



Annual Report of Certain Financial and Local Debt Information

Fiscal Year Ended June 30, 2018

Denotes Required Information Pursuant to Local Government Code, Section 140.008

This report was posted on the District's website on December 21, 2018.



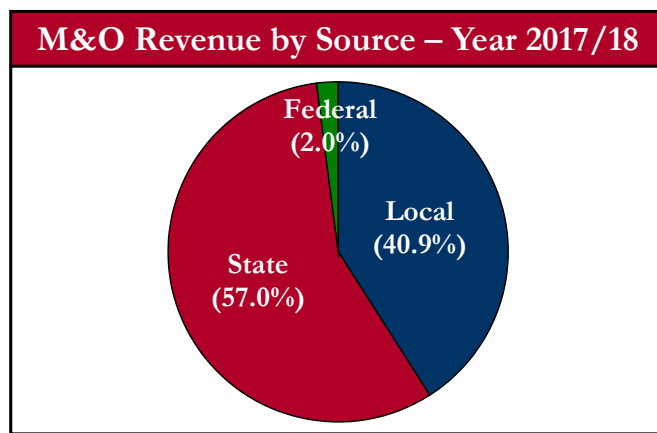
☑ Overview of Certain Financial/Bond Ratings

- ☐ **Overview:** Duncanville 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 90 out of a possible 100 points.
 - **Credit Ratings:** The District also maintains independent ratings from certain nationally recognized credit rating agencies, such as Moody’s Investors Service and S&P Global Ratings, that evaluate the District’s financial strength and its ability to pay its existing bonds.
 - ✓ **Moody’s Investors Service:** Assigns a “Aa3” credit rating to the District, defined as “Judged to be of high quality and are subject to very low credit risk.”
 - ✓ **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.”



Overview of State Funding System

- ❑ **State Funding System – Where Do the District’s Revenues Come From:** Duncanville 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 Dallas Central 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 below.





☑ Overview of State Funding System

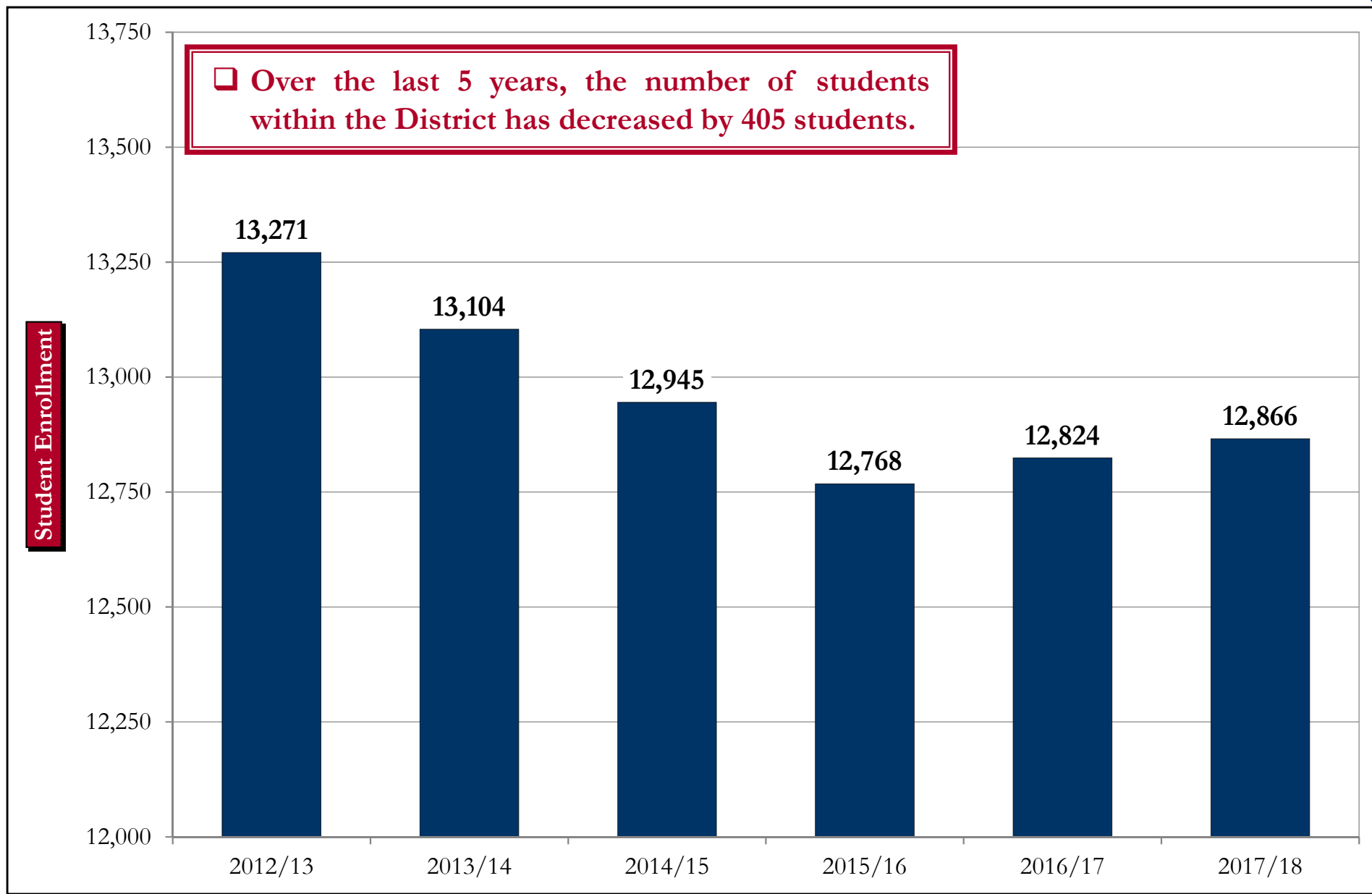
- **Interest & Sinking Fund (“I&S”) Tax Rate:** To provide funds to pay the principal and interest on bonds approved by a majority of voters for capital improvements. The following summarizes the District’s bond programs approved by voters over the last 17 years:

District’s Historical Bond Elections Approved By Voters				
Election Date	Purpose	Student Enrollment	Election Amount	Dollar Amount Of Bonds Remaining To Be Issued
October 20, 2001	School Building & Renovations	10,808	\$166,000,000	\$3,834
November 4, 2014	School Building & Security	12,945	\$102,545,000	\$0
Total Dollar Amount Of Authorized But Unissued Bonds - As of June 30, 2018:				\$3,834

- ✓ As of fiscal year ended June 30, 2018, the District had \$13,488,300 within its Capital Projects Fund for existing/future projects.

