



## **Annual Report of Certain Financial and Local Debt Information**

**Fiscal Year Ended June 30, 2023**

☒ Denotes Required Information Pursuant to Local Government Code, Section 140.008

This report was posted on the District's website on December 15, 2023.



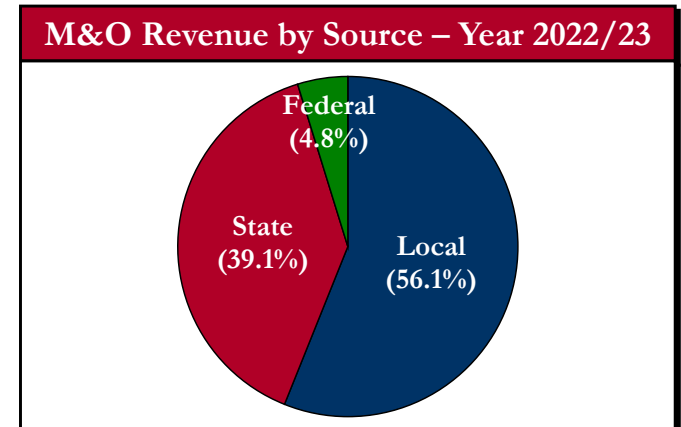
## ☑ Overview of Certain Financial/Bond Ratings

- ☐ **Overview:** Birdville Independent School District (the “District”) has been assigned the following independent financial/bond ratings that indicate the relative strength of the District’s financial and debt management:
- **School Financial Integrity Rating System of Texas (“FIRST”):** Pursuant to Subchapter D, Chapter 39 of the Texas Education Code, the State annually deploys a financial accountability rating system to distinguish the level of a school district’s financial performance based upon certain uniform criteria.
  - ✓ Based on data for year 2021/22, the District was assigned a 2022/23 FIRST Rating of “Superior Achievement” and the District’s score was 96 out of a possible 100 points.
- **Credit Ratings:** The District also maintains independent ratings from certain nationally recognized credit rating agencies, such as S&P Global Ratings, Moody’s Investors Service and Fitch Ratings, Inc., that evaluate the District’s financial strength and its ability to pay its existing bonds.
  - ✓ **S&P Global Ratings:** Assigns a “AA” credit rating to the District, defined as “Having a very strong capacity to meet its financial commitments. It differs from the highest rating only to a small degree.”
  - ✓ **Moody’s Investors Service:** Assigns a “Aa2” credit rating to the District, defined as “Obligations are judged to be of high quality and are subject to very low credit risk.”
  - ✓ **Fitch Ratings, Inc.:** Assigns a “AA+” credit rating to the District, defined as “Very high quality. A “AA” rating denotes expectations of very low default risk and very strong capacity for payment of financial commitments.”



## Overview of State Funding System

- ❑ **State Funding System – Where Do the District’s Revenues Come From:** Birdville ISD is legally required to operate pursuant to the requirements of the Texas Education Code. In particular, the Texas Education Code determines the District’s ability to generate local tax revenues for maintenance & operation purposes and for the repayment of voter-approved bonds. In this regard, the District annually sets two (2) separate tax rates that are levied upon its certified taxable value that is independently determined by the Tarrant Appraisal District:
- **Maintenance & Operations (“M&O”) Tax Rate:** To provide funds for the “day to day” operational expenses of the District, including instructional programs, teacher salaries, instructional supplies, security, student transportation, extracurricular activities, utilities, facility infrastructure/maintenance, etc.
  - ✓ The District’s annual funds for maintenance & operation purposes primarily consist of a combination of State funding and local M&O taxes. In general, the dollar amount of each component is determined by the District’s “Equalized Wealth per Student” (i.e. taxable value / weighted average daily attendance) as set by the State. For year 2022/23, the District’s sources for M&O revenues are summarized to the right.
- ✓ Beginning in year 2019/20, the District’s M&O tax rate became subject to compression pursuant to House Bill 3 that was enacted during the 2019 legislative session.





## ☑ Overview of State Funding System

- **Interest & Sinking Fund (“I&S”) Tax Rate:** To provide funds to pay the principal and interest on bonds approved by a majority of voters for capital improvements. The District does not receive any facilities funding from the State for the payment of bonds. The following summarizes the District’s bond programs approved by voters over the last 18 years:

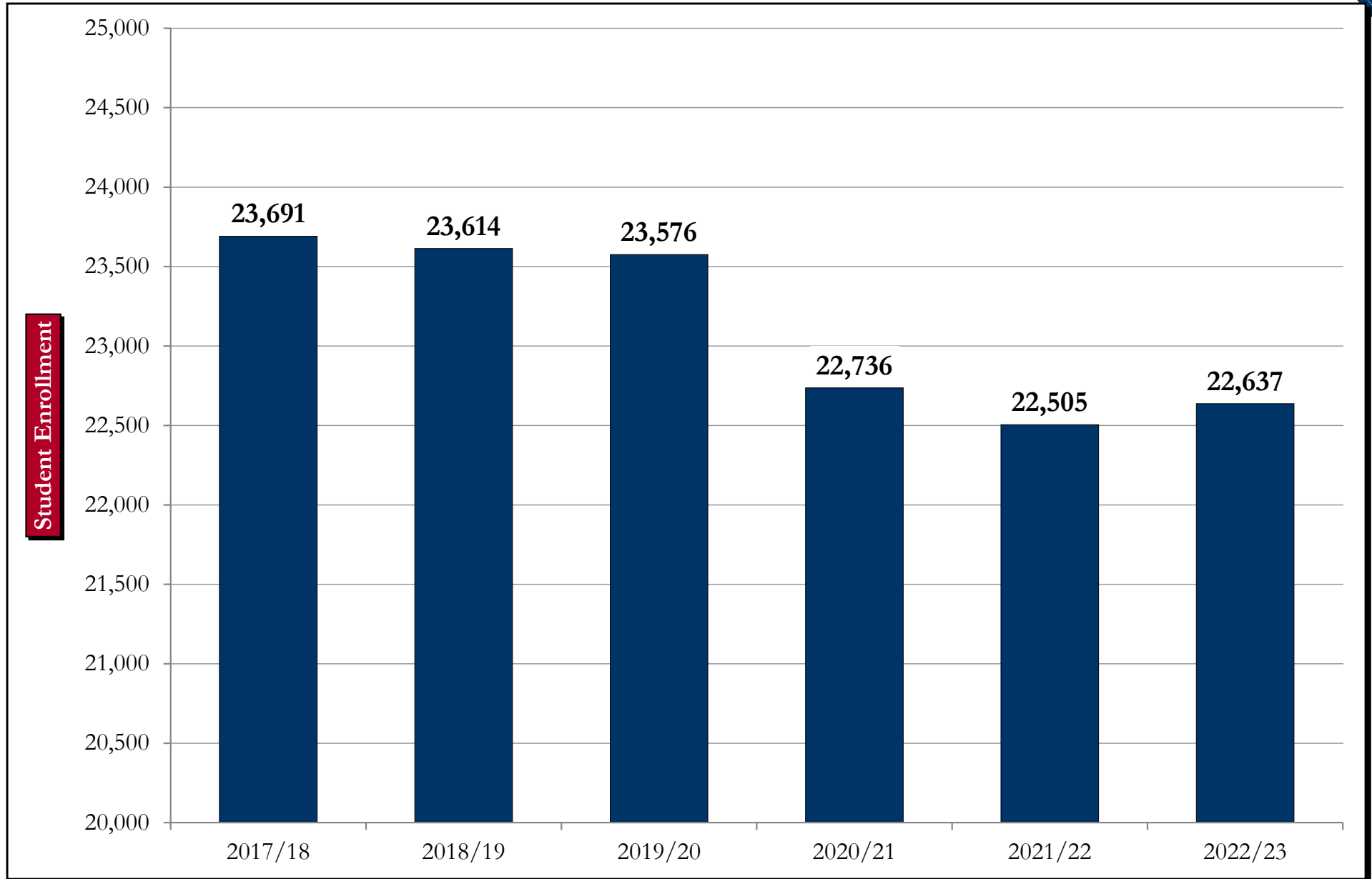
### District’s Historical Bond Elections Approved By Voters

Election Date	Purpose	Student Enrollment	Election Amount	Dollar Amount Remaining To Be Issued - As of June 30, 2023	Dollar Amount Remaining To Be Issued - As of Dec. 15, 2023
September 10, 2005	Renovations & Technology	22,509	\$40,315,000	\$0	\$0
November 7, 2006	School Building & Renovations	22,541	\$128,600,000	\$0	\$0
November 4, 2014	School Building & Technology	24,389	\$163,200,000	\$0	\$0
November 6, 2018	School Building & Renovations	23,614	\$252,802,490	\$0	\$0
November 8, 2022	School Building & Technology	22,724	\$300,776,090	\$149,530,391	\$0
Total Dollar Amount Of Authorized But Unissued Bonds:				\$149,530,391	\$0

- ✓ As of fiscal year ended June 30, 2023, the District had \$199,663,567 within its Capital Projects Fund for existing/future projects.

