---------------------------|
| ASSETS | | | |
| 1110 Cash and Cash Equivalents | \$ 37,723,848 | \$ 6,366,266 | \$ 6,529,715 |
| 1120 Investments - Current | 558,476 | - | - |
| 1220 Property Taxes - Delinquent | 5,413,449 | 1,235,909 | - |
| 1230 Allowance for Uncollectible Taxes (Credit) | (1,354,372) | (309,208) | - |
| 1240 Receivables from Other Governments | 14,769,245 | - | - |
| 1250 Accrued Interest | 16,222 | - | - |
| 1260 Due from Other Funds | 4,923,248 | - | - |
| 1290 Other Receivables | 258,908 | - | - |
| 1300 Inventories | 774,339 | - | - |
| 1410 Deferred Expenditures | 345,100 | - | - |
| 1910 Long-term Investments | 6,458,669 | - | - |
| 1000 Total Assets | <u>\$ 69,887,132</u> | <u>\$ 7,292,967</u> | <u>\$ 6,529,715</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| 2110 Accounts Payable | \$ 1,482,802 | \$ - | \$ 227,829 |
| 2150 Payroll Deductions and Withholdings Payable | 2,099,692 | - | - |
| 2160 Accrued Wages Payable | 14,350,549 | - | - |
| 2170 Due to Other Funds | 388,782 | - | 4,515 |
| 2300 Deferred Revenues | 2,748,010 | 567,929 | - |
| 2000 Total Liabilities | <u>21,069,835</u> | <u>567,929</u> | <u>232,344</u> |
| Fund Balances: | | | |
| Reserved For: | | | |
| 3410 Investments in Inventory | 774,339 | - | - |
| 3420 Retirement of Long Term Debt | - | 6,725,038 | - |
| 3430 Prepaid Items | 345,100 | - | - |
| 3440 Outstanding Encumbrances | - | - | - |
| 3450 Food Service | - | - | - |
| 3470 Capital Acquisition | - | - | 6,297,371 |
| Unreserved Designated For: | | | |
| 3590 Other Purposes | 12,500,000 | - | - |
| Unreserved and Undesignated: | | | |
| 3600 Reported in the General Fund | 35,197,858 | - | - |
| 3610 Reported in Special Revenue Funds | - | - | - |
| 3000 Total Fund Balances | <u>48,817,297</u> | <u>6,725,038</u> | <u>6,297,371</u> |
| 4000 Total Liabilities and Fund Balances | <u>\$ 69,887,132</u> | <u>\$ 7,292,967</u> | <u>\$ 6,529,715</u> |

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

| | Other Funds | Total Governmental Funds |
|------|----------------|--------------------------------|
| \$ | 11,609,459 | \$ 62,229,288 |
| | - | 558,476 |
| | - | 6,649,358 |
| | - | (1,663,580) |
| | 7,461,494 | 22,230,739 |
| | 36,317 | 52,539 |
| | 388,782 | 5,312,030 |
| | 25,650 | 284,558 |
| | 107,494 | 881,833 |
| | - | 345,100 |
| | 5,803,461 | 12,262,130 |
| \$ | 25,432,657 | \$ 109,142,471 |
| | | |
| \$ | 1,095,497 | \$ 2,806,128 |
| | - | 2,099,692 |
| | 3,140,952 | 17,491,501 |
| | 5,372,194 | 5,765,491 |
| | 278 | 3,316,217 |
| | 9,608,921 | 31,479,029 |
| | | |
| | 107,494 | 881,833 |
| | - | 6,725,038 |
| | - | 345,100 |
| | 3,223,285 | 3,223,285 |
| | 3,137,261 | 3,137,261 |
| | - | 6,297,371 |
| | 8,439,914 | 20,939,914 |
| | - | 35,197,858 |
| | 915,782 | 915,782 |
| | 15,823,736 | 77,663,442 |
| | | |
| \$ | 25,432,657 | \$ 109,142,471 |



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS
JUNE 30, 2010

| | |
|---|---------------|
| Total Fund Balances - Governmental Funds | \$ 77,663,442 |
| 1 The District uses an internal service fund to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. The net effect of this consolidation is to increase net assets. | 961,293 |
| 2 Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the fund financial statements. | 448,662,039 |
| 3 Accumulated depreciation is not reported in the fund financial statements. | (174,030,728) |
| 4 Bonds payable and capital leases payable are not reported in the fund financial statements. | (239,155,003) |
| 5 Accreted interest payable on capital appreciation bonds is not reported in the fund financial statements. | (50,894,677) |
| 6 Bond issuance costs are not capitalized in the fund financial statements. | 1,588,761 |
| 7 Bond premiums on outstanding bonds payable are not recorded in the fund financial statements. | (12,370,232) |
| 8 Revenue from property taxes reported as deferred revenue in the fund financial statements is recognized as revenue in the government-wide financial statements. | 3,224,209 |
| 9 Accrued liabilities for compensated absences have not been recorded in the fund financial statements. | (2,679,844) |
| 10 Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are recorded when due. | (2,875,420) |
| 11 Deferred losses on bond refundings are not recorded in the fund financial statements. | 2,411,006 |
| 19 Net Assets of Governmental Activities | \$ 52,504,846 |

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

BIRDEVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

| Data Control Codes | 10 General Fund | 50 Debt Service Fund | 60 Capital Projects |
|--|-----------------------|----------------------------|---------------------------|
| REVENUES: | | | |
| 5700 Total Local and Intermediate Sources | \$ 78,020,333 | \$ 26,739,788 | \$ 39,290 |
| 5800 State Program Revenues | 70,320,841 | 532,124 | - |
| 5900 Federal Program Revenues | 919,218 | - | - |
| 5020 Total Revenues | 149,260,392 | 27,271,912 | 39,290 |
| EXPENDITURES: | | | |
| Current: | | | |
| 0011 Instruction | 95,577,789 | - | - |
| 0012 Instructional Resources and Media Services | 2,537,141 | - | - |
| 0013 Curriculum and Instructional Staff Development | 788,677 | - | - |
| 0021 Instructional Leadership | 1,775,669 | - | - |
| 0023 School Leadership | 10,182,964 | - | - |
| 0031 Guidance, Counseling and Evaluation Services | 1,478,404 | - | - |
| 0032 Social Work Services | 137,269 | - | - |
| 0033 Health Services | 2,214,334 | - | - |
| 0034 Student (Pupil) Transportation | 3,623,610 | - | - |
| 0035 Food Services | - | - | - |
| 0036 Extracurricular Activities | 4,213,131 | - | - |
| 0041 General Administration | 4,282,505 | - | - |
| 0051 Facilities Maintenance and Operations | 16,580,930 | - | - |
| 0052 Security and Monitoring Services | 625,760 | - | - |
| 0053 Data Processing Services | 2,255,268 | - | - |
| 0061 Community Services | 250,260 | - | - |
| Debt Service: | | | |
| 0071 Debt Service - Principal on Long Term Debt | 425,836 | 17,643,899 | - |
| 0072 Debt Service - Interest on Long Term Debt | 41,493 | 9,774,357 | - |
| 0073 Debt Service - Bond Issuance Cost and Fees | - | 12,250 | - |
| Capital Outlay: | | | |
| 0081 Facilities Acquisition and Construction | 1,019,641 | - | 18,148,593 |
| Intergovernmental: | | | |
| 0093 Payments to Fiscal Agent/Member Districts of SSA | - | - | - |
| 0095 Payments to Juvenile Justice Alternative Ed. Prg. | 107,375 | - | - |
| 0097 Payments to Tax Increment Fund | 120,834 | - | - |
| 0099 Other Intergovernmental Charges | 602,912 | - | - |
| 6030 Total Expenditures | 148,841,802 | 27,430,506 | 18,148,593 |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | 418,590 | (158,594) | (18,109,303) |
| OTHER FINANCING SOURCES (USES): | | | |
| 7913 Capital Leases | 595,791 | - | - |
| 7915 Transfers In | 666,714 | - | - |
| 8911 Transfers Out (Use) | (60,181) | - | - |
| 7080 Total Other Financing Sources (Uses) | 1,202,324 | - | - |
| 1200 Net Change in Fund Balances | 1,620,914 | (158,594) | (18,109,303) |
| 0100 Fund Balance - July 1 (Beginning) | 47,196,383 | 6,883,632 | 24,406,674 |
| 3000 Fund Balance - June 30 (Ending) | \$ 48,817,297 | \$ 6,725,038 | \$ 6,297,371 |

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

| | | Total | |
|-------|-------------|--------------|--------------|
| Other | | Governmental | |
| Funds | | Funds | |
| <hr/> | | <hr/> | |
| \$ | 6,958,303 | \$ | 111,757,714 |
| | 5,248,497 | | 76,101,462 |
| | 28,767,960 | | 29,687,178 |
| | <hr/> | | <hr/> |
| | 40,974,760 | | 217,546,354 |
| | <hr/> | | <hr/> |
| | 19,142,757 | | 114,720,546 |
| | 12,139 | | 2,549,280 |
| | 1,967,424 | | 2,756,101 |
| | 1,565,565 | | 3,341,234 |
| | 33,725 | | 10,216,689 |
| | 4,052,212 | | 5,530,616 |
| | 70,576 | | 207,845 |
| | 33,386 | | 2,247,720 |
| | 240,939 | | 3,864,549 |
| | 10,209,779 | | 10,209,779 |
| | 1,973,764 | | 6,186,895 |
| | 41,569 | | 4,324,074 |
| | 34,597 | | 16,615,527 |
| | - | | 625,760 |
| | - | | 2,255,268 |
| | 86,793 | | 337,053 |
| | - | | 18,069,735 |
| | - | | 9,815,850 |
| | - | | 12,250 |
| | 1,913,240 | | 21,081,474 |
| | 674,930 | | 674,930 |
| | - | | 107,375 |
| | - | | 120,834 |
| | - | | 602,912 |
| | <hr/> | | <hr/> |
| | 42,053,395 | | 236,474,296 |
| | <hr/> | | <hr/> |
| | (1,078,635) | | (18,927,942) |
| | <hr/> | | <hr/> |
| | - | | 595,791 |
| | 7,566,195 | | 8,232,909 |
| | (8,172,728) | | (8,232,909) |
| | <hr/> | | <hr/> |
| | (606,533) | | 595,791 |
| | <hr/> | | <hr/> |
| | (1,685,168) | | (18,332,151) |
| | 17,508,904 | | 95,995,593 |
| | <hr/> | | <hr/> |
| \$ | 15,823,736 | \$ | 77,663,442 |
| | <hr/> | | <hr/> |

BIRDVILLE 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 JUNE 30, 2010

| | |
|---|-----------------|
| Total Net Change in Fund Balances - Governmental Funds | \$ (18,332,151) |
| The District uses an internal service fund to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The net effect of this consolidation is to increase net assets. | 920,805 |
| Current year capital asset additions are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The effect of reclassifying the current year capital asset additions increases government-wide net assets. | 21,467,761 |
| Depreciation is not recognized as an expense in the 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 government-wide net assets. | (14,395,863) |
| Losses on capital asset disposals are not recognized in the fund financial statements. The net effect of the current year's loss on disposal of capital assets is to decrease government-wide net assets. | (270,804) |
| Current year long-term debt principal payments on capital leases and bonds payable are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements. | 18,069,735 |
| The current year change in accreted interest on capital appreciation bonds is not recorded in the fund financial statements. The net effect of the current year's change in accreted interest on capital appreciation bonds is to decrease government-wide net assets. | (5,784,557) |
| Current year amounts financed through capital leases are other financing sources in the fund financial statements, but are shown as increases in long-term debt in the government-wide financial statements. | (595,791) |
| Current year amortization of bond issuance costs is not reflected in the fund financial statements, but is shown as a reduction in the bond issuance costs asset in the government-wide financial statements. | (142,737) |
| Current year amortization of the premium on bonds payable is not recorded in the fund financial statements, but is shown as a decrease in long-term debt in the government-wide financial statements. | 1,054,965 |
| Current year amortization of the deferred loss on bond refundings is not reflected in the | (433,431) |

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

BIRDVILLE 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 JUNE 30, 2010

fund financial statements, but is shown as a reduction of the deferred loss in the government-wide financial statements.

The current year change in accrued liabilities for compensated absences has not been recorded in the fund financial statements, but is shown as a decrease in long-term debt in the government-wide financial statements. 114,321

Interest is accrued on outstanding debt in the government-wide financial statements, but interest is expended as due in the fund financial statements. (495,883)

Revenues from property taxes are deferred in the fund financial statements until they are considered available to finance current expenditures, but such revenues are recognized when assessed net of an allowance for uncollectible amounts in the government-wide financial statements. (1,040,477)

| | |
|--|------------|
| Change in Net Assets of Governmental Activities | \$ 135,893 |
|--|------------|

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

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2010

| | Governmental Activities - |
|---------------------------|------------------------------|
| | Internal Service Fund |
| <hr/> | |
| ASSETS | |
| Current Assets: | |
| Cash and Cash Equivalents | \$ 2,122,791 |
| Total Assets | <u>2,122,791</u> |
| LIABILITIES | |
| Current Liabilities: | |
| Accounts Payable | 2,935 |
| Due to Other Funds | 144,776 |
| Accrued Expenses | <u>1,013,787</u> |
| Total Liabilities | <u>1,161,498</u> |
| NET ASSETS | |
| Unrestricted Net Assets | <u>961,293</u> |
| Total Net Assets | <u><u>\$ 961,293</u></u> |

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

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

| | Governmental Activities - |
|--|------------------------------|
| | Internal Service Fund |
| OPERATING REVENUES: | |
| Local and Intermediate Sources | \$ 1,051,813 |
| Total Operating Revenues | 1,051,813 |
| OPERATING EXPENSES: | |
| Other Operating Costs | 135,181 |
| Total Operating Expenses | 135,181 |
| Operating Income | 916,632 |
| NONOPERATING REVENUES (EXPENSES): | |
| Earnings from Temporary Deposits & Investments | 4,173 |
| Total Nonoperating Revenues (Expenses) | 4,173 |
| Change in Net Assets | 920,805 |
| Total Net Assets - July 1 (Beginning) | 40,488 |
| Total Net Assets - June 30 (Ending) | \$ 961,293 |

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

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

| | Governmental Activities - |
|---|------------------------------|
| | Internal Service Fund |
| <u>Cash Flows from Operating Activities:</u> | |
| Cash Received from quasi-external charges | \$ 1,051,813 |
| Cash Payments for Insurance Claims | (621,869) |
| Net Cash Provided by Operating Activities | 429,944 |
| <u>Cash Flows from Non-Capital Financing Activities:</u> | |
| Repayment of interfund advances | (179,177) |
| <u>Cash Flows from Investing Activities:</u> | |
| Interest and Dividends on Investments | 4,173 |
| Net Increase in Cash and Cash Equivalents | 254,940 |
| Cash and Cash Equivalents at Beginning of the Year: | 1,867,851 |
| Cash and Cash Equivalents at the End of the Year: | \$ 2,122,791 |
| <u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u> | |
| Operating Income: | \$ 916,632 |
| Effect of Increases and Decreases in Current Assets and Liabilities: | |
| Increase (decrease) in Accounts Payable | (14,860) |
| Increase (decrease) in other accrued expenses | (471,828) |
| Net Cash Provided by Operating Activities | \$ 429,944 |

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

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2010

| | Agency Fund |
|---------------------------|----------------|
| <hr/> | |
| ASSETS | |
| Cash and Cash Equivalents | \$ 25,829 |
| Due from Other Funds | 598,237 |
| | <hr/> |
| Total Assets | \$ 624,066 |
| | <hr/> <hr/> |
| LIABILITIES | |
| Due to Student Groups | \$ 624,066 |
| | <hr/> |
| Total Liabilities | \$ 624,066 |
| | <hr/> <hr/> |

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



Birdville Independent School District

All students succeed in a future they create.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

The Birdville Independent School District (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 that are elected by registered voters of the District. The District prepares its basic financial statements in conformity with U.S. Generally Accepted Accounting Principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement of Auditing Standards No. 69* of the American Institute of Certified Public Accountants. Additionally, the District complies with the requirements of the appropriate version of the Texas Education Agency (TEA) *Financial Accountability System Resource Guide* (FASRG) and the requirements of contracts and grants of agencies from which it receives funds. The following is a summary of the more significant accounting policies of the District:

A. Reporting Entity

For financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was considered by applying the criteria set forth in Governmental Accounting Standard Board (GASB) Statement No. 14, "The Financial Reporting Entity" as amended by GASB 39 "Determining Whether Certain Organizations are Component Units". Based on these standards, management has determined that the District has no component units.

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 Birdville Independent School District non-fiduciary activities with most of the interfund 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 District does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as *general revenues*.

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 emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

B. Government-Wide and Fund Financial Statements – Continued

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are non-operating.

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, as do the proprietary fund and fiduciary fund financial statements. 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 are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

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

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

The Proprietary Fund Types and Fiduciary Funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. 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. Net assets are segregated into invested in capital assets net of related debt, restricted net assets, and unrestricted net assets.

D. Fund Accounting

The District reports the following major governmental funds:

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. Major program revenues include local property taxes, state funding under the Foundation School Program, and interest earnings. Expenditures include all costs associated with the daily operations of the District except for specific programs funded by the federal or state government, food service, debt service, and capital projects.

Debt Service Fund – The debt service fund is utilized to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs arising from general obligation bonds.

Capital Projects Fund – The capital projects fund is utilized to account for financial resources to be used for the acquisition or construction of major capital facilities. Such resources are derived from proceeds of General Obligation Bonds and interest earned on such monies and local sources designated for such purposes.

Additionally, the District reports the following non major fund type(s):

Governmental Funds:

Special Revenue Funds – The District accounts for resources restricted to, or designated for, specific purposes by the District or a grantor in a special revenue fund. Most Federal and some State financial assistance is accounted for in a Special Revenue Fund and in certain cases unused balances must be returned to the grantor at the close of specified project periods.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Fund Accounting – Continued

Proprietary Funds:

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 Internal Service Fund is a Worker's Compensation self-insurance fund.

Fiduciary Funds:

Agency Funds -The District accounts for resources held for others in a custodial capacity in agency funds. The District's Agency Fund is the Student Activity Fund.

E. Cash and Cash Equivalents

The District's cash is comprised of demand accounts and imprest funds. All daily receipts are deposited to the demand accounts until the funds are invested under the terms of the District's depository contract. The District considers cash equivalents to be all highly liquid investments with initial maturities of ninety days or less from the date of purchase.

F. Temporary Investments

In accordance with GASB Statement No, 31, the District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at the time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes.

G. Inventory

Inventories on the balance sheet consist of material and supplies and are recorded at first-in, first-out (FIFO) cost. The District follows the consumption method of accounting whereby supplies and materials are recorded as expenditures when utilized.

H. Compensated Absences

Five vacation days may be carried over beginning June 1 and must be used by November 1 of the same year. The accrual is considered immaterial and has not been recorded.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

H. Compensated Absences – Continued

Leave days are earned at a rate of five State and five local sick days per year. The State days accrue with no limit and the local days may accrue to a maximum of 100 days. For those employees retiring after June 30, 2004, the date of May 31, 2003, was established as a cap for the compensation of unused paid leave at retirement or death. This capped amount is used to determine an employee's, or the beneficiary of a deceased employee's, maximum compensation for unused leave at the time of retirement or death. The employee shall have his or her capped amount of compensation reduced by 20 percent. If retirement does not occur prior to July 1, 2005, the employee shall have his or her capped amount of compensation reduced by an additional 20 percent for an approximate 40 percent reduction. If after the approximate 40 percent reduction an employee qualifies for an amount greater than \$10,000, that amount shall remain his or her capped amount until the time of retirement or death. This amount cannot be exceeded but shall be reduced if the number of unused state and local leave days accumulated in the District, multiplied by 50 percent of the employee's daily rate of pay, results in an amount less than the established capped amount at the time of retirement or death. If the 40 percent reduction reduces an employee's benefit below \$10,000, then the benefit amount may increase to a maximum of \$10,000 with the accumulation of additional local and state leave days. This benefit shall be determined by multiplying 50 percent of the employee's daily rate of pay by the number of unused accumulated state and local days up to a maximum of 100 days earned in the District at the time of retirement or death.