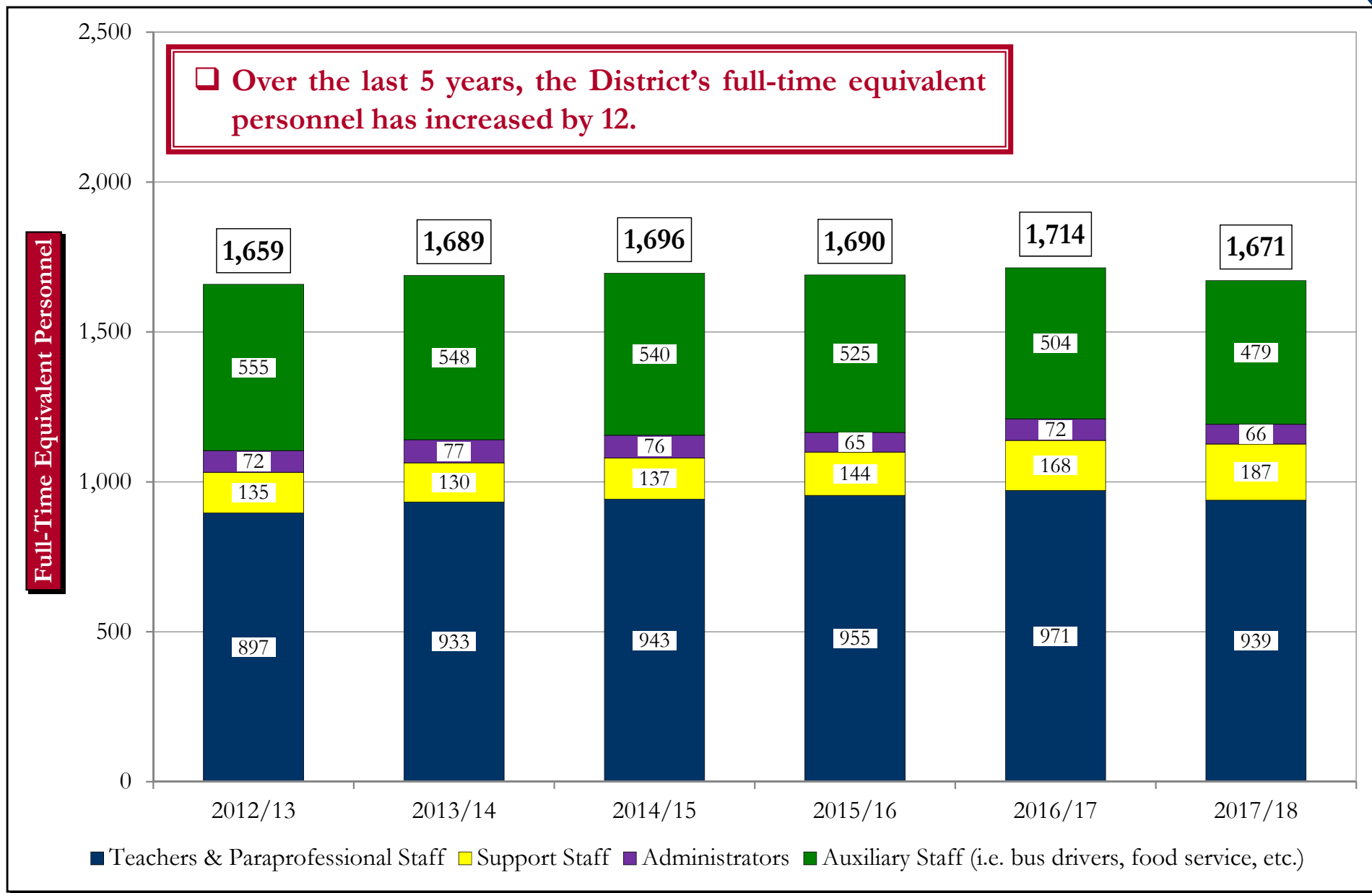


Historical Student Enrollment



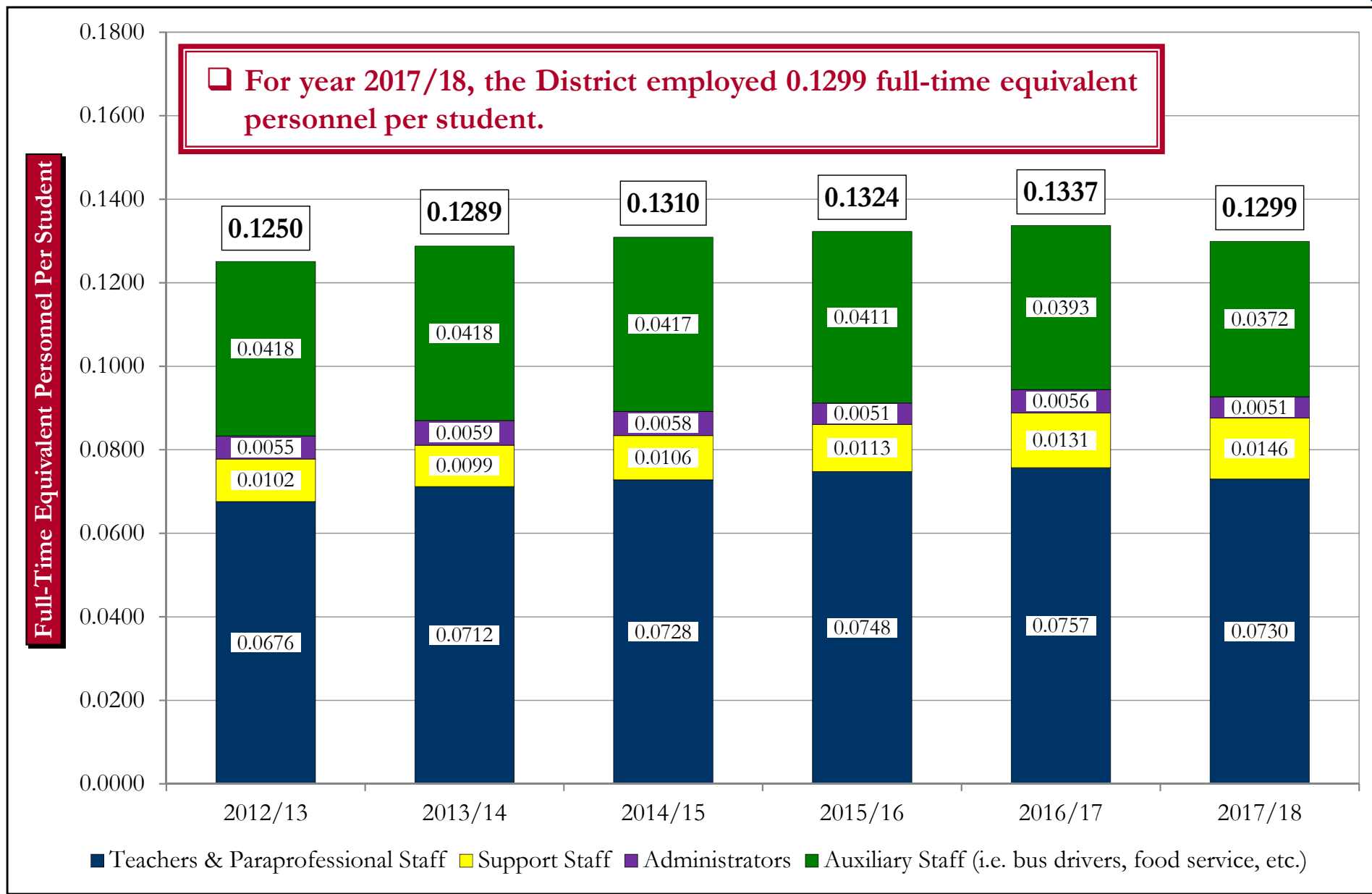


Full-Time Equivalent Personnel



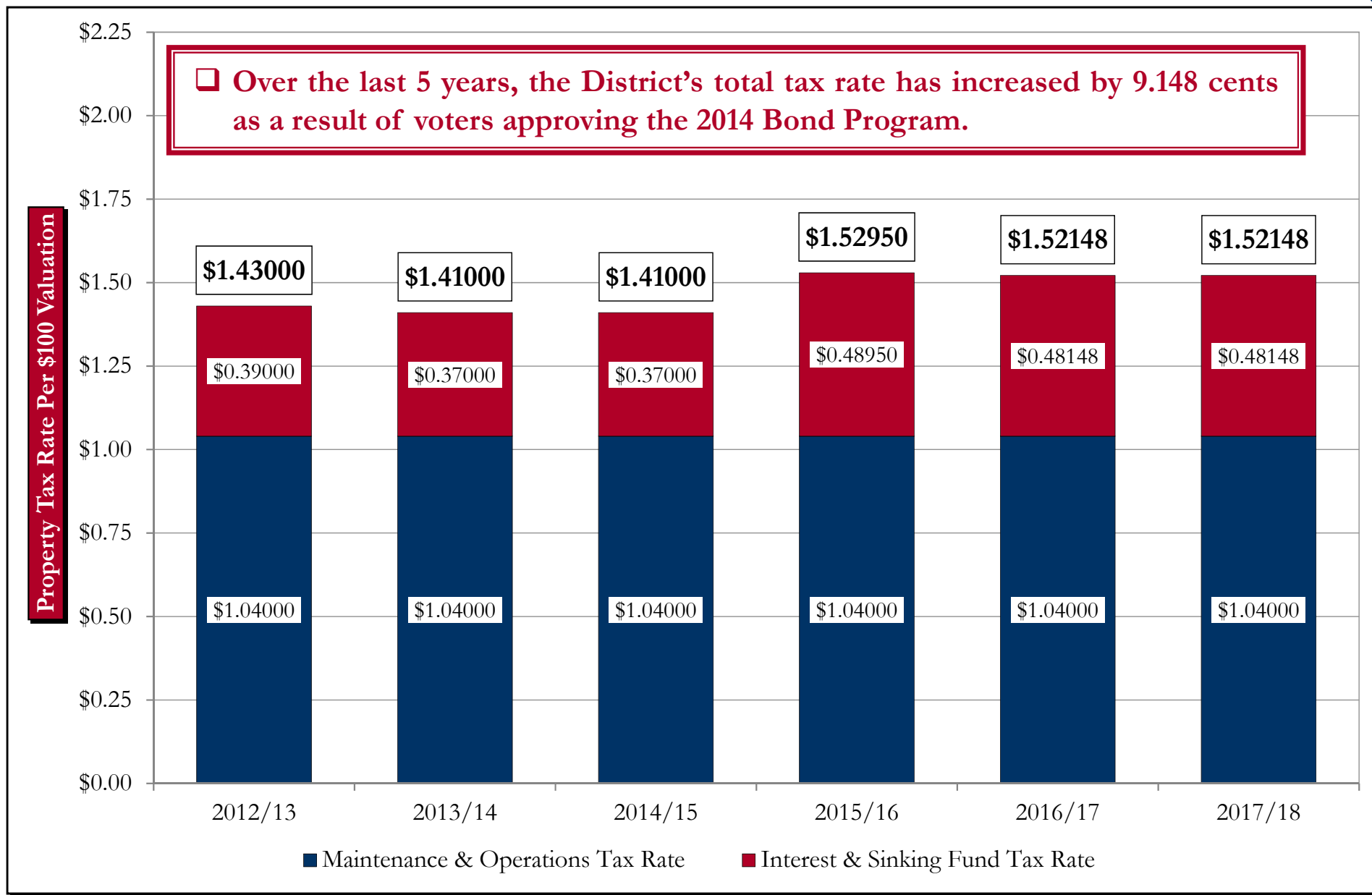


Full-Time Equivalent Personnel Per Student



