



BURKBURNETT
INDEPENDENT SCHOOL DISTRICT

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

Fiscal Year Ended August 31, 2018

Denotes Required Information Pursuant to Local Government Code, Section 140.008

This report was posted on the District's website on February 27, 2019.



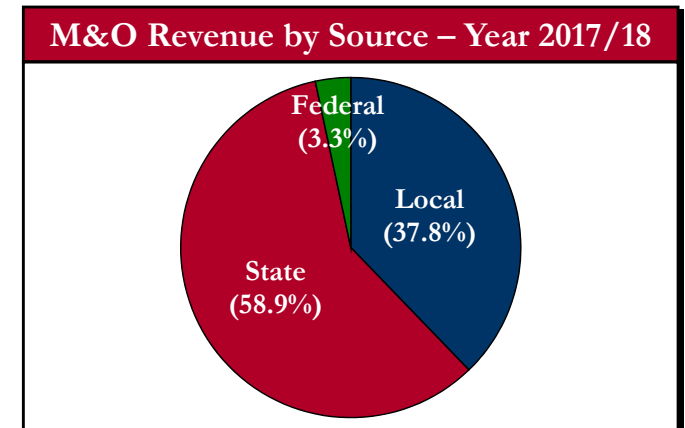
☑ Overview of Certain Financial/Bond Ratings

- ☐ **Overview:** Burkburnett 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 2016/17, the District was assigned a 2017/18 FIRST Rating of “Superior” and the District’s score was 100 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, that evaluate the District’s financial strength and its ability to pay its existing bonds.
 - ✓ **S&P Global Ratings:** Assigns a “A+” credit rating to the District, defined as “Having a strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories.”



Overview of State Funding System

- ❑ **State Funding System – Where Do the District’s Revenues Come From:** Burkburnett 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 Wichita Appraisal District and Clay County 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 2017/18, the District’s sources for M&O revenues are summarized to the right.
 - ✓ On November 6, 2007, voters approved a tax ratification election to increase the District’s M&O tax rate to \$1.17. Prior to such ratification, the District was limited to a \$1.04 tax rate for maintenance and operations.





☑ Overview of State Funding System

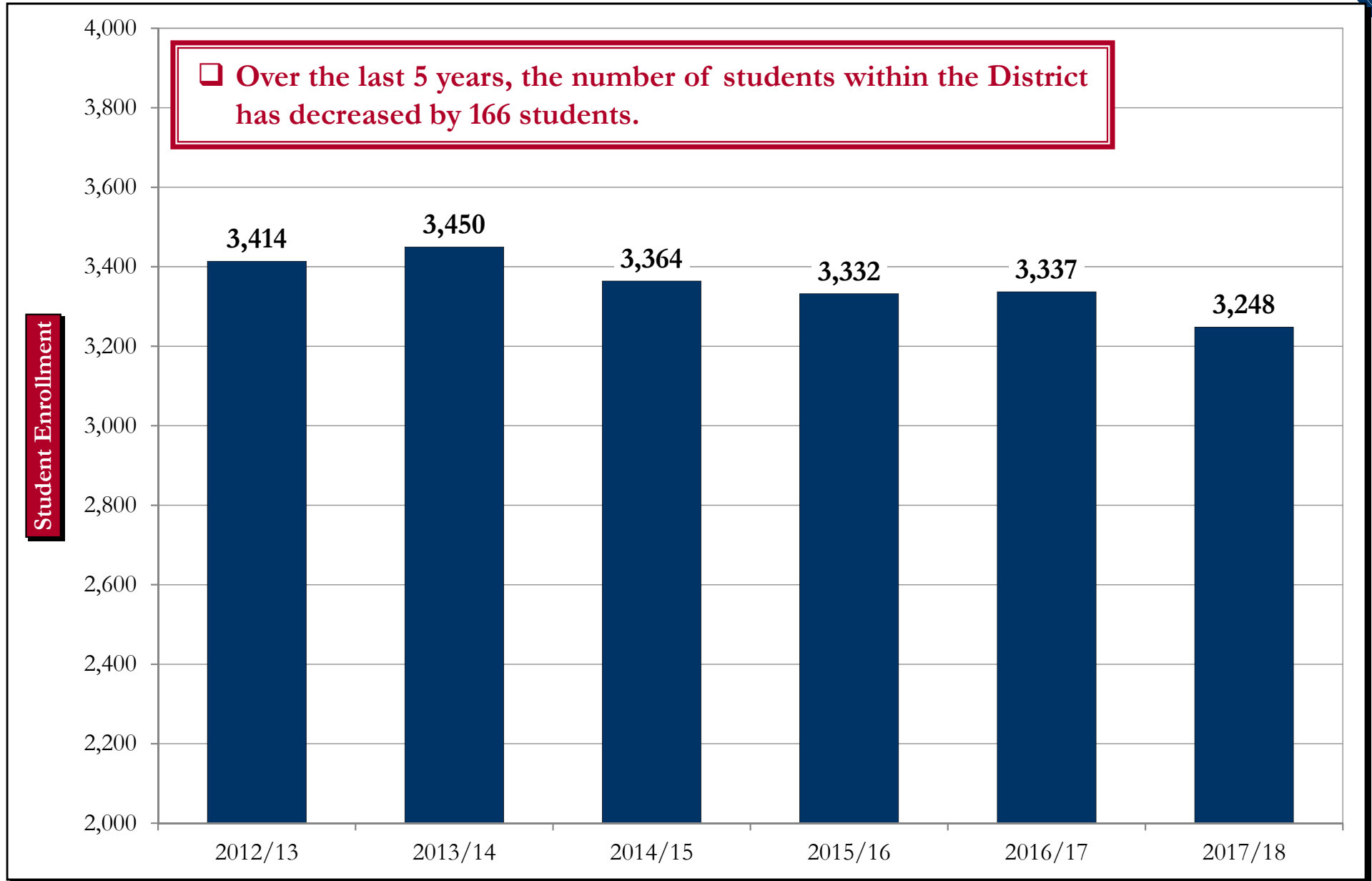
- **Interest & Sinking Fund (“I&S”) Tax Rate:** To provide funds to pay the principal and interest on bonds approved by a majority of voters for capital improvements. The following summarizes the District’s bond programs approved by voters over the last 15 years:

District’s Historical Bond Elections Approved By Voters			
Election Date	Purpose	Election Amount	Dollar Amount Of Bonds Remaining To Be Issued
November 3, 2015	School Building	\$47,100,000	\$0
Total Dollar Amount Of Authorized But Unissued Bonds - As of August 31, 2018:			\$0

- ✓ As of fiscal year ended August 31, 2018, the District had \$4,331,616 within its Capital Projects Fund for existing/future projects.