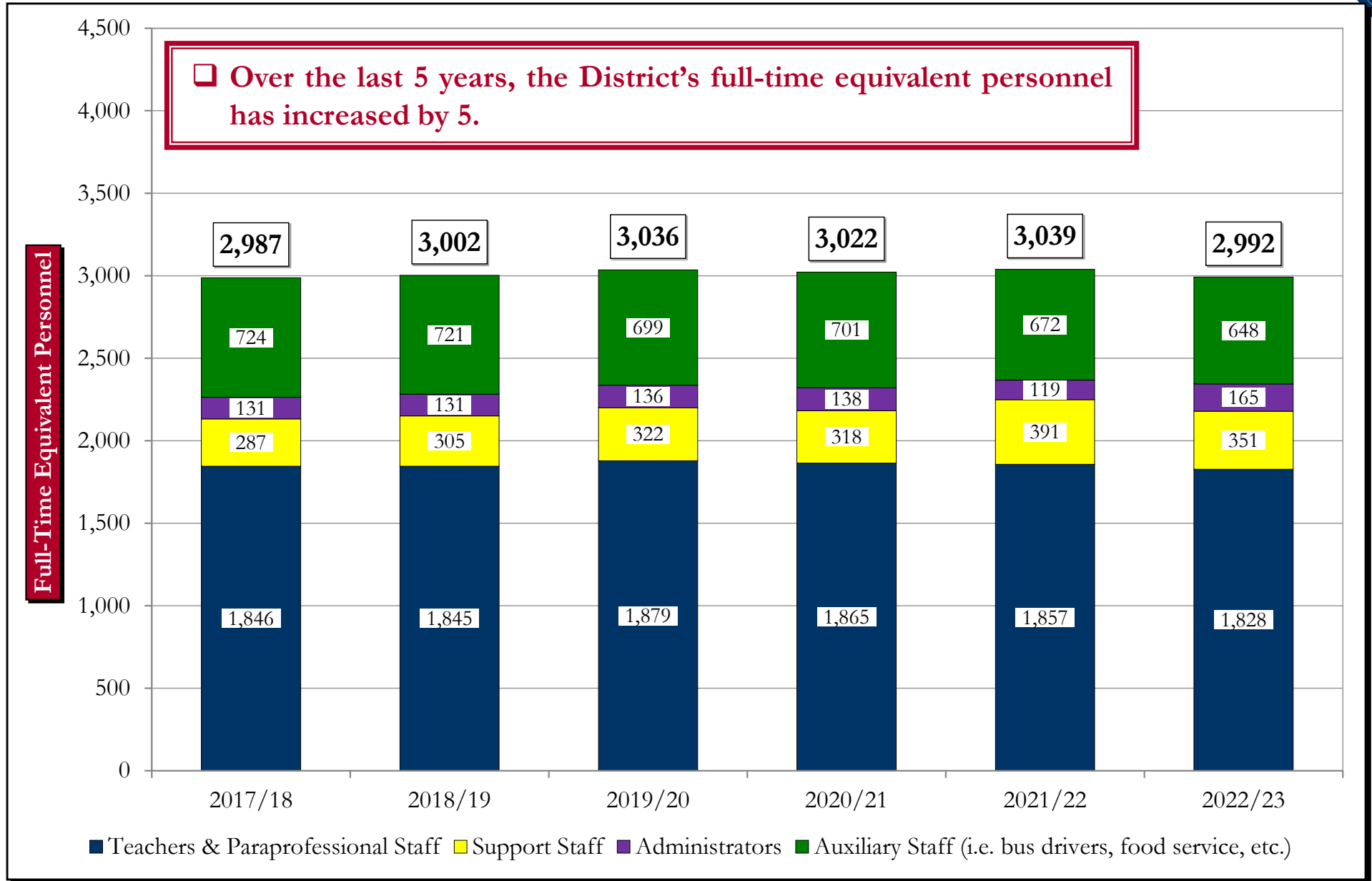


## Historical Student Enrollment



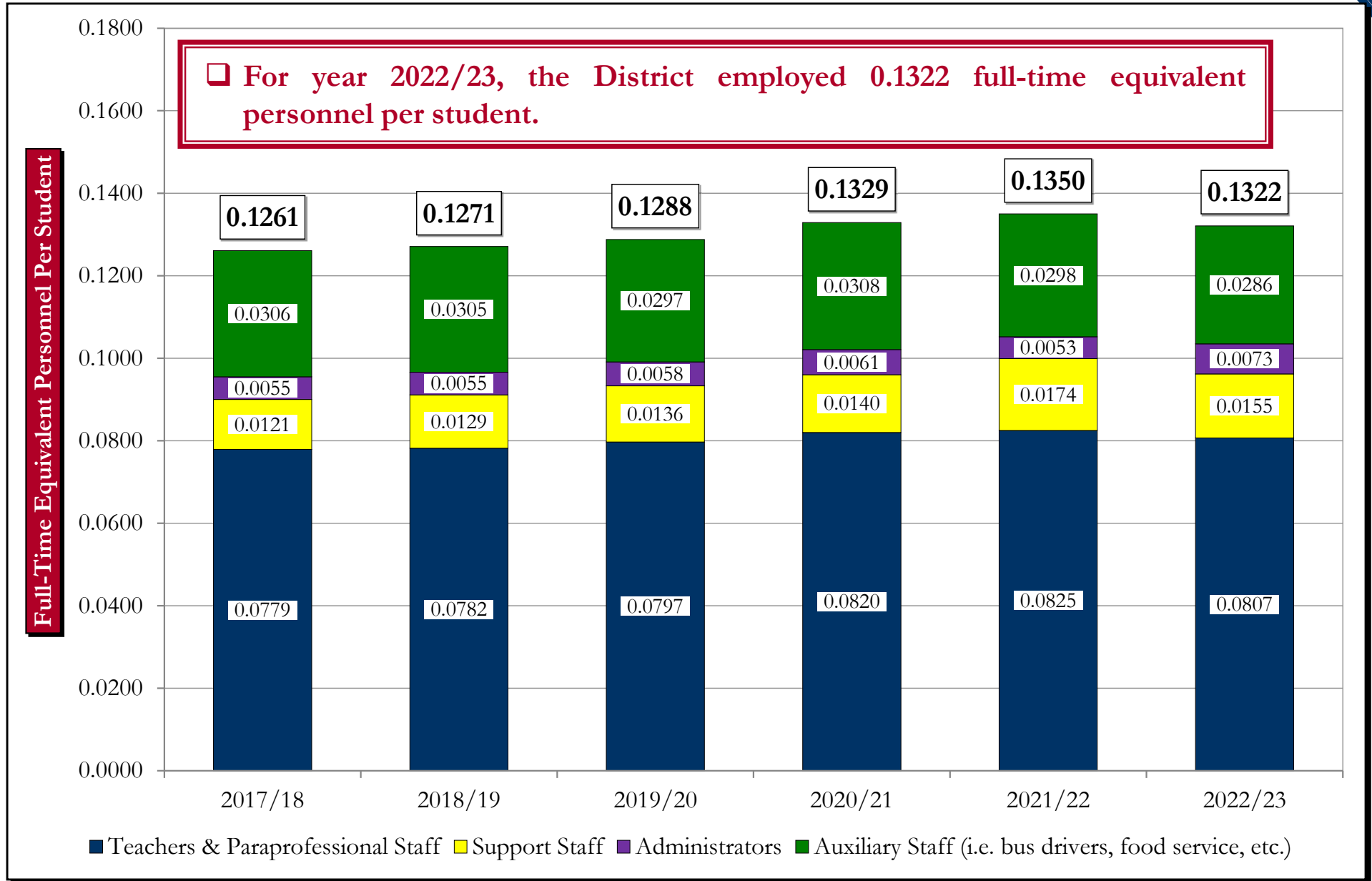


## Full-Time Equivalent Personnel



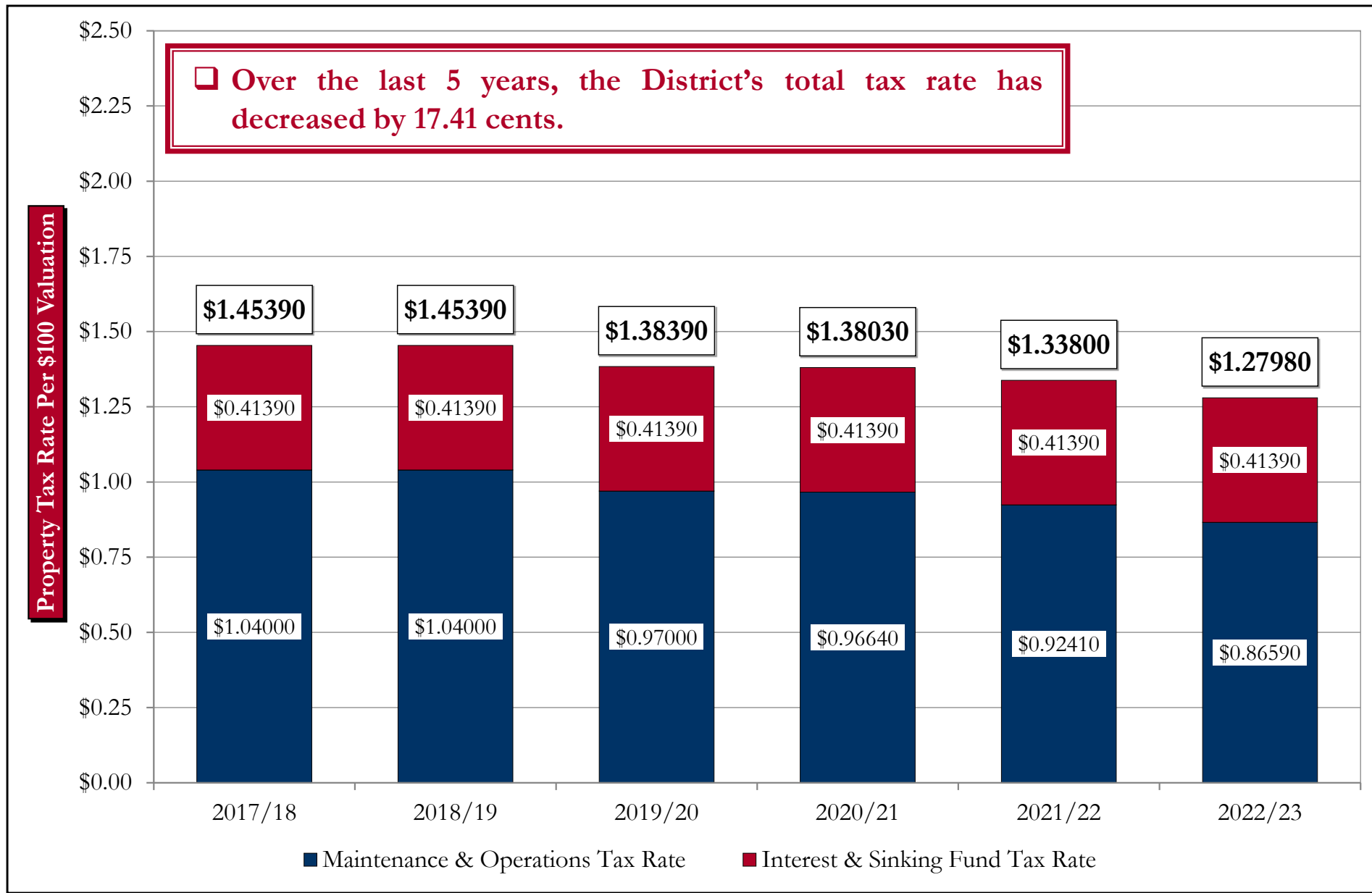


## Full-Time Equivalent Personnel Per Student





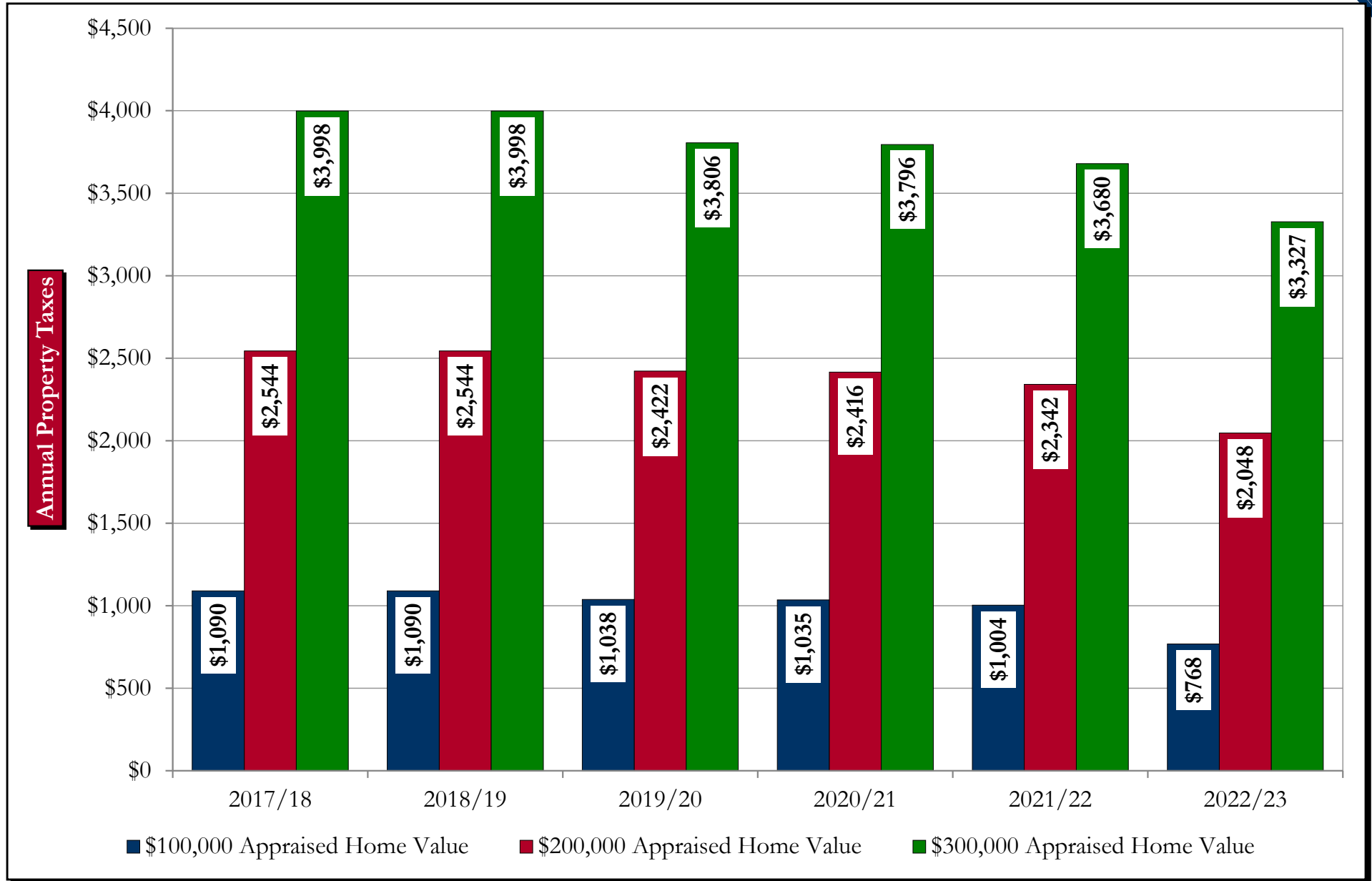
## Historical Tax Rates







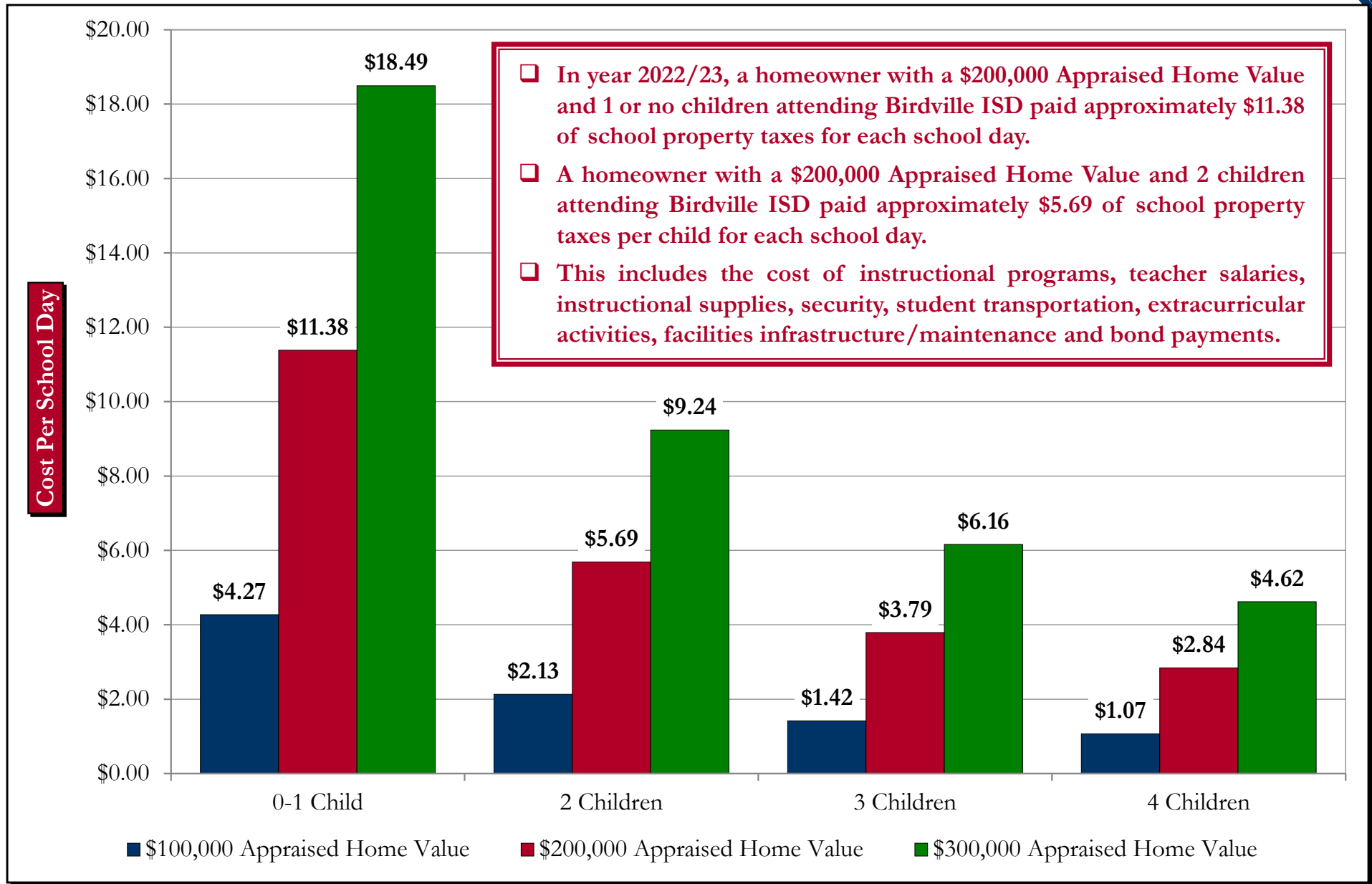