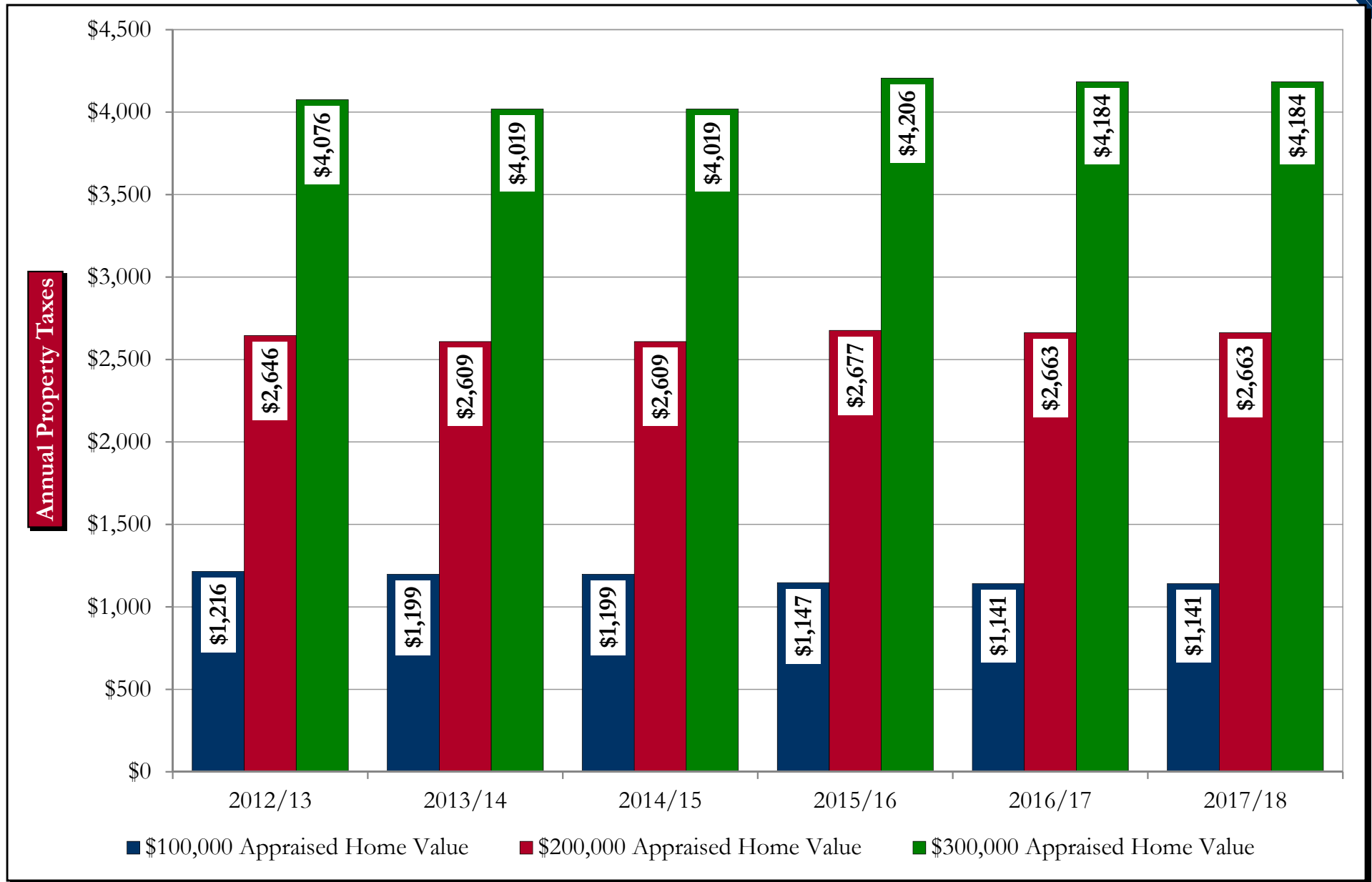


Historical Tax Rates





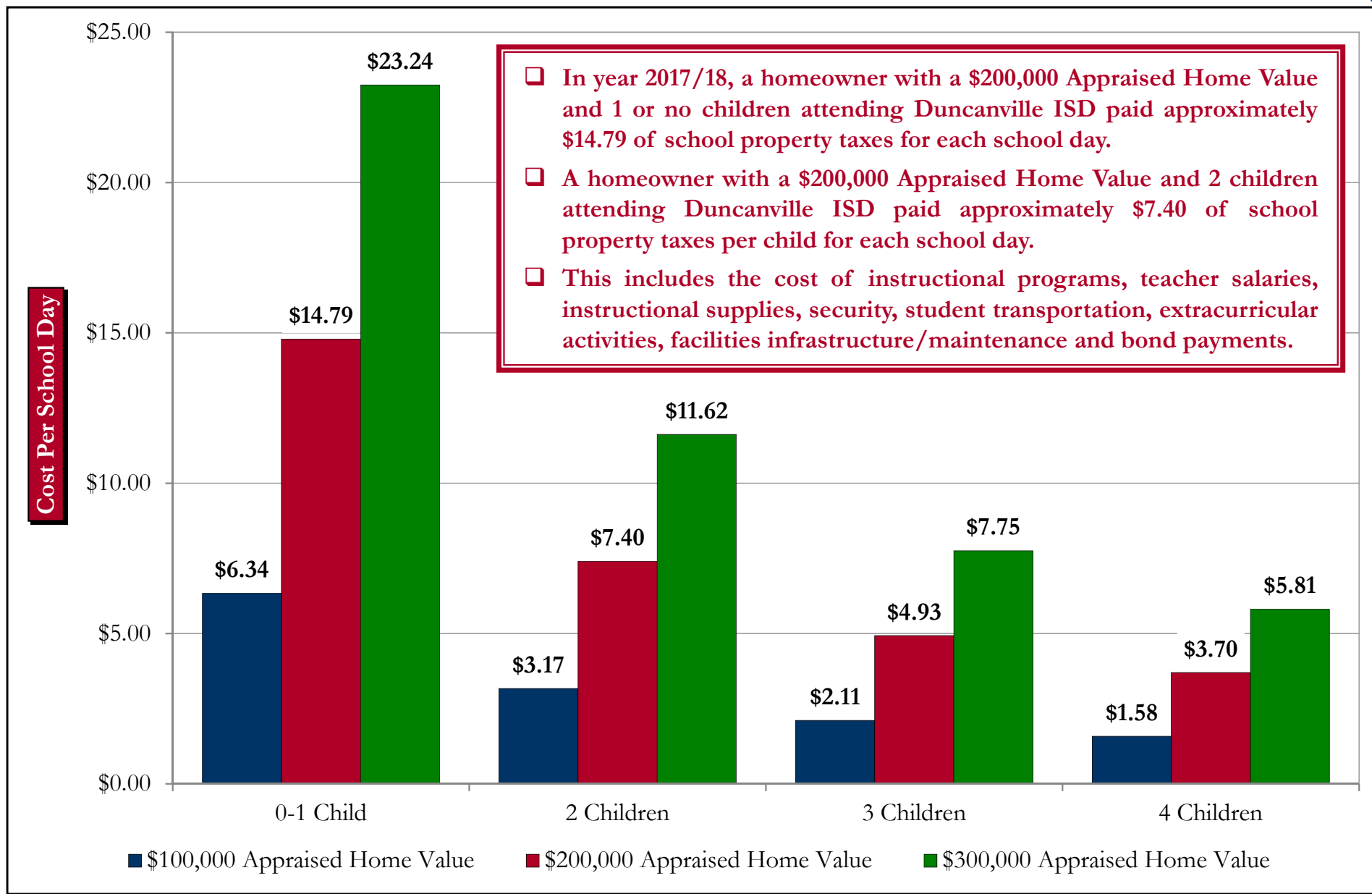
Historical Total Property Taxes For Maintenance and Operations and Voter-Approved Bonds – For Various Appraised Home Values