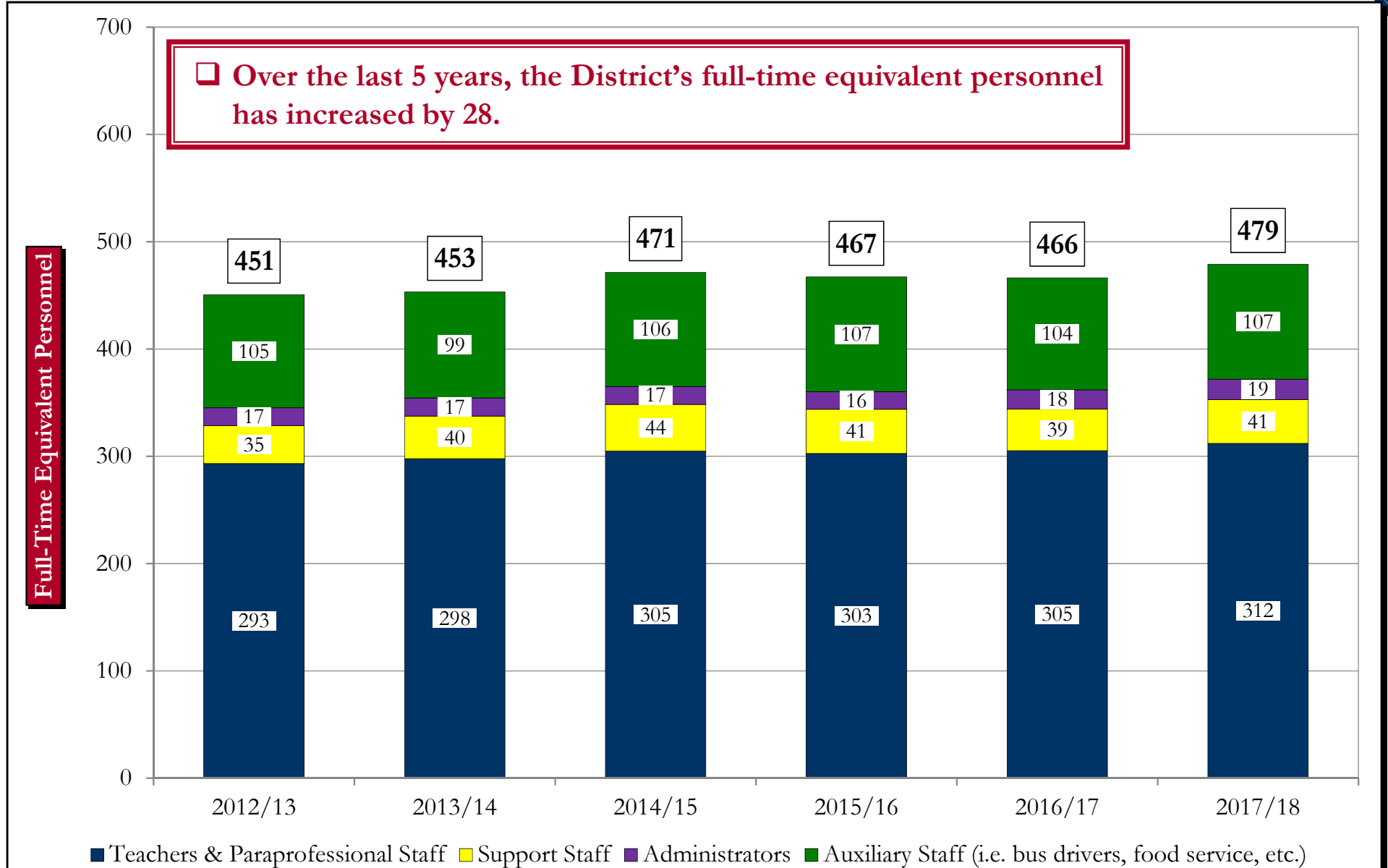


Historical Student Enrollment



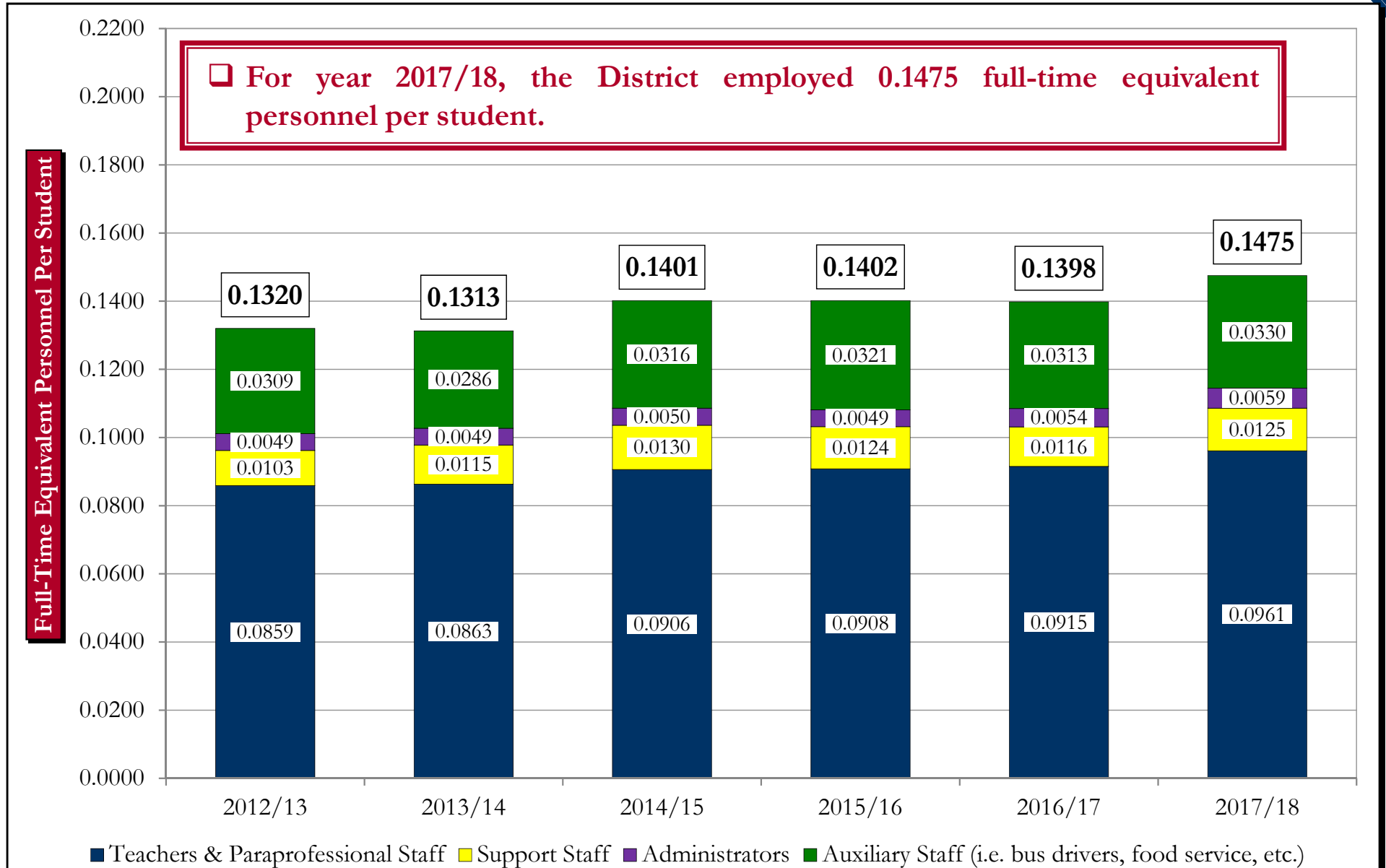


Full-Time Equivalent Personnel



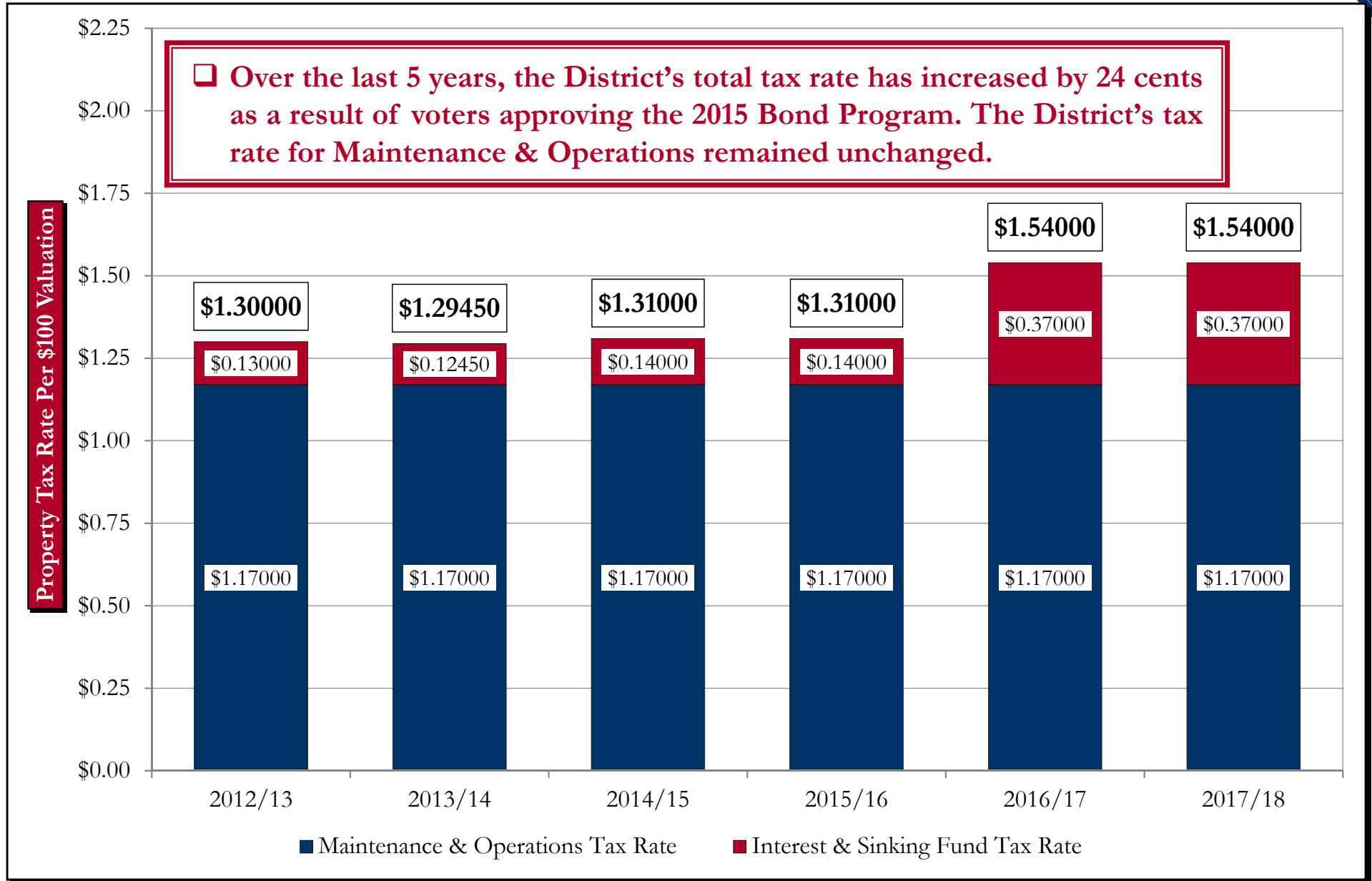


Full-Time Equivalent Personnel Per Student



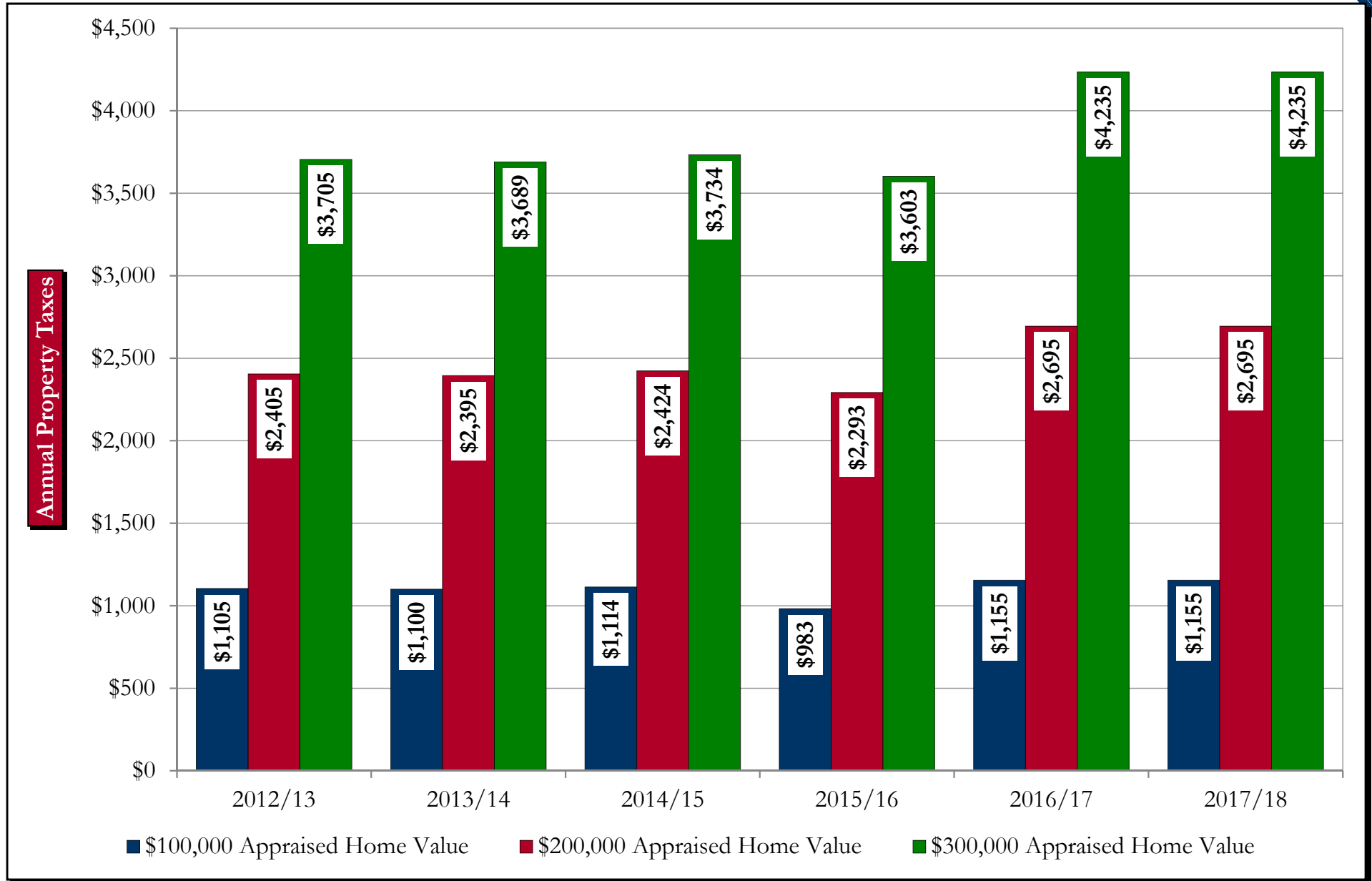


Historical Tax Rates





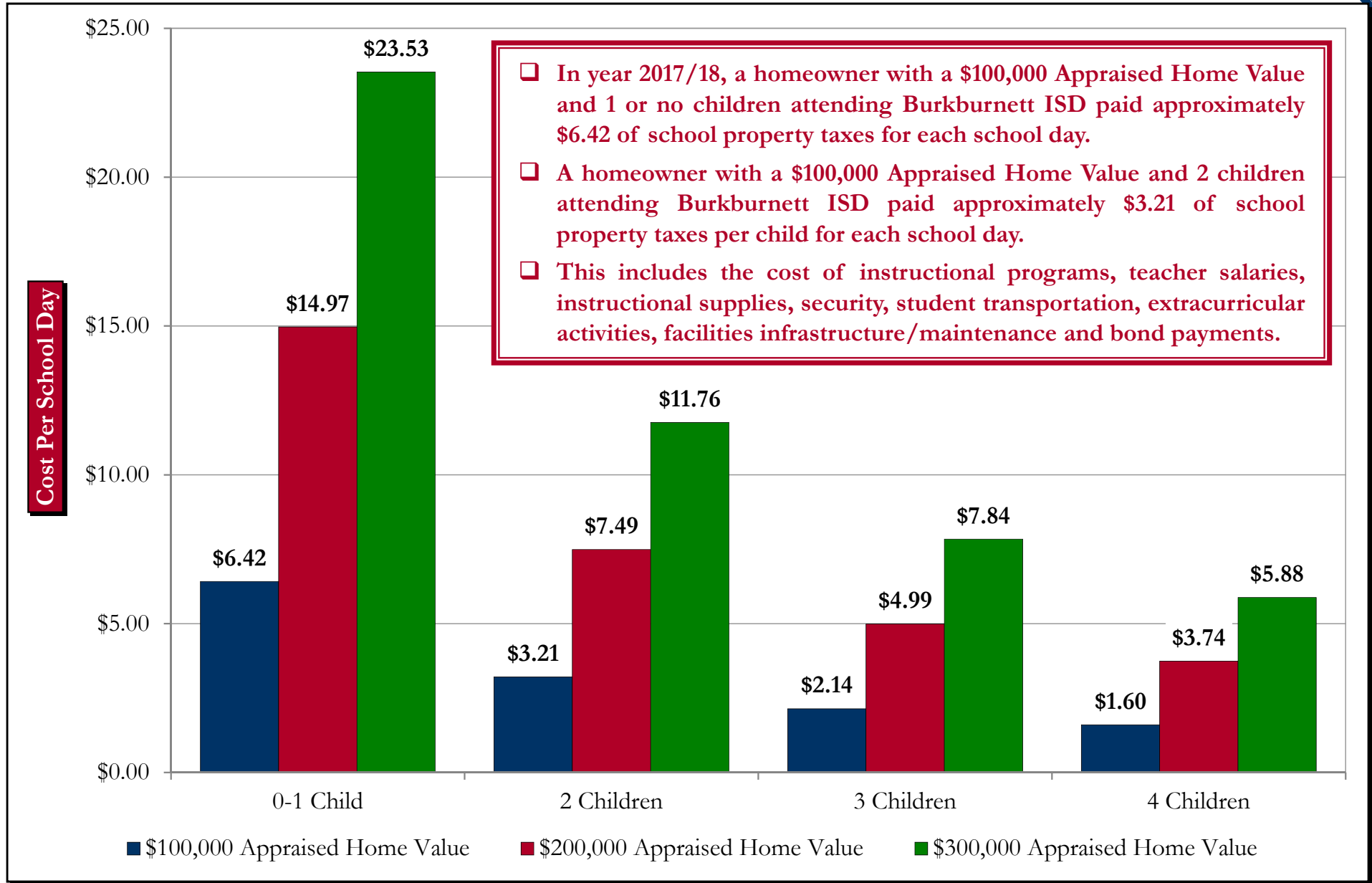