## Historical Total Property Taxes For Maintenance & Operations and Voter-Approved Bonds – For Various Appraised Home Values



Note: Taxes are net of the State-mandated residential homestead exemption.



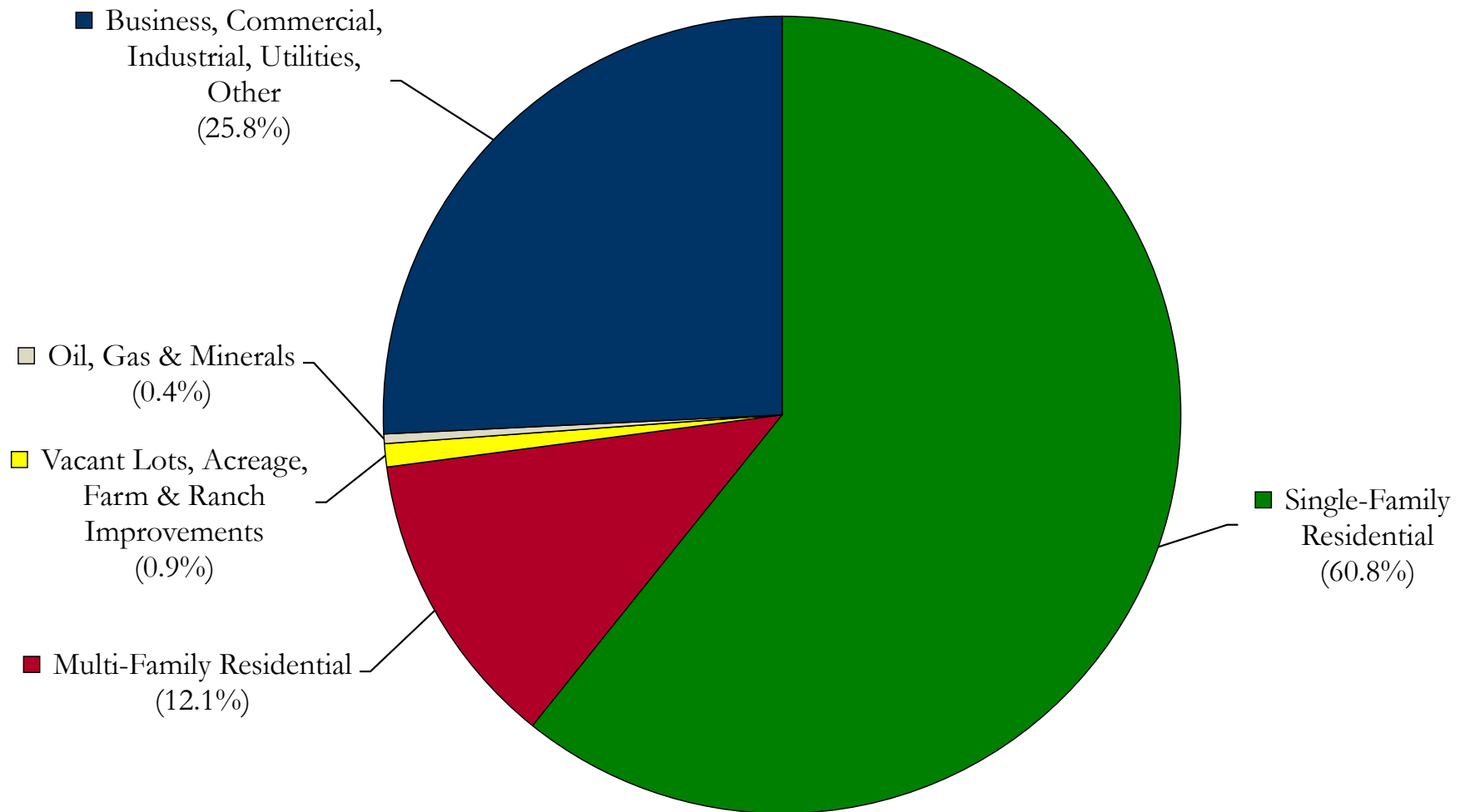
# Summary of Property Tax Cost Per School Day – For Various Appraised Home Values – Year 2022/23