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



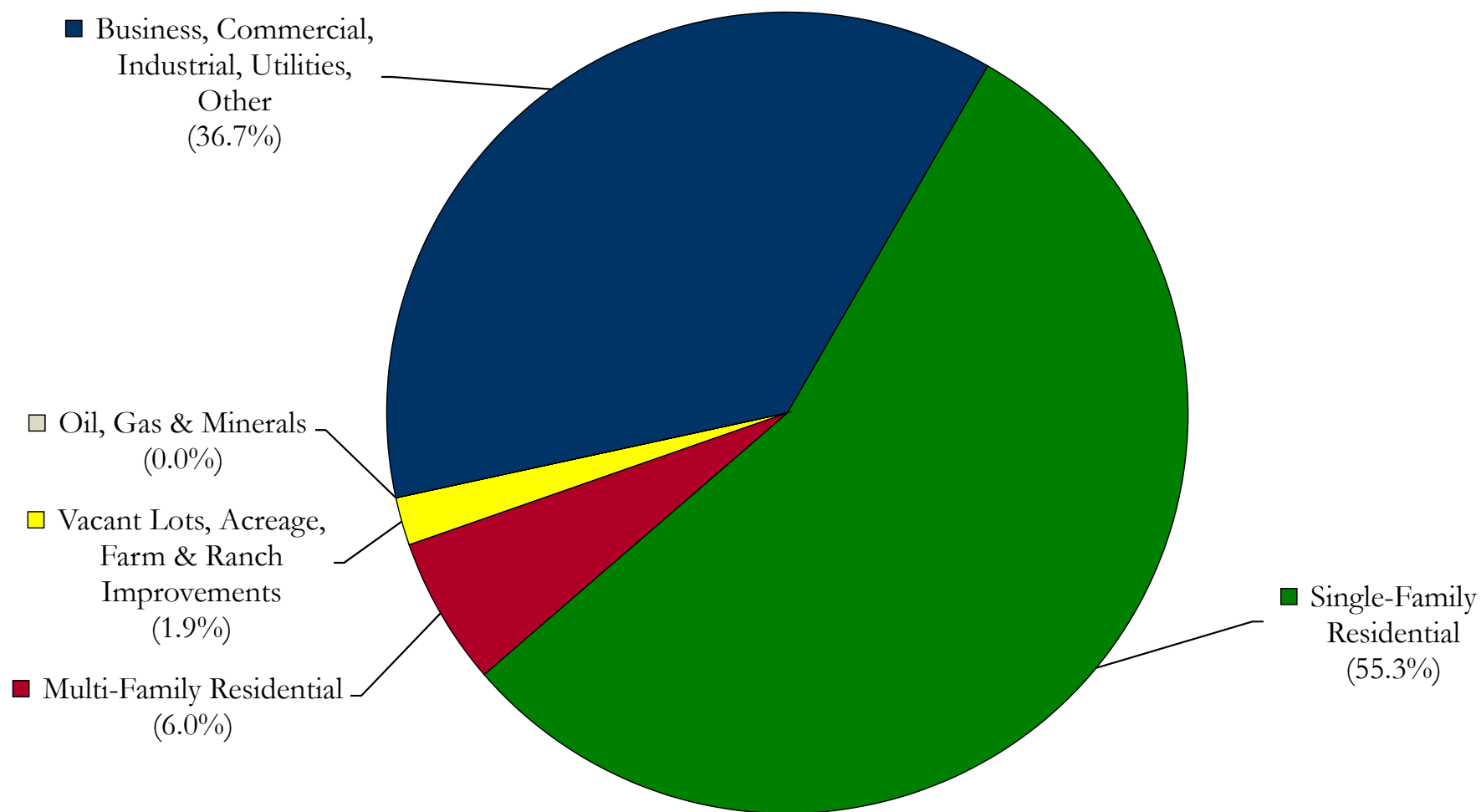
Summary of Property Tax Cost Per School Day – For Various Appraised Home Values – Year 2017/18