Historical Total Property Taxes For Maintenance and Operations and Voter-Approved Bonds – For Various Appraised Home Values



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



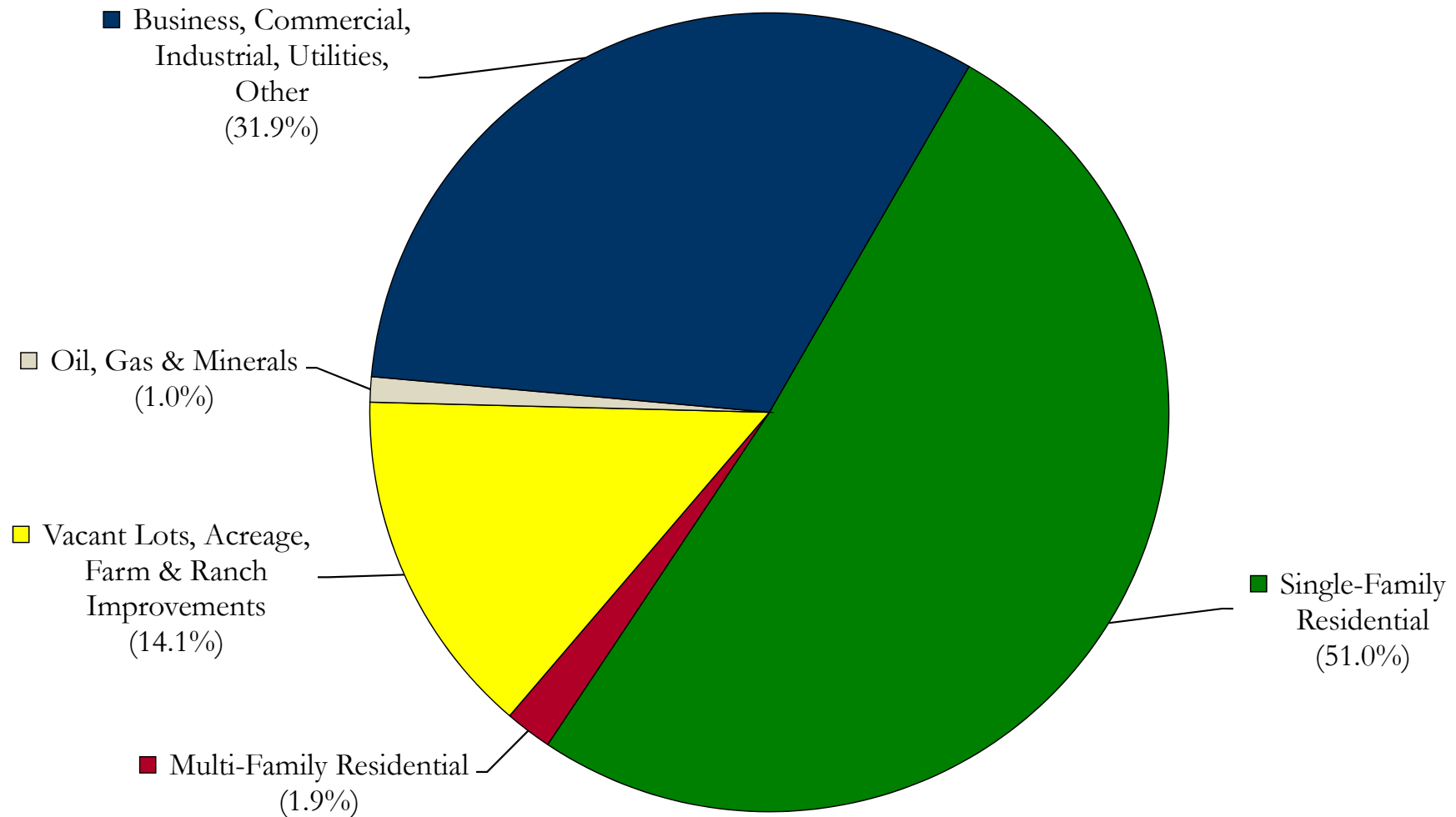
Summary of Property Tax Cost Per School Day – For Various Appraised Home Values – Year 2017/18