An employee who qualified for retirement benefits from the Teacher Retirement System of Texas and who was hired after May 31, 2003, or the beneficiary of a deceased employee who was hired after May 31, 2003, shall be eligible to receive a maximum \$10,000 compensation benefit at retirement. This benefit shall be determined by calculating 50 percent of the employee's daily rate of pay multiplied by the number of local leave days up to a maximum of 100 days earned in the District, to include days earned in the current school year, at the time of retirement or death.

The accrual for accumulated unpaid sick leave benefits has been recorded in the government-wide financial statements.

I. Account Code Reporting

In accordance with the Texas Education Code, the District has adopted and installed an accounting system, which meets at least the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure prescribed by TEA in the FASRG. The Data Control Codes refer to the account code structure prescribed by TEA in the FASRG. 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 database for policy development and funding plans.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

J. Accounting Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

The amount of state foundation revenue a school district earns for a year can and does vary until the time when final values for each of the factors in the formula becomes available. Availability can be as late as midway into the next fiscal year. It is at least reasonably possible that the foundation revenue estimate as of June 30, 2010 will change.

K. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of 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.

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

L. Capital Assets

Capital assets, which include land, buildings, furniture and equipment, are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life 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 costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

L. Capital Assets – Continued

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 | 15-45 |
| Vehicles | 5-10 |
| Office Equipment | 5-15 |
| Computer Equipment | 3-10 |

M. Long-Term Debt

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, 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. 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 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.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 2. BONDED DEBT PAYABLE

Bonded debt payable as of June 30, 2010 is as follows:

| Description | Interest Rate Payable | Amount of Original Issue | Amount Outstanding 7/1/2009 | Issued Current Year | Refunded Current Year | Retired Current Year | Amount Outstanding 6/30/2010 |
|--|-----------------------------|--------------------------------|-----------------------------------|---------------------------|-----------------------------|----------------------------|------------------------------------|
| Unlimited Tax School Building and Refunding Bonds Series 1994 | 2.50-5.50 | \$ 59,525,000 | \$ 565,000 | \$ - | \$ - | \$ - | \$ 565,000 |
| Unlimited Tax School Building Bonds Series 1997 | 3.90-5.60 | 31,189,385 | 15,633,299 | - | - | 308,661 | 15,324,638 |
| Unlimited Tax Building Bonds Series 1998 | 3.70-4.90 | 9,495,589 | 6,559,463 | - | - | 302,540 | 6,256,923 |
| Unlimited Tax School Building and Refunding Bonds Series 1999 | 4.60-6.27 | 11,827,132 | 9,253,757 | - | - | 550,000 | 8,703,757 |
| Unlimited Tax Building Bonds Series 2000 | 5.30-6.79 | 10,140,000 | 1,682,648 | - | - | 238,556 | 1,444,092 |
| Unlimited Tax School Building and Refunding Bonds Series 2002 | 3.88-5.54 | 15,673,486 | 15,372,818 | - | - | 459,142 | 14,913,676 |
| Unlimited Tax Refunding Bonds Series 2002A | 3.88-5.54 | 22,725,000 | 3,155,000 | - | - | 3,155,000 | - |
| Unlimited Tax Refunding Bonds Series 2003 | 5.00 | 19,925,000 | 8,050,000 | - | - | 8,050,000 | - |
| Unlimited Tax Refunding Bonds Series 2004 | 3.00-5.00 | 25,701,186 | 24,695,000 | - | - | 870,000 | 23,825,000 |
| Unlimited Tax School Building Bonds Series 2006 | 3.26-4.23 | 40,315,000 | 34,020,000 | - | - | 3,255,000 | 30,765,000 |
| Unlimited Tax School Building and Refunding Bonds Series 2007 | 3.26-4.23 | 95,507,115 | 94,312,115 | - | - | 85,000 | 94,227,115 |
| Unlimited Tax School Building Bonds Series 2008A | 2.00-4.21 | 37,850,000 | 37,770,000 | - | - | 150,000 | 37,620,000 |
| Unlimited Tax School Building Bonds Series 2008B | 2.00-3.42 | 4,750,000 | 4,570,000 | - | - | 220,000 | 4,350,000 |
| Total bonded debt payable | | | <u>\$ 255,639,100</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 17,643,899</u> | <u>\$ 237,995,201</u> |

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 2. BONDED DEBT PAYABLE – CONTINUED

The debt service requirements on the above bonds are as follows:

| Due to Fiscal Year <u>Ending June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---|----------------------|----------------------|----------------------|
| 2011 | \$ 10,795,647 | \$ 16,492,140 | \$ 27,287,787 |
| 2012 | 11,631,400 | 15,937,562 | 27,568,962 |
| 2013 | 10,209,392 | 17,367,345 | 27,576,737 |
| 2014 | 9,825,163 | 17,758,244 | 27,583,407 |
| 2015 | 19,448,511 | 8,521,807 | 27,970,318 |
| 2016-2020 | 67,003,536 | 71,642,269 | 138,645,805 |
| 2021-2025 | 33,961,552 | 44,886,448 | 78,848,000 |
| 2026-2030 | 50,905,000 | 13,977,438 | 64,882,438 |
| 2031-2032 | <u>24,215,000</u> | <u>1,831,250</u> | <u>26,046,250</u> |
| | <u>\$237,995,201</u> | <u>\$208,414,503</u> | <u>\$446,409,704</u> |

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

NOTE 3. DEFEASED DEBT

In prior years, the District has defeased certain bond series in advance refunding transactions. As of June 30, 2010, \$14,443,426 of defeased bonds remain outstanding.

NOTE 4. CAPITAL LEASES

The District has entered into financing agreements involving equipment and buses pursuant to Section 4 of Article 2358 A.2 of the Texas Education Code, which have been classified as capital leases and have interest rates between 2.92% and 4.20%. The current servicing of the capital leases is accounted for in the General Fund.

The following is a schedule by year of the future minimum lease payments under capital leases together with the present value of net minimum lease payments as of June 30, 2010:

| <u>Year Ending June 30</u> | |
|---|--------------------|
| 2011 | \$ 437,847 |
| 2012 | 350,338 |
| 2013 | 253,746 |
| 2014 | 131,029 |
| 2015 | <u>65,515</u> |
| Minimum lease payments | 1,238,475 |
| Less amount representing interest | <u>78,673</u> |
| Present value of net minimum lease payments | <u>\$1,159,802</u> |

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 4. CAPITAL LEASES – CONTINUED

Included in Capital Assets is \$7,567,833 for equipment and buses related to capital leases and \$4,728,816 in accumulated depreciation.

NOTE 5. ACCUMULATED UNPAID SICK LEAVE BENEFITS

On retirement or death of certain employees, the District pays eligible accrued sick leave in a lump sum payment to the employee or his/her estate. A summary of changes in the accumulated sick leave follows:

| | |
|--------------------------------------|----------------------------|
| Balance, July 1, 2009 | \$ 2,794,165 |
| New entrants and sick leave accruals | 105,808 |
| Payments to participants | <u>(220,129)</u> |
| Balance, June 30, 2010 | <u><u>\$ 2,679,844</u></u> |

NOTE 6. CHANGES IN LONG-TERM LIABILITIES

Long-term activity for the year ended June 30, 2010 was as follows:

| | Beginning <u>Balance</u> | <u>Additions</u> | <u>Reductions</u> | Ending <u>Balance</u> | Due Within <u>One Year</u> |
|--------------------------|-----------------------------|----------------------------|----------------------------|-----------------------------|-------------------------------|
| Governmental Activities | | | | | |
| Bonds and Notes Payable | | | | | |
| General Obligation Bonds | \$255,639,100 | \$ - | \$17,643,899 | \$237,995,201 | \$10,795,647 |
| Accreted Interest | 45,110,120 | 7,130,658 | 1,346,101 | 50,894,677 | 6,600,101 |
| Capital Leases | 989,847 | 595,791 | 425,836 | 1,159,802 | 401,352 |
| Compensated Absences | 2,794,165 | 105,808 | 220,129 | 2,679,844 | 246,900 |
| Premium on Issuance | 13,425,197 | - | 1,054,965 | 12,370,232 | 842,277 |
| Deferred Gain (Loss) | | | | | |
| on Bond Refunding | <u>(2,844,437)</u> | <u>-</u> | <u>(433,431)</u> | <u>(2,411,006)</u> | <u>(411,189)</u> |
| | <u><u>\$315,113,992</u></u> | <u><u>\$ 7,832,257</u></u> | <u><u>\$20,257,499</u></u> | <u><u>\$302,688,750</u></u> | <u><u>\$18,475,088</u></u> |

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 7. CAPITAL ASSET ACTIVITY

Capital asset activity for the district for the year ended June 30, 2010 was as follows:

Primary government:

| | Balance <u>7/1/2009</u> | Additions (Transfers) | Deletions | Balance <u>6/30/2010</u> |
|--|----------------------------|--------------------------|---------------------|-----------------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 17,450,534 | \$ - | \$ - | \$ 17,450,534 |
| Construction in Progress | <u>81,868,807</u> | <u>1,915,301</u> | <u>81,868,807</u> | <u>1,915,301</u> |
| Total capital assets, not being depreciated | <u>99,319,341</u> | <u>1,915,301</u> | <u>81,868,807</u> | <u>19,365,835</u> |
| Capital assets, being depreciated | | | | |
| Buildings and Improvements | 310,026,090 | 100,314,587 | 11,500 | 410,329,177 |
| Furniture and Equipment | <u>19,259,813</u> | <u>1,106,680</u> | <u>1,399,467</u> | <u>18,967,027</u> |
| Total capital assets, being depreciated | <u>329,285,903</u> | <u>101,421,267</u> | <u>1,410,967</u> | <u>429,296,204</u> |
| Less accumulated depreciation on | | | | |
| Buildings and Improvements | 146,560,484 | 13,248,616 | 11,500 | 159,797,600 |
| Furniture and Equipment | <u>14,214,543</u> | <u>1,147,247</u> | <u>1,128,663</u> | <u>14,233,128</u> |
| Total capital assets, being depreciated, net | 168,510,876 | 87,025,404 | 270,804 | 255,265,476 |
| Governmental activities capital assets, net | <u>\$267,830,217</u> | <u>\$88,940,705</u> | <u>\$82,139,611</u> | <u>\$274,631,311</u> |

Depreciation expense of the governmental activities was charged to functions/programs as follows:

| | |
|---|----------------------|
| Instruction | \$ 10,096,027 |
| Instructional resources and media services | 372,022 |
| Instructional leadership | 26,627 |
| School leadership | 533,541 |
| Guidance, counseling, and evaluation services | 113,019 |
| Health services | 50,399 |
| Student (pupil) transportation | 424,242 |
| Food services | 1,097,508 |
| Co-curricular/extracurricular activities | 575,236 |
| General administration | 217,969 |
| Plant maintenance and operations | 521,278 |
| Security and monitoring services | 20,432 |
| Data processing services | 281,682 |
| Community services | <u>65,881</u> |
| Total depreciation expense | <u>\$ 14,395,863</u> |

NOTE 8. DEPOSITS AND INVESTMENTS

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with its agent bank, approved pledged securities 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.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 8. DEPOSITS AND INVESTMENTS - CONTINUED

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, (9) and bid solicitation preferences for certificates of deposit. Statutes and the District's investment policy authorized the District to invest in the following investments as summarized in the following table:

| <u>Authorized Investment Type</u> | <u>Maximum Maturity *</u> | <u>Maximum Percentage of Portfolio</u> | <u>Maximum Investment in One Issuer</u> |
|---------------------------------------|-------------------------------|--|---|
| U.S. Treasury obligations | 2 years | none | none |
| U.S. Agency obligations | 2 years | none | none |
| State of Texas securities | 2 years | none | none |
| Certificates of deposit | 2 years | none | none |
| Repurchase agreements | 2 years | none | none |
| Commercial paper | 270 days | none | none |
| Public funds investment pools | N/A | none | none |

* The District's investment policy allows for a maximum maturity of twenty years for investments made from the District's Scholarship Fund (a special revenue fund).

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.

Cash and cash equivalents as of June 30, 2010 are classified in the accompanying financial statements as follows:

| | |
|--------------------|----------------------|
| Primary government | \$ 64,352,079 |
| Fiduciary funds | <u>25,829</u> |
| | <u>\$ 64,377,908</u> |

Cash and investments as of June 30, 2010 consist of the following:

| | |
|--------------------------------------|----------------------|
| Deposits with financial institutions | \$ 2,350,516 |
| Other cash equivalents | 62,027,392 |
| Investments – Current | 558,476 |
| Investments – Long-term | <u>12,262,130</u> |
| | <u>\$ 77,198,514</u> |

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 8. DEPOSITS AND INVESTMENTS – CONTINUED

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in investment pools which purchase a combination of shorter term investments with an average maturity of less than 70 days and by holding longer-term investments until maturity, thus reducing the interest rate risk. The District monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The District's investment policy has no specific limitations with respect to this metric.

As of June 30, 2010, the District had the following cash equivalents and investments:

| <u>Account/Investment Type</u> | <u>Amount</u> | <u>Weighted Average Maturity</u> |
|--------------------------------|---------------------|--|
| Bank Money-Market Account | \$30,107,887 | N/A |
| TexPool | 28,640,998 | 63 days |
| Lone Star | 1,053,596 | 67 days |
| MBIA Texas CLASS | 2,209,405 | 51 days |
| Certificates of deposit | 71,493 | 25 days |
| U.S. Agency securities | <u>12,764,619</u> | (1) |
| | <u>\$74,847,998</u> | |

(1) These securities have various maturity dates ranging from September 2010 through June 2020.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the Public Funds Investment Act, the District's investment policy, or debt agreements, and the actual rating as of year end for each investment type. The amounts held in bank money-market accounts and certificates of deposit are covered by FDIC insurance or pledged securities.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 8. DEPOSITS AND INVESTMENTS - CONTINUED

| <u>Account/Investment Type</u> | <u>Amount</u> | <u>Minimum Legal Rating</u> | <u>Rating as of June 30, 2010</u> |
|--------------------------------|---------------|-------------------------------------|---|
| Bank Money-Market Account | \$30,107,887 | N/A | N/A |
| TexPool | 28,640,998 | AAA | AAAm |
| Lone Star | 1,053,596 | AAA | AAAm |
| MBIA Texas CLASS | 2,209,405 | AAA | AAAm |
| Certificates of deposit | 71,493 | N/A | N/A |
| U.S. Agency securities | 12,764,619 | N/A | N/A |

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer. As of June 30, 2010, other than bank deposits, external investment pools, and securities guaranteed by the U.S. Government, the District did not have 5% or more of its investment with one issuer.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Public Funds Investment Act and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times.

As of June 30, 2010 the District's deposits with financial institutions were 100% covered by federal depository insurance or by pledged securities.

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

- A. Depository: Bank of America
- B. Security pledged as of the date of the highest combined balance on deposit was \$72,581,451.
- C. Largest cash, savings and time deposit combined account balance amounted to \$72,346,422 and occurred during the month of February 2010.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 8. DEPOSITS AND INVESTMENTS – CONTINUED

D. Total amount of FDIC coverage at the time of largest combined balance was \$500,000.

Investment in State Investment Pools

The District is a voluntary participant in various investment pools. These pools included the following: TexPool, Lone Star, and MBIA.

The State Comptroller of Public Accounts exercises responsibility over TexPool. 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 Participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool Shares.

The Lone Star Investment Pool is governed by an 11-member board, all of whom are participants in the Pool. This ensures that the policies they set affect not only other entities' assets, but their own as well. The Board meets quarterly to review Pool operations, adopt or make changes to the investment policy, review the Pool's financials and audited financial statements, and approve Pool contractor agreements. The pool is tailored to comply with the Public Funds Investment Act.

The MBIA Investment Pool is governed by a Board of Trustees, the number of trustees is determined and elected by the Participants in the pool annually but it must be an odd number and a minimum of 3 trustees. The Board meets upon the request of at least two trustees, but not less than once annually. The pool is tailored to comply with the Public Funds Investment Act.

NOTE 9. RETIREMENT PLAN

Plan Description. The 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, Article XVI, Sec. 67 and Texas Government Code, Title 8, Subtitle C. TRS also administers proportional retirement benefits and service credit transfer under Texas Government Code, Title 8, Chapters 803 and 805, respectively. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. That report may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701-2698, by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS Internet website, www.trs.state.tx.us, under the TRS Publications heading.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 9. RETIREMENT PLAN – CONTINUED

Funding Policy. State law provides for a state contribution rate of 6.58% and a member contribution rate of 6.4% for fiscal years 2008, 2009 and a portion of fiscal year 2010. Effective January 1, 2010 the state contribution rate increased to 6.644%. The member contribution rate remained 6.4%. In certain instances, the reporting district is required to make all or a portion of the state's contribution. Contribution requirements are not actuarially determined but are legally established each biennium 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 during that fiscal year; (2) a state statute prohibits benefit improvements or contribution reductions if, as a result of the particular action, the time required to amortize TRS's 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. The District's employees' contributions to the system for the years ended June 30, 2008, 2009 and 2010 were \$7,274,887, \$7,975,476 and \$8,408,967, respectively, equal to the required contributions for each year. State contributions to TRS made on behalf of the District's employees and reflected in the District's basic financial statements as both revenue and expenditures for the years ended June 30, 2008, 2009 and 2010 were \$7,785,788, \$7,941,573 and \$6,326,461, respectively. The District paid additional state contributions for the years ended June 30, 2008, 2009 and 2010 in the amount of \$1,745,573, \$2,328,218 and \$2,362,098, respectively, on a portion of the employees' salaries that exceeded the statutory minimum or paid from federal grants.

NOTE 10. SCHOOL DISTRICT RETIREE HEALTH PLAN

Plan Description. Birdville 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 Retired Plan provides health care coverage for certain persons (and their dependents) who retired under the Teacher Retirement System of Texas. The statutory authority for the program is Texas Insurance Code, Chapter 1575. Section 1575.052 grants the TRS Board of Trustees authority to establish and amend the basic and optional group insurance coverage for participants. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for TRS-Care. That report may be obtained by visiting the TRS Web site at www.trs.state.tx.us, by writing to the Communications Department of the Teacher Retirement System of Texas at 1000 Red River Street, Austin, Texas 78701, or by calling 1-800-223-8778.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 10. SCHOOL DISTRICT RETIREE HEALTH PLAN – CONTINUED

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. The State of Texas and active public school employee contribution rates were 1.0% and 0.65% of public school payroll, respectively, with school districts contributing a percentage of payroll set at 0.55% for fiscal years 2010, 2009 and 2008. Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than 0.25% or greater than 0.75% of the salary of each active employee of the public school. For the years ended June 30, 2010, 2009 and 2008, the State's contributions to TRS-Care were \$1,314,089, \$1,246,168, and \$1,136,701, respectively, the active member contributions were \$854,135, \$810,010, and \$738,856, respectively, and the school district's contribution were \$734,665, \$685,384, and \$625,186, respectively, which equaled the required contributions each year.

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 D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments are recognized as equal revenues and expenditures/expenses by the District. For the year ended June 30, 2010, the contribution made on behalf of the District was \$335,580.

NOTE 11. RISK MANAGEMENT

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.

In years prior to 1998, the District maintained a self-insured workers' compensation plan. For this plan, stop-loss coverage was in effect for individual claims exceeding \$200,000 with an aggregate limit of \$850,000 for claims incurred during the fiscal year 1996 and \$1,000,000 for claims incurred during fiscal years 1997 and 1998. Effective September 1, 1998 through August 31, 2000 the District obtained commercial insurance to cover its risk of loss from workers' compensation claims occurring from these dates. Effective September 1, 2000 the District again maintains a self-insured workers' compensation plan. For this plan, stop-loss coverage is in effect for claims exceeding \$200,000 with an aggregate limit of \$1,000,000. Settled claims have not exceeded the aggregate coverage in any of the past three fiscal years. Insurance coverage has not been reduced for the year from the prior year. Self-insurance fund revenues and expenses are recognized on the accrual basis. Unpaid claims filed prior to June 30 and subsequently approved by the administrator of the plan are recorded as a liability.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 11. RISK MANAGEMENT – CONTINUED

The claims liability of \$1,013,787 reported in the self-insurance fund at June 30, 2010 is based on an actuarial review of claims pending and an estimate of incurred but not reported claims. Changes in the fund's claims liability amount for the year ended June 30, 2010 and 2009 are as follows:

| | <u>2010</u> | <u>2009</u> |
|--|---------------------|---------------------|
| Liability, beginning of year | \$ 1,485,615 | \$ 1,354,412 |
| Current year claims and changes in estimates | 150,041 | 1,116,638 |
| Claim payments | <u>(621,869)</u> | <u>(985,435)</u> |
| Liability, end of year | <u>\$ 1,013,787</u> | <u>\$ 1,485,615</u> |

NOTE 12. COMMITMENTS AND CONTINGENCIES

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

The District was obligated at June 30, 2010, under long-term contracts for construction, renovations, and repair of various facilities with an aggregate remaining balance of \$3,223,285.