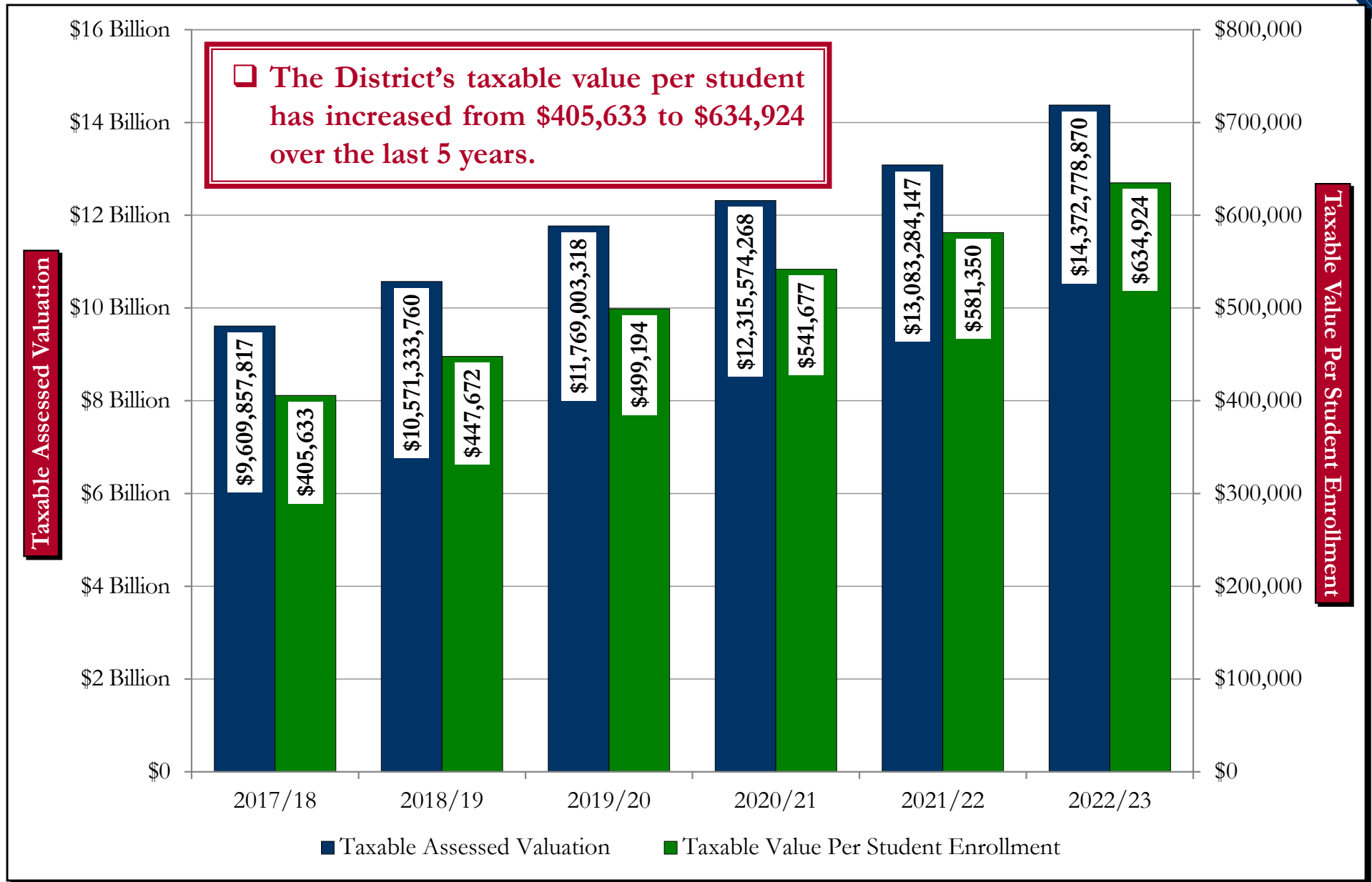
## Composition of Total Assessed Valuation – Year 2022/23

For year 2022/23, Single-Family Residential properties comprised 60.8% of the District's total assessed valuation and other property categories comprised 39.2%.





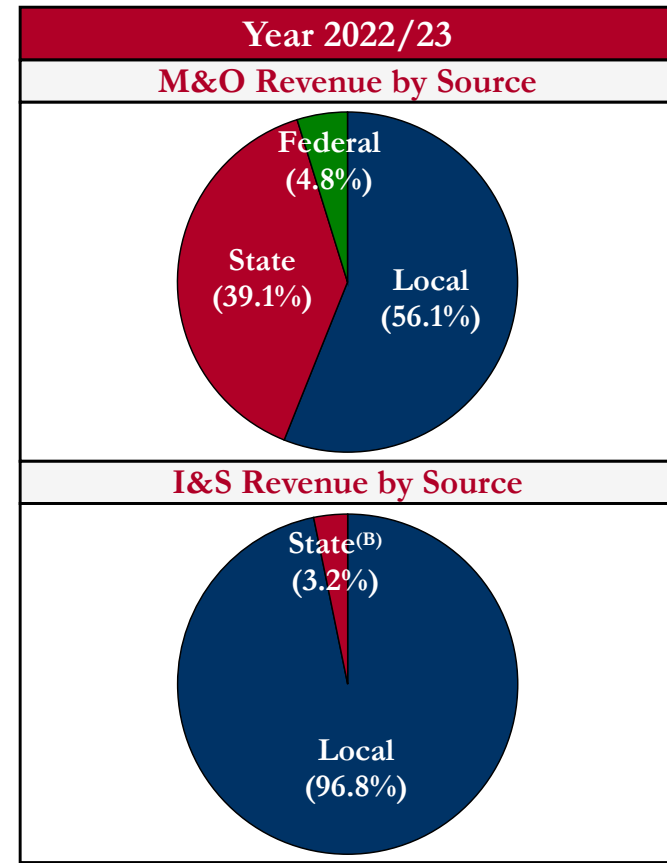
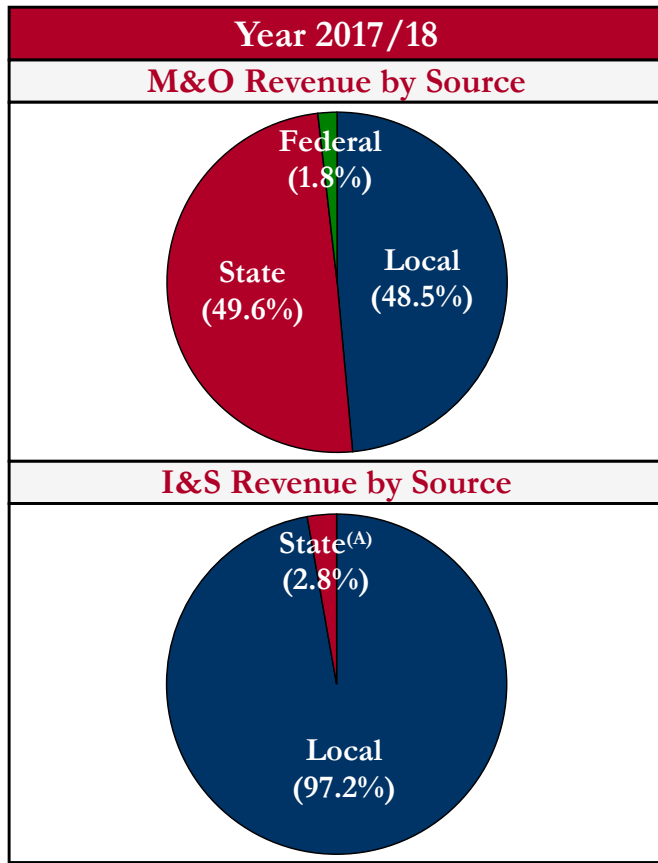
# Historical Taxable Assessed Valuation and Taxable Value Per Student Enrollment





# General Fund and Debt Service Fund – Revenue By Source

- ❑ The State funding system is structured to provide the District with an “equalized” dollar amount per student. The revenue sources for maintenance and operations and repayment of bonds is summarized below.
- ❑ For year 2022/23, the District did not receive any facilities funding from the State for the payment of voter-approved bonds.

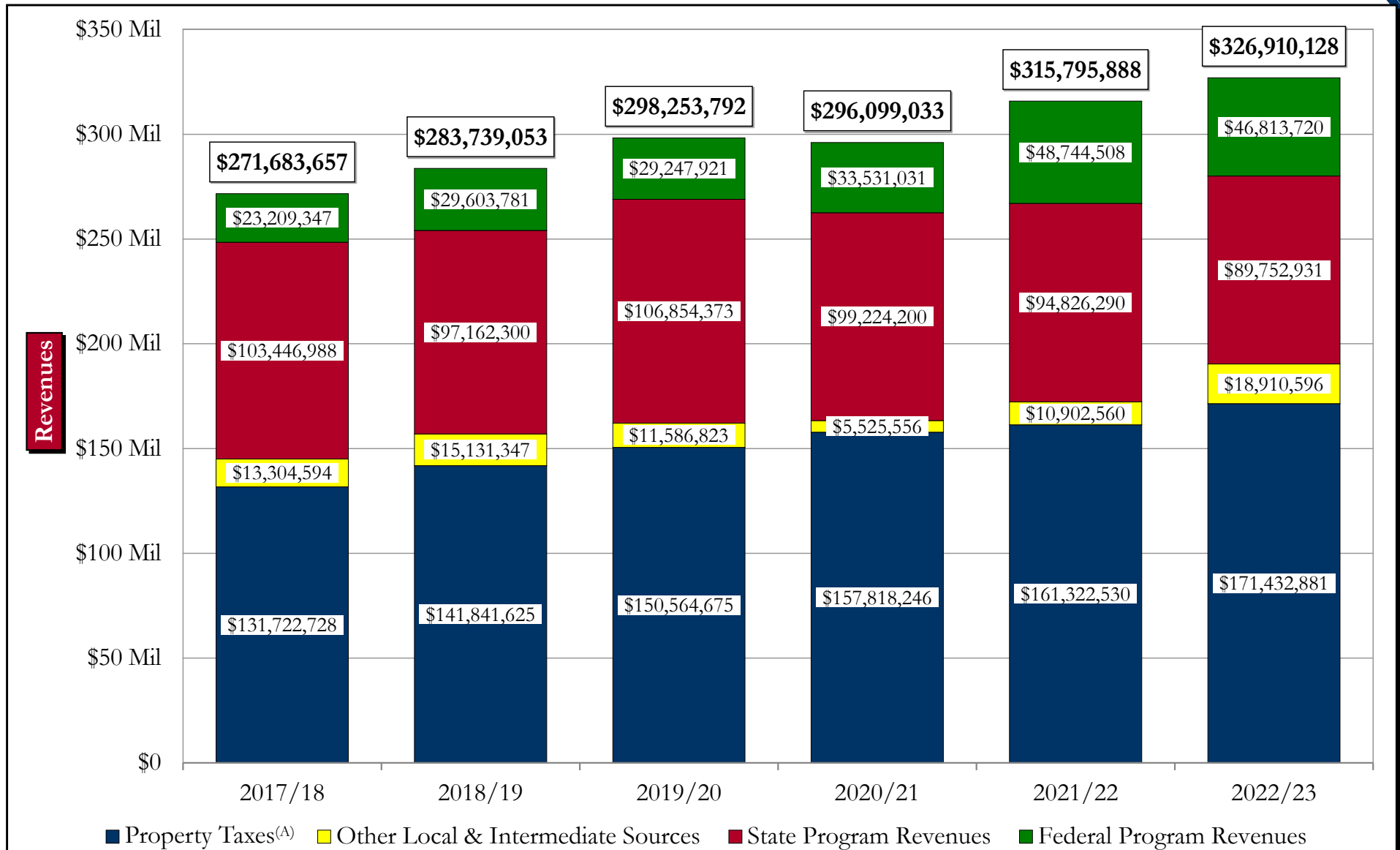


<sup>(A)</sup> Includes payment from State received for lost tax revenues resulting from increase of residential homestead exemption in year 2015/16.