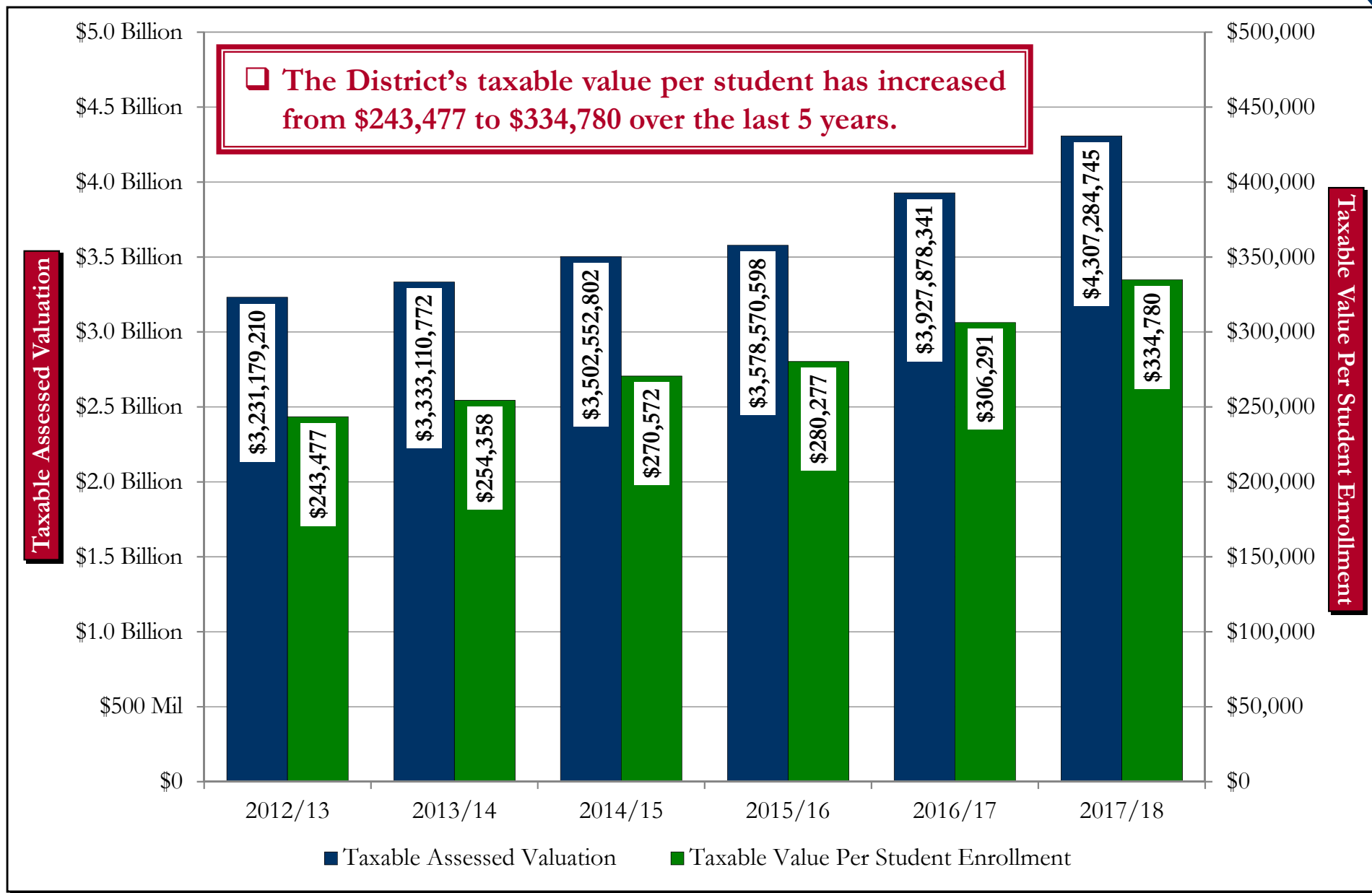
Composition of Total Assessed Valuation – Year 2017/18

For year 2017/18, Single-Family Residential properties comprised 55.3% of the District's total assessed valuation and other property categories comprised 44.7%.





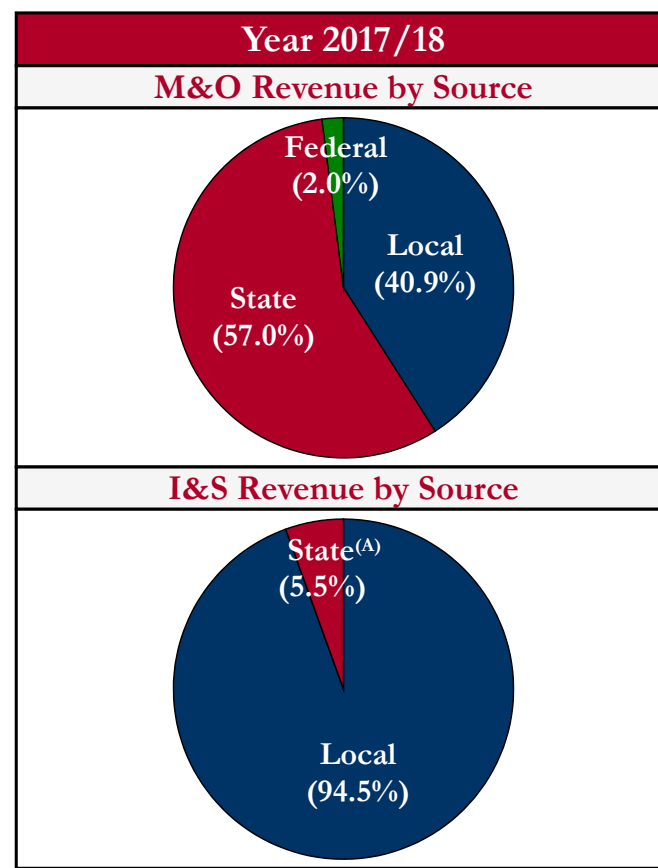
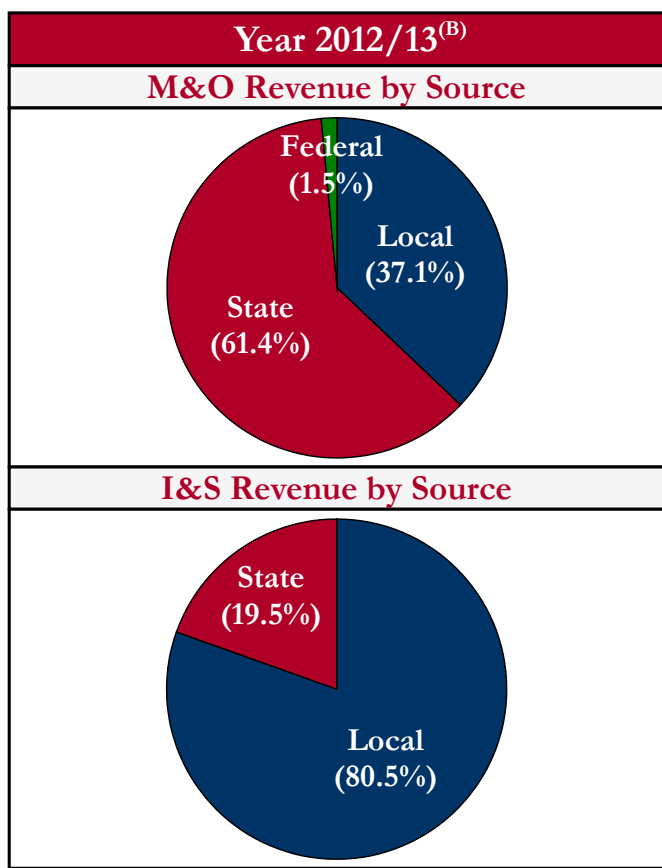
Historical Taxable Assessed Valuation and Taxable Value Per Student Enrollment