NOTE 13. DUE FROM STATE AGENCIES

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. Amounts due from federal and state governments as of June 30, 2010, are summarized below. All federal grants shown below are passed through the State of Texas and are reported on the combined financial statements as Due from Other Governments.

| <u>Fund</u> | <u>State Entitlements</u> | <u>Federal Grants</u> | <u>Total</u> |
|-----------------|-------------------------------|---------------------------|----------------------|
| General | \$ 14,769,245 | \$ - | \$ 14,769,245 |
| Special Revenue | <u>632,939</u> | <u>6,828,555</u> | <u>7,461,494</u> |
| Total | <u>\$ 15,402,184</u> | <u>\$ 6,828,555</u> | <u>\$ 22,230,739</u> |

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 14. DEFERRED REVENUE

Deferred revenue at June 30, 2010 consisted of the following:

| | <u>General Fund</u> | <u>Debt Service Fund</u> | <u>Special Revenue Funds</u> | <u>Total</u> |
|-----------------|-------------------------|----------------------------------|--------------------------------------|--------------------|
| Net tax revenue | \$2,748,010 | \$ 476,199 | \$ - | \$3,224,209 |
| State funding | <u>-</u> | <u>91,730</u> | <u>278</u> | <u>92,008</u> |
| Total | <u>\$2,748,010</u> | <u>\$ 567,929</u> | <u>\$ 278</u> | <u>\$3,316,217</u> |

NOTE 15. INTERFUND BALANCES AND ACTIVITIES

Interfund balances at June 30, 2010 consisted of the following individual fund balances:

| | <u>Due to</u> | <u>Due From</u> | <u>Purpose</u> |
|------------------------------|---------------------|---------------------|---|
| <u>General Fund</u> | | | |
| Special Revenue Funds | \$ 388,782 | \$ 4,773,957 | Deficit of pooled cash / reimbursement of expenditures |
| Capital Projects Fund | - | 4,515 | Reimbursement of expenditures |
| Internal Service Fund | <u>-</u> | <u>144,776</u> | Reimbursement of expenditures |
| Total General Fund | <u>388,782</u> | <u>4,923,248</u> | |
| <u>Special Revenue Funds</u> | | | |
| General Fund | 4,773,957 | 388,782 | Deficit of pooled cash / reimbursement of expenditures |
| Agency Fund | <u>598,237</u> | <u>-</u> | Deficit of pooled cash |
| Total Special Revenue Funds | <u>5,372,194</u> | <u>388,782</u> | |
| <u>Proprietary Fund</u> | | | |
| General Fund | <u>144,776</u> | <u>-</u> | Reimbursement of expenditures |
| <u>Capital Projects Fund</u> | | | |
| General Fund | <u>4,515</u> | <u>-</u> | Reimbursement of expenditures |
| <u>Agency Fund</u> | | | |
| Special Revenue Funds | <u>-</u> | <u>598,237</u> | Deficit of pooled cash |
| Totals | <u>\$ 5,910,267</u> | <u>\$ 5,910,267</u> | |

All amounts due are scheduled to be repaid within one year.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

NOTE 15. INTERFUND BALANCES AND ACTIVITIES – CONTINUED

The following transfers were made between funds during the year ended June 30, 2010:

| | <u>Transfers In</u> | <u>Transfers Out</u> | <u>Purpose</u> |
|------------------------------|---------------------|----------------------|--|
| <u>General Fund</u> | | | |
| Special Revenue Funds | <u>\$ 666,714</u> | <u>\$ 60,181</u> | Reimbursement of expenditures and transfer of High School Allotment fund balance per State directive |
| Total General Fund | <u>666,714</u> | <u>60,181</u> | |
| <u>Special Revenue Funds</u> | | | |
| General Fund | 60,181 | 666,714 | Reimbursement of expenditures and transfer of High School Allotment fund balance per State directive |
| Within Special Revenue Funds | <u>7,506,014</u> | <u>7,506,014</u> | Transfer to establish scholarship fund |
| Total Special Revenue Funds | <u>7,566,195</u> | <u>8,172,728</u> | |
| Totals | <u>\$8,232,909</u> | <u>\$8,232,909</u> | |

Required Supplementary Information



*All students succeed
in a future they create.*



BIRDVILLE INDEPENDENT SCHOOL DISTRICT



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

EXHIBIT G-1

| 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 | \$ 77,739,505 | \$ 78,172,877 | \$ 78,020,333 | \$ (152,544) |
| 5800 State Program Revenues | 80,095,633 | 72,882,640 | 70,320,841 | (2,561,799) |
| 5900 Federal Program Revenues | 511,000 | 876,000 | 919,218 | 43,218 |
| 5020 Total Revenues | 158,346,138 | 151,931,517 | 149,260,392 | (2,671,125) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| 0011 Instruction | 99,158,671 | 98,015,741 | 95,577,789 | 2,437,952 |
| 0012 Instructional Resources and Media Services | 2,664,918 | 2,696,673 | 2,537,141 | 159,532 |
| 0013 Curriculum and Instructional Staff Development | 931,788 | 972,577 | 788,677 | 183,900 |
| 0021 Instructional Leadership | 2,521,212 | 1,908,586 | 1,775,669 | 132,917 |
| 0023 School Leadership | 10,240,215 | 10,449,180 | 10,182,964 | 266,216 |
| 0031 Guidance, Counseling and Evaluation Services | 5,541,685 | 1,838,158 | 1,478,404 | 359,754 |
| 0032 Social Work Services | 156,737 | 167,237 | 137,269 | 29,968 |
| 0033 Health Services | 2,311,838 | 2,358,881 | 2,214,334 | 144,547 |
| 0034 Student (Pupil) Transportation | 4,003,090 | 4,276,450 | 3,623,610 | 652,840 |
| 0036 Extracurricular Activities | 4,720,986 | 4,677,792 | 4,213,131 | 464,661 |
| 0041 General Administration | 4,605,972 | 4,659,972 | 4,282,505 | 377,467 |
| 0051 Facilities Maintenance and Operations | 17,519,521 | 17,609,235 | 16,580,930 | 1,028,305 |
| 0052 Security and Monitoring Services | 616,359 | 681,403 | 625,760 | 55,643 |
| 0053 Data Processing Services | 2,279,036 | 2,294,448 | 2,255,268 | 39,180 |
| 0061 Community Services | 232,328 | 289,850 | 250,260 | 39,590 |
| Debt Service: | | | | |
| 0071 Debt Service - Principal on Long Term Debt | 624,050 | 427,495 | 425,836 | 1,659 |
| 0072 Debt Service - Interest on Long Term Debt | 52,505 | 52,505 | 41,493 | 11,012 |
| Capital Outlay: | | | | |
| 0081 Facilities Acquisition and Construction | - | 1,035,000 | 1,019,641 | 15,359 |
| Intergovernmental: | | | | |
| 0095 Payments to Juvenile Justice Alternative Ed. Prg. | 112,500 | 122,500 | 107,375 | 15,125 |
| 0097 Payments to Tax Increment Fund | 121,500 | 121,500 | 120,834 | 666 |
| 0099 Other Intergovernmental Charges | 650,000 | 650,000 | 602,912 | 47,088 |
| 6030 Total Expenditures | 159,064,911 | 155,305,183 | 148,841,802 | 6,463,381 |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | (718,773) | (3,373,666) | 418,590 | 3,792,256 |
| OTHER FINANCING SOURCES (USES): | | | | |
| 7913 Capital Leases | 401,000 | 600,000 | 595,791 | (4,209) |
| 7915 Transfers In | - | 666,715 | 666,714 | (1) |
| 8911 Transfers Out (Use) | (60,000) | (85,000) | (60,181) | 24,819 |
| 7080 Total Other Financing Sources (Uses) | 341,000 | 1,181,715 | 1,202,324 | 20,609 |
| 1200 Net Change in Fund Balances | (377,773) | (2,191,951) | 1,620,914 | 3,812,865 |
| 0100 Fund Balance - July 1 (Beginning) | 47,196,383 | 47,196,383 | 47,196,383 | - |
| 3000 Fund Balance - June 30 (Ending) | \$ 46,818,610 | \$ 45,004,432 | \$ 48,817,297 | \$ 3,812,865 |

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2010**

BUDGETARY DATA


The Board of Trustees adopts an "appropriated budget" on a GAAP basis for the General Fund, Food Service Fund, which is included in the Special Revenue funds, and Debt Service Fund. The District is required to present the 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 appears in Exhibit G-1 and the other two budgets are in Exhibits J-4 and J-5.

The following procedures are followed in establishing the budgetary data:

1. Prior to June 20 the District prepares a budget for the next succeeding fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget. At least ten day's public notice of the meeting must be given.
3. Prior to July 1, the budget is legally enacted through 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 is made before the fact, is reflected in the official minutes of the Board, and is not made after fiscal year end. Because the District has a policy of careful budgetary control, several amendments were necessary during the year. Significant amendments were made to the following functional areas:

| <u>Function</u> | <u>Increase (Decrease)</u> |
|--|----------------------------|
| Instruction | \$(1,142,930) |
| Instructional Leadership | (612,626) |
| School Leadership | 208,965 |
| Guidance, Counseling & Evaluation Services | (3,703,527) |
| Student (Pupil) Transportation | 273,360 |
| Debt Service | (196,555) |
| Facilities Acquisition and Construction | 1,035,000 |

4. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.
5. The Texas Education Agency requires these budgets to be filed with the Texas Education Agency. The budget should not exceed expenditures in any functional expenditure category under TEA requirements. The original and final amended versions of these budgets are used in this report.

A close-up photograph of two young girls sitting together and smiling. The girl on the left has dark, curly hair and is wearing a peach-colored shirt. The girl on the right has long, straight blonde hair and is wearing a light purple shirt. They are both looking towards the camera with bright, happy expressions.

All students succeed in a future they create.

Combining and Individual Fund Statements and Schedules



BIRDVILLE INDEPENDENT SCHOOL DISTRICT

BIRDVILLE INDEPENDENT SCHOOL DISTRICT

Nonmajor Governmental Funds

Special Revenue Funds

Year Ended June 30, 2010

The Special Revenue Funds are used to account for proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The revenue sources include federal, state, and local grants, as well as gas lease proceeds specified for various purposes. Resources accounted for in the Special Revenue Funds include:

Title IV, Part A - Safe and Drug Free School & Communities Act – Support and develop comprehensive violence and drug/alcohol education prevention programs.

Title I, Part A - Improving Basic Programs – Provide opportunities for children to acquire skills needed to meet state performance standards.

Title I, Part B – Even Start Family Literacy – Assist parents in becoming full partners in their child's education by integrating adult and early childhood education into a unified family-centered program.

Adult Basic Education – Provide educational and literacy services to adults beyond compulsory school attendance age who do not have a high school diploma, lack basic educational skills, or are unable to speak, read or write the English language.

IDEA Part B, Formula – Operate educational programs for children with disabilities.

IDEA Part B, Preschool – Operate programs for preschool children with disabilities.

National School Breakfast and Lunch Program – Operate child nutritional programs.

Career and Technical Basic Grant – Provide or improve career and technical education programs for paid and unpaid employment.

Title II, Part A - Teacher and Principal Training and Recruiting – Increase student academic achievement through increasing the number of qualified teachers, assistant principals and principals.

Title II, Part D - Enhancing Education Through Technology – Support comprehensive system that effectively uses technology in elementary and secondary schools to improve student academic achievement.

Title III, Part A - English Language Acquisition and Language Enhancement – Improve the education of limited English proficient children by assisting the children to learn English.

21st Century Community Learning Centers – Provide opportunities for academic enrichment and additional services to students and literary and related educational development for families of students.

Title XIV ARRA, State Fiscal Stabilization Fund – Improve basic programs as authorized by the ESEA of 1965 as amended by the NCLB of 2001, IDEA, Adult and Family Literacy Act, Carl D. Perkins and Technical Education Act of 2006, or for the modernization, renovation, or repair of public school facilities.

Title II, Part D, ARRA – Enhancing Education through Technology – Support comprehensive system that effectively uses technology in elementary and secondary schools to improve student academic achievement.

IDEA Part B, Formula, ARRA – Operate educational programs for children with disabilities.

IDEA Part B, Preschool, ARRA – Operate programs for preschool children with disabilities.

Title I, Part A, ARRA - Improving Basic Programs – Provide opportunities for children to acquire skills needed to meet state performance standards.

Title VI, Part A - Summer School LEP – Summer school program for LEP students.

SSA IDEA Part B, Discretionary – Provide educational programs for children with hearing disabilities.

SSA IDEA Part B, Deaf – Provide educational programs for children with hearing disabilities.

SSA IDEA Part B, Preschool Deaf – Provide educational programs for preschool children with hearing disabilities.

SSA IDEA Part C - Early Intervention Deaf – Provide direct services to hearing impaired children, birth through age two.

State Supplemental Visually Impaired (SSVI) – Provide services to visually impaired students.

Life Skills Program – Provide pregnant and parenting students the services needed to complete school.

Advanced Placement Incentives – Professional development for teachers teaching advanced classes.

Investment Capital Funds – Support the implementation of practices and procedures to improve student achievement and increase parental involvement in the schools through staff development and training.

Optional Extended-Year Program – Provide for extended-year programs.

Student Success Initiative – Provide training for teachers and the implementation of scientific, research-based programs to support students identified as unlikely to achieve state performance standards in reading.

High School Completion and Success – Support the implementation of programs to improve high school graduation rates and post-secondary readiness.

Technology Allotment – Purchase technological software or equipment that contributes to student learning or training for educational personnel involved in the use of such materials.

Pre-Kindergarten Early Start – Provide for implementation of prekindergarten and school readiness programs.

Texas Educator Excellence Award Grant (TEEG) – Support approved campus incentive plan to award teachers and other school staff for improving student achievement.

District Awards for Teacher Excellence (DATE) – Support district level incentive plans for teachers.

High School Allotment – Support preparation of students for higher education, encourage students to take advanced academic course work, increase rigor of academic work, align secondary and postsecondary curriculum and support high school completion and success initiatives in grades 6 through 12.

Other State Special Revenues – Read to Succeed: support public school libraries and strengthen campus reading programs. Tobacco Education for Students: Education and prevention of tobacco use.

SSA Regional Day School for the Deaf – Provide funding for staff and services to students with auditory handicaps.

SSA Pre-Kindergarten Early Start – Provide for implementation of prekindergarten and school readiness programs.

Campus Activity Funds – Account for transactions related to principals' activity funds.

Local Fine Arts – Account for expenditure of contributions for the fine arts program.

Workshops – Account for expenditure of contributions for special services programs.

Local Special Projects – Account for expenditure of gas lease proceeds designated for special projects.

After School Tutoring – Account for expenditure of contributions to an after school tutoring program.

Foundation Grants – Account for expenditure of grants received from the Birdville Education Foundation.

Scholarship Fund – Account for expenditure of funds for scholarships to District students who attend Tarrant County College.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2010

| Data Control Codes | | 204 ESEA Title IV Safe & Drug Free Schools | 211 ESEA I, A Improving Basic Program | 213 ESEA Title I Part B Even Start | 220 Adult Education Federal |
|--------------------------------------|-------------------------------------|---|--|---|--------------------------------------|
| ASSETS | | | | | |
| 1110 | Cash and Cash Equivalents | \$ - | \$ - | \$ - | \$ - |
| 1240 | Receivables from Other Governments | 43,108 | 1,092,640 | 41,219 | 16,070 |
| 1250 | Accrued Interest | - | - | - | - |
| 1260 | Due from Other Funds | - | - | - | - |
| 1290 | Other Receivables | - | - | - | - |
| 1300 | Inventories | - | - | - | - |
| 1910 | Long-term Investments | - | - | - | - |
| 1000 | Total Assets | <u>\$ 43,108</u> | <u>\$ 1,092,640</u> | <u>\$ 41,219</u> | <u>\$ 16,070</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| 2110 | Accounts Payable | \$ 1,599 | \$ 54,830 | \$ 25,091 | \$ - |
| 2160 | Accrued Wages Payable | 3,573 | 281,871 | - | - |
| 2170 | Due to Other Funds | 37,936 | 755,939 | 16,128 | 16,070 |
| 2300 | Deferred Revenues | - | - | - | - |
| 2000 | Total Liabilities | <u>43,108</u> | <u>1,092,640</u> | <u>41,219</u> | <u>16,070</u> |
| Fund Balances: | | | | | |
| Reserved For: | | | | | |
| 3410 | Investments in Inventory | - | - | - | - |
| 3440 | Outstanding Encumbrances | - | - | - | - |
| 3450 | Food Service | - | - | - | - |
| Unreserved Designated For: | | | | | |
| 3590 | Other Purposes | - | - | - | - |
| Unreserved and Undesignated: | | | | | |
| 3610 | Reported in Special Revenue Funds | - | - | - | - |
| 3000 | Total Fund Balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 4000 | Total Liabilities and Fund Balances | <u>\$ 43,108</u> | <u>\$ 1,092,640</u> | <u>\$ 41,219</u> | <u>\$ 16,070</u> |

| 224 IDEA - Part B Formula | 225 IDEA - Part B Preschool | 240 National Breakfast and Lunch Program | 244 Career and Technical - Basic Grant | 255 ESEA II,A Training and Recruiting | 262 Title II, D Education Technology | 263 Title III, A English Lang. Acquisition | 265 21st Century Community Learning |
|---------------------------------|-----------------------------------|---|---|--|---|---|--|
| \$ - | \$ - | \$ 3,208,163 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1,103,299 | 23,282 | 21,490 | 28,090 | 218,952 | 12,219 | 120,515 | 540,848 |
| - | - | - | - | - | - | - | - |
| - | - | 329,498 | - | - | - | - | - |
| - | - | 4,807 | - | - | - | - | - |
| - | - | 107,494 | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>\$ 1,103,299</u> | <u>\$ 23,282</u> | <u>\$ 3,671,452</u> | <u>\$ 28,090</u> | <u>\$ 218,952</u> | <u>\$ 12,219</u> | <u>\$ 120,515</u> | <u>\$ 540,848</u> |
| \$ 214 | \$ - | \$ 21,983 | \$ - | \$ 197 | \$ 228 | \$ 277 | \$ 21,332 |
| 518,667 | 10,556 | 404,714 | 12,557 | 94,345 | - | 45,682 | 104,158 |
| 584,418 | 12,726 | - | 15,533 | 124,410 | 11,991 | 74,556 | 415,358 |
| - | - | - | - | - | - | - | - |
| <u>1,103,299</u> | <u>23,282</u> | <u>426,697</u> | <u>28,090</u> | <u>218,952</u> | <u>12,219</u> | <u>120,515</u> | <u>540,848</u> |
| - | - | 107,494 | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | 3,137,261 | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>3,244,755</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ 1,103,299</u> | <u>\$ 23,282</u> | <u>\$ 3,671,452</u> | <u>\$ 28,090</u> | <u>\$ 218,952</u> | <u>\$ 12,219</u> | <u>\$ 120,515</u> | <u>\$ 540,848</u> |