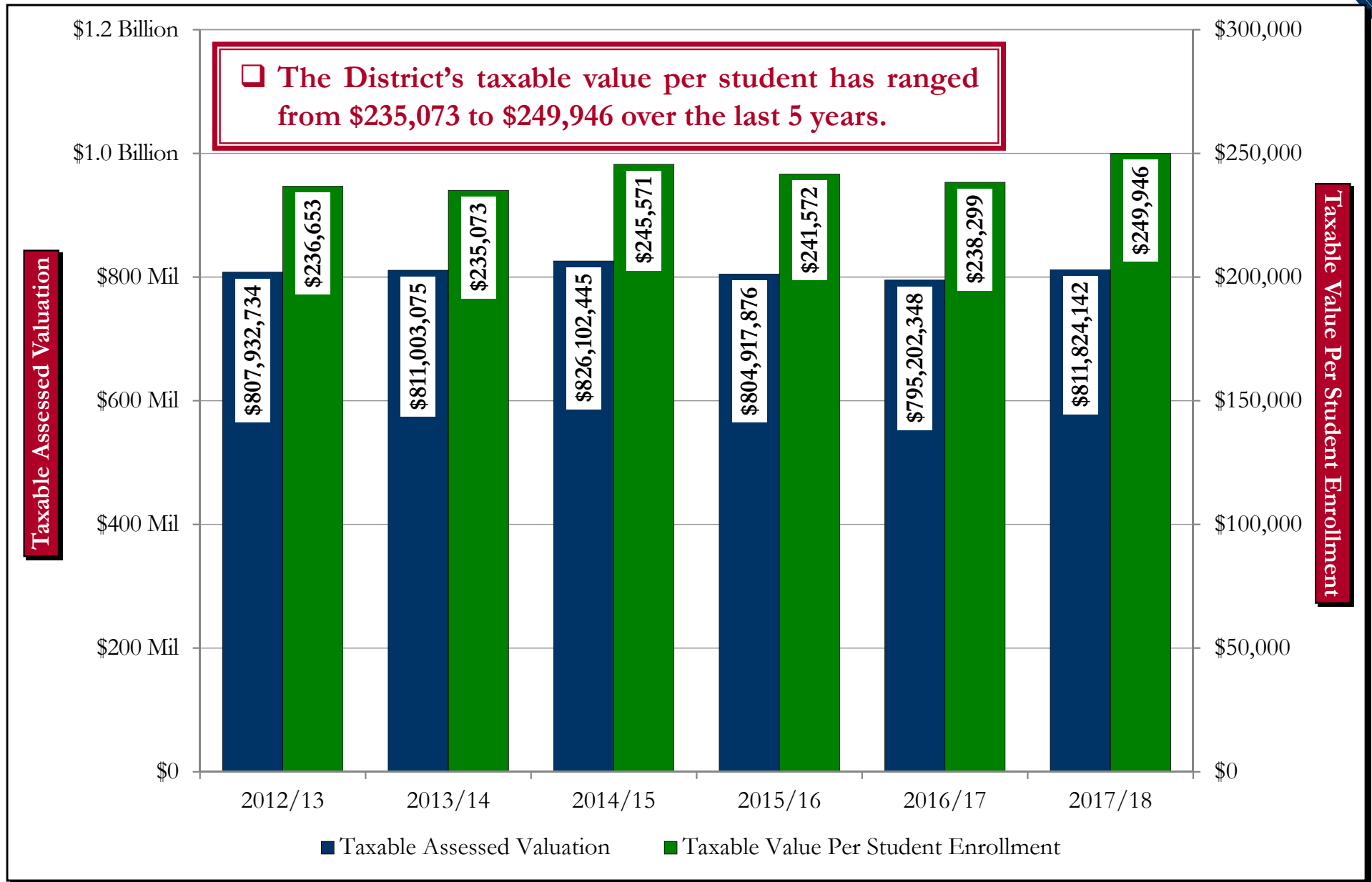
Composition of Total Assessed Valuation – Year 2017/18

For year 2017/18, Single-Family Residential properties comprised 51.0% of the District's total assessed valuation and other property categories comprised 49.0%.





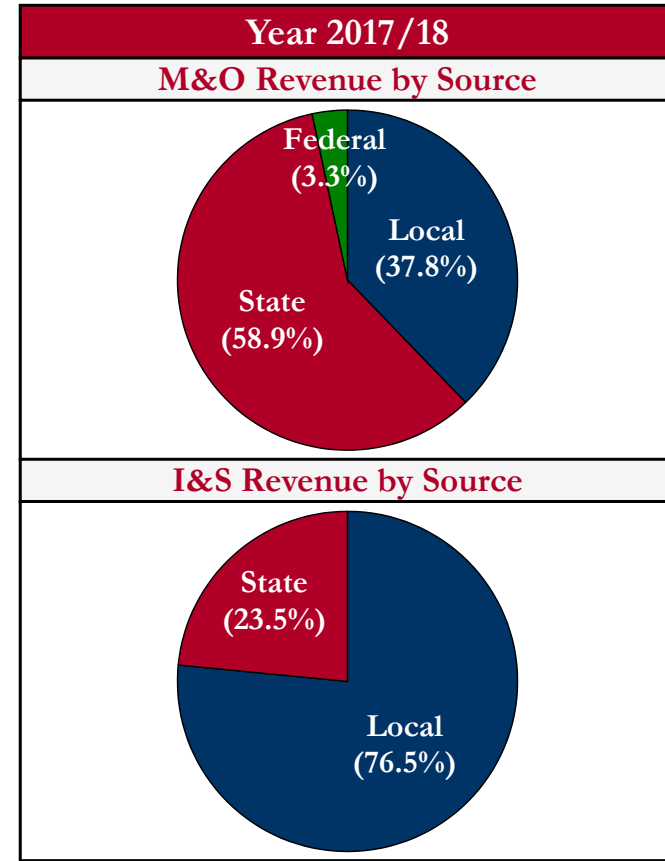
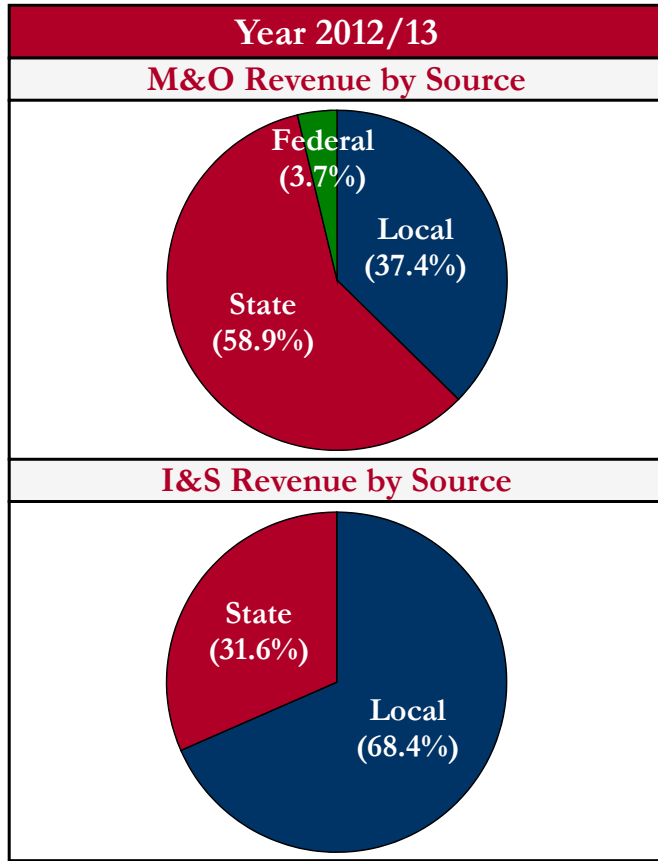
Historical Taxable Assessed Valuation and Taxable Value Per Student Enrollment





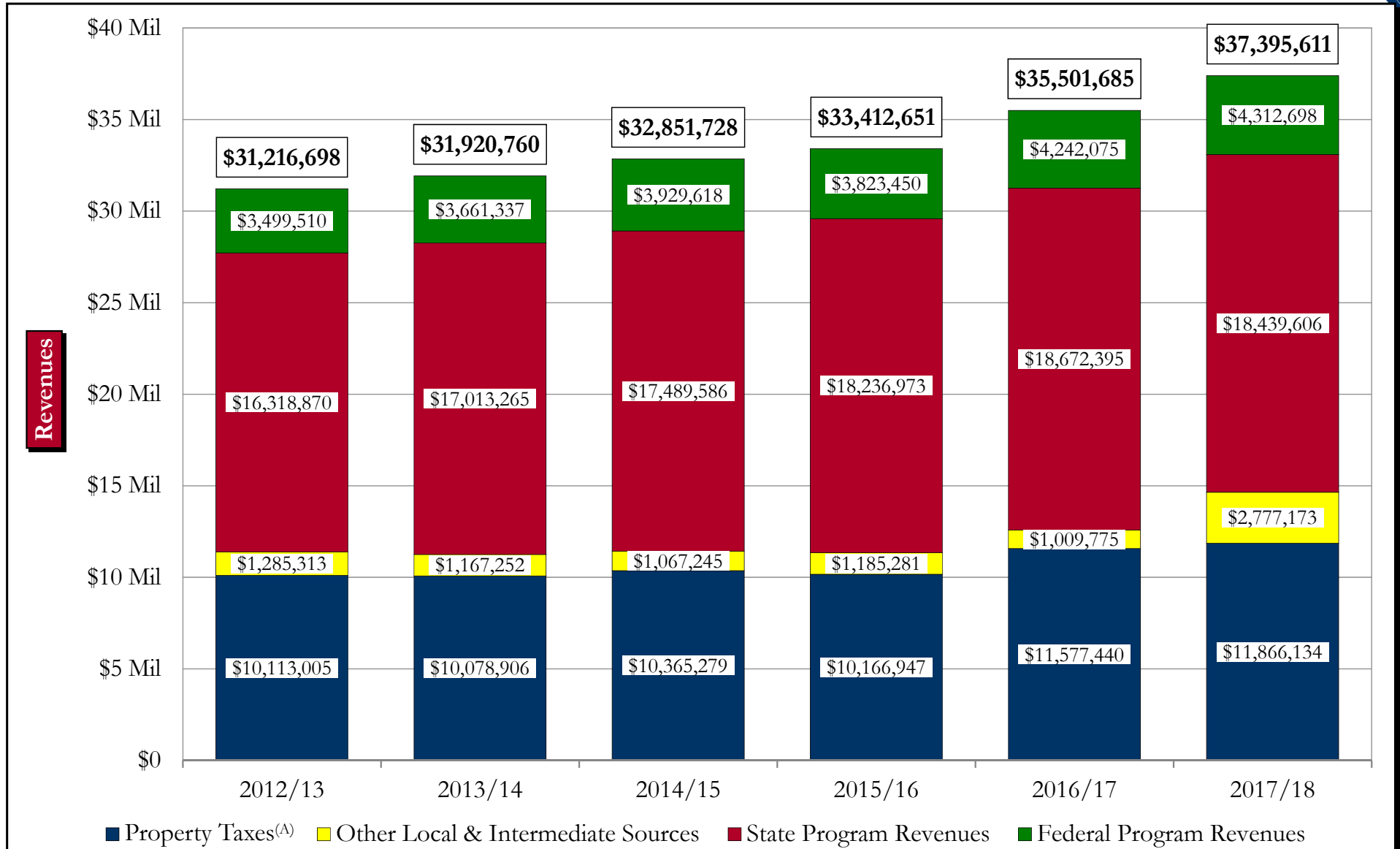
General Fund and Debt Service Fund – Revenue By Source

- ❑ 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 2017/18, the District received \$895,884 in facilities funding from the State for the payment of voter-approved bonds.