<sup>(B)</sup> Represents payment from State received for lost tax revenues resulting from increase of residential homestead exemption in year 2015/16.



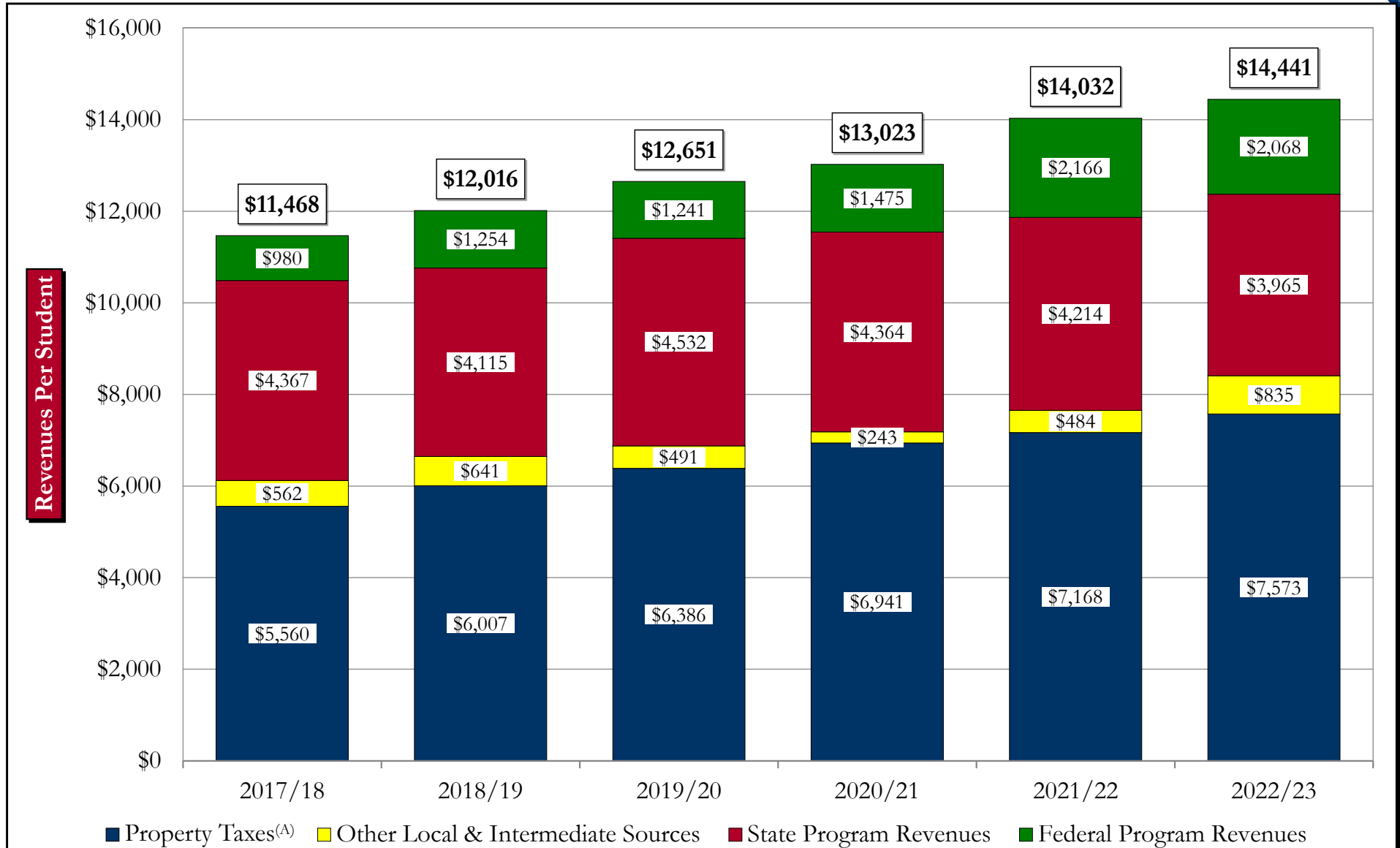
# Total Revenues (All Governmental Funds\*) By Source



<sup>(A)</sup> Includes maintenance and operation expenses and bond payments of voter-approved bonds.



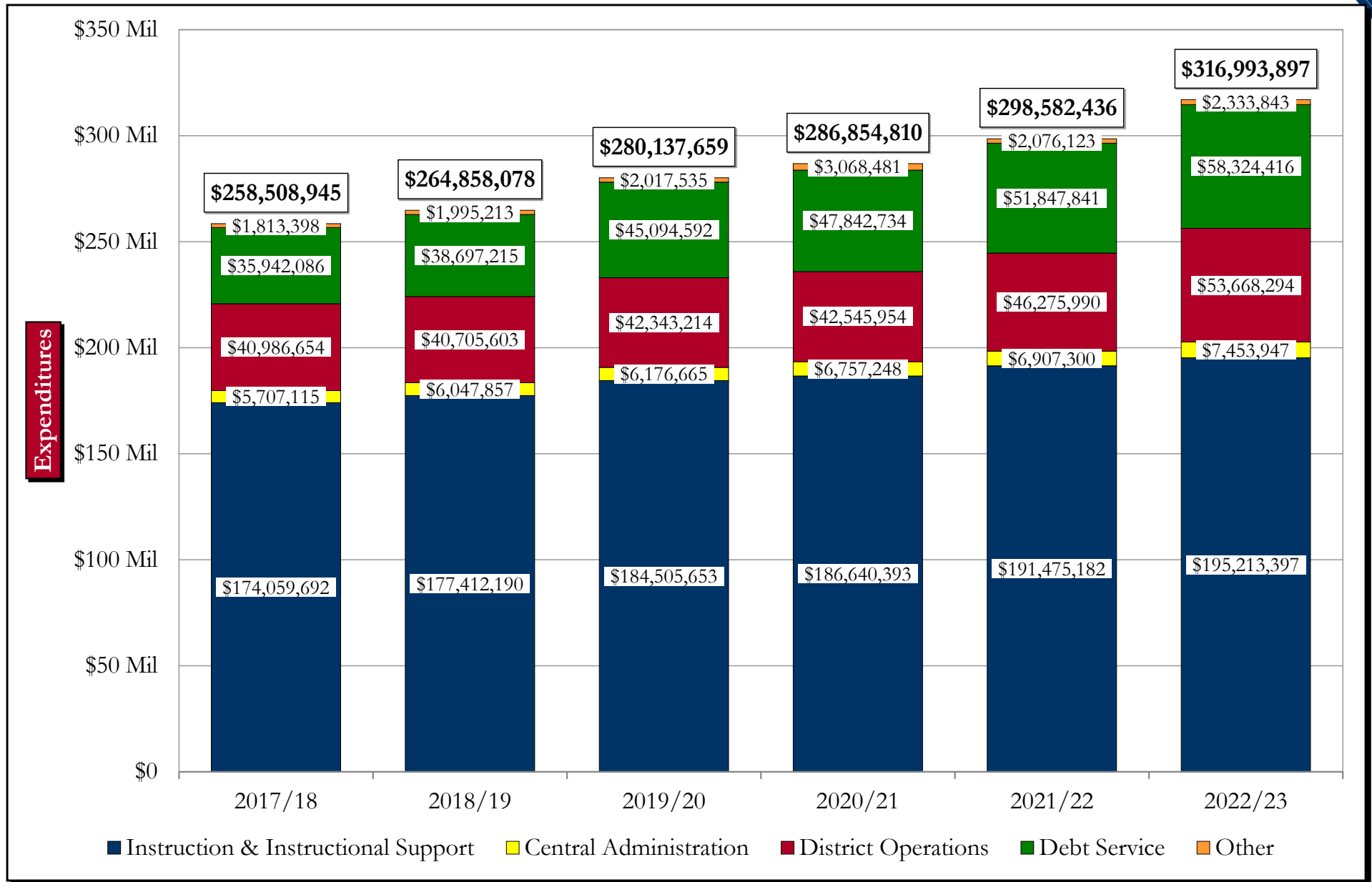
## Total Revenues (All Governmental Funds\*) Per Student



<sup>(A)</sup> Includes maintenance and operation expenses and bond payments of voter-approved bonds.