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2010

| Data Control Codes | | 266 Title XIV ARRA State Stabilization | 279 Title II, D ARRA - Ed. Technology | 283 IDEA, Pt. B ARRA Formula | 284 IDEA, Pt. B ARRA Preschool |
|--------------------------------------|-------------------------------------|---|--|---------------------------------------|---|
| ASSETS | | | | | |
| 1110 | Cash and Cash Equivalents | \$ - | \$ - | \$ - | \$ - |
| 1240 | Receivables from Other Governments | 2,675,435 | 2,787 | 501,195 | 13,872 |
| 1250 | Accrued Interest | - | - | - | - |
| 1260 | Due from Other Funds | - | - | - | - |
| 1290 | Other Receivables | - | - | - | - |
| 1300 | Inventories | - | - | - | - |
| 1910 | Long-term Investments | - | - | - | - |
| 1000 | Total Assets | <u>\$ 2,675,435</u> | <u>\$ 2,787</u> | <u>\$ 501,195</u> | <u>\$ 13,872</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| 2110 | Accounts Payable | \$ - | \$ - | \$ 817 | \$ - |
| 2160 | Accrued Wages Payable | 963,425 | - | 164,572 | - |
| 2170 | Due to Other Funds | 1,712,010 | 2,787 | 335,806 | 13,872 |
| 2300 | Deferred Revenues | - | - | - | - |
| 2000 | Total Liabilities | <u>2,675,435</u> | <u>2,787</u> | <u>501,195</u> | <u>13,872</u> |
| Fund Balances: | | | | | |
| Reserved For: | | | | | |
| 3410 | Investments in Inventory | - | - | - | - |
| 3440 | Outstanding Encumbrances | - | - | - | - |
| 3450 | Food Service | - | - | - | - |
| Unreserved Designated For: | | | | | |
| 3590 | Other Purposes | - | - | - | - |
| Unreserved and Undesignated: | | | | | |
| 3610 | Reported in Special Revenue Funds | - | - | - | - |
| 3000 | Total Fund Balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 4000 | Total Liabilities and Fund Balances | <u>\$ 2,675,435</u> | <u>\$ 2,787</u> | <u>\$ 501,195</u> | <u>\$ 13,872</u> |

| 285 ESEA I,A ARRA - Impr. Basic Program | 289 Summer School LEP | 315 SSA IDEA, Part B Discretionary | 316 SSA IDEA, Part B Deaf | 317 SSA - IDEA, B Preschool Deaf | 340 SSA - IDEA C Deaf - Early Intervention | 385 Visually Impaired SSVI | 394 Life Skills Program |
|--|--------------------------------|---|------------------------------------|---|---|-------------------------------------|----------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,269 | \$ - |
| 343,552 | - | 19,310 | 9,897 | 711 | 64 | - | 41,539 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>\$ 343,552</u> | <u>\$ -</u> | <u>\$ 19,310</u> | <u>\$ 9,897</u> | <u>\$ 711</u> | <u>\$ 64</u> | <u>\$ 1,269</u> | <u>\$ 41,539</u> |
| \$ 11,103 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 9,062 |
| 148,227 | - | 5,459 | 3,038 | - | - | 1,269 | - |
| 184,222 | - | 13,851 | 6,859 | 711 | 64 | - | 32,477 |
| - | - | - | - | - | - | - | - |
| <u>343,552</u> | <u>-</u> | <u>19,310</u> | <u>9,897</u> | <u>711</u> | <u>64</u> | <u>1,269</u> | <u>41,539</u> |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ 343,552</u> | <u>\$ -</u> | <u>\$ 19,310</u> | <u>\$ 9,897</u> | <u>\$ 711</u> | <u>\$ 64</u> | <u>\$ 1,269</u> | <u>\$ 41,539</u> |

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2010

| Data Control Codes | | 397 Advanced Placement Incentives | 399 Investment Capital Funds | 401 Optional Extended Year Program | 404 Student Success Initiative |
|--------------------------------------|-------------------------------------|--|---------------------------------------|---|---|
| ASSETS | | | | | |
| 1110 | Cash and Cash Equivalents | \$ 22,272 | \$ - | \$ - | \$ - |
| 1240 | Receivables from Other Governments | - | 84,281 | 63,754 | 164,087 |
| 1250 | Accrued Interest | - | - | - | - |
| 1260 | Due from Other Funds | - | - | - | - |
| 1290 | Other Receivables | - | - | - | - |
| 1300 | Inventories | - | - | - | - |
| 1910 | Long-term Investments | - | - | - | - |
| 1000 | Total Assets | <u>\$ 22,272</u> | <u>\$ 84,281</u> | <u>\$ 63,754</u> | <u>\$ 164,087</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| 2110 | Accounts Payable | \$ - | \$ 852 | \$ - | \$ - |
| 2160 | Accrued Wages Payable | - | 7,590 | 63,754 | 92,949 |
| 2170 | Due to Other Funds | - | 75,839 | - | 71,138 |
| 2300 | Deferred Revenues | - | - | - | - |
| 2000 | Total Liabilities | <u>-</u> | <u>84,281</u> | <u>63,754</u> | <u>164,087</u> |
| Fund Balances: | | | | | |
| Reserved For: | | | | | |
| 3410 | Investments in Inventory | - | - | - | - |
| 3440 | Outstanding Encumbrances | - | - | - | - |
| 3450 | Food Service | - | - | - | - |
| Unreserved Designated For: | | | | | |
| 3590 | Other Purposes | - | - | - | - |
| Unreserved and Undesignated: | | | | | |
| 3610 | Reported in Special Revenue Funds | 22,272 | - | - | - |
| 3000 | Total Fund Balances | <u>22,272</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 4000 | Total Liabilities and Fund Balances | <u>\$ 22,272</u> | <u>\$ 84,281</u> | <u>\$ 63,754</u> | <u>\$ 164,087</u> |

| 409 High School Completion and Success | 411 Technology Allotment | 415 Kindergarten and Pre-K Grants | 426 TX Educator Excellence Award Grant | 427 Awards for Teacher Excellence | 428 High School Allotment | 429 Other State Special Revenue Funds | 435 SSA Regional Day School - Deaf |
|---|--------------------------------|--|---|--|---------------------------------|--|---|
| \$ - | \$ - | \$ 86,853 | \$ 3,708 | \$ 31,494 | \$ - | \$ 3,426 | \$ 205,116 |
| 34,506 | - | - | - | 5,069 | - | - | 78,857 |
| - | - | - | - | - | - | - | - |
| - | 51,651 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>\$ 34,506</u> | <u>\$ 51,651</u> | <u>\$ 86,853</u> | <u>\$ 3,708</u> | <u>\$ 36,563</u> | <u>\$ -</u> | <u>\$ 3,426</u> | <u>\$ 283,973</u> |
| \$ - | \$ - | \$ 148 | \$ - | \$ 2,250 | \$ - | \$ - | \$ - |
| - | 51,651 | 86,705 | - | 811 | - | - | 75,379 |
| 34,506 | - | - | 3,708 | 33,502 | - | - | 9,731 |
| - | - | - | - | - | - | 278 | - |
| <u>34,506</u> | <u>51,651</u> | <u>86,853</u> | <u>3,708</u> | <u>36,563</u> | <u>-</u> | <u>278</u> | <u>85,110</u> |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 3,148 | 198,863 |
| - | - | - | - | - | - | 3,148 | 198,863 |
| <u>\$ 34,506</u> | <u>\$ 51,651</u> | <u>\$ 86,853</u> | <u>\$ 3,708</u> | <u>\$ 36,563</u> | <u>\$ -</u> | <u>\$ 3,426</u> | <u>\$ 283,973</u> |

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2010

| Data Control Codes | | 459 SSA Pre-K Grant | 461 Campus Activity Funds | 483 Local Fine Arts | 487 Workshops |
|--------------------------------------|-------------------------------------|------------------------------|------------------------------------|------------------------------|------------------|
| ASSETS | | | | | |
| 1110 | Cash and Cash Equivalents | \$ - | \$ 1,251,163 | \$ 18,944 | \$ 18,851 |
| 1240 | Receivables from Other Governments | 160,846 | - | - | - |
| 1250 | Accrued Interest | - | - | - | - |
| 1260 | Due from Other Funds | - | 7,633 | - | - |
| 1290 | Other Receivables | - | - | - | - |
| 1300 | Inventories | - | - | - | - |
| 1910 | Long-term Investments | - | - | - | - |
| 1000 | Total Assets | <u>\$ 160,846</u> | <u>\$ 1,258,796</u> | <u>\$ 18,944</u> | <u>\$ 18,851</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| 2110 | Accounts Payable | \$ 1,531 | \$ - | \$ 6,855 | \$ - |
| 2160 | Accrued Wages Payable | - | - | - | - |
| 2170 | Due to Other Funds | 159,315 | 598,237 | - | - |
| 2300 | Deferred Revenues | - | - | - | - |
| 2000 | Total Liabilities | <u>160,846</u> | <u>598,237</u> | <u>6,855</u> | <u>-</u> |
| Fund Balances: | | | | | |
| Reserved For: | | | | | |
| 3410 | Investments in Inventory | - | - | - | - |
| 3440 | Outstanding Encumbrances | - | - | - | - |
| 3450 | Food Service | - | - | - | - |
| Unreserved Designated For: | | | | | |
| 3590 | Other Purposes | - | - | - | - |
| Unreserved and Undesignated: | | | | | |
| 3610 | Reported in Special Revenue Funds | - | 660,559 | 12,089 | 18,851 |
| 3000 | Total Fund Balances | <u>-</u> | <u>660,559</u> | <u>12,089</u> | <u>18,851</u> |
| 4000 | Total Liabilities and Fund Balances | <u>\$ 160,846</u> | <u>\$ 1,258,796</u> | <u>\$ 18,944</u> | <u>\$ 18,851</u> |

| 490 Local Special Projects | 493 After School Tutoring | 497 Foundation Grants | 498 Scholarship Fund | Total Nonmajor Governmental Funds |
|-------------------------------------|------------------------------------|-----------------------------|----------------------------|--|
| \$ 4,429,895 | \$ - | \$ - | \$ 2,328,305 | \$ 11,609,459 |
| - | - | - | - | 7,461,494 |
| - | - | - | 36,317 | 36,317 |
| - | - | - | - | 388,782 |
| - | - | 20,843 | - | 25,650 |
| - | - | - | - | 107,494 |
| - | - | - | 5,803,461 | 5,803,461 |
| <u>\$ 4,429,895</u> | <u>\$ -</u> | <u>\$ 20,843</u> | <u>\$ 8,168,083</u> | <u>\$ 25,432,657</u> |
| | | | | |
| \$ 934,356 | \$ - | \$ 2,772 | \$ - | \$ 1,095,497 |
| - | - | - | - | 3,140,952 |
| 423 | - | 18,071 | - | 5,372,194 |
| - | - | - | - | 278 |
| <u>934,779</u> | <u>-</u> | <u>20,843</u> | <u>-</u> | <u>9,608,921</u> |
| | | | | |
| - | - | - | - | 107,494 |
| 3,223,285 | - | - | - | 3,223,285 |
| - | - | - | - | 3,137,261 |
| 271,831 | - | - | 8,168,083 | 8,439,914 |
| - | - | - | - | 915,782 |
| <u>3,495,116</u> | <u>-</u> | <u>-</u> | <u>8,168,083</u> | <u>15,823,736</u> |
| <u>\$ 4,429,895</u> | <u>\$ -</u> | <u>\$ 20,843</u> | <u>\$ 8,168,083</u> | <u>\$ 25,432,657</u> |

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

| Data Control Codes | | 204 ESEA Title IV Safe & Drug Free Schools | 211 ESEA I, A Improving Basic Program | 213 ESEA Title I Part B Even Start | 220 Adult Education Federal |
|---------------------------------|--|---|--|---|--------------------------------------|
| REVENUES: | | | | | |
| 5700 | Total Local and Intermediate Sources | \$ - | \$ - | \$ - | \$ - |
| 5800 | State Program Revenues | - | - | - | - |
| 5900 | Federal Program Revenues | 66,971 | 3,033,031 | 139,369 | 100,795 |
| 5020 | Total Revenues | 66,971 | 3,033,031 | 139,369 | 100,795 |
| EXPENDITURES: | | | | | |
| Current: | | | | | |
| 0011 | Instruction | 58,826 | 2,600,995 | 55,925 | 45,878 |
| 0012 | Instructional Resources and Media Services | - | - | - | - |
| 0013 | Curriculum and Instructional Staff Development | - | 87,667 | 5,973 | - |
| 0021 | Instructional Leadership | - | 309,763 | 56,575 | 54,917 |
| 0023 | School Leadership | - | - | - | - |
| 0031 | Guidance, Counseling and Evaluation Services | - | 29,589 | - | - |
| 0032 | Social Work Services | 8,145 | - | - | - |
| 0033 | Health Services | - | - | - | - |
| 0034 | Student (Pupil) Transportation | - | - | - | - |
| 0035 | Food Services | - | - | - | - |
| 0036 | Extracurricular Activities | - | - | - | - |
| 0041 | General Administration | - | - | - | - |
| 0051 | Facilities Maintenance and Operations | - | - | - | - |
| 0061 | Community Services | - | 5,017 | 20,896 | - |
| Capital Outlay: | | | | | |
| 0081 | Facilities Acquisition and Construction | - | - | - | - |
| Intergovernmental: | | | | | |
| 0093 | Payments to Fiscal Agent/Member Districts of | - | - | - | - |
| 6030 | Total Expenditures | 66,971 | 3,033,031 | 139,369 | 100,795 |
| 1100 | Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | - |
| OTHER FINANCING SOURCES (USES): | | | | | |
| 7915 | Transfers In | - | - | - | - |
| 8911 | Transfers Out (Use) | - | - | - | - |
| 7080 | Total Other Financing Sources (Uses) | - | - | - | - |
| 1200 | Net Change in Fund Balance | - | - | - | - |
| 0100 | Fund Balance - July 1 (Beginning) | - | - | - | - |
| 3000 | Fund Balance - June 30 (Ending) | \$ - | \$ - | \$ - | \$ - |

| 224 IDEA - Part B Formula | 225 IDEA - Part B Preschool | 240 National Breakfast and Lunch Program | 244 Career and Technical - Basic Grant | 255 ESEA II, A Training and Recruiting | 262 Title II, D Education Technology | 263 Title III, A English Lang. Acquisition | 265 21st Century Community Learning |
|---------------------------------|-----------------------------------|---|---|---|---|---|--|
| \$ - | \$ - | \$ 3,707,911 | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | 322,497 | - | - | - | - | - |
| 3,416,322 | 119,504 | 6,300,389 | 257,790 | 778,999 | 38,490 | 353,208 | 1,583,171 |
| 3,416,322 | 119,504 | 10,330,797 | 257,790 | 778,999 | 38,490 | 353,208 | 1,583,171 |
| 2,911,180 | 119,504 | - | 213,875 | 602,312 | 4,961 | 267,132 | 947,936 |
| - | - | - | - | - | - | - | - |
| 5,183 | - | - | 43,915 | 82,337 | 33,529 | 35,581 | 501,917 |
| 119,347 | - | - | - | 32,181 | - | 9,123 | 103,078 |
| 1,595 | - | - | - | 20,600 | - | - | - |
| 250,110 | - | - | - | - | - | - | - |
| 62,431 | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 66,119 | - | - | - | - | - | - | - |
| - | - | 10,209,779 | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 41,569 | - | - | - |
| 357 | - | - | - | - | - | - | 30,240 |
| - | - | - | - | - | - | 41,372 | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 3,416,322 | 119,504 | 10,209,779 | 257,790 | 778,999 | 38,490 | 353,208 | 1,583,171 |
| - | - | 121,018 | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | 121,018 | - | - | - | - | - |
| - | - | 3,123,737 | - | - | - | - | - |
| \$ - | \$ - | \$ 3,244,755 | \$ - | \$ - | \$ - | \$ - | \$ - |

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

| Data Control Codes | | 266 Title XIV ARRA State Stabilization | 279 Title II, D ARRA - Ed. Technology | 283 IDEA, Pt. B ARRA Formula | 284 IDEA, Pt. B ARRA Preschool |
|---------------------------------|---|---|--|---------------------------------------|---|
| REVENUES: | | | | | |
| 5700 | Total Local and Intermediate Sources | \$ - | \$ - | \$ - | \$ - |
| 5800 | State Program Revenues | - | - | - | - |
| 5900 | Federal Program Revenues | 9,348,080 | 2,723 | 2,096,762 | 43,354 |
| 5020 | Total Revenues | 9,348,080 | 2,723 | 2,096,762 | 43,354 |
| EXPENDITURES: | | | | | |
| Current: | | | | | |
| 0011 | Instruction | 4,867,192 | 2,573 | 1,766,934 | 41,052 |
| 0012 | Instructional Resources and Media Services | - | - | - | - |
| 0013 | Curriculum and Instructional Staff Development | 64,149 | 150 | 94,206 | 2,302 |
| 0021 | Instructional Leadership | 644,226 | - | 27,377 | - |
| 0023 | School Leadership | - | - | - | - |
| 0031 | Guidance, Counseling and Evaluation Services | 3,772,513 | - | - | - |
| 0032 | Social Work Services | - | - | - | - |
| 0033 | Health Services | - | - | 33,386 | - |
| 0034 | Student (Pupil) Transportation | - | - | 174,820 | - |
| 0035 | Food Services | - | - | - | - |
| 0036 | Extracurricular Activities | - | - | - | - |
| 0041 | General Administration | - | - | - | - |
| 0051 | Facilities Maintenance and Operations | - | - | - | - |
| 0061 | Community Services | - | - | 39 | - |
| Capital Outlay: | | | | | |
| 0081 | Facilities Acquisition and Construction | - | - | - | - |
| Intergovernmental: | | | | | |
| 0093 | Payments to Fiscal Agent/Member Districts of SSA | - | - | - | - |
| 6030 | Total Expenditures | 9,348,080 | 2,723 | 2,096,762 | 43,354 |
| 1100 | Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | - |
| OTHER FINANCING SOURCES (USES): | | | | | |
| 7915 | Transfers In | - | - | - | - |
| 8911 | Transfers Out (Use) | - | - | - | - |
| 7080 | Total Other Financing Sources (Uses) | - | - | - | - |
| 1200 | Net Change in Fund Balance | - | - | - | - |
| 0100 | Fund Balance - July 1 (Beginning) | - | - | - | - |
| 3000 | Fund Balance - June 30 (Ending) | \$ - | \$ - | \$ - | \$ - |

| 285 ESEA I,A ARRA - Impr. Basic Program | 289 Summer School LEP | 315 SSA IDEA, Part B Discretionary | 316 SSA IDEA, Part B Deaf | 317 SSA - IDEA, B Preschool Deaf | 340 SSA - IDEA C Deaf - Early Intervention | 385 Visually Impaired SSVI | 394 Life Skills Program |
|--|--------------------------------|---|------------------------------------|---|---|-------------------------------------|----------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | 21,675 | 57,214 |
| 992,824 | 23,610 | 45,770 | 21,815 | 4,039 | 944 | - | - |
| 992,824 | 23,610 | 45,770 | 21,815 | 4,039 | 944 | 21,675 | 57,214 |
| 955,418 | 23,610 | 45,770 | 18,929 | 4,039 | 944 | 21,675 | 57,214 |
| - | - | - | - | - | - | - | - |
| 17,937 | - | - | 2,886 | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 19,469 | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 992,824 | 23,610 | 45,770 | 21,815 | 4,039 | 944 | 21,675 | 57,214 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

| Data Control Codes | | 397 Advanced Placement Incentives | 399 Investment Capital Funds | 401 Optional Extended Year Program | 404 Student Success Initiative |
|---------------------------------|---|--|---------------------------------------|---|---|
| REVENUES: | | | | | |
| 5700 | Total Local and Intermediate Sources | \$ - | \$ - | \$ - | \$ - |
| 5800 | State Program Revenues | 52,462 | 229,583 | 63,754 | 243,190 |
| 5900 | Federal Program Revenues | - | - | - | - |
| 5020 | Total Revenues | 52,462 | 229,583 | 63,754 | 243,190 |
| EXPENDITURES: | | | | | |
| Current: | | | | | |
| 0011 | Instruction | 22,110 | 182,221 | 63,754 | 221,718 |
| 0012 | Instructional Resources and Media Services | - | - | - | 9,942 |
| 0013 | Curriculum and Instructional Staff Development | 34,374 | 43,362 | - | - |
| 0021 | Instructional Leadership | - | - | - | - |
| 0023 | School Leadership | - | - | - | 11,530 |
| 0031 | Guidance, Counseling and Evaluation Services | - | - | - | - |
| 0032 | Social Work Services | - | - | - | - |
| 0033 | Health Services | - | - | - | - |
| 0034 | Student (Pupil) Transportation | - | - | - | - |
| 0035 | Food Services | - | - | - | - |
| 0036 | Extracurricular Activities | - | - | - | - |
| 0041 | General Administration | - | - | - | - |
| 0051 | Facilities Maintenance and Operations | - | 4,000 | - | - |
| 0061 | Community Services | - | - | - | - |
| Capital Outlay: | | | | | |
| 0081 | Facilities Acquisition and Construction | - | - | - | - |
| Intergovernmental: | | | | | |
| 0093 | Payments to Fiscal Agent/Member Districts of SSA | - | - | - | - |
| 6030 | Total Expenditures | 56,484 | 229,583 | 63,754 | 243,190 |
| 1100 | Excess (Deficiency) of Revenues Over (Under) Expenditures | (4,022) | - | - | - |
| OTHER FINANCING SOURCES (USES): | | | | | |
| 7915 | Transfers In | - | - | - | - |
| 8911 | Transfers Out (Use) | - | - | - | - |
| 7080 | Total Other Financing Sources (Uses) | - | - | - | - |
| 1200 | Net Change in Fund Balance | (4,022) | - | - | - |
| 0100 | Fund Balance - July 1 (Beginning) | 26,294 | - | - | - |
| 3000 | Fund Balance - June 30 (Ending) | \$ 22,272 | \$ - | \$ - | \$ - |