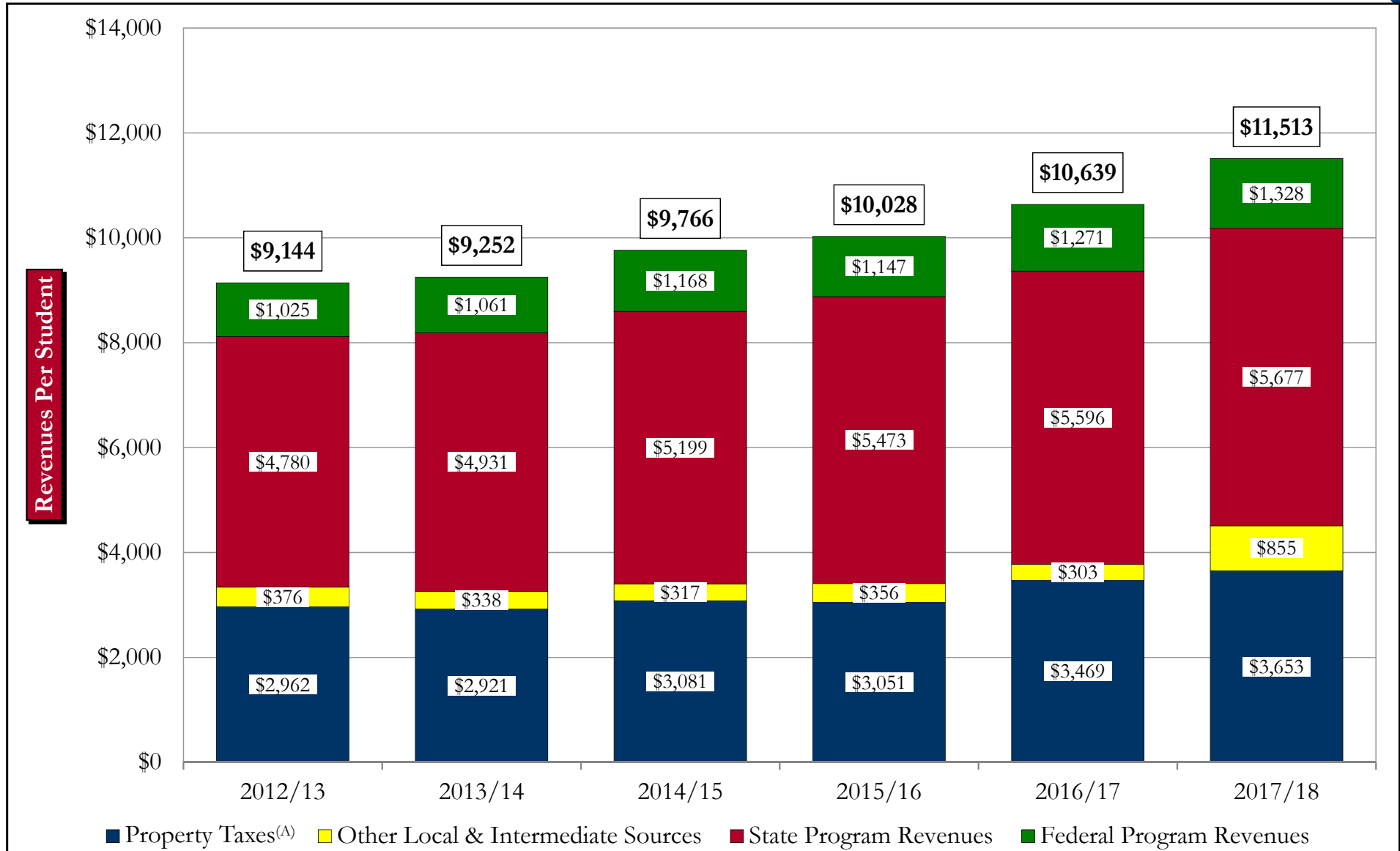
Total Revenues (All Governmental Funds*) By Source



^(A) Includes maintenance and operation expenses and bond payments of voter-approved bonds.



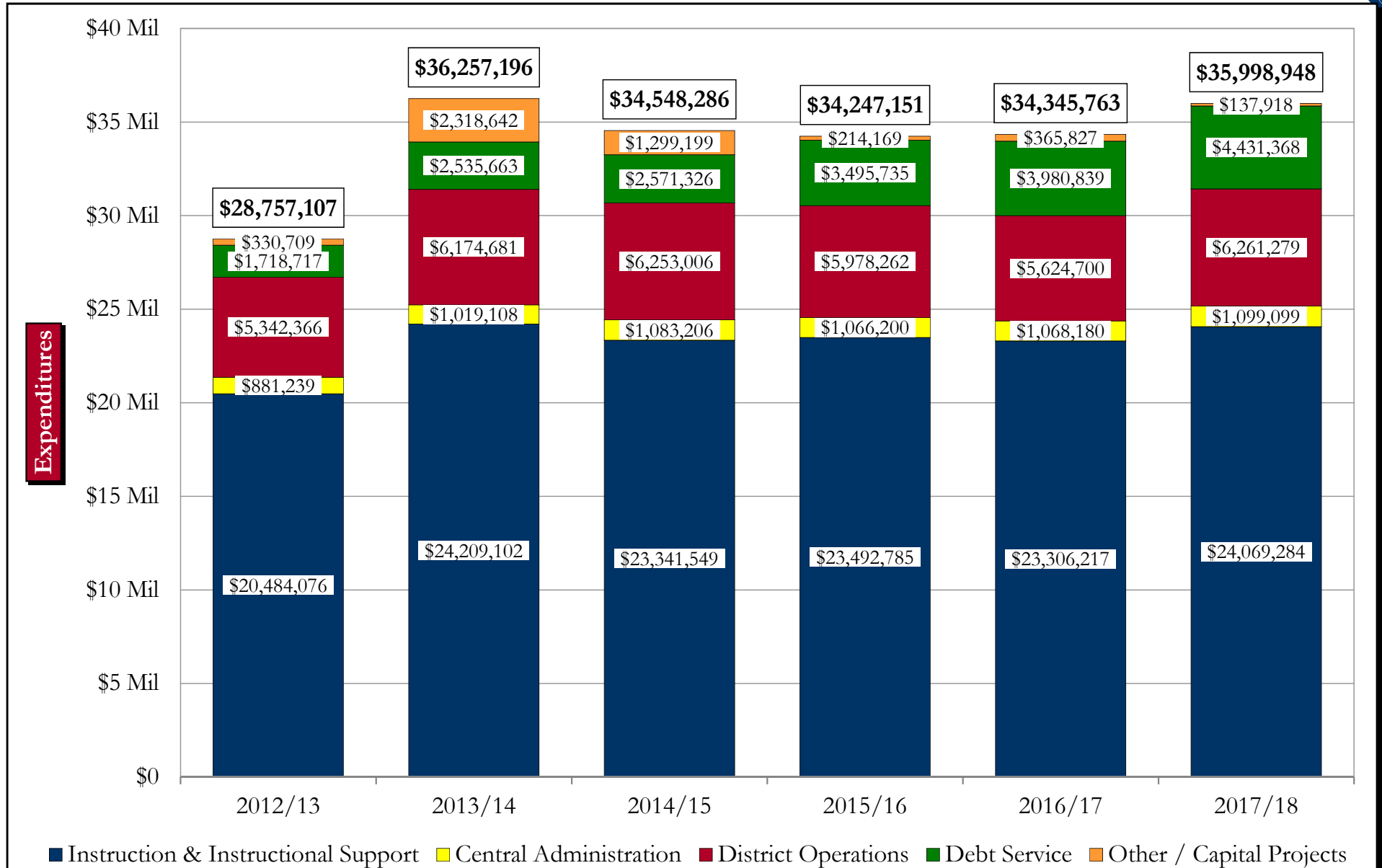
Total Revenues (All Governmental Funds*) Per Student



^(A) Includes maintenance and operation expenses and bond payments of voter-approved bonds.



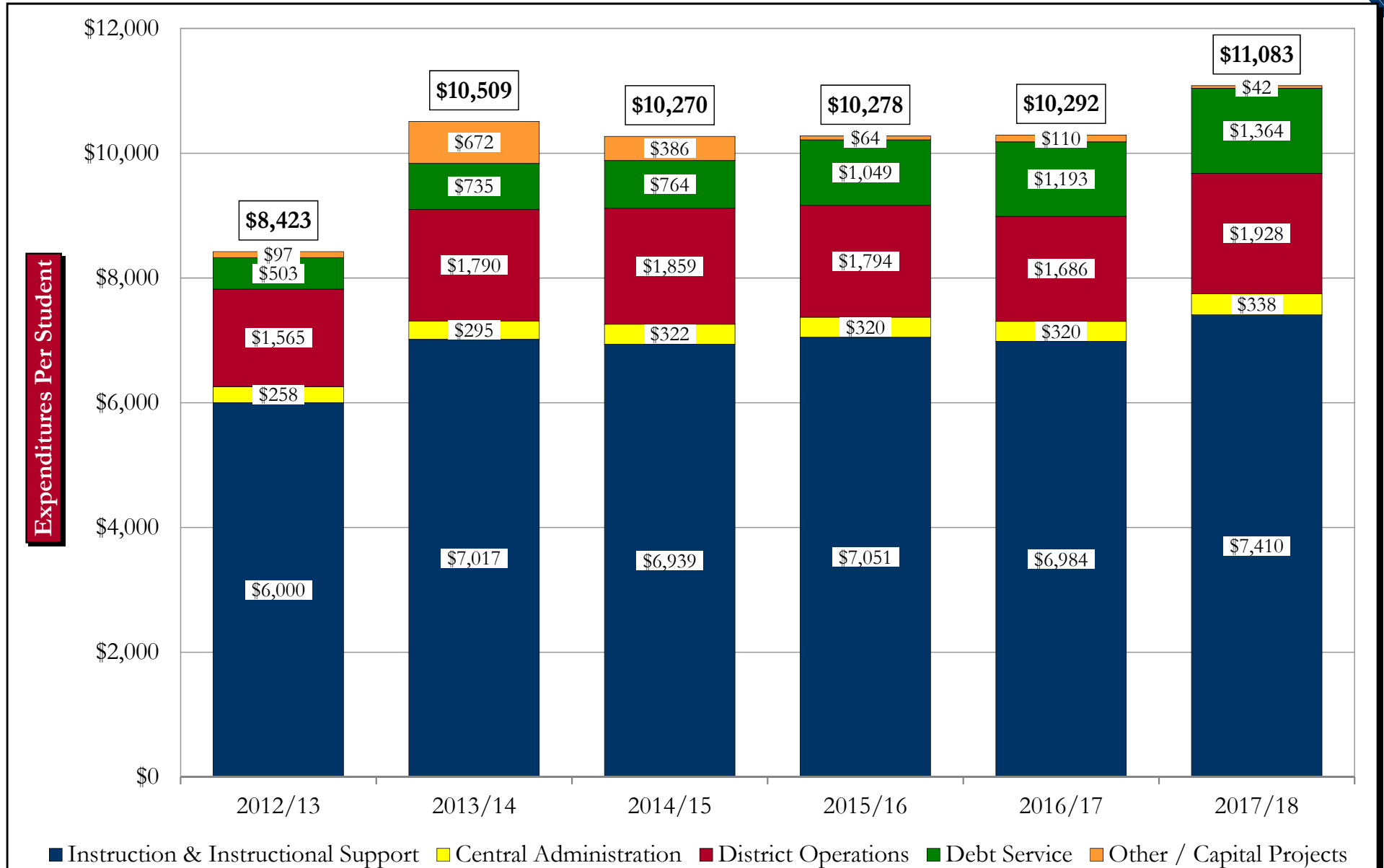
Total Expenditures (All Governmental Funds*) By Source