# Total Expenditures (All Governmental Funds\*) By Source

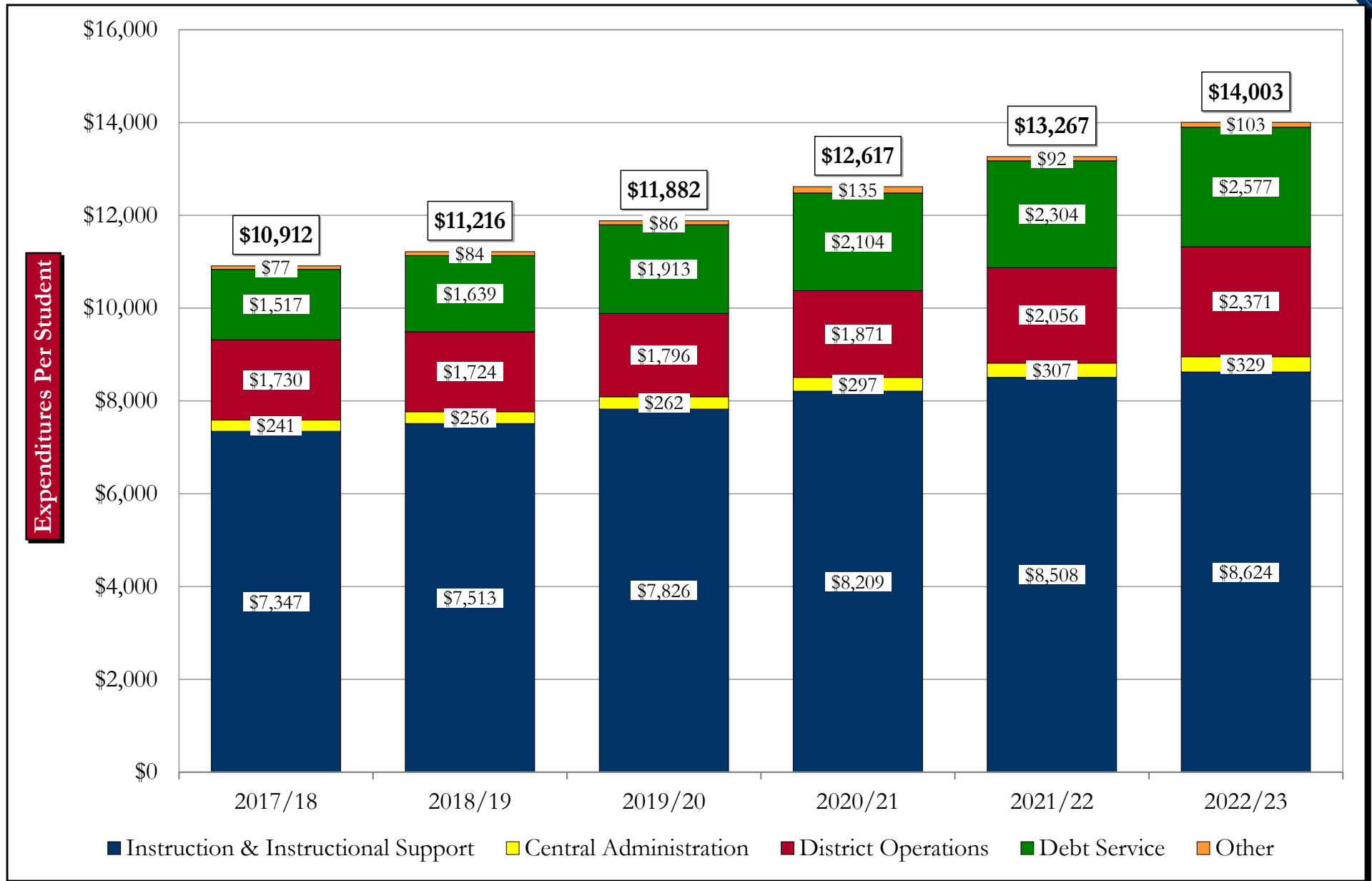


\*Excludes Capital Projects Fund. Source: District's Audited Financial Statements and District records.





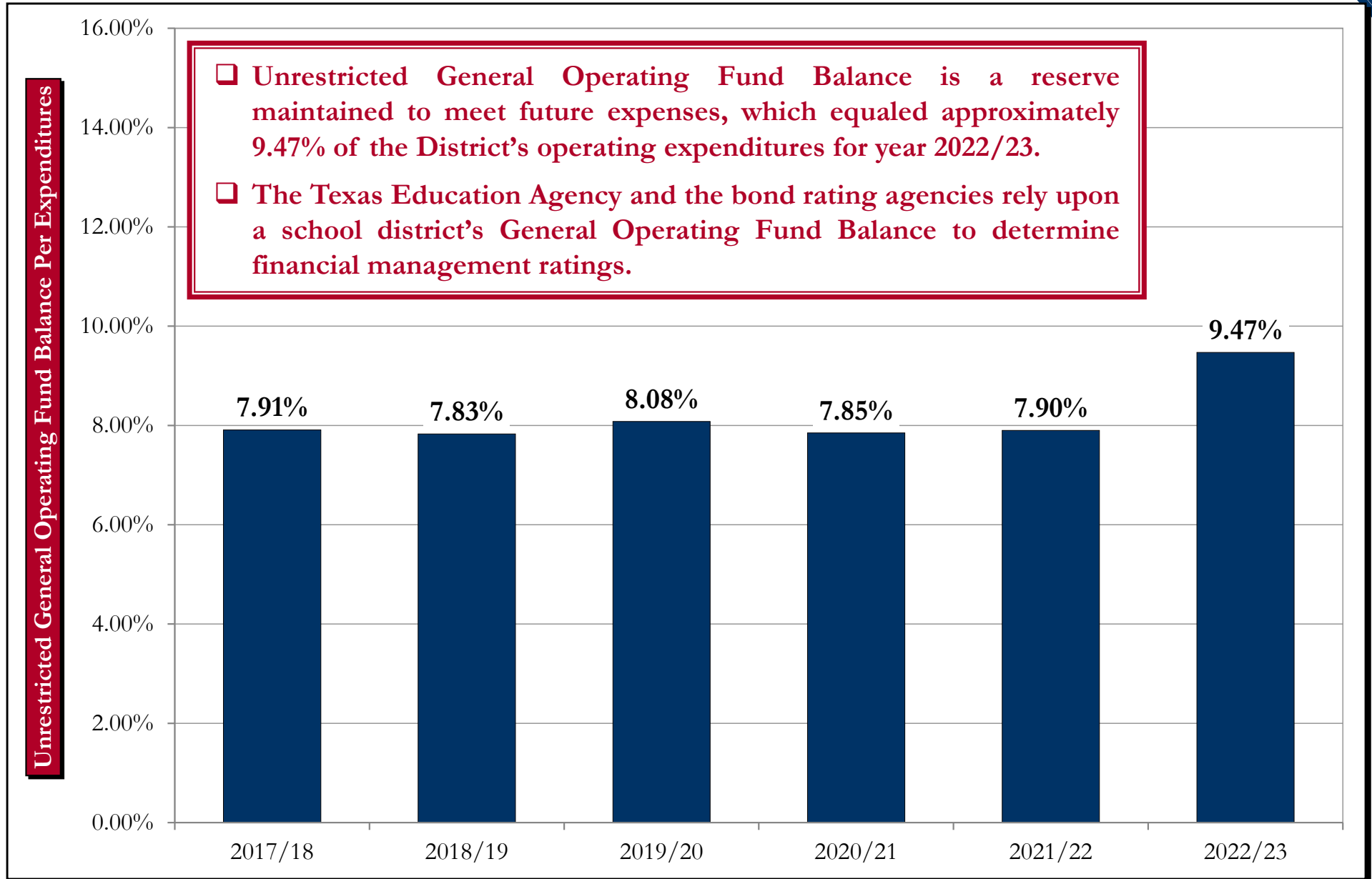
# Total Expenditures (All Governmental Funds\*) Per Student



\*Excludes Capital Projects Fund. Source: District's Audited Financial Statements, Texas Education Agency - PEIMS and District records.