[illegible]

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

| Data Control Codes | | 459 SSA Pre-K Grant | 461 Campus Activity Funds | 483 Local Fine Arts | 487 Workshops |
|---------------------------------|--|------------------------------|------------------------------------|------------------------------|------------------|
| REVENUES: | | | | | |
| 5700 | Total Local and Intermediate Sources | \$ - | \$ 1,977,762 | \$ 10,020 | \$ 4,228 |
| 5800 | State Program Revenues | 709,823 | - | - | - |
| 5900 | Federal Program Revenues | - | - | - | - |
| 5020 | Total Revenues | <u>709,823</u> | <u>1,977,762</u> | <u>10,020</u> | <u>4,228</u> |
| EXPENDITURES: | | | | | |
| Current: | | | | | |
| 0011 | Instruction | - | 85,895 | - | - |
| 0012 | Instructional Resources and Media Services | - | - | - | - |
| 0013 | Curriculum and Instructional Staff Development | - | - | - | 6,548 |
| 0021 | Instructional Leadership | 34,893 | - | - | - |
| 0023 | School Leadership | - | - | - | - |
| 0031 | Guidance, Counseling and Evaluation Services | - | - | - | - |
| 0032 | Social Work Services | - | - | - | - |
| 0033 | Health Services | - | - | - | - |
| 0034 | Student (Pupil) Transportation | - | - | - | - |
| 0035 | Food Services | - | - | - | - |
| 0036 | Extracurricular Activities | - | 1,973,764 | - | - |
| 0041 | General Administration | - | - | - | - |
| 0051 | Facilities Maintenance and Operations | - | - | - | - |
| 0061 | Community Services | - | - | - | - |
| Capital Outlay: | | | | | |
| 0081 | Facilities Acquisition and Construction | - | - | - | - |
| Intergovernmental: | | | | | |
| 0093 | Payments to Fiscal Agent/Member Districts of SSA | 674,930 | - | - | - |
| 6030 | Total Expenditures | <u>709,823</u> | <u>2,059,659</u> | <u>-</u> | <u>6,548</u> |
| 1100 | Excess (Deficiency) of Revenues Over (Under) | <u>-</u> | <u>(81,897)</u> | <u>10,020</u> | <u>(2,320)</u> |
| OTHER FINANCING SOURCES (USES): | | | | | |
| 7915 | Transfers In | - | - | - | - |
| 8911 | Transfers Out (Use) | <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 | - | (81,897) | 10,020 | (2,320) |
| 0100 | Fund Balance - July 1 (Beginning) | <u>-</u> | <u>742,456</u> | <u>2,069</u> | <u>21,171</u> |
| 3000 | Fund Balance - June 30 (Ending) | <u>\$ -</u> | <u>\$ 660,559</u> | <u>\$ 12,089</u> | <u>\$ 18,851</u> |

| 490 Local Special Projects | 493 After School Tutoring | 497 Foundation Grants | 498 Scholarship Fund | Total Nonmajor Governmental Funds |
|-------------------------------------|------------------------------------|-----------------------------|----------------------------|--|
| \$ 246,193 | \$ - | \$ 69,900 | \$ 662,069 | \$ 6,958,303 |
| - | - | - | - | 5,248,497 |
| - | - | - | - | 28,767,960 |
| 246,193 | - | 69,900 | 662,069 | 40,974,760 |
| - | 2,692 | 68,102 | - | 19,142,757 |
| - | - | 1,798 | - | 12,139 |
| - | - | - | - | 1,967,424 |
| - | - | - | - | 1,565,565 |
| - | - | - | - | 33,725 |
| - | - | - | - | 4,052,212 |
| - | - | - | - | 70,576 |
| - | - | - | - | 33,386 |
| - | - | - | - | 240,939 |
| - | - | - | - | 10,209,779 |
| - | - | - | - | 1,973,764 |
| - | - | - | - | 41,569 |
| - | - | - | - | 34,597 |
| - | - | - | - | 86,793 |
| 1,913,240 | - | - | - | 1,913,240 |
| - | - | - | - | 674,930 |
| 1,913,240 | 2,692 | 69,900 | - | 42,053,395 |
| (1,667,047) | (2,692) | - | 662,069 | (1,078,635) |
| - | - | - | 7,506,014 | 7,566,195 |
| (7,506,014) | - | - | - | (8,172,728) |
| (7,506,014) | - | - | 7,506,014 | (606,533) |
| (9,173,061) | (2,692) | - | 8,168,083 | (1,685,168) |
| 12,668,177 | 2,692 | - | - | 17,508,904 |
| \$ 3,495,116 | \$ - | \$ - | \$ 8,168,083 | \$ 15,823,736 |



Birdville Independent School District

All students succeed in a future they create.


BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED 30, 2010

| | Balance July 1, 2009 | Additions | Deductions | Balance June 30, 2010 |
|---------------------------|----------------------------|------------------|------------------|-----------------------------|
| Student Activity Fund | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 26,993 | \$ 46,275 | \$ 47,439 | \$ 25,829 |
| Due from other funds | 548,549 | 1,133,794 | 1,084,106 | 598,237 |
| | <u>575,542</u> | <u>1,133,794</u> | <u>1,084,106</u> | <u>598,237</u> |
| Total assets | \$ 575,542 | \$ 1,180,069 | \$ 1,131,545 | \$ 624,066 |
| | <u>575,542</u> | <u>1,180,069</u> | <u>1,131,545</u> | <u>624,066</u> |
| Liabilities | | | | |
| Due to student groups | \$ 575,542 | \$ 2,524,664 | \$ 2,476,140 | \$ 624,066 |
| | <u>575,542</u> | <u>2,524,664</u> | <u>2,476,140</u> | <u>624,066</u> |
| Total liabilities | \$ 575,542 | \$ 2,524,664 | \$ 2,476,140 | \$ 624,066 |
| | <u>575,542</u> | <u>2,524,664</u> | <u>2,476,140</u> | <u>624,066</u> |



Birdville Independent School District

All students succeed in a future they create.



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Required TEA Schedules



BIRDVILLE INDEPENDENT SCHOOL DISTRICT

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FISCAL YEAR ENDED JUNE 30, 2010

| Last 10 Years | (1) | (2) | (3) |
|--|-------------|--------------|--|
| | Tax Rates | | Assessed/Appraised Value for School Tax Purposes |
| | Maintenance | Debt Service | |
| 2001 and prior years | Various | Various | \$ Various |
| 2002 | 1.419800 | 0.150000 | 5,204,280,044 |
| 2003 | 1.455000 | 0.162000 | 5,668,493,380 |
| 2004 | 1.455000 | 0.162000 | 5,899,556,044 |
| 2005 | 1.465000 | 0.152000 | 6,165,856,861 |
| 2006 | 1.465000 | 0.152000 | 6,357,870,019 |
| 2007 | 1.339000 | 0.226000 | 6,755,819,844 |
| 2008 | 1.040000 | 0.365000 | 7,052,993,271 |
| 2009 | 1.040000 | 0.370000 | 7,556,727,742 |
| 2010 (School year under audit) | 1.040000 | 0.365000 | 7,562,473,674 |
| 1000 TOTALS | | | |
| 9000 Portion of Row 1000 for Taxes Paid into Tax Increment Zone Under Chapter 311, Tax Code | | | \$ - |

| (10) Beginning Balance 7/1/2009 | (20) Current Year's Total Levy | (31) Maintenance Collections | (32) Debt Service Collections | (40) Entire Year's Adjustments | (50) Ending Balance 6/30/2010 |
|--|---|------------------------------------|-------------------------------------|---|--|
| \$ 1,813,674 | \$ - | \$ 6,737 | \$ 1,144 | \$ (219,326) | \$ 1,586,467 |
| 274,011 | - | 3,995 | 422 | (1,099) | 268,495 |
| 256,477 | - | 7,651 | 852 | (1,922) | 246,052 |
| 338,693 | - | 9,801 | 1,091 | (2,038) | 325,763 |
| 335,118 | - | 22,389 | 2,323 | (3,976) | 306,430 |
| 362,206 | - | (2,012) | (209) | (41,065) | 323,362 |
| 473,539 | - | 28,983 | 4,892 | (33,492) | 406,172 |
| 630,406 | - | 107,891 | 37,866 | (41,583) | 443,066 |
| 3,020,406 | - | 1,458,491 | 518,886 | (352,267) | 690,762 |
| - | 103,231,690 | 73,929,233 | 25,946,323 | (1,303,345) | 2,052,789 |
| <u>\$ 7,504,530</u> | <u>\$ 103,231,690</u> | <u>\$ 75,573,159</u> | <u>\$ 26,513,590</u> | <u>\$ (2,000,113)</u> | <u>\$ 6,649,358</u> |
| \$ - | \$ 120,834 | \$ 120,834 | \$ - | \$ - | \$ - |

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES FOR COMPUTATIONS OF INDIRECT COST FOR 2011-2012
GENERAL AND SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

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

| Account Number | Account Name | 1 (702) School Board | 2 (703) Tax Collections | 3 (701) Supt's Office | 4 (750) Indirect Cost | 5 (720) Direct Cost | 6 (other) Miscellaneous | 7 Total |
|----------------|---|----------------------------|-------------------------------|-----------------------------|-----------------------------|---------------------------|-------------------------------|--------------|
| 611X-6146 | PAYROLL COSTS | \$ 32,527 | \$ - | \$ 266,650 | \$ 3,225,977 | \$ - | \$ - | \$ 3,525,154 |
| 6149 | Leave for Separating Employees in Fn 41 & 53 | - | - | - | - | - | - | - |
| 6149 | Leave - Separating Employees not in 41 & 53 | - | - | - | - | - | - | - |
| 6211 | Legal Services | 138,129 | - | - | - | - | - | 138,129 |
| 6212 | Audit Services | - | - | - | 47,500 | - | - | 47,500 |
| 6213 | Tax Appraisal/Collection - Appraisal in Fn 99 | - | 603,028 | - | - | - | - | 603,028 |
| 621X | Other Professional Services | - | - | - | 138,952 | - | - | 138,952 |
| 6220 | Tuition and Transfer Payments | - | - | - | - | - | - | - |
| 6230 | Education Service Centers | - | - | - | - | - | - | - |
| 6240 | Contr. Maint. and Repair | - | - | - | - | 45,121 | - | 45,121 |
| 6250 | Utilities | - | - | - | - | 480 | - | 480 |
| 6260 | Rentals | - | - | - | 13,262 | - | - | 13,262 |
| 6290 | Miscellaneous Contr. | - | - | - | 248,624 | - | - | 248,624 |
| 6320 | Textbooks and Reading | - | - | 1,183 | 2,412 | - | - | 3,595 |
| 6330 | Testing Materials | - | - | - | - | - | - | - |
| 63XX | Other Supplies Materials | 449 | - | 746 | 110,938 | - | - | 112,133 |
| 6410 | Travel, Subsistence, Stipends | 23,432 | - | 12,465 | 46,160 | - | - | 82,057 |
| 6420 | Ins. and Bonding Costs | 52,805 | - | - | 263 | - | - | 53,068 |
| 6430 | Election Costs | 155 | - | - | - | - | - | 155 |
| 6490 | Miscellaneous Operating | 24,489 | - | 19,119 | 110,177 | - | - | 153,785 |
| 6500 | Debt Service | - | - | - | - | - | - | - |
| 6600 | Capital Outlay | - | - | - | - | - | - | - |
| 6000 | TOTAL | \$ 271,986 | \$ 603,028 | \$ 300,163 | \$ 3,944,265 | \$ 45,601 | \$ - | \$ 5,165,043 |

Total expenditures/expenses for General and Special Revenue Funds: (9) \$ 190,764,720

LESS: Deductions of Unallowable Costs

FISCAL YEAR

| | |
|--|-------------------|
| Total Capital Outlay (6600) | (10) \$ 4,927,505 |
| Total Debt & Lease(6500) | (11) 467,329 |
| Plant Maintenance (Function 51, 6100-6400) | (12) 16,398,131 |
| Food (Function 35, 6341 and 6499) | (13) 3,388,347 |
| Stipends (6413) | (14) - |
| Column 4 (above) - Total Indirect Cost | 3,944,265 |

SubTotal:

29,125,577

Net Allowed Direct Cost

\$ 161,639,143

CUMULATIVE

| | |
|---|---------------------|
| Total Cost of Buildings before Depreciation (1520) | (15) \$ 410,329,177 |
| Historical Cost of Building over 50 years old | (16) \$ 13,929,103 |
| Amount of Federal Money in Building Cost (Net of #16) | (17) \$ - |
| Total Cost of Furniture & Equipment before Depreciation (1530 & 1540) | (18) \$ 18,967,027 |
| Historical Cost of Furniture & Equipment over 16 years old | (19) \$ 2,412,108 |
| Amount of Federal Money in Furniture & Equipment (Net of #19) | (20) \$ 3,672,564 |

(8) NOTE A: \$238,057 in Function 53 expenditures are included in this report on administrative costs.

\$602,912 in Function 99 expenditures for appraisal district costs are included in this report on administrative costs.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED JUNE 30, 2010

| 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 | \$ 4,099,700 | \$ 4,099,700 | \$ 3,707,911 | \$ (391,789) |
| 5800 | State Program Revenues | 325,040 | 355,040 | 322,497 | (32,543) |
| 5900 | Federal Program Revenues | 5,331,000 | 5,552,800 | 6,300,389 | 747,589 |
| 5020 | Total Revenues | 9,755,740 | 10,007,540 | 10,330,797 | 323,257 |
| EXPENDITURES: | | | | | |
| 0035 | Food Services | 9,896,640 | 10,901,255 | 10,209,779 | 691,476 |
| 6030 | Total Expenditures | 9,896,640 | 10,901,255 | 10,209,779 | 691,476 |
| 1200 | Net Change in Fund Balances | (140,900) | (893,715) | 121,018 | 1,014,733 |
| 0100 | Fund Balance - July 1 (Beginning) | 3,123,737 | 3,123,737 | 3,123,737 | - |
| 3000 | Fund Balance - June 30 (Ending) | \$ 2,982,837 | \$ 2,230,022 | \$ 3,244,755 | \$ 1,014,733 |

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2010

| 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 | \$ 26,211,795 | \$ 26,512,506 | \$ 26,739,788 | \$ 227,282 |
| 5800 State Program Revenues | 320,000 | 545,078 | 532,124 | (12,954) |
| 5020 Total Revenues | 26,531,795 | 27,057,584 | 27,271,912 | 214,328 |
| EXPENDITURES: | | | | |
| Debt Service: | | | | |
| 0071 Debt Service - Principal on Long Term Debt | 17,643,899 | 17,643,899 | 17,643,899 | - |
| 0072 Debt Service - Interest on Long Term Debt | 9,774,358 | 9,774,358 | 9,774,357 | 1 |
| 0073 Debt Service - Bond Issuance Cost and Fees | 30,000 | 30,000 | 12,250 | 17,750 |
| 6030 Total Expenditures | 27,448,257 | 27,448,257 | 27,430,506 | 17,751 |
| 1200 Net Change in Fund Balances | (916,462) | (390,673) | (158,594) | 232,079 |
| 0100 Fund Balance - July 1 (Beginning) | 6,883,632 | 6,883,632 | 6,883,632 | - |
| 3000 Fund Balance - June 30 (Ending) | \$ 5,967,170 | \$ 6,492,959 | \$ 6,725,038 | \$ 232,079 |



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Statistical Section



BIRDVILLE INDEPENDENT SCHOOL DISTRICT



Birdville Independent School District

All students succeed in a future they create.

**STATISTICAL SECTION
UNAUDITED**

This section of the Birdville Independent School District's comprehensive annual financial report presents 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.

| | <u>Schedule</u> |
|---|-----------------|
| Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well being has changed over time. | I-IV |
| Revenue Capacity These schedules contain information to help the reader assess the District's most significant own source revenue, the property tax. | V-VIII |
| Debt Capacity These schedules present information to help the reader assess the District's current outstanding debt, the District's ability to repay the debt and issue additional debt in the future, if needed. | IX-XII |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. | XII-XIV |
| Operating Information These schedules contain operational and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs. | XV-XVIII |

Birdville Independent School District
Net Assets, Governmental Activities
Last Nine Fiscal Years
UNAUDITED
(Accrual Basis of Accounting)

| | <u>2002</u> | <u>2003</u> | <u>2004</u> |
|--|----------------------|----------------------|----------------------|
| Governmental Activities | | | |
| Invested in capital assets, net of related debt | \$ 14,370,938 | \$ 14,972,192 | \$ 17,730,120 |
| Restricted | 4,783,910 | 5,650,792 | 6,442,700 |
| Unrestricted | <u>20,217,002</u> | <u>18,739,744</u> | <u>18,333,655</u> |
| Total Governmental Activities Net Assets | <u>\$ 39,371,850</u> | <u>\$ 39,362,728</u> | <u>\$ 42,506,475</u> |

Note: The District began to report government-wide net asset information with the implementation of GASB Statement No. 34 in 2002.

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Birdville Independent School District Audited Financial Statements.