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



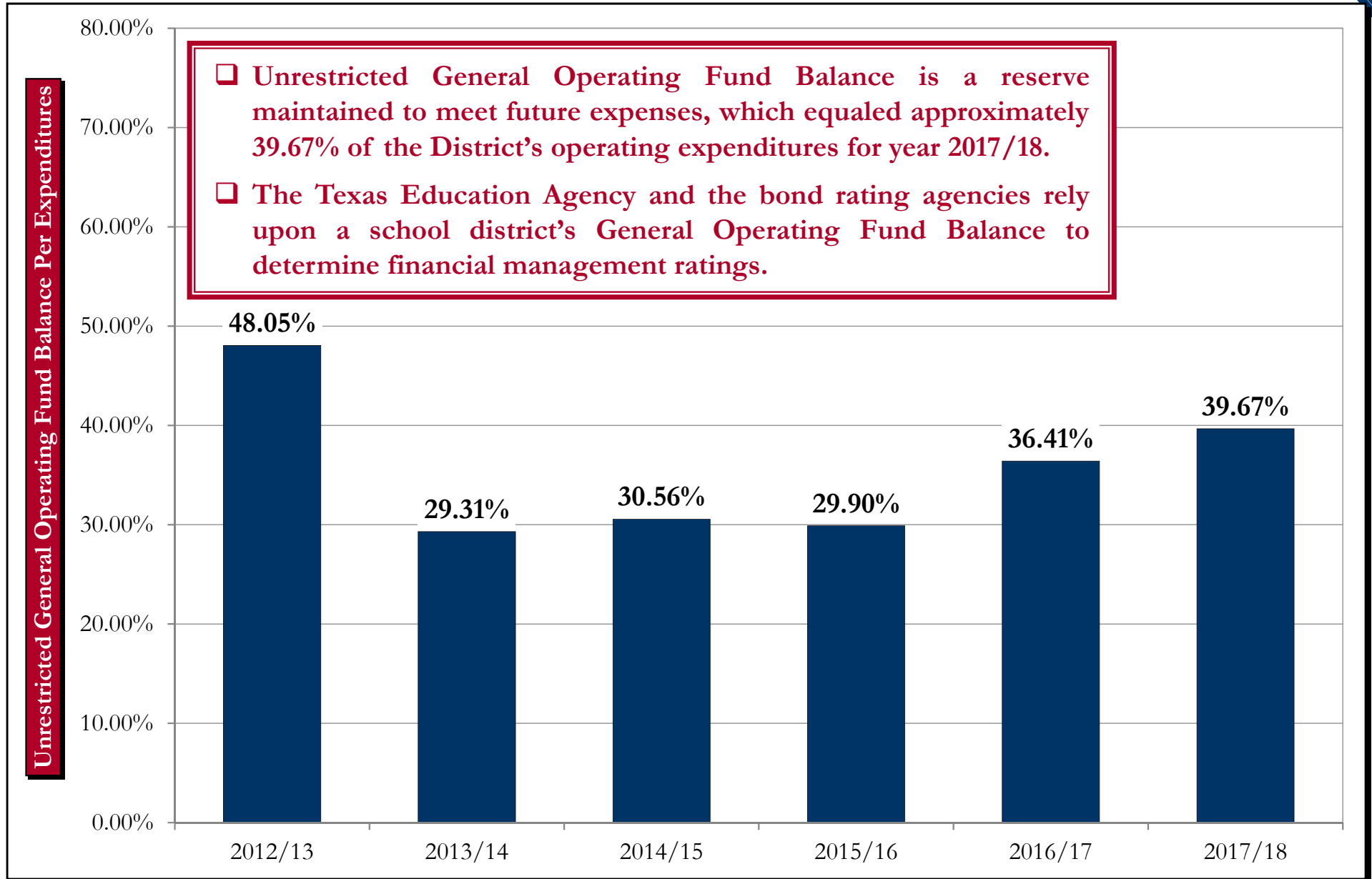
Total Expenditures (All Governmental Funds*) Per Student



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

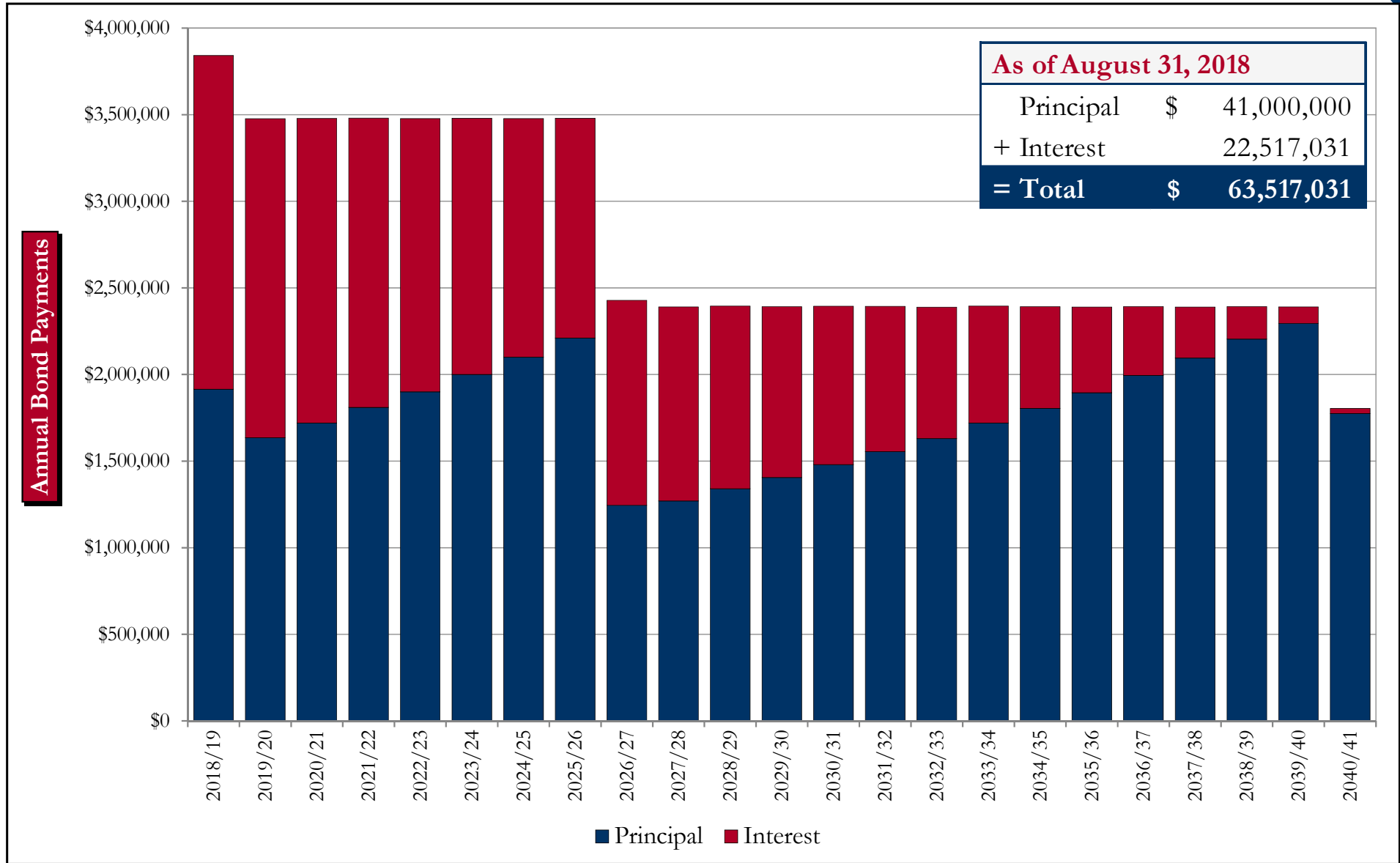


Unrestricted General Operating Fund Balance as a Percentage of General Operating Expenditures





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



Note: Debt service payments reflect payments from September 1 through August 31.