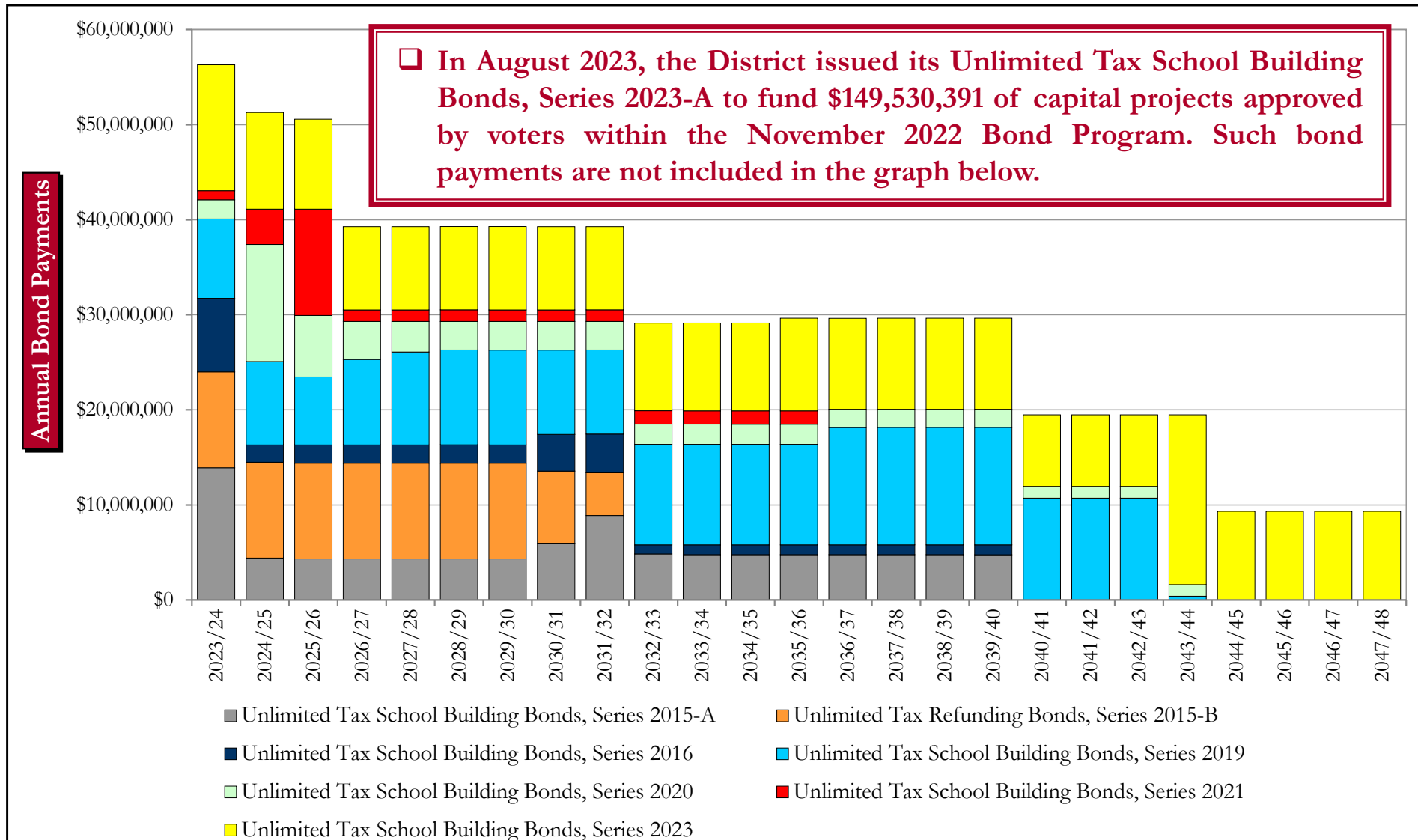


# Unrestricted General Operating Fund Balance as a Percentage of General Operating Expenditures





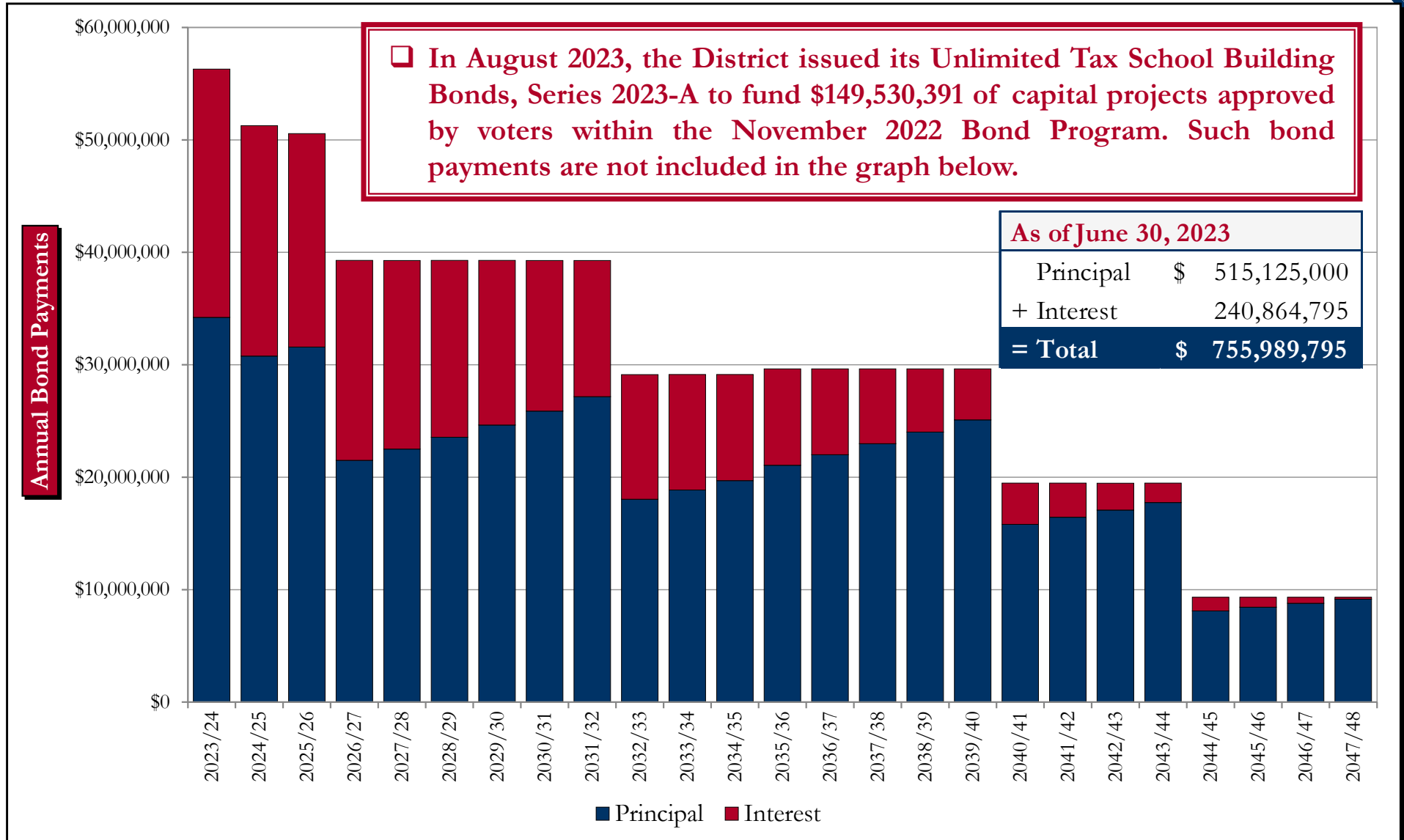
## ✓ Unlimited Tax Debt Service By Series – Existing Bonds Approved By Voters



Note: Although the District's fiscal year ends on June 30, debt service payments reflect payments from September 1 through August 31 to match the receipt of tax collections and the District's budget. As such, the District's August 2023 debt payments are not portrayed in the graph above.



# ✓ Unlimited Tax Debt Service By Principal and Interest – Existing Bonds Approved By Voters



Note: Although the District's fiscal year ends on June 30, debt service payments reflect payments from September 1 through August 31 to match the receipt of tax collections and the District's budget. As such, the District's August 2023 debt payments are not portrayed in the graph above.



## Savings from District's Recent Bond Refunding and Prepayment Programs to Lower Interest Costs

- ❑ Birdville ISD has implemented 5 bond refunding programs and prepaid more than \$28.9 million of existing bonds to reduce the cost of voter-approved bonds – Which have generated more than \$42.2 million of savings for District taxpayers in recent years.

Summary of Interest Cost Savings – Bond Refunding Programs / Prepayment of Bonds			
Issue / Description	Series Refunded / Redeemed	Par Amount Refunded / Redeemed	Total Savings
Unlimited Tax School Building & Refunding Bonds, Series 2007	1997, 2000	\$ 9,805,565	\$ 3,276,700
Unlimited Tax Refunding Bonds, Series 2008-B	1997A	4,765,000	358,349
Unlimited Tax Refunding Bonds, Series 2012	2006	23,215,000	2,352,288
Unlimited Tax Refunding Bonds, Series 2014	2004	20,675,000	1,076,754
Unlimited Tax Refunding Bonds, Series 2015-B	2007, 2008-A	98,312,148	14,931,944
<b>Total - Bond Refunding Programs at a Lower Interest Rate</b>	---	<b>\$ 156,772,713</b>	<b>\$ 21,996,035</b>
Prepayment of Series 2008-A Bonds - February 2014	2008-A	4,400,000	3,873,500
Prepayment of Series 2007 & 2008-A Bonds - February 2015	2007, 2008-A	5,230,000	3,963,000
Prepayment of Series 2007 Bonds - February 2016	2007	1,140,000	798,000
Prepayment of Series 2007 Bonds - February 2018	2007	1,048,105	315,306
Prepayment of Series 2007 Bonds - February 2019	2007	4,477,911	2,152,754
Prepayment of Series 2007 Bonds - February 2020	2007	2,165,000	712,156
Prepayment of Series 2019 Bonds - February 2022	2019	2,975,000	2,454,375
Prepayment of Series 2019 Bonds - February 2023	2019	7,545,000	5,941,688
<b>Total - Prepayment of Bonds Prior to Scheduled Maturity</b>	---	<b>\$ 28,981,016</b>	<b>\$ 20,210,779</b>
<b>Totals</b>	---	<b>\$ 185,753,729</b>	<b>\$ 42,206,814</b>



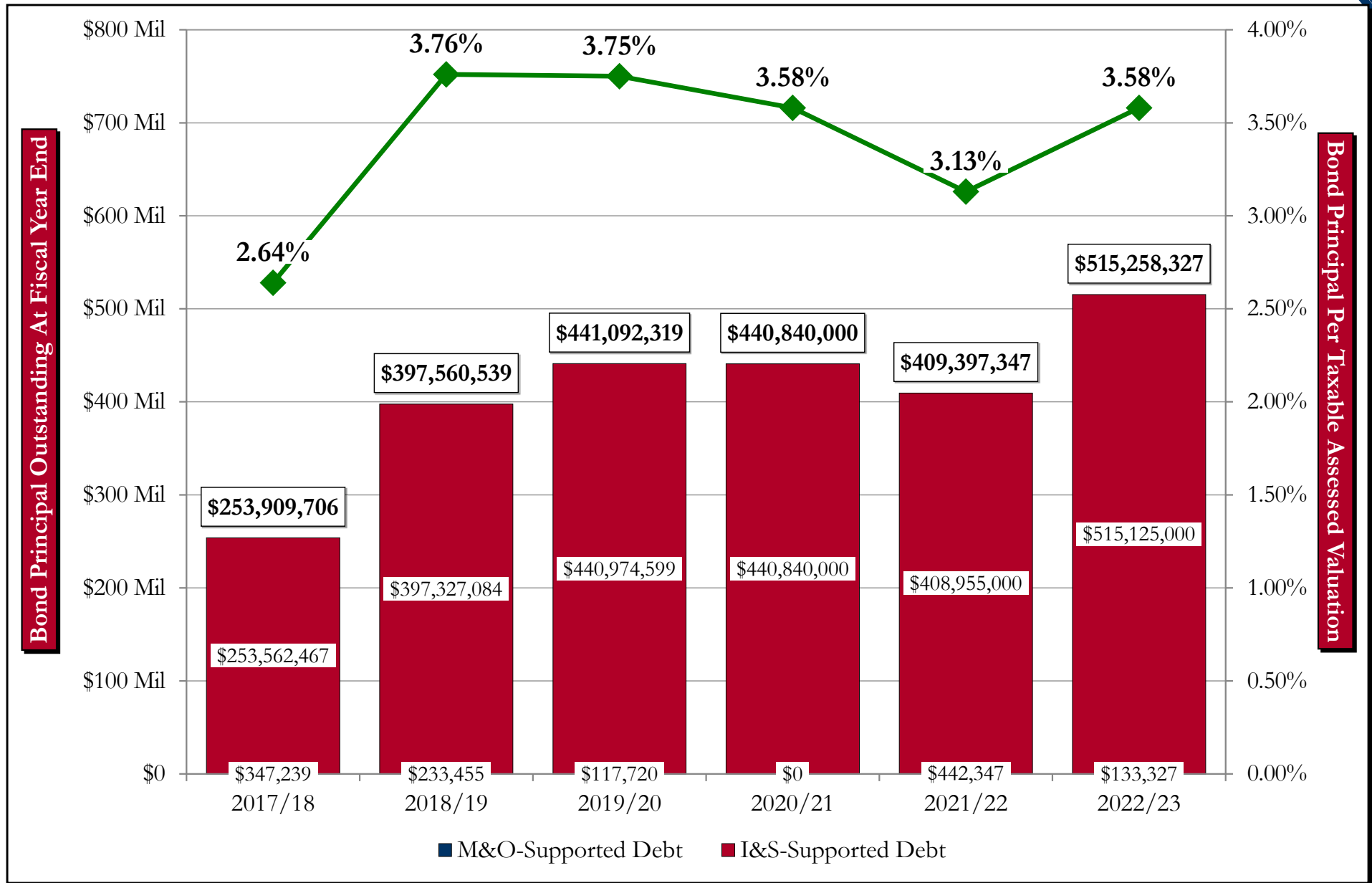
## ☑ Summary of Unlimited Tax Debt Outstanding By Series – As of Fiscal Year Ended June 30, 2023

- ☐ The following debt obligations are payable from ad valorem taxes (i.e. I&S taxes) levied annually against all taxable property located within the District, without legal limit as to rate or amount.