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 \$1,181,283^(A) in facilities funding from the State for the payment of voter-approved bonds.

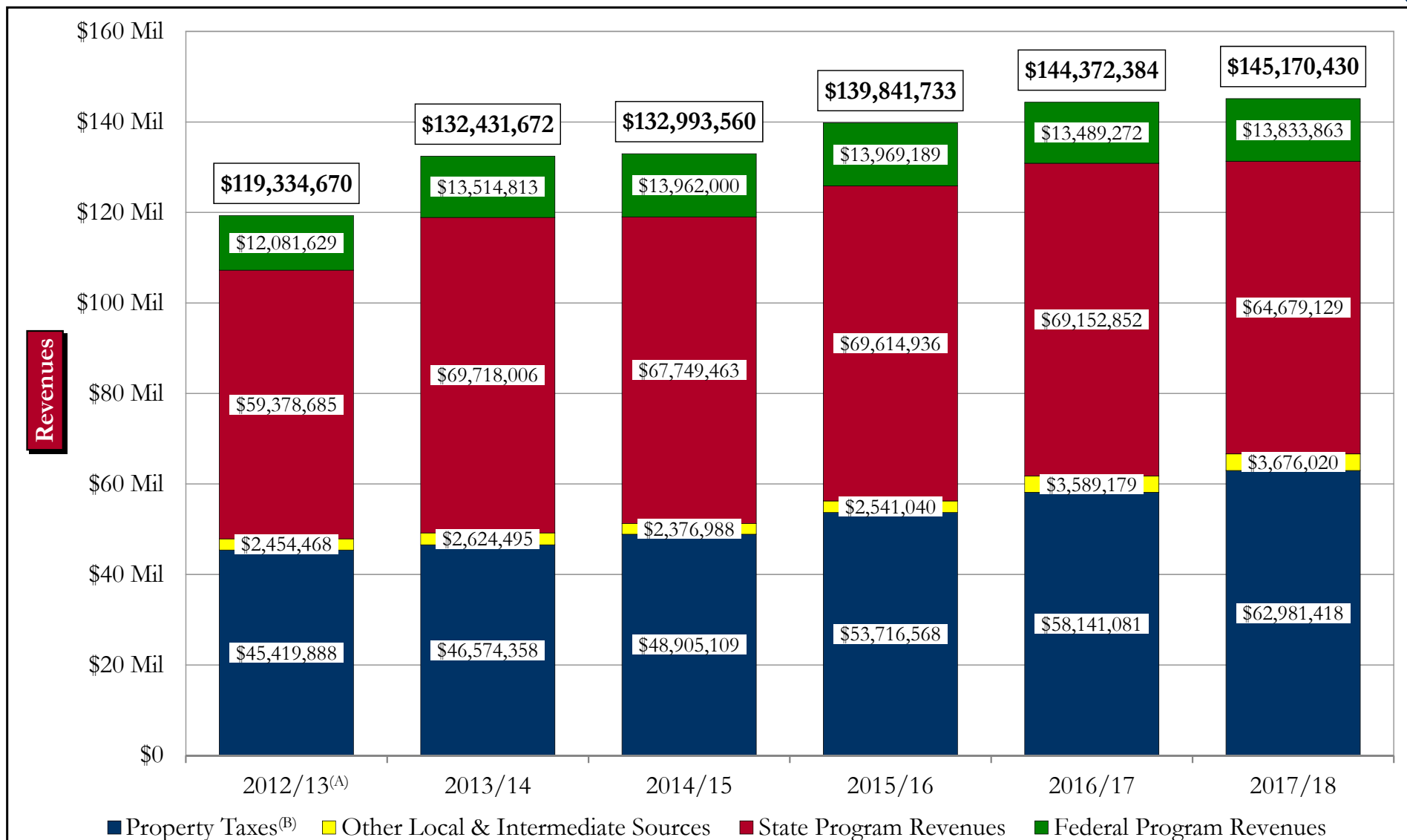


^(A) Includes payment from State received for lost tax revenues resulting from increase of residential homestead exemption in year 2015/16.

^(B) For 10-month time period of September 1, 2012 - June 30, 2013. Reflects initial year of District's change in fiscal year.