Schedule I

| <u>2005</u> | <u>2006</u> | <u>2007⁽¹⁾</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> |
|----------------------|----------------------|---------------------------|----------------------|----------------------|----------------------|
| \$ 17,236,483 | \$ 14,368,063 | \$ 12,650,724 | \$ 21,239,658 | \$ 25,027,184 | \$ 31,814,453 |
| 3,493,824 | 2,556,545 | 4,762,929 | 4,302,396 | 8,314,886 | 7,570,572 |
| <u>15,801,210</u> | <u>10,573,944</u> | <u>22,098,375</u> | <u>26,227,863</u> | <u>19,026,883</u> | <u>13,119,821</u> |
| <u>\$ 36,531,517</u> | <u>\$ 27,498,552</u> | <u>\$ 39,512,028</u> | <u>\$ 51,769,917</u> | <u>\$ 52,368,953</u> | <u>\$ 52,504,846</u> |

Birdville Independent School District
Change in Net Assets
Last Nine Fiscal Years
UNAUDITED
(Accrual Basis of Accounting)

| | 2002 | 2003 | 2004 |
|---|-----------------------|----------------------|-----------------------|
| Governmental Activities | | | |
| Expenses by Function | | | |
| Instruction | \$ 89,091,356 | \$ 94,978,655 | \$ 94,390,783 |
| Instructional Resources and Media Services | 2,597,443 | 2,667,315 | 2,524,867 |
| Curriculum and Instructional Staff Development | 455,527 | 1,296,152 | 1,592,797 |
| Instructional Leadership | 2,226,599 | 2,307,580 | 2,067,499 |
| School Leadership | 8,646,475 | 8,932,360 | 8,894,224 |
| Guidance, Counseling and Evaluation Services | 3,231,297 | 3,703,736 | 3,903,616 |
| Social Work Services | 99,611 | 96,436 | 106,324 |
| Health Services | 1,889,821 | 1,787,252 | 1,755,931 |
| Student (Pupil) Transportation | 2,840,676 | 3,340,309 | 3,041,340 |
| Food Services | 7,477,900 | 8,128,728 | 8,218,912 |
| Extracurricular Activities | 5,444,489 | 5,399,928 | 6,067,212 |
| General Administration | 4,353,210 | 2,060,764 | 2,544,075 |
| Plant Maintenance and Operations | 15,291,870 | 14,711,854 | 14,013,898 |
| Security Monitoring Services | 35,156 | 25,733 | 177,150 |
| Data Processing Services | 1,728,794 | 1,877,281 | 2,254,276 |
| Community Services | 332,205 | 295,380 | 298,045 |
| Debt Service - Interest on Long Term Debt | 9,976,827 | 9,750,123 | 8,661,032 |
| Debt Service - Bond Issuance Cost and Fees | - | - | - |
| Facilities Acquisition and Construction | 3,211,302 | 3,215,900 | 5,069,267 |
| Payments to Juvenile Justice Alternative Ed Prg | 39,354 | 42,778 | 41,512 |
| Payments to Tax Increment Fund | 103,087 | 105,652 | 89,894 |
| Other Intergovernmental Charges | - | 1,323 | 45,192 |
| Total Primary Government Expenses | <u>159,072,999</u> | <u>164,725,239</u> | <u>165,757,846</u> |
| Program Revenues | | | |
| Charges for Services | | | |
| Instruction | 803,170 | 528,226 | 517,819 |
| Curriculum and Staff Development | 229,606 | 155,159 | 264,256 |
| Food Services | 3,964,457 | 3,862,547 | 3,896,271 |
| Extracurricular Activities | 2,370,248 | 2,577,211 | 2,534,952 |
| Plant Maintenance and Operations | 109,742 | 106,336 | 137,883 |
| Operating Grants and Contributions | 16,363,816 | 20,698,822 | 20,398,085 |
| Total Primary Government Program Revenues | <u>23,841,039</u> | <u>27,928,301</u> | <u>27,749,266</u> |
| Total Primary Government Net (Expense) Revenue | <u>(135,231,960)</u> | <u>(136,796,938)</u> | <u>(138,008,580)</u> |
| General Revenues and Other Changes in Net Assets | | | |
| Taxes | | | |
| Property Taxes, Levied for General Purposes | 72,384,262 | 80,572,654 | 84,536,174 |
| Property Taxes, Levied for Debt Service | 7,647,512 | 8,895,344 | 9,460,195 |
| Grants and Contributions not Restricted | 47,666,305 | 44,928,622 | 41,017,670 |
| Investment Earnings | 2,306,763 | 1,526,550 | 1,123,752 |
| Miscellaneous Local and Intermediate Revenue | 684,516 | 534,028 | 756,501 |
| Special Item-Gain(Loss) on Disposal of Capital Assets | - | (8,571) | (49,907) |
| Special Item-Mineral Lease Revenue | - | - | - |
| Total General Revenues | <u>130,689,358</u> | <u>136,448,627</u> | <u>136,844,385</u> |
| Change in Net Assets | <u>\$ (4,542,602)</u> | <u>\$ (348,311)</u> | <u>\$ (1,164,195)</u> |

Note: The District began to report government-wide information with the implementation of GASB Statement No. 34 in 2002.

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Birdville Independent School District Audited Financial Statements.

| | 2005 | 2006 | 2007 ⁽¹⁾ | 2008 | 2009 | 2010 |
|----|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ | 97,069,282 | \$ 100,382,918 | \$ 96,770,914 | \$ 115,496,129 | \$ 116,714,184 | \$ 123,678,615 |
| | 2,537,460 | 2,631,103 | 2,265,074 | 2,895,807 | 2,833,177 | 2,921,302 |
| | 1,815,222 | 1,759,994 | 1,725,681 | 2,007,785 | 1,827,698 | 2,756,101 |
| | 2,759,720 | 2,965,712 | 2,657,747 | 2,964,762 | 2,878,321 | 3,367,861 |
| | 9,147,947 | 9,426,100 | 9,323,125 | 9,959,924 | 10,691,801 | 10,750,230 |
| | 4,342,842 | 4,595,162 | 4,785,651 | 5,244,714 | 5,553,524 | 5,643,635 |
| | 156,635 | 200,380 | 191,141 | 242,589 | 200,497 | 207,845 |
| | 1,701,157 | 1,894,110 | 1,823,846 | 2,244,422 | 2,225,365 | 2,298,119 |
| | 3,365,649 | 3,531,510 | 3,316,915 | 3,872,175 | 3,426,887 | 3,463,784 |
| | 8,402,186 | 8,699,231 | 8,638,790 | 9,517,885 | 10,062,610 | 10,471,936 |
| | 6,121,253 | 6,586,795 | 5,979,526 | 6,730,773 | 7,590,352 | 6,762,131 |
| | 5,151,342 | 5,322,888 | 4,596,580 | 4,814,025 | 4,501,660 | 4,542,043 |
| | 14,754,741 | 16,761,533 | 13,491,570 | 15,545,950 | 16,240,065 | 17,190,213 |
| | 490,703 | 550,294 | 471,012 | 651,898 | 671,064 | 646,192 |
| | 2,151,371 | 1,978,013 | 1,868,386 | 2,518,189 | 2,547,312 | 2,522,911 |
| | 454,609 | 448,540 | 372,750 | 307,391 | 300,840 | 402,934 |
| | 9,663,906 | 9,604,023 | 9,768,313 | 14,934,910 | 14,166,925 | 15,474,756 |
| | 80,107 | 211,708 | 268,638 | 182,314 | 201,405 | 154,987 |
| | 68,195 | 2,757,818 | 1,886,392 | - | 1,692,310 | 1,608,338 |
| | 42,591 | 84,974 | 70,320 | 46,980 | 83,125 | 107,375 |
| | 50,645 | 90,490 | 122,013 | 109,714 | 121,264 | 120,834 |
| | 89,983 | 102,553 | - | 610,846 | 592,164 | 1,277,842 |
| | <u>170,417,546</u> | <u>180,585,849</u> | <u>170,394,384</u> | <u>200,899,182</u> | <u>205,122,550</u> | <u>216,369,984</u> |
| | 478,019 | 482,008 | 506,042 | 612,652 | 671,837 | 834,976 |
| | 234,716 | 117,994 | 81,693 | 385,735 | - | - |
| | 3,686,269 | 3,697,847 | 3,428,592 | 4,139,346 | 3,989,929 | 3,699,251 |
| | 2,560,153 | 2,822,523 | 2,414,629 | 2,558,326 | 2,711,760 | 2,373,246 |
| | 408,704 | 125,661 | 83,526 | 216,768 | 107,883 | 134,423 |
| | <u>22,200,291</u> | <u>23,729,896</u> | <u>23,142,695</u> | <u>28,986,749</u> | <u>30,948,020</u> | <u>44,297,566</u> |
| | <u>29,568,152</u> | <u>30,975,929</u> | <u>29,657,177</u> | <u>36,899,576</u> | <u>38,429,429</u> | <u>51,339,462</u> |
| | <u>(140,849,394)</u> | <u>(149,609,920)</u> | <u>(140,737,207)</u> | <u>(163,999,606)</u> | <u>(166,693,121)</u> | <u>(165,030,522)</u> |
| | 88,057,238 | 92,594,599 | 88,502,957 | 71,697,279 | 76,815,665 | 75,510,985 |
| | 9,105,458 | 9,591,449 | 14,832,210 | 24,671,361 | 27,057,065 | 26,516,638 |
| | 36,114,445 | 34,514,260 | 43,663,217 | 62,713,660 | 61,830,146 | 61,972,808 |
| | 1,813,666 | 3,708,529 | 5,851,397 | 7,616,486 | 3,882,320 | 549,263 |
| | 98,066 | 147,022 | 195,078 | - | 224,168 | 616,721 |
| | - | 21,096 | (294,175) | (1,823,022) | - | - |
| | - | - | - | 11,381,730 | - | - |
| | <u>135,188,873</u> | <u>140,576,955</u> | <u>152,750,684</u> | <u>176,257,494</u> | <u>169,809,364</u> | <u>165,166,415</u> |
| \$ | <u>(5,660,521)</u> | <u>(9,032,965)</u> | <u>\$ 12,013,477</u> | <u>\$ 12,257,888</u> | <u>\$ 3,116,243</u> | <u>\$ 135,893</u> |

Birdville Independent School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
UNAUDITED
(Modified Accrual Basis of Accounting)

| | 2001 | 2002 | 2003 | 2004 |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | | | | |
| Reserved | \$ 515,986 | \$ 540,290 | \$ 518,104 | \$ 591,582 |
| Unreserved | 28,262,407 | 28,515,966 | 32,076,297 | 36,146,954 |
| Total General Fund | <u>\$ 28,778,393</u> | <u>\$ 29,056,256</u> | <u>\$ 32,594,401</u> | <u>\$ 36,738,536</u> |
| All Other Governmental Funds | | | | |
| Debt Service Fund | | | | |
| Reserved | \$ 3,698,505 | \$ 2,886,373 | \$ 2,977,323 | \$ 3,550,879 |
| Unreserved | - | - | - | - |
| Total Debt Service Fund | <u>\$ 3,698,505</u> | <u>\$ 2,886,373</u> | <u>\$ 2,977,323</u> | <u>\$ 3,550,879</u> |
| Capital Projects Fund | | | | |
| Reserved | \$ 6,479,505 | \$ 14,817,487 | \$ 13,989,697 | \$ 11,328,935 |
| Unreserved | - | - | - | - |
| Total Capital Projects Fund | <u>\$ 6,479,505</u> | <u>\$ 14,817,487</u> | <u>\$ 13,989,697</u> | <u>\$ 11,328,935</u> |
| Special Revenue Funds | | | | |
| Reserved | \$ 1,732,306 | \$ 2,375,810 | \$ 2,658,615 | \$ 2,918,542 |
| Unreserved | 2,743,725 | 3,252,510 | 3,312,641 | 3,383,540 |
| Total Other Governmental Funds | <u>\$ 4,476,031</u> | <u>\$ 5,628,320</u> | <u>\$ 5,971,256</u> | <u>\$ 6,302,082</u> |
| Total All Other Governmental Funds | | | | |
| Reserved | \$ 11,910,316 | \$ 20,079,670 | \$ 19,625,635 | \$ 17,798,356 |
| Unreserved | 2,743,725 | 3,252,510 | 3,312,641 | 3,383,540 |
| Total All Other Governmental Funds | <u>\$ 14,654,041</u> | <u>\$ 23,332,180</u> | <u>\$ 22,938,276</u> | <u>\$ 21,181,896</u> |

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Birdville Independent School District Audited Financial Statements.

| 2005 | 2006 | 2007 ⁽¹⁾ | 2008 | 2009 | 2010 |
|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|
| \$ 717,990 | \$ 743,220 | \$ 630,946 | \$ 782,044 | \$ 1,739,111 | \$ 1,119,439 |
| 37,146,089 | 35,384,303 | 45,854,693 | 44,127,434 | 45,457,272 | 47,697,858 |
| <u>\$ 37,864,079</u> | <u>\$ 36,127,523</u> | <u>\$ 46,485,639</u> | <u>\$ 44,909,478</u> | <u>\$ 47,196,383</u> | <u>\$ 48,817,297</u> |
| | | | | | |
| \$ 1,879,722 | \$ 1,730,603 | \$ 4,643,536 | \$ 4,379,191 | \$ 6,883,632 | \$ 6,725,038 |
| - | - | - | - | - | - |
| <u>\$ 1,879,722</u> | <u>\$ 1,730,603</u> | <u>\$ 4,643,536</u> | <u>\$ 4,379,191</u> | <u>\$ 6,883,632</u> | <u>\$ 6,725,038</u> |
| | | | | | |
| \$ 1,034,923 | \$ 30,685,594 | \$ 112,120,200 | \$ 60,185,324 | \$ 24,406,674 | \$ 6,297,371 |
| - | - | - | - | - | - |
| <u>\$ 1,034,923</u> | <u>\$ 30,685,594</u> | <u>\$ 112,120,200</u> | <u>\$ 60,185,324</u> | <u>\$ 24,406,674</u> | <u>\$ 6,297,371</u> |
| | | | | | |
| \$ 2,683,595 | \$ 2,392,687 | \$ 2,610,658 | \$ 2,921,384 | \$ 3,123,737 | \$ 6,468,040 |
| 3,242,065 | 4,290,078 | 4,974,302 | 16,753,019 | 14,385,167 | 9,355,696 |
| <u>\$ 5,925,660</u> | <u>\$ 6,682,765</u> | <u>\$ 7,584,960</u> | <u>\$ 19,674,403</u> | <u>\$ 17,508,904</u> | <u>\$ 15,823,736</u> |
| | | | | | |
| \$ 5,598,240 | \$ 34,808,884 | \$ 119,374,394 | \$ 67,485,899 | \$ 34,414,043 | \$ 19,490,449 |
| 3,242,065 | 4,290,078 | 4,974,302 | 16,753,019 | 14,385,167 | 9,355,696 |
| <u>\$ 8,840,305</u> | <u>\$ 39,098,962</u> | <u>\$ 124,348,696</u> | <u>\$ 84,238,918</u> | <u>\$ 48,799,210</u> | <u>\$ 28,846,145</u> |

Birdville Independent School District
Changes in Fund Balances, Governmental Funds
Last Nine Fiscal Years
UNAUDITED
(Modified Accrual Basis of Accounting)

| | 2002 | 2003 | 2004 |
|---|---------------------|---------------------|---------------------|
| Revenues | | | |
| Total Local and Intermediate Sources | \$ 89,452,965 | \$ 98,357,842 | \$ 103,700,493 |
| State Program Revenues | 55,458,191 | 55,888,309 | 49,576,318 |
| Federal Program Revenues | 8,571,930 | 9,739,135 | 11,839,437 |
| Total Revenues | <u>153,483,086</u> | <u>163,985,286</u> | <u>165,116,248</u> |
| Expenditures | | | |
| Instruction | 80,728,626 | 87,777,760 | 87,504,121 |
| Instructional Resources and Media Services | 2,335,382 | 2,424,216 | 2,268,055 |
| Curriculum and Instructional Staff Development | 454,168 | 1,300,700 | 1,591,633 |
| Instructional Leadership | 2,196,535 | 2,295,391 | 2,046,234 |
| School Leadership | 8,274,759 | 8,635,869 | 8,545,010 |
| Guidance, Counseling and Evaluation Services | 3,140,726 | 3,642,249 | 3,820,425 |
| Social Work Services | 99,064 | 96,436 | 106,184 |
| Health Services | 1,695,193 | 1,758,270 | 1,722,416 |
| Student (Pupil) Transportation | 2,856,776 | 3,022,446 | 2,916,792 |
| Food Services | 6,811,083 | 7,498,753 | 7,518,583 |
| Extracurricular Activities | 5,060,216 | 5,031,945 | 5,244,374 |
| General Administration | 4,185,388 | 4,292,510 | 4,151,515 |
| Plant Maintenance and Operations | 14,905,860 | 14,262,643 | 13,446,609 |
| Security Monitoring Services | 32,011 | 25,733 | 467,162 |
| Data Processing Services | 1,700,217 | 1,954,352 | 2,280,492 |
| Community Services | 278,334 | 245,920 | 243,815 |
| Debt Service - Principal on Long Term Debt | 9,842,575 | 10,368,907 | 8,450,661 |
| Debt Service - Interest on Long Term Debt | 5,388,540 | 4,681,358 | 6,764,543 |
| Debt Service - Bond Issuance Cost and Fees | - | 311,429 | 490,251 |
| Facilities Acquisition and Construction | 8,389,781 | 4,099,116 | 8,615,677 |
| Payments to Juvenile Justice Alternative Ed Prg | 39,354 | 42,778 | 41,512 |
| Payments to Tax Increment Fund | 103,087 | 105,652 | 89,894 |
| Other Governmental Charges | - | 1,323 | 45,192 |
| Total Expenditures | <u>158,517,675</u> | <u>163,875,756</u> | <u>168,371,150</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(5,034,589)</u> | <u>109,530</u> | <u>(3,254,902)</u> |
| Other Financing Sources (Uses) | | | |
| Proceeds on Issuance of Bonds | 10,840,148 | 23,677,103 | 45,626,186 |
| Premium or Discount on Issuance of Bonds | - | - | 5,003,194 |
| Prepaid Interest | - | 77,007 | 212,200 |
| Proceeds on Capital Leases | 3,085,319 | 2,378,288 | 4,979,826 |
| Transfers In | - | - | - |
| Transfers Out | - | - | - |
| Other Sources (Uses) | 4,929,194 | - | - |
| Payment to Bond Refunding Escrow Agent | (4,864,070) | (23,436,877) | (50,178,749) |
| Total Other Financing Sources (Uses) | <u>13,990,591</u> | <u>2,695,521</u> | <u>5,642,657</u> |
| Net Change in Fund Balances | <u>\$ 8,956,002</u> | <u>\$ 2,805,051</u> | <u>\$ 2,387,755</u> |
| Debt Service as a Percentage of Noncapital Expenditures | 9.98% | 9.61% | 9.82% |

Note: Information is not available at the presented level of detail prior to fiscal year 2002.

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Birdville Independent School District Audited Financial Statements.

Schedule IV

| 2005 | 2006 | 2007 ⁽¹⁾ | 2008 | 2009 | 2010 |
|------------------------|----------------------|----------------------|------------------------|------------------------|------------------------|
| \$ 106,617,986 | \$ 112,821,234 | \$ 114,967,225 | \$ 123,332,777 | \$ 116,445,376 | \$ 111,757,714 |
| 45,207,675 | 43,999,433 | 53,057,036 | 76,144,081 | 77,612,638 | 76,101,462 |
| 13,107,061 | 14,244,723 | 13,748,876 | 15,453,961 | 14,882,617 | 29,687,178 |
| <u>164,932,722</u> | <u>171,065,390</u> | <u>181,773,137</u> | <u>214,930,819</u> | <u>208,940,631</u> | <u>217,546,354</u> |
| 88,166,715 | 92,031,169 | 90,320,693 | 105,906,545 | 107,501,928 | 114,720,546 |
| 2,333,963 | 2,383,841 | 2,040,305 | 2,551,240 | 2,496,852 | 2,549,280 |
| 1,824,622 | 1,757,148 | 1,733,947 | 2,007,785 | 1,827,698 | 2,756,101 |
| 2,733,161 | 2,942,459 | 2,645,727 | 2,940,253 | 2,853,361 | 3,341,234 |
| 8,807,115 | 9,075,988 | 9,034,140 | 9,407,729 | 10,205,675 | 10,216,689 |
| 4,268,670 | 4,512,444 | 4,732,937 | 5,146,246 | 5,457,719 | 5,530,616 |
| 156,635 | 200,380 | 190,894 | 242,589 | 200,497 | 207,845 |
| 1,665,972 | 1,858,685 | 1,790,904 | 2,194,210 | 2,179,134 | 2,247,720 |
| 3,367,231 | 3,550,661 | 3,379,401 | 3,812,851 | 3,570,081 | 3,864,549 |
| 8,087,502 | 8,579,034 | 7,800,974 | 8,829,957 | 9,743,807 | 10,209,779 |
| 5,308,982 | 5,799,134 | 5,666,811 | 5,903,934 | 6,953,500 | 6,186,895 |
| 4,536,145 | 4,704,385 | 4,095,262 | 4,194,486 | 4,293,507 | 4,324,074 |
| 14,315,260 | 16,576,325 | 13,588,322 | 15,325,085 | 16,011,569 | 16,615,527 |
| 353,064 | 392,224 | 339,267 | 493,828 | 585,497 | 625,760 |
| 2,109,942 | 1,859,721 | 1,718,124 | 2,357,531 | 2,273,618 | 2,255,268 |
| 400,601 | 400,187 | 326,621 | 251,573 | 258,118 | 337,053 |
| 9,496,312 | 9,936,853 | 9,520,448 | 18,035,068 | 17,044,824 | 18,069,735 |
| 6,999,164 | 7,441,473 | 7,612,825 | 9,866,909 | 9,442,700 | 9,815,850 |
| 80,107 | 398,740 | 971,682 | 15,460 | 491,626 | 12,250 |
| 11,516,895 | 11,941,783 | 11,698,964 | 56,927,041 | 77,175,739 | 21,081,474 |
| 50,645 | 90,490 | 70,320 | 46,980 | 83,125 | 107,375 |
| 89,983 | 102,553 | 122,013 | 109,714 | 121,264 | 120,834 |
| 42,591 | 84,974 | - | 610,846 | 592,164 | 1,277,842 |
| <u>176,711,277</u> | <u>186,620,651</u> | <u>179,400,581</u> | <u>257,177,860</u> | <u>281,364,003</u> | <u>236,474,296</u> |
| <u>(11,778,555)</u> | <u>(15,555,261)</u> | <u>2,372,556</u> | <u>(42,247,041)</u> | <u>(72,423,372)</u> | <u>(18,927,942)</u> |
| - | 40,315,000 | 96,507,115 | - | 42,600,000 | - |
| - | 3,155,993 | 9,324,528 | - | 1,213,238 | - |
| - | 153,438 | 309,394 | - | - | - |
| 876,946 | 431,835 | 391,011 | 536,102 | 465,791 | 595,791 |
| 222,165 | 1,360,662 | 558,053 | 1,015,396 | 2,601,941 | 8,232,909 |
| (222,165) | (1,360,662) | (558,053) | (990,396) | (147,344) | (8,232,909) |
| - | 21,096 | 128,840 | - | (4,891,688) | - |
| - | - | (13,425,594) | - | - | - |
| <u>876,946</u> | <u>44,077,362</u> | <u>93,235,294</u> | <u>561,102</u> | <u>41,841,938</u> | <u>595,791</u> |
| <u>\$ (10,901,609)</u> | <u>\$ 28,522,101</u> | <u>\$ 95,607,850</u> | <u>\$ (41,685,939)</u> | <u>\$ (30,581,434)</u> | <u>\$ (18,332,151)</u> |
| 10.09% | 10.10% | 10.72% | 14.03% | 13.21% | 12.98% |