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

- Burkburnett ISD has implemented 2 bond refunding programs and prepaid \$595,000 of existing bonds to reduce the cost of voter-approved bonds – Which have generated more than \$1.4 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 Refunding Bonds, Series 2005	1998	\$ 9,185,000	\$ 548,913
Unlimited Tax Refunding Bonds, Series 2012	1998, 2005	7,235,000	491,228
Total - Bond Refunding Programs at a Lower Interest Rate	---	\$ 16,420,000	\$ 1,040,141
Prepayment of Series 2016 Bonds - August 2018	2016	\$ 130,000	\$ 95,063
Prepayment of Series 2016 Bonds - February 2019	2016	465,000	332,475
Total - Prepayment of Bonds Prior to Scheduled Maturity	---	\$ 595,000	\$ 427,538
Totals	---	\$ 17,015,000	\$ 1,467,679



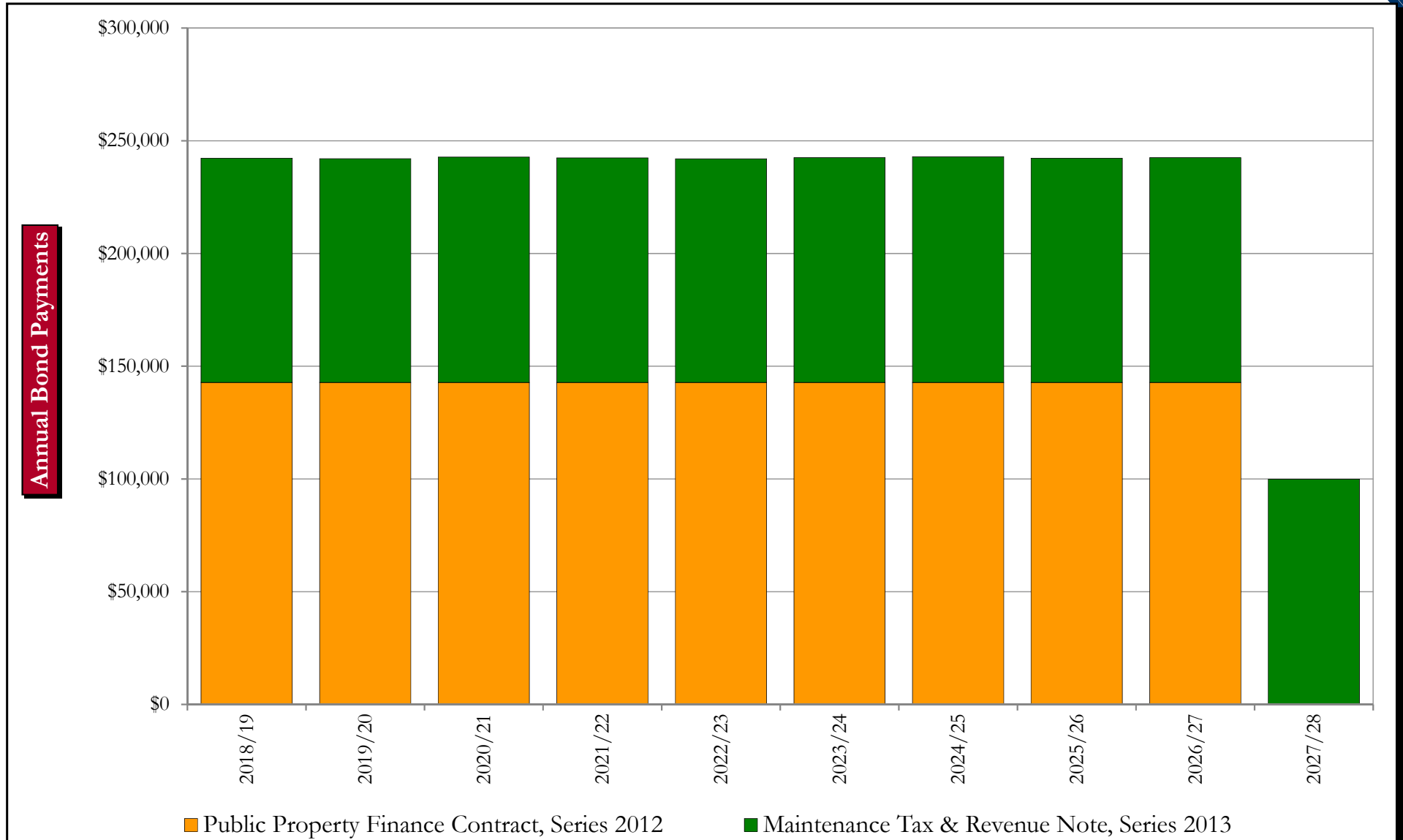
☑ Summary of Unlimited Tax Debt Outstanding By Series – As of Fiscal Year Ended August 31, 2018

- ☐ 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 2016	Capital Improvements	\$41,605,000.00	\$41,000,000.00	\$63,517,031.25	\$1,914.64	\$2,966.15	02/15/2041	\$48,601,156.92	\$44,269,540.92	\$4,331,616.00



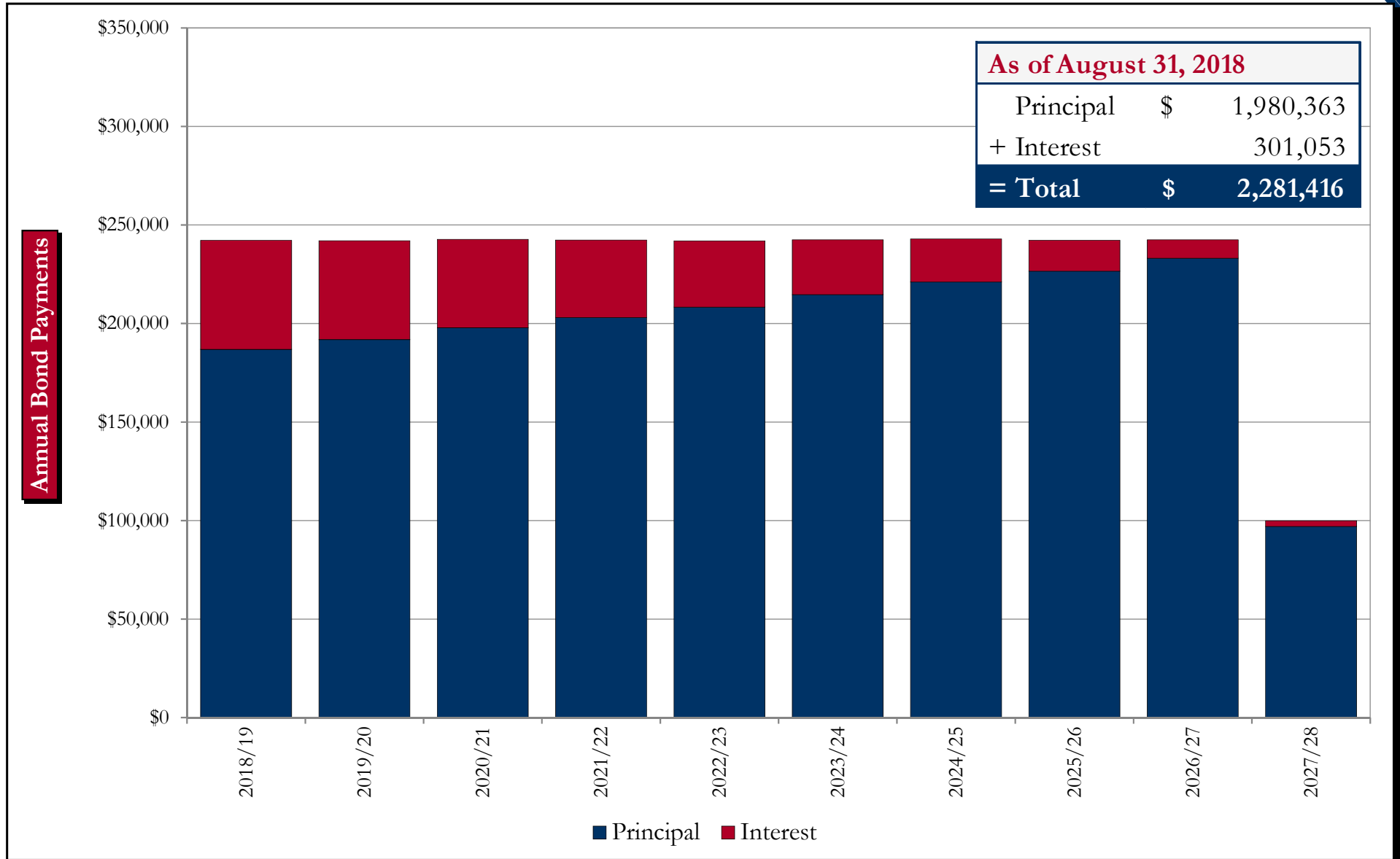
☑ Maintenance Tax Debt Service By Series



Note: Debt service payments reflect payments from September 1 through August 31. Payable from the District's M&O tax rate.



☑ Maintenance Tax Debt Service By Principal and Interest



Note: Debt service payments reflect payments from September 1 through August 31. Payable from the District's M&O tax rate.



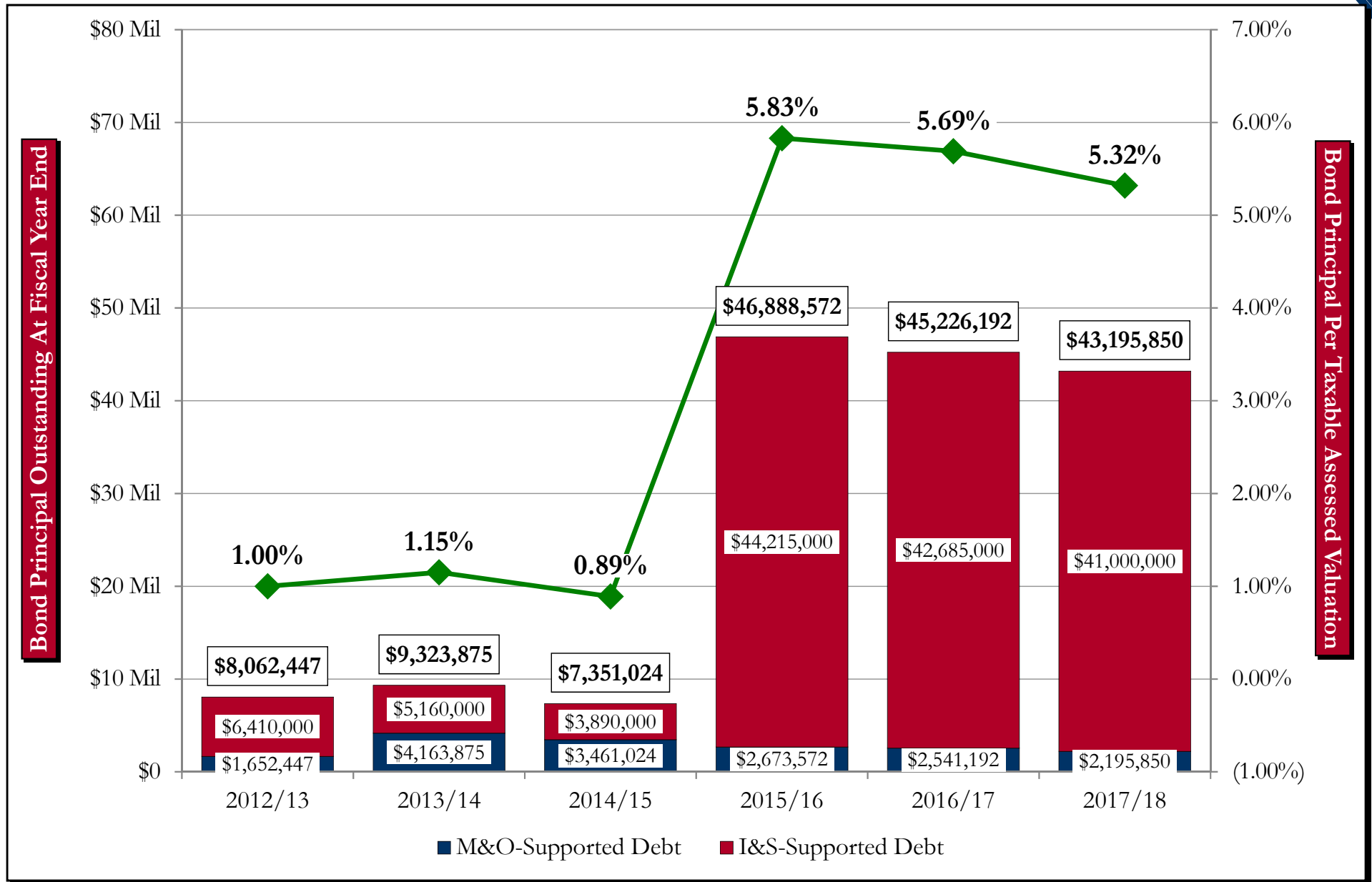
☑ Summary of Maintenance Tax Debt Outstanding By Series – As of Fiscal Year Ended August 31, 2018