No.	Issue Description	Purpose	Original Principal Amount	Outstanding Principal	Total Outstanding Debt Service	Outstanding Principal Per Capita	Outstanding Debt Service Per Capita	Final Maturity Date	Total Proceeds Received	Spent Proceeds	Unspent Proceeds
1	Unlimited Tax School Building Bonds, Series 2015-A	Capital Improvements	\$91,975,000.00	\$65,325,000.00	\$94,636,300.00	\$518.91	\$751.75	02/15/2040	\$106,952,708.86	\$106,952,708.86	\$0.00
2	Unlimited Tax Refunding Bonds, Series 2015-B	Refunding at a lower interest rate, etc.	\$98,312,081.10	\$69,075,000.00	\$84,142,300.00	\$548.70	\$668.39	02/15/2032	\$126,928,941.36	\$126,928,941.36	\$0.00
3	Unlimited Tax School Building Bonds, Series 2016	Capital Improvements	\$41,785,000.00	\$26,570,000.00	\$35,938,650.00	\$211.06	\$285.48	02/15/2040	\$50,379,235.37	\$50,379,235.37	\$0.00
4	Unlimited Tax School Building Bonds, Series 2019	Capital Improvements	\$157,635,000.00	\$136,475,000.00	\$207,793,737.50	\$1,084.10	\$1,650.62	02/15/2044	\$168,084,368.56	\$168,084,368.56	\$0.00
5	Unlimited Tax School Building Bonds, Series 2020	Capital Improvements	\$62,810,000.00	\$47,945,000.00	\$61,982,312.54	\$380.85	\$492.36	02/15/2044	\$71,260,632.72	\$68,401,280.72	\$2,859,352.00
6	Unlimited Tax School Building Bonds, Series 2021	Capital Improvements	\$24,345,000.00	\$24,345,000.00	\$29,310,100.00	\$193.39	\$232.83	02/15/2036	\$28,909,834.85	\$10,385,104.85	\$18,524,730.00
7	Unlimited Tax School Building Bonds, Series 2023	Capital Improvements	\$145,390,000.00	\$145,390,000.00	\$242,186,395.28	\$1,154.92	\$1,923.82	02/15/2048	\$155,026,596.76	\$21,271,827.76	\$133,754,769.00

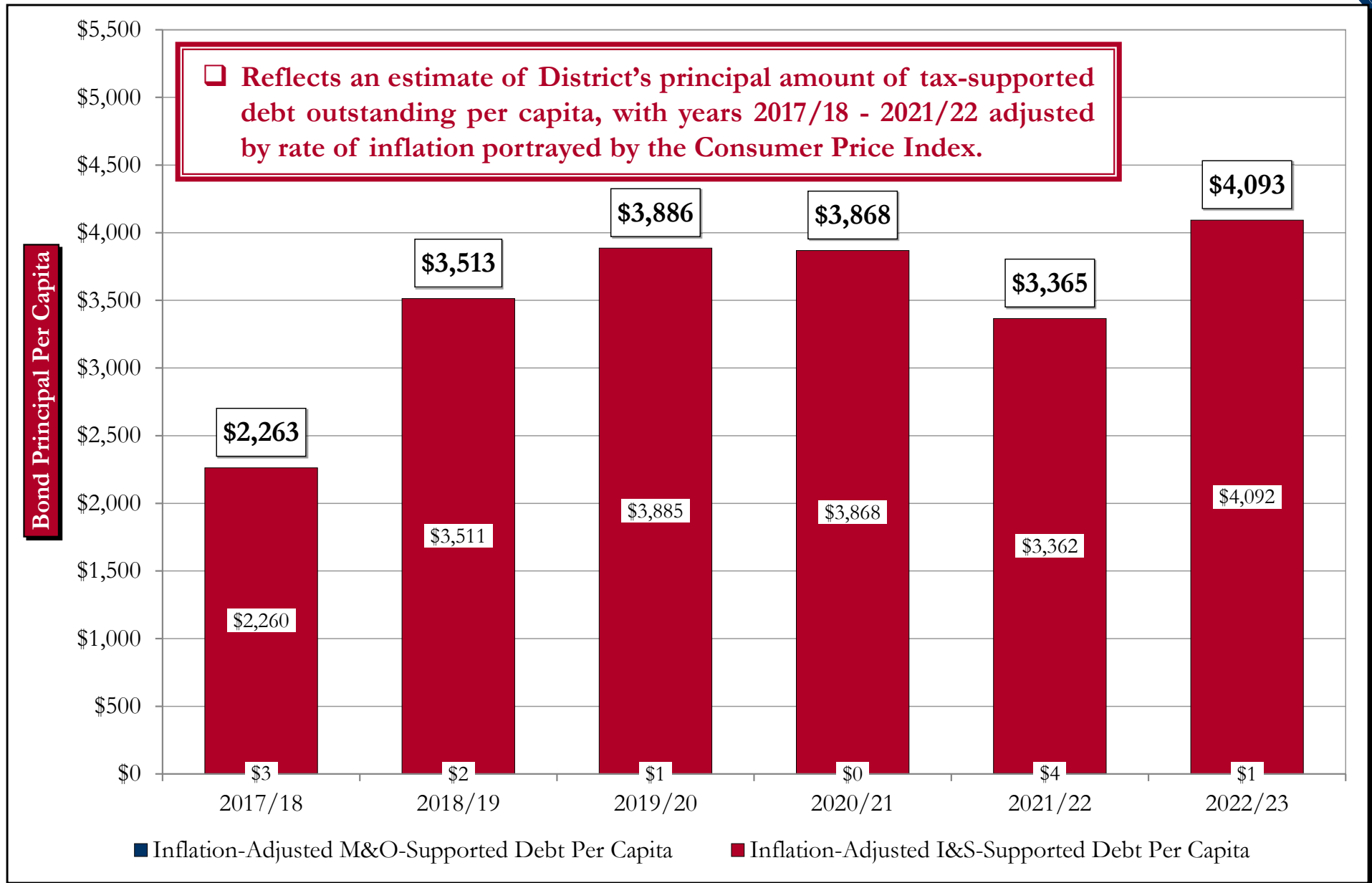


# Tax-Supported Debt Obligations At Fiscal Year End and As a Percentage of Taxable Assessed Valuation





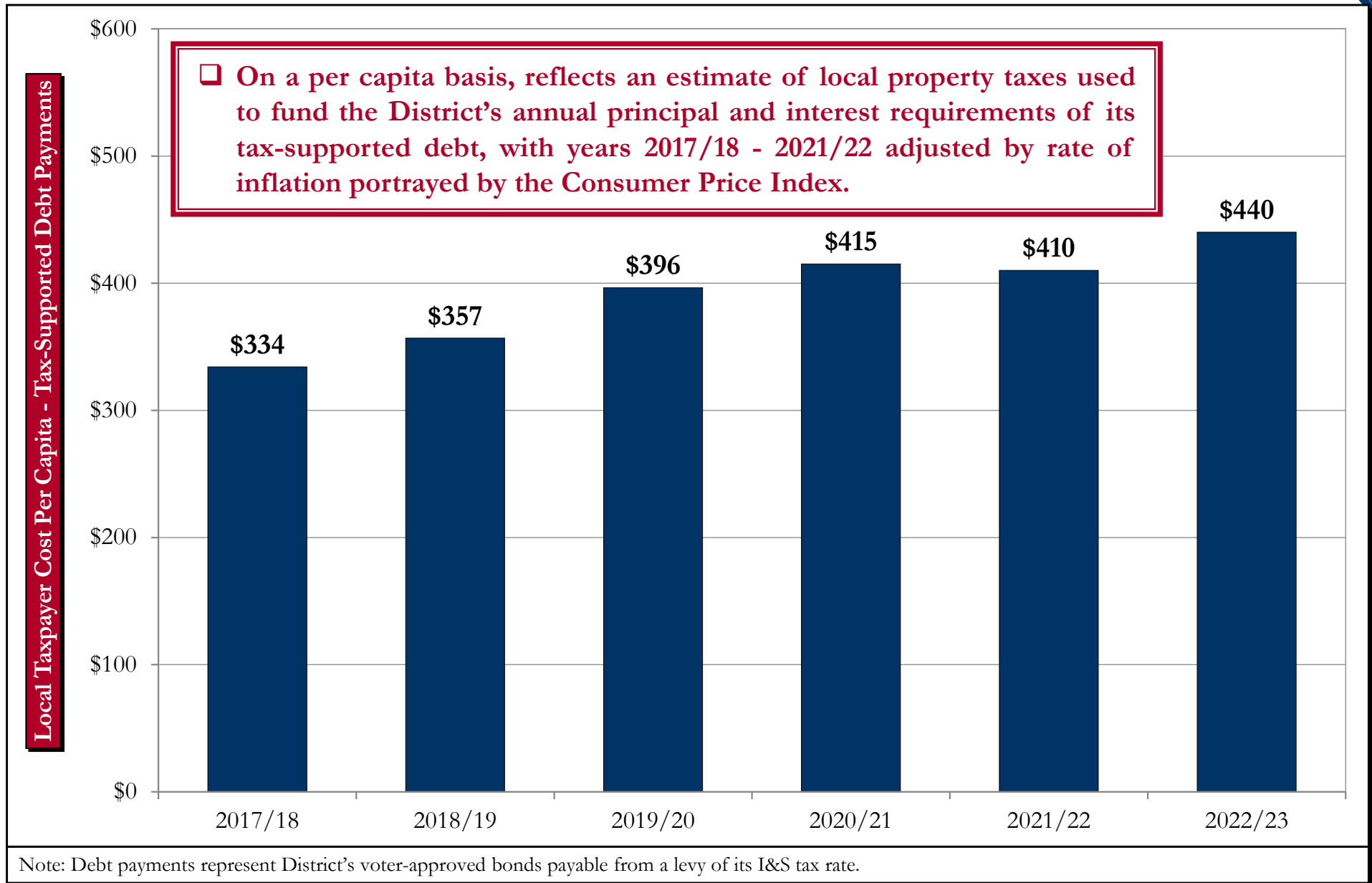
# Inflation-Adjusted Tax-Supported Debt Per Capita







# Inflation-Adjusted Tax-Supported Debt Cost Per Capita – Principal and Interest In Each of the Last 5 Years





## Contact Information and Links to Additional Resources

### ☐ Main Office Contact Information:

Physical and Mailing Address:

6125 East Belknap Street  
Haltom City, Texas 76117

Phone: (817) 547-5700

Fax: (817) 547-5530

### ☐ For additional information regarding this report, please contact:

Ms. Katie Bowman, CPA

Associate Superintendent of Finance and Auxiliary Services

Phone: (817) 547-5735

Email: [katie.bowman@birdvilleschools.net](mailto:katie.bowman@birdvilleschools.net)

### ☐ Links to Additional Resources:

<https://www.comptroller.texas.gov/transparency/local/debt/isds.php>

[http://www.brb.state.tx.us/local\\_debt\\_search.aspx](http://www.brb.state.tx.us/local_debt_search.aspx)