Birdville Independent School District
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
UNAUDITED

Schedule V

| Fiscal Year | Real Property | Personal Property | Less: Exemptions | Total Taxable Value | Total Direct Tax Rate ^a |
|---------------------|------------------|----------------------|---------------------|---------------------------|--|
| 2001 | \$ 4,698,267,698 | \$ 929,125,473 | \$ 914,719,075 | \$ 4,712,674,096 | \$ 1.570 |
| 2002 | 5,301,072,114 | 1,012,770,204 | 1,109,562,274 | 5,204,280,044 | 1.570 |
| 2003 | 5,819,135,552 | 988,654,460 | 1,139,296,632 | 5,668,493,380 | 1.617 |
| 2004 | 6,173,247,686 | 934,746,756 | 1,208,438,398 | 5,899,556,044 | 1.617 |
| 2005 | 6,337,529,825 | 964,271,587 | 1,135,944,551 | 6,165,856,861 | 1.617 |
| 2006 | 6,650,878,329 | 984,162,926 | 1,277,171,236 | 6,357,870,019 | 1.617 |
| 2007 ⁽¹⁾ | 6,914,744,939 | 1,011,010,909 | 1,169,936,004 | 6,755,819,844 | 1.565 |
| 2008 | 7,187,264,496 | 1,044,843,729 | 1,179,114,954 | 7,052,993,271 | 1.405 |
| 2009 | 7,529,069,350 | 1,176,347,374 | 1,148,688,982 | 7,556,727,742 | 1.410 |
| 2010 | 7,543,835,742 | 1,232,751,001 | 1,214,113,069 | 7,562,473,674 | 1.405 |

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Tarrant County Tax Office

^a Per \$100 of assessed value.



Birdville Independent School District

All students succeed in a future they create.

Birdville Independent School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
UNAUDITED

| Fiscal Year | District Direct Rates | | | City of Colleyville | City of Fort Worth | City of Haltom City | City of Hurst |
|---------------------|-----------------------|-----------------|----------|------------------------|--------------------------|---------------------------|------------------|
| | Operating | Debt Service | Total | | | | |
| 2001 | \$ 1.416 | \$ 0.154 | \$ 1.570 | \$ 0.347 | \$ 0.875 | \$ 0.456 | \$ 0.511 |
| 2002 | 1.420 | 0.150 | 1.570 | 0.347 | 0.865 | 0.456 | 0.501 |
| 2003 | 1.455 | 0.162 | 1.617 | 0.347 | 0.865 | 0.456 | 0.499 |
| 2004 | 1.455 | 0.162 | 1.617 | 0.347 | 0.865 | 0.521 | 0.499 |
| 2005 | 1.465 | 0.152 | 1.617 | 0.347 | 0.865 | 0.542 | 0.499 |
| 2006 | 1.465 | 0.152 | 1.617 | 0.347 | 0.865 | 0.558 | 0.499 |
| 2007 ⁽¹⁾ | 1.339 | 0.226 | 1.565 | 0.347 | 0.860 | 0.567 | 0.518 |
| 2008 | 1.040 | 0.365 | 1.405 | 0.356 | 0.855 | 0.598 | 0.535 |
| 2009 | 1.040 | 0.370 | 1.410 | 0.356 | 0.855 | 0.598 | 0.535 |
| 2010 | 1.040 | 0.365 | 1.405 | 0.356 | 0.855 | 0.598 | 0.535 |

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of information: Tarrant Appraisal District

^a Rates include operating and debt service. Per \$100 of assessed value.

Overlapping Rates ^a

| City of North Richland Hills | City of Richland Hills | Tarrant County | Tarrant County College District | Tarrant County Hospital District | City of Watauga |
|---------------------------------------|------------------------------|-------------------|--|---|--------------------|
| \$ 0.570 | \$ 0.418 | \$ 0.275 | \$ 0.106 | \$ 0.234 | \$ 0.659 |
| 0.570 | 0.417 | 0.275 | 0.106 | 0.234 | 0.637 |
| 0.570 | 0.417 | 0.273 | 0.139 | 0.232 | 0.599 |
| 0.570 | 0.428 | 0.273 | 0.139 | 0.235 | 0.581 |
| 0.570 | 0.436 | 0.273 | 0.139 | 0.235 | 0.581 |
| 0.570 | 0.436 | 0.273 | 0.139 | 0.235 | 0.581 |
| 0.570 | 0.442 | 0.272 | 0.139 | 0.235 | 0.581 |
| 0.570 | 0.451 | 0.267 | 0.139 | 0.230 | 0.581 |
| 0.570 | 0.459 | 0.264 | 0.138 | 0.228 | 0.581 |
| 0.570 | 0.473 | 0.264 | 0.138 | 0.228 | 0.581 |

Birdville Independent School District
Principal Property Taxpayers
Current Year and Nine Years Ago
UNAUDITED

Schedule VII

| Principal Taxpayers | 2010 | | | 2001 | | |
|---|------------------------------------|------|---|------------------------------------|------|---|
| | 2009-2010 Assessed Valuation | Rank | Percentage of Total Assessed Value | 2000-2001 Assessed Valuation | Rank | Percentage of Total Assessed Value |
| Melvin Simon & Assoc Inc | \$ 112,012,418 | 1 | 1.48% | \$ 48,983,070 | 1 | 1.04% |
| Oncor Electric Delivery Co LLC (formerly TXU Electric) | 56,999,528 | 2 | 0.75% | 48,604,023 | 2 | 1.03% |
| Chesapeake Operating (Wi) | 54,097,270 | 3 | 0.72% | - | - | - |
| Western Rim Investors 2001-3 LP/1997-2 | 42,849,166 | 4 | 0.57% | - | - | - |
| Sara Lee Corporation | 40,058,444 | 5 | 0.53% | - | - | - |
| Hospital Corp of Amercia | 34,993,639 | 6 | 0.46% | 28,497,492 | 7 | 0.60% |
| Southwestern Bell | 33,312,796 | 7 | 0.44% | 38,753,240 | 3 | 0.82% |
| Halawa View Apartments | 31,647,325 | 8 | 0.42% | 30,000,000 | 5 | 0.64% |
| Abscoa Industries Inc | 27,795,606 | 9 | 0.37% | - | - | - |
| Austin Bridge Company | 25,146,338 | 10 | 0.33% | - | - | - |
| Richland Centre Inc & Richland Centre Assoc | | | | 31,128,500 | 4 | 0.66% |
| Kimberly Clark-Technol, Inc & Technol, Inc | | | | 29,922,890 | 6 | 0.63% |
| Wal-Mart Real Estttt Bus Tr | | | | 24,903,608 | 8 | 0.53% |
| Food Brands America Inc | | | | 19,564,171 | 9 | 0.42% |
| Meadows Nrh Assoc, LP | | | | 19,363,602 | 10 | 0.41% |

Source of information: Tarrant Appraisal District

Birdville Independent School District
Property Tax Levies and Collections
Last Ten Fiscal Years
UNAUDITED

Schedule VIII

| Fiscal Year | Tax Levy | Subsequent Adjustments to Levy | Adjusted Levy | Collected within the Fiscal Year of Levy | | Collections in Subsequent Years | Total Collections to Date | |
|---------------------|---------------|--------------------------------|---------------|--|--------------------|---------------------------------|---------------------------|--------------------|
| | | | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2001 | \$ 72,222,177 | \$ (590,668) | \$ 71,631,509 | \$ 70,328,258 | 98.18% | \$ 1,042,191 | \$ 71,370,449 | 99.64% |
| 2002 | 79,602,416 | (531,463) | 79,070,953 | 77,507,181 | 98.02% | 1,295,277 | 78,802,458 | 99.66% |
| 2003 | 88,817,294 | (735,402) | 88,081,892 | 86,815,476 | 98.56% | 1,020,364 | 87,835,840 | 99.72% |
| 2004 | 92,189,070 | 1,025,183 | 93,214,253 | 91,611,496 | 98.28% | 1,276,996 | 92,888,492 | 99.65% |
| 2005 | 95,481,875 | 550,126 | 96,032,001 | 94,578,715 | 98.49% | 1,146,856 | 95,725,571 | 99.68% |
| 2006 | 100,999,333 | 117,410 | 101,116,743 | 99,477,084 | 98.38% | 1,316,297 | 100,793,381 | 99.68% |
| 2007 ⁽¹⁾ | 102,430,096 | (807,694) | 101,622,402 | 98,103,845 | 96.54% | 3,112,385 | 101,216,230 | 99.60% |
| 2008 | 96,076,520 | (214,071) | 95,862,449 | 92,699,096 | 96.70% | 2,720,287 | 95,419,383 | 99.54% |
| 2009 | 102,454,662 | 567,538 | 103,022,200 | 100,354,061 | 97.41% | 1,977,377 | 102,331,438 | 99.33% |
| 2010 | 103,231,690 | (1,303,345) | 101,928,345 | 99,875,556 | 97.99% | - | 99,875,556 | 97.99% |

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Tarrant County Tax Office

Birdville Independent School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
UNAUDITED

Schedule IX

| Fiscal Year | Governmental Activities | | Total Primary Government | Debt as Percentage of Assessed Value ^a | Debt per Student ^b | Debt per Capita ^b |
|---------------------|--------------------------------|-------------------|--------------------------------|--|----------------------------------|---------------------------------|
| | General Obligation Bonds | Capital Leases | | | | |
| 2001 | \$ 158,184,767 | \$ 3,364,294 | \$ 161,549,061 | 3.43% | \$ 7,604 | \$ 1,272 |
| 2002 | 161,256,968 | 4,319,685 | 165,576,653 | 3.18% | 7,613 | 1,282 |
| 2003 | 152,958,037 | 4,554,171 | 157,512,208 | 2.78% | 7,082 | 1,200 |
| 2004 | 146,953,809 | 6,155,409 | 153,109,218 | 2.60% | 6,820 | 1,165 |
| 2005 | 140,315,298 | 4,174,553 | 144,489,851 | 2.34% | 6,480 | 1,086 |
| 2006 | 172,843,322 | 2,456,511 | 175,299,833 | 2.76% | 7,797 | 1,295 |
| 2007 ⁽¹⁾ | 251,475,318 | 1,396,629 | 252,871,947 | 3.74% | 11,245 | 1,861 |
| 2008 | 234,385,476 | 987,504 | 235,372,980 | 3.34% | 10,695 | 1,707 |
| 2009 | 255,639,100 | 989,847 | 256,628,947 | 3.40% | 11,403 | 1,855 |
| 2010 | 237,995,201 | 1,159,802 | 239,155,003 | 3.16% | 10,445 | 1,724 |

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Birdville Independent School District Audited Financial Statements.

^a See Schedule V for assessed value.

^b See Schedule XIII for personal income and population data.

**Birdville Independent School District
Direct and Overlapping Bonded Debt
June 30, 2010
UNAUDITED**

Schedule X

| Taxing Body | Net Debt Outstanding | | Percent Overlapping ^b | Amount Overlapping |
|--|----------------------|-----------|-------------------------------------|-----------------------|
| | Amount ^a | As of | | |
| City of Colleyville | \$ 19,150,000 | 6/30/2010 | 0.16% | \$ 30,640 |
| City of Fort Worth | 643,420,000 | 6/30/2010 | 0.95% | 6,112,490 |
| City of Haltom City | 47,055,000 | 6/30/2010 | 88.65% | 41,714,258 |
| City of Hurst | 60,715,000 | 6/30/2010 | 36.11% | 21,924,187 |
| City of North Richland Hills | 93,140,000 | 6/30/2010 | 86.13% | 80,221,482 |
| City of Richland Hills | 8,114,000 | 6/30/2010 | 95.94% | 7,784,572 |
| Tarrant County | 322,210,000 | 6/30/2010 | 6.53% | 21,040,313 |
| Tarrant County College District | 36,495,000 | 6/30/2010 | 6.50% | 2,372,175 |
| Tarrant County Hospital District | 28,000,000 | 6/30/2010 | 6.53% | 1,828,400 |
| City of Watauga | 18,100,000 | 6/30/2010 | 59.38% | 10,747,780 |
| Total Overlapping Debt | | | | 193,776,297 |
| Birdville Independent School District | 237,995,201 | 6/30/2010 | 100.00% | 237,995,201 |
| Total Direct and Overlapping Debt | | | | <u>\$ 431,771,498</u> |
| Ratio of Total Direct and Overlapping Net Debt to 2010 Taxable Assessed Valuation ^c | | | | <u>5.71%</u> |

Source of Information: Municipal Advisory Council of Texas.

^a Excludes interest accreted on outstanding capital appreciation bonds.

^b The percentage of overlapping debt is estimated using taxable property values. 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 total taxable value.

^c See Schedule V for 2010 Taxable Assessed Valuation

Birdville Independent School District
Legal Debt Margin Information
Last Ten Fiscal Years
UNAUDITED

| | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Maximum Debt Limit | \$ 471,267,410 | \$ 520,428,004 | \$ 566,849,338 | \$ 589,955,604 |
| Total Net Debt Applicable to Limit | <u>154,486,262</u> | <u>158,370,595</u> | <u>149,980,714</u> | <u>143,402,930</u> |
| Legal Debt Margin | <u>\$ 316,781,148</u> | <u>\$ 362,057,409</u> | <u>\$ 416,868,624</u> | <u>\$ 446,552,674</u> |
| Total Net Debt Applicable to Limit as a Percentage of Debt Limit | <u>67.22%</u> | <u>69.57%</u> | <u>73.54%</u> | <u>75.69%</u> |

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

| 2005 | 2006 | 2007 ⁽¹⁾ | 2008 | 2009 | 2010 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 616,585,686 | \$ 635,787,002 | \$ 675,581,984 | \$ 705,299,327 | \$ 755,672,774 | \$ 756,247,367 |
| 138,435,576 | 171,112,719 | 246,831,782 | 230,006,285 | 248,755,468 | 231,270,163 |
| <u>\$ 478,150,110</u> | <u>\$ 464,674,283</u> | <u>\$ 428,750,202</u> | <u>\$ 475,293,042</u> | <u>\$ 506,917,306</u> | <u>\$ 524,977,204</u> |
| <u>77.55%</u> | <u>73.09%</u> | <u>63.46%</u> | <u>67.39%</u> | <u>67.08%</u> | <u>69.42%</u> |

Computation of Legal Debt Margin

| | |
|---|-----------------------|
| Assessed Value | \$ 7,562,473,674 |
| Debt Limit (10% of Assessed Value) | <u>10%</u> |
| Maximum Debt Limit | 756,247,367 |
| Total Bonded Debt | 237,995,201 |
| Less: Reserve for Retirement of Bonded Debt | <u>6,725,038</u> |
| Total Debt Applicable to Limit | <u>231,270,163</u> |
| Legal Debt Margin | <u>\$ 524,977,204</u> |

Birdville Independent School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
UNAUDITED

Schedule XII

| Fiscal Year | Taxable Assessed Value | Gross Bonded Debt ^a | Less Reserve for Retirement of Bonded Debt | Net Bonded Debt | Net Bonded Debt as Percentage of Assessed Value | Net Bonded Debt Per Capita ^b |
|---------------------|------------------------|--------------------------------|--|-----------------|---|---|
| 2001 | \$ 4,712,674,096 | \$ 158,184,767 | \$ 3,698,505 | \$ 154,486,262 | 3.28% | \$ 1,216 |
| 2002 | 5,204,280,044 | 161,256,968 | 2,886,373 | 158,370,595 | 3.04% | 1,226 |
| 2003 | 5,668,493,380 | 152,958,037 | 2,977,323 | 149,980,714 | 2.65% | 1,142 |
| 2004 | 5,899,556,044 | 146,953,809 | 3,550,879 | 143,402,930 | 2.43% | 1,091 |
| 2005 | 6,165,856,861 | 140,315,298 | 1,879,722 | 138,435,576 | 2.25% | 1,041 |
| 2006 | 6,357,870,019 | 172,843,322 | 1,730,603 | 171,112,719 | 2.69% | 1,264 |
| 2007 ⁽¹⁾ | 6,755,819,844 | 251,475,318 | 4,643,536 | 246,831,782 | 3.65% | 1,816 |
| 2008 | 7,052,993,271 | 234,385,476 | 4,379,191 | 230,006,285 | 3.26% | 1,669 |
| 2009 | 7,556,727,742 | 255,639,100 | 6,883,632 | 248,755,468 | 3.29% | 1,798 |
| 2010 | 7,562,473,674 | 237,995,201 | 6,725,038 | 231,270,163 | 3.06% | 1,667 |

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of Information: Tarrant County Tax Office and Birdville Independent School District Audited Financial Statements.

^a The District's bonded indebtedness consists of General Obligation Bonds.

^b See Schedule XIII for population data.

Birdville Independent School District
Demographic and Economic Statistics
Last Ten Fiscal Years
UNAUDITED

Schedule XIII

| Fiscal Year | Estimated Population ^a | Personal Income ^b | Per Capita Personal Income ^b | Student Enrollment ^c | ADA ^d | Free/Reduced Lunch Percentage ^e | Unemployment Rate ^f |
|---------------------|-----------------------------------|------------------------------|---|---------------------------------|------------------|--|--------------------------------|
| 2001 | 127,028 | \$ 47,011,291 | \$ 31,582 | 21,246 | 19,801 | 26.94% | 3.71% |
| 2002 | 129,200 | 47,735,316 | 31,334 | 21,748 | 20,424 | 30.74% | 5.43% |
| 2003 | 131,300 | 49,066,052 | 31,605 | 22,240 | 20,728 | 33.38% | 6.27% |
| 2004 | 131,450 | 52,594,020 | 33,270 | 22,449 | 21,004 | 37.11% | 5.99% |
| 2005 | 133,000 | 57,044,015 | 35,468 | 22,297 | 20,732 | 37.11% | 5.36% |
| 2006 | 135,350 | 61,858,062 | 37,479 | 22,482 | 20,878 | 43.42% | 4.95% |
| 2007 ⁽¹⁾ | 135,900 | 65,870,354 | 38,499 | 22,488 | 20,819 | 44.03% | 4.54% |
| 2008 | 137,850 | 68,105,714 | 38,918 | 22,007 | 20,513 | 46.31% | 4.35% |
| 2009 | 138,350 | N/A | N/A | 22,505 | 20,988 | 47.47% | 6.08% |
| 2010 | 138,700 | N/A | N/A | 22,897 | 21,271 | 52.19% | 8.25% |

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

^a Information obtained from the North Central Texas Council of Governments and includes the cities of Haltom City, North Richland Hills, Richland Hills and Watauga.

^b Information obtained from U.S. Department of Commerce Bureau of Economic Analysis for Tarrant County (information not available by city or district).

^c Information obtained from Texas Education Agency Academic Excellence Indicator System.

^d Information obtained from District records.

^e Information obtained from District Child Nutrition Services. Count as of October of each fiscal year.

^f Information obtained from U.S. Department of Labor Bureau of Labor Statistics for Tarrant County.