- ☐ The following debt obligations are payable from any available funds of the District, including but in no way limited to the ad valorem taxes levied for maintenance purposes (i.e. M&O taxes) by the District, within the limitations of the District's maintenance tax authority.

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	Public Property Finance Contract, Series 2012	Acquisition of Personal Property	\$1,765,274.00	\$1,130,363.43	\$1,285,354.79	\$52.79	\$60.02	09/15/2026	\$1,765,274.00	\$1,765,274.00	\$0.00
2	Maintenance Tax & Revenue Note, Series 2013	Maintenance & Equipment	\$1,195,000.00	\$850,000.00	\$996,061.50	\$39.69	\$46.51	08/15/2028	\$1,195,000.00	\$1,195,000.00	\$0.00

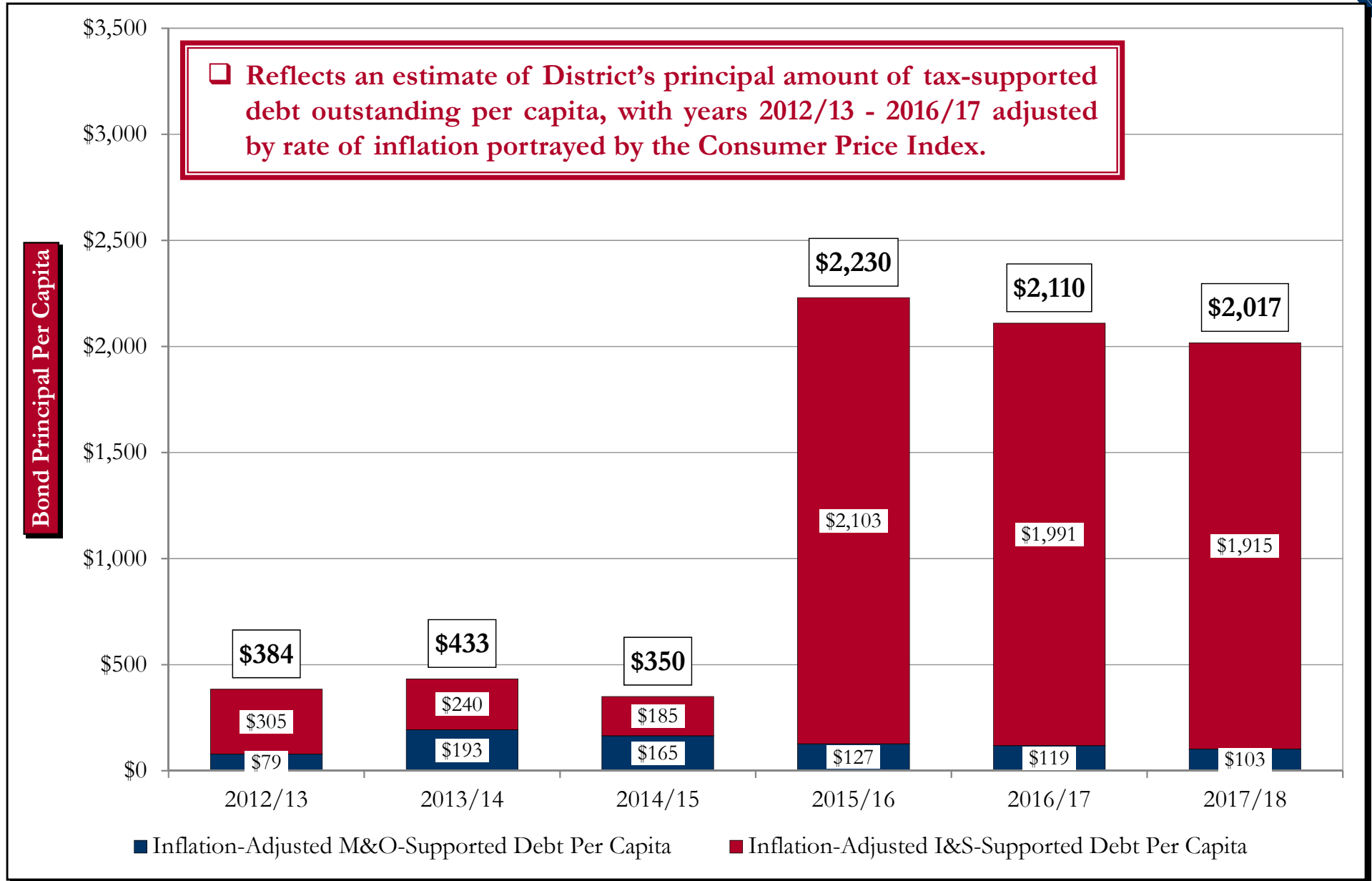


Tax-Supported Debt Obligations At Fiscal Year End and As a Percentage of Taxable Assessed Valuation



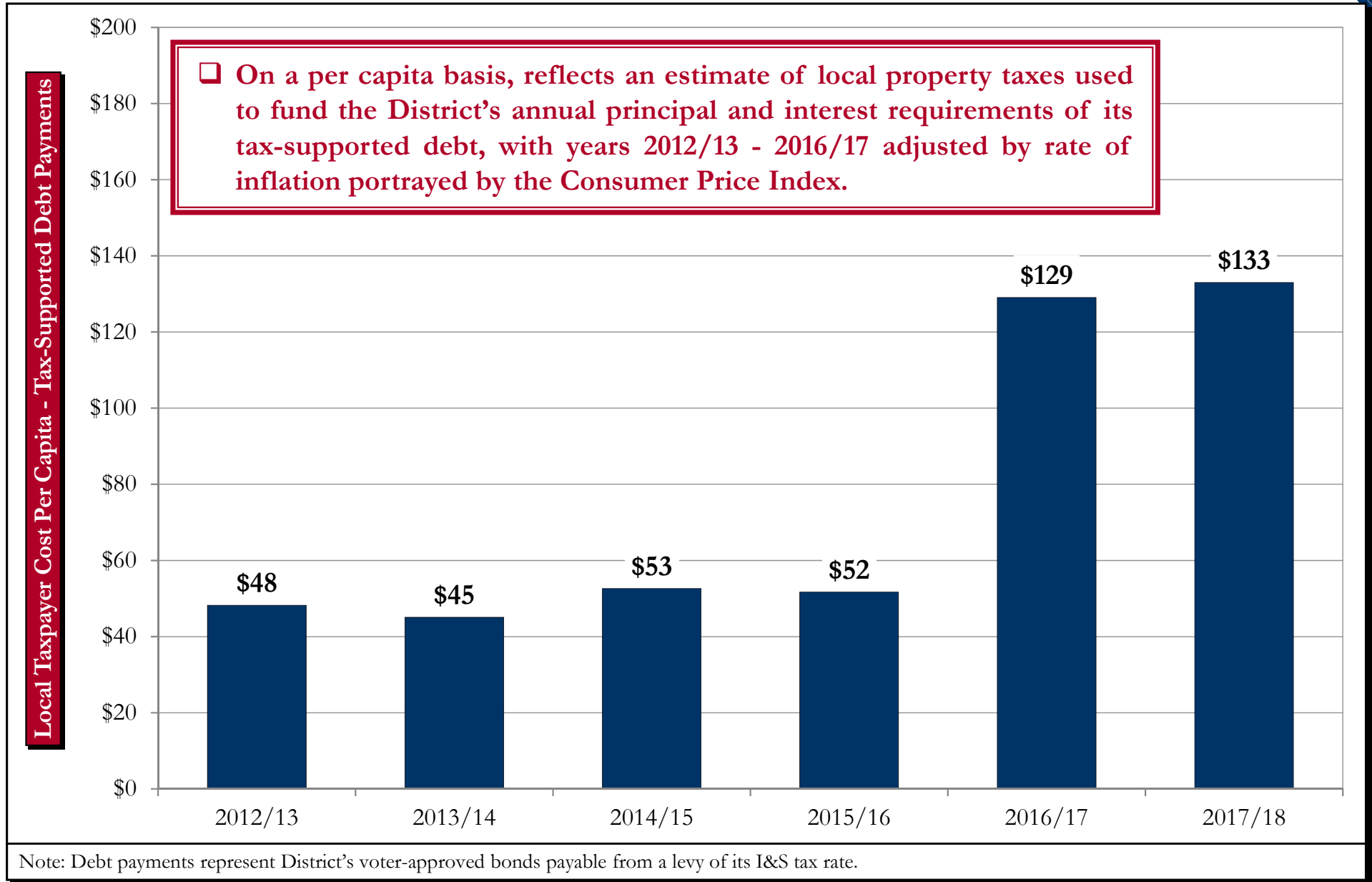


Inflation-Adjusted Tax-Supported Debt Per Capita





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

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Links to Additional Resources:

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

http://www.brb.state.tx.us/local_debt_search.aspx