Total Revenues (All Governmental Funds*) By Source

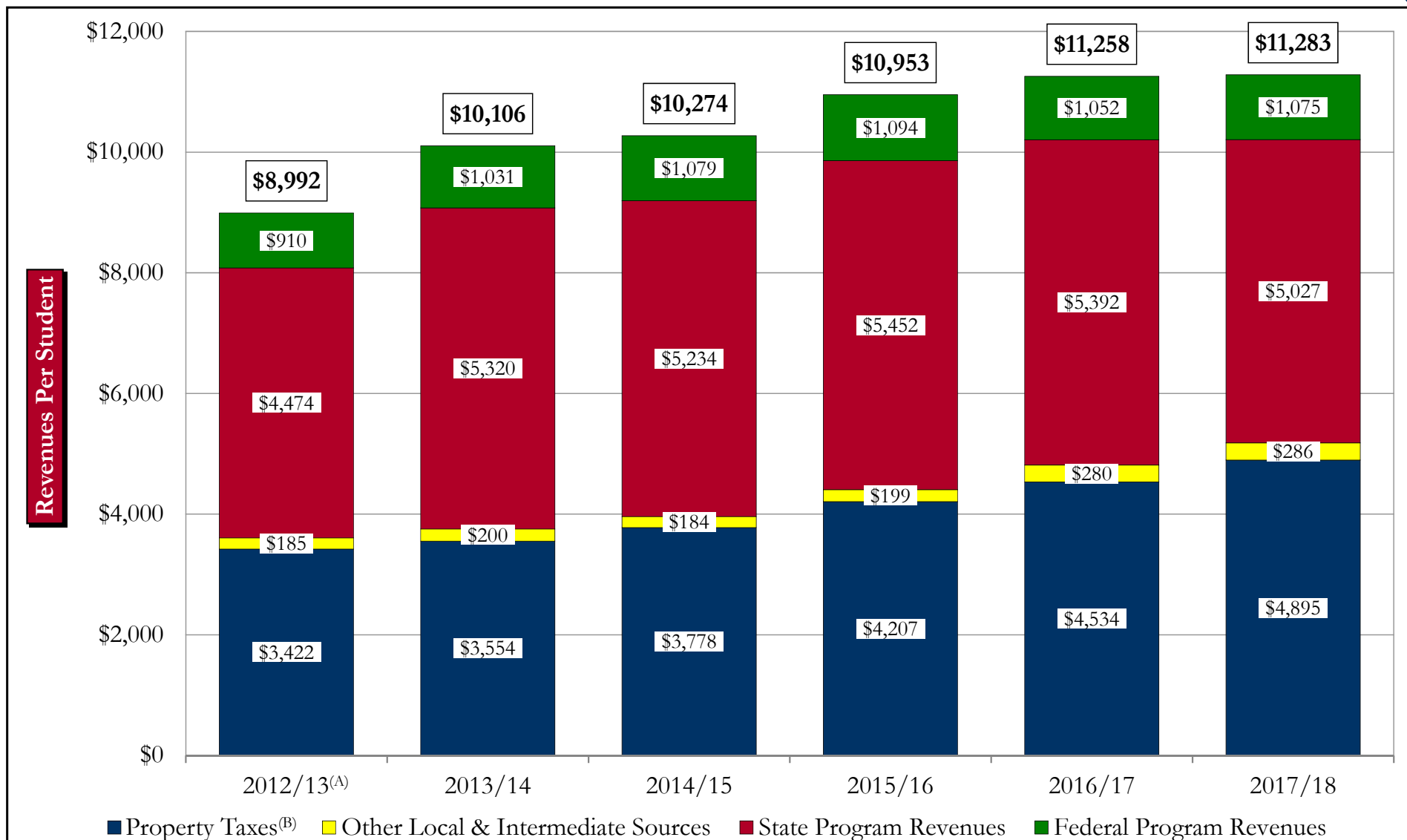


(A) For 10-month time period of September 1, 2012 - June 30, 2013. Reflects initial year of District's change in fiscal year.

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



Total Revenues (All Governmental Funds*) Per Student

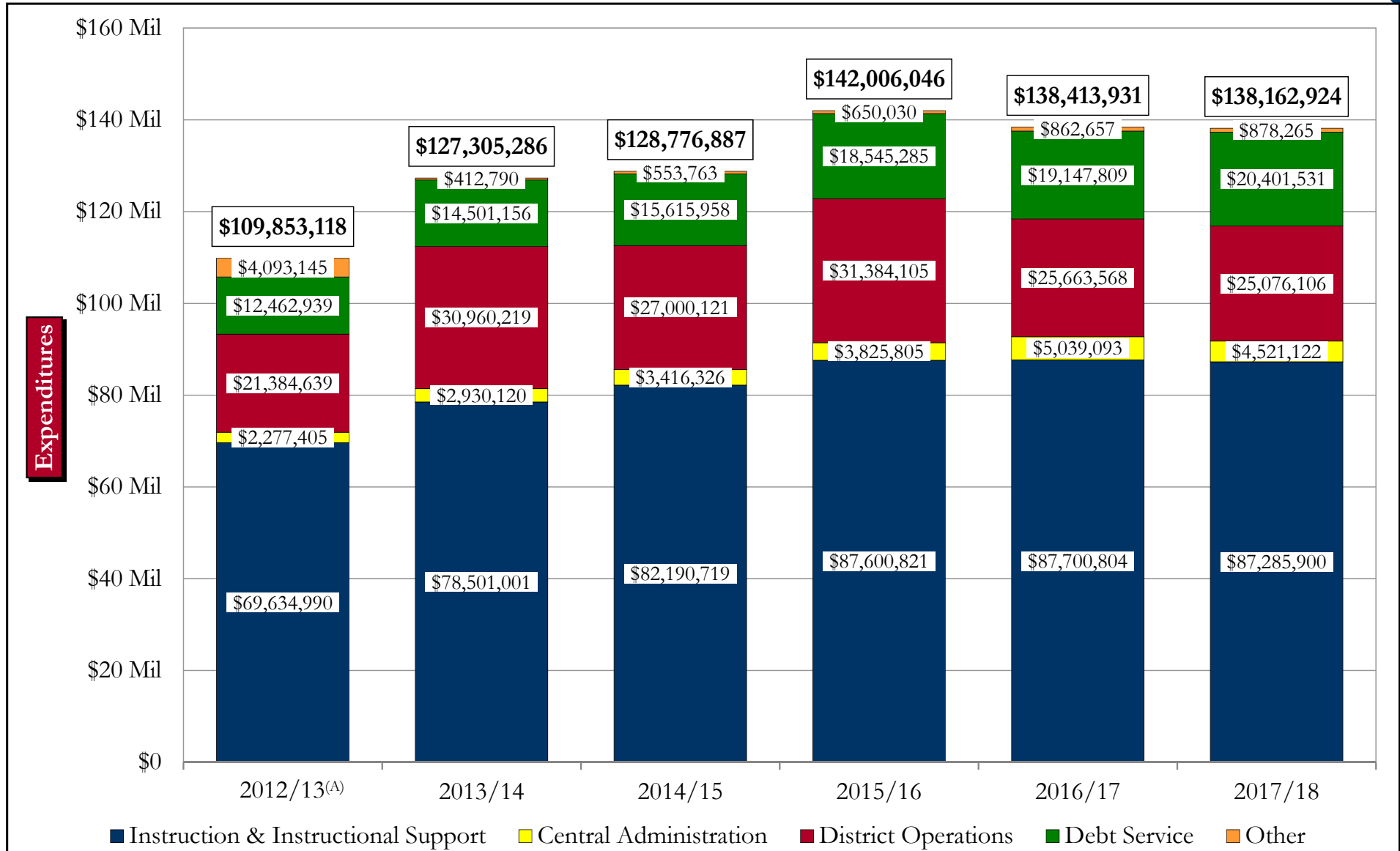


(A) For 10-month time period of September 1, 2012 - June 30, 2013. Reflects initial year of District's change in fiscal year.