N/A - Information is not available.

Birdville Independent School District
Principal Employers
Current Year and Nine Years Ago
UNAUDITED

Schedule XIV

| Employer ^a | 2010 | | | 2001 | | |
|---|------------------------|------|---|------------------------|------|---|
| | Employees ^a | Rank | Percentage of Total Employment ^b | Employees ^a | Rank | Percentage of Total Employment ^b |
| American Airlines | 18,209 | 1 | 2.18% | 30,000 | 1 | 3.90% |
| Lockheed Martin | 13,500 | 2 | 1.61% | 11,000 | 2 | 1.43% |
| NAS Fort Worth Joint Reserve Base | 11,350 | 3 | 1.36% | | | |
| University of Texas at Arlington | 5,300 | 4 | 0.63% | | | |
| JPS Health Network | 4,302 | 5 | 0.51% | | | |
| Texas Health Harris Methodist Hospital (formerly Harris Methodist Health System) | 3,968 | 6 | 0.47% | 3,868 | 7 | 0.50% |
| Bell Helicopter | 3,820 | 7 | 0.46% | 7,800 | 3 | 1.01% |
| Alcon Laboratories Inc. | 3,300 | 8 | 0.39% | 2,500 | 10 | 0.33% |
| Fidelity Investments | 3,200 | 9 | 0.38% | | | |
| City of Arlington | 3,111 | 10 | 0.37% | | | |
| US Postal Service | | | | 6,000 | 4 | 0.78% |
| Delta Airlines | | | | 5,000 | 5 | 0.65% |
| Sabre Inc. | | | | 5,000 | 6 | 0.65% |
| Burlington Northern Santa Fe | | | | 3,100 | 8 | 0.40% |
| Six Flags Over Texas | | | | 3,000 | 9 | 0.39% |

^a Major commercial employers in Tarrant County was obtained from North Central Texas Council of Governments and Fort Worth Chamber of Commerce (information not available by district).

^b Percentages of total employment were calculated using total employment for Tarrant County obtained from U.S. Department of Labor Bureau of Labor Statistics.

Birdville Independent School District
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years
UNAUDITED

Schedule XV

| | Full-time Equivalent Employees as of Fiscal Year End | | | | | | | | | | Percentage |
|--------------------------|--|-------|-------|-------|-------|-------|---------------------|-------|-------|-------|---------------------|
| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 ⁽¹⁾ | 2008 | 2009 | 2010 | Change 2010-2001 |
| Professional Staff | | | | | | | | | | | |
| Teachers | 1,350 | 1,408 | 1,419 | 1,355 | 1,390 | 1,399 | 1,405 | 1,447 | 1,448 | 1,489 | 10% |
| Professional Support | 187 | 173 | 197 | 188 | 201 | 203 | 209 | 233 | 218 | 227 | 21% |
| Campus Administration | 69 | 69 | 67 | 68 | 70 | 71 | 71 | 72 | 72 | 69 | 0% |
| Central Administration | 25 | 46 | 41 | 42 | 27 | 28 | 24 | 19 | 29 | 23 | -8% |
| Total Professional Staff | 1,631 | 1,696 | 1,724 | 1,653 | 1,688 | 1,701 | 1,709 | 1,771 | 1,767 | 1,808 | 11% |
| Educational Aides | 244 | 263 | 271 | 293 | 188 | 197 | 265 | 269 | 249 | 262 | 7% |
| Auxiliary Staff | 848 | 884 | 947 | 830 | 544 | 557 | 557 | 742 | 761 | 784 | -8% |
| Total Staff | 2,723 | 2,843 | 2,942 | 2,776 | 2,420 | 2,455 | 2,531 | 2,782 | 2,777 | 2,854 | 5% |

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

Source of information: Texas Education Agency Academic Excellence Indicator System and District records.

Birdville Independent School District
Teacher Base Salaries
Last Ten Fiscal Years
UNAUDITED

Schedule XVI

| Fiscal Year | District Minimum Salary ^a | District Maximum Salary ^a | District Average Salary ^b | Statewide Minimum Salary ^c | Statewide Average Salary ^b |
|---------------------|--|--|--|---|---|
| 2001 | \$ 35,000 | \$ 52,750 | \$ 42,238 | \$ 24,240 | \$ 38,361 |
| 2002 | 36,500 | 54,730 | 43,599 | 24,240 | 39,232 |
| 2003 | 37,000 | 55,380 | 43,777 | 24,240 | 39,974 |
| 2004 | 38,000 | 56,780 | 45,137 | 24,240 | 40,478 |
| 2005 | 39,000 | 58,330 | 45,539 | 24,240 | 41,011 |
| 2006 | 40,100 | 59,730 | 46,373 | 24,820 | 41,744 |
| 2007 ⁽¹⁾ | 44,255 | 62,230 | 51,158 | 27,320 | 44,897 |
| 2008 | 46,000 | 64,355 | 51,515 | 27,320 | 46,179 |
| 2009 | 47,000 | 66,155 | 53,462 | 27,320 | 47,159 |
| 2010 | 48,000 | 64,475 | 54,895 | 27,320 | 48,263 |

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

^a Information obtained from District Employee Compensation Plan.

^b Information obtained from Texas Education Agency Academic Excellence Indicator System and PEIMS reports.

^c Information obtained from Texas Education Agency.

Birdville Independent School District
Operating Statistics
Last Ten Fiscal Years
UNAUDITED

Schedule XVII

| Fiscal Year | Student Enrollment ^a | Teaching Staff ^b | Student/Teacher Ratio | Operating Expenditures ^c | Expenditures per Student | Government Wide Expenses ^d | Expenses per Student |
|---------------------|---------------------------------|-----------------------------|-----------------------|-------------------------------------|--------------------------|---------------------------------------|----------------------|
| 2001 | 21,246 | 1,350 | 15.7 | \$ 126,952,209 | \$ 5,975 | N/A | N/A |
| 2002 | 21,748 | 1,408 | 15.4 | 134,896,779 | 6,203 | \$ 159,072,999 | \$ 7,314 |
| 2003 | 22,240 | 1,419 | 15.7 | 144,414,946 | 6,493 | 164,725,239 | 7,407 |
| 2004 | 22,449 | 1,355 | 16.6 | 144,050,018 | 6,417 | 165,757,846 | 7,384 |
| 2005 | 22,297 | 1,390 | 16.0 | 148,618,799 | 6,665 | 170,417,546 | 7,643 |
| 2006 | 22,482 | 1,399 | 16.1 | 156,901,802 | 6,979 | 180,585,849 | 8,032 |
| 2007 ⁽¹⁾ | 22,488 | 1,405 | 16.0 | 149,596,662 | 6,652 | 170,394,384 | 7,577 |
| 2008 | 22,007 | 1,447 | 15.2 | 172,333,382 | 7,831 | 200,899,182 | 9,129 |
| 2009 | 22,505 | 1,448 | 15.5 | 177,209,114 | 7,874 | 205,122,550 | 9,115 |
| 2010 | 22,897 | 1,489 | 15.4 | 187,494,987 | 8,189 | 216,369,984 | 9,450 |

⁽¹⁾ Fiscal year end was changed from August 31 to June 30 effective September 1, 2006.

^a See Schedule XIII for student enrollment information.

^b Reported in full-time equivalents. See schedule XV for teaching staff information.

^c Operating Expenditures are total governmental funds expenditures less debt service and capital outlay. Information obtained from Birdville Independent School District Audited Financial Statements.

^d The District began to report government-wide information with the implementation of GASB Statement No. 34 in 2002. Information obtained from Birdville Independent School District Audited Financial Statements.

N/A - Information is not available.

Birdville Independent School District
Capital Assets Information
Last Ten Fiscal Years
UNAUDITED

| | 2001 | 2002 | 2003 | 2004 | 2005 |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|
| Schools | | | | | |
| High | | | | | |
| Buildings | 3 | 3 | 3 | 3 | 3 |
| Square Feet | 884,873 | 884,873 | 884,873 | 884,873 | 884,873 |
| Capacity | 6,807 | 6,807 | 6,807 | 6,807 | 6,807 |
| Enrollment | 5,863 | 6,058 | 6,452 | 6,497 | 6,545 |
| Middle | | | | | |
| Buildings | 7 | 7 | 7 | 7 | 7 |
| Square Feet | 679,071 | 679,071 | 679,071 | 679,071 | 679,071 |
| Capacity | 5,543 | 5,543 | 5,543 | 5,543 | 5,543 |
| Enrollment | 5,078 | 5,215 | 5,178 | 5,212 | 5,103 |
| Elementary | | | | | |
| Buildings | 20 | 20 | 20 | 20 | 21 |
| Square Feet | 1,120,837 | 1,131,933 | 1,131,933 | 1,131,933 | 1,205,276 |
| Capacity | 10,576 | 10,880 | 10,880 | 10,880 | 11,007 |
| Enrollment | 10,305 | 10,475 | 10,610 | 10,740 | 10,649 |
| Other^a | | | | | |
| Buildings | 1 | 1 | 1 | 1 | 1 |
| Square Feet | 153,292 | 153,292 | 153,292 | 153,292 | 153,292 |
| Administration | | | | | |
| Buildings | 4 | 4 | 4 | 4 | 4 |
| Square Feet | 99,265 | 108,395 | 108,395 | 108,395 | 108,395 |
| Athletics | | | | | |
| Coliseum | 1 | 1 | 1 | 1 | 1 |
| Stadiums | 2 | 2 | 2 | 2 | 2 |
| Football/Soccer/Game Fields | 10 | 10 | 10 | 10 | 10 |
| Running Tracks | 4 | 4 | 4 | 4 | 4 |
| Baseball/Softball Fields | 6 | 6 | 6 | 6 | 6 |
| Playgrounds | 20 | 20 | 20 | 20 | 21 |
| Physical Fitness Areas | - | - | - | 7 | 7 |
| Concession Stands | 12 | 12 | 12 | 12 | 12 |
| Portable Buildings | | | | | |
| Buildings | 72 | 72 | 72 | 72 | 72 |
| Square Feet | 105,684 | 105,684 | 105,684 | 105,684 | 105,684 |

^a Includes a multi-use facility (administrative and alternative education) and a career and technology facility. Student enrollment in these facilities included with their home campus.

Schedule XVIII

| 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------|-----------|-----------|-----------|-----------|
| 3 | 3 | 3 | 3 | 3 |
| 884,873 | 884,873 | 884,873 | 884,873 | 1,101,818 |
| 6,807 | 6,807 | 6,807 | 6,807 | 7,052 |
| 6,567 | 6,518 | 6,468 | 6,370 | 6,383 |
| 7 | 7 | 7 | 7 | 7 |
| 679,071 | 679,071 | 679,071 | 701,472 | 701,472 |
| 5,543 | 5,543 | 5,543 | 5,963 | 5,963 |
| 4,965 | 4,839 | 4,738 | 5,030 | 5,110 |
| 21 | 21 | 21 | 21 | 21 |
| 1,205,276 | 1,205,276 | 1,205,276 | 1,302,036 | 1,302,036 |
| 11,007 | 11,007 | 11,007 | 11,936 | 11,936 |
| 10,950 | 11,131 | 10,801 | 11,105 | 11,404 |
| 1 | 1 | 1 | 2 | 2 |
| 153,292 | 155,158 | 155,158 | 260,540 | 260,540 |
| 4 | 4 | 4 | 4 | 4 |
| 108,395 | 108,395 | 108,395 | 108,395 | 108,395 |
| 1 | 1 | 1 | 1 | 1 |
| 2 | 2 | 2 | 2 | 2 |
| 10 | 10 | 10 | 10 | 10 |
| 4 | 4 | 11 | 11 | 11 |
| 6 | 6 | 6 | 6 | 6 |
| 21 | 21 | 21 | 21 | 21 |
| 7 | 7 | 7 | 7 | 7 |
| 12 | 12 | 12 | 12 | 12 |
| 71 | 71 | 71 | 70 | 69 |
| 104,184 | 104,184 | 104,184 | 102,684 | 102,024 |



Birdville Independent School District

All students succeed in a future they create.

Compliance and Federal Awards Section



BIRDVILLE INDEPENDENT SCHOOL DISTRICT



Birdville Independent School District

All students succeed in a future they create.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
FUND BALANCE AND CASH FLOW CALCULATION WORKSHEET
FOR THE YEAR ENDED JUNE 30, 2010

UNAUDITED

| | | |
|----|---|------------------------|
| 1 | Total General Fund Balance as of 6/30/10 (Exhibit C-1 object 3000 for the General Fund Only) | \$ 48,817,297 |
| 2 | Total Reserved Fund Balance (from Exhibit C-1 - total of object 3400s for the General Fund Only) | \$ 1,119,439 |
| 3 | Total Designated Fund Balance (from Exhibit C-1 - total of object 3500s for the General Fund Only) | 12,500,000 |
| 4 | Estimated amount needed to cover fall cash flow deficits in the General Fund (Net of borrowed funds and funds representing deferred revenues.) | 23,103,409 |
| 5 | Estimate of two month's average cash disbursements during the fiscal year. | 25,465,261 |
| 6 | Estimate of delayed payments from state sources (58xx). | - |
| 7 | 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. | - |
| 8 | Estimate of delayed payments from federal sources (59xx) | - |
| 9 | 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) | - |
| 10 | Adjustment to meet Board Policy | - |
| 11 | Optimum Fund Balance and Cash Flow (Lines 2+3+4+5+6+7+8+9+10) | <u>62,188,109</u> |
| 12 | Excess (Deficit) Undesignated Unreserved General Fund Balance (Line 1 minus Line 11) | <u>\$ (13,370,812)</u> |



Birdville Independent School District

All students succeed in a future they create.

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

**Board of Trustees
Birdville Independent School District
Haltom City, Texas**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Birdville Independent School District (the "District") as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 3, 2010. 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 the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the 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 a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

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 the 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 that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Trustees, others within the District, the Texas Education Agency, and appropriate 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.

Hankins, Eastup, Deaton, Tonn & Seay

Hankins, Eastup, Deaton, Tonn & Seay
A Professional Corporation
Certified Public Accountants

November 3, 2010

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Trustees
Birdville Independent School District
Haltom City, Texas

Compliance

We have audited the compliance of Birdville Independent School District (the "District") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2010. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of finding 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 the District's management. Our responsibility is to express an opinion on the 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, Audits of States, Local Governments, and Non-Profit Organizations*. 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 the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our 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 the District's internal control over compliance.

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

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 management, the Board of Trustees, others within the District, 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.

Hankins, Eastup, Deaton, Tonn & Seay
Hankins, Eastup, Deaton, Tonn & Seay
A Professional Corporation
Certified Public Accountants

November 3, 2010

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010**

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

An unqualified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Deficiencies in internal control identified that are not considered to be material weakness(es)? ☐ Yes ☒ None reported
- Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Deficiencies in internal control identified that are not considered to be material weakness(es)? ☐ Yes ☒ None reported

An unqualified opinion was issued on compliance for major programs.

- Any audit findings disclosed that are required to be reported in accordance with section 510(a) or Circular A-133? ☐ Yes ☒ No

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010**

SECTION I – SUMMARY OF AUDITORS' RESULTS – CONTINUED

Identification of major programs:

CFDA
Number

Program

Title I Cluster:

84.010A

ESEA, Title I, Part A - Improving Basic Programs

84.389

ESEA, Title I, A-ARRA - Improving Basic Programs

Special Education Cluster:

84.027

IDEA - Part B, Formula

84.027

IDEA - Part B, Discretionary

84.027

IDEA - Part B, Deaf

84.173

IDEA - Part B, Preschool

84.173

IDEA - Part B, Preschool Deaf

84.391

IDEA - Part B, Formula - ARRA

84.392

IDEA - Part B, Preschool – ARRA

84.287

Title IV, Part B, 21st Century Community Learning Cent.

84.394

Title XIV, State Fiscal Stabilization Fund – ARRA

- Dollar threshold used to distinguish between type A and type B programs?

\$871,798

Auditee qualified as low-risk auditee?

____ Yes X No

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – OTHER FINDINGS

None

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2010**

No prior audit findings.

**BIRDVILLE INDEPENDENT SCHOOL DISTRICT
CORRECTIVE ACTION PLAN
JUNE 30, 2010**

Finding Number

Corrective Action Plan

None required.

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

| (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 EDUCATION | | | |
| <u>Passed Through State Department of Education</u> | | | |
| Adult Education (ABE) - Federal | 84.002 | 104100087110349 | \$ 102,000 |
| ESEA, Title I, Part A - Improving Basic Programs | 84.010A | 10610101220902 | 3,105,368 |
| IDEA - Part B, Formula | 84.027 | 106600012209026600 | 3,497,786 |
| SSA - IDEA - Part B, Discretionary | 84.027 | 106600022209026673 | 45,770 |
| SSA - IDEA - Part B, Deaf | 84.027 | 106600012209026601 | 22,335 |
| Total CFDA Number 84.027 | | | 3,565,891 |
| Career and Technical - Basic Grant | 84.048 | 10420006220902 | 257,790 |
| IDEA - Part B, Preschool | 84.173 | 106610012209026610 | 122,354 |
| SSA - IDEA - Part B, Preschool Deaf | 84.173 | 106610012209026611 | 4,118 |
| Total CFDA Number 84.173 | | | 126,472 |
| SSA - IDEA, Part C - Early Intervention (Deaf) | 84.181A | 103911012209023911 | 944 |
| ESEA Title IV, Pt. A - Safe and Drug-Free Schools | 84.186A | 10691001220902 | 67,477 |
| ESEA, Title I, Part B - Even Start Family Literacy | 84.213 | 106120027110012 | 139,369 |
| Title IV, Pt B-21st Cent. Community Learning Cent. | 84.287 | 096950137110006 | 1,619,012 |
| Title II, Part D -Enhancing Ed. Through Technology | 84.318 | 10630001220902 | 39,294 |
| Title III, Part A - English Language Acquisition | 84.365A | 10671001220902 | 360,272 |
| ESEA, Title II, Part A, Teacher/Principal Training | 84.367A | 10694501220902 | 797,574 |
| Summer School LEP | 84.369A | 69550902 | 23,610 |
| Title II D Enhancing Ed. Through Technology - ARRA | 84.386 | 10553001220902 | 2,787 |
| ESEA, Title I, A - ARRA - Improving Basic Programs | 84.389 | 10551001220902 | 1,016,502 |
| IDEA, Part B, Formula - ARRA | 84.391 | 10554001220902 | 2,142,717 |
| IDEA, Part B, Preschool - ARRA | 84.392 | 10555001220902 | 44,387 |
| Title XIV, State Fiscal Stabilization Fund - ARRA | 84.394 | 10557001220902 | 9,348,080 |
| Total Passed Through State Department of Education | | | \$ 22,759,546 |
| TOTAL DEPARTMENT OF EDUCATION | | | \$ 22,759,546 |
| U.S. DEPARTMENT OF AGRICULTURE | | | |
| <u>Passed Through the State Department of Agriculture</u> | | | |
| School Breakfast Program* | 10.553 | 71400901 | \$ 1,234,139 |
| National School Lunch Program - Cash Assistance* | 10.555 | 71300901 | 4,550,102 |
| National School Lunch Prog. - Non-Cash Assistance* | 10.555 | 71300901 | 516,148 |
| Total CFDA Number 10.555 | | | 5,066,250 |
| Total Passed Through the State Department of Agriculture | | | \$ 6,300,389 |
| TOTAL DEPARTMENT OF AGRICULTURE | | | \$ 6,300,389 |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | \$ 29,059,935 |

*Clustered Programs as required by Compliance Supplement March, 2010

BIRDVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

1. The District utilizes the fund types specified in the Texas Education Agency *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 awards generally are accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All federal grant funds were accounted for in the General Fund or Special Revenue Fund, components of the Governmental Funds. 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 (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for the Government Funds. 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 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.

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

3. The National School Lunch Program (CFDA 10.555) received like kind goods. The monetary value of these goods was \$516,148 for the year ended June 30, 2010.
4. ROTC reimbursements of \$262,774, SHARS reimbursements of \$348,398, and Texas Department of Health Medicaid reimbursements of \$16,071, all of which are recorded as federal revenue in the General Fund, are not considered for purposes of the Schedule of Expenditures of Federal Awards.
5. The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustments by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refund of any money received may be required and the collectibility of any related receivable at June 30, 2010, may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.