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



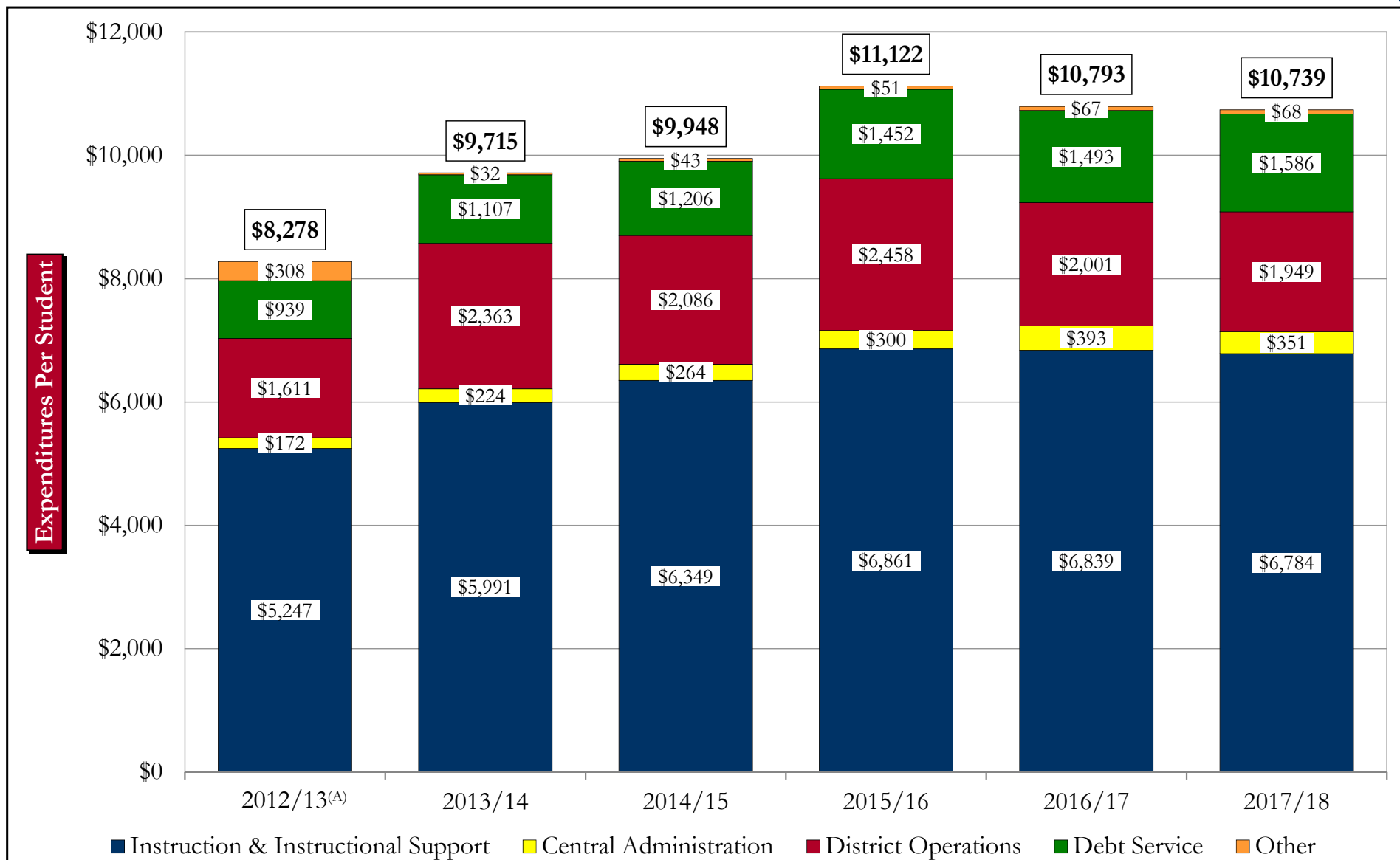
Total Expenditures (All Governmental Funds*) By Source



^(A) For 10-month time period of September 1, 2012 - June 30, 2013. Reflects initial year of District's change in fiscal year.



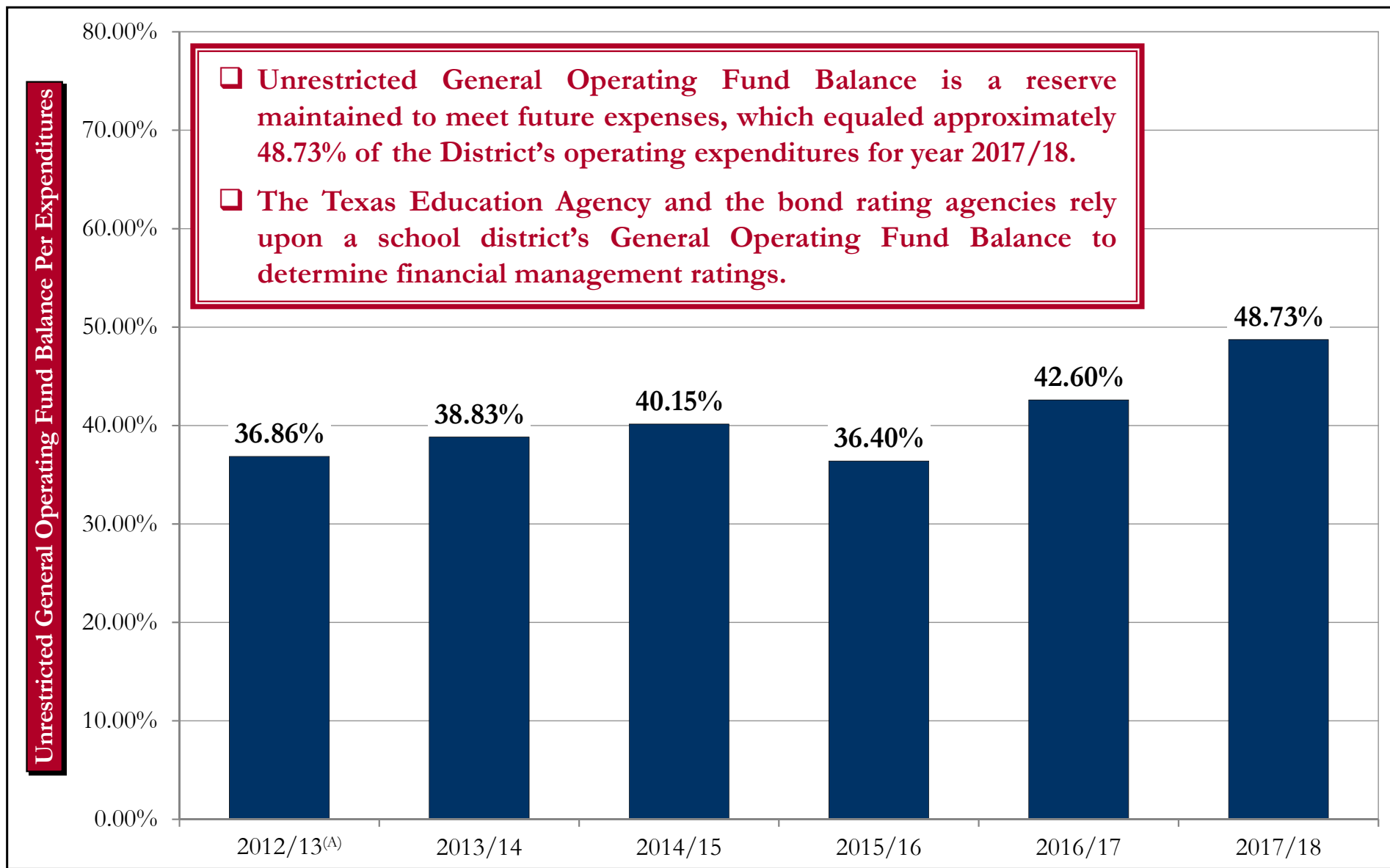
Total Expenditures (All Governmental Funds*) Per Student



^(A) For 10-month time period of September 1, 2012 - June 30, 2013. Reflects initial year of District's change in fiscal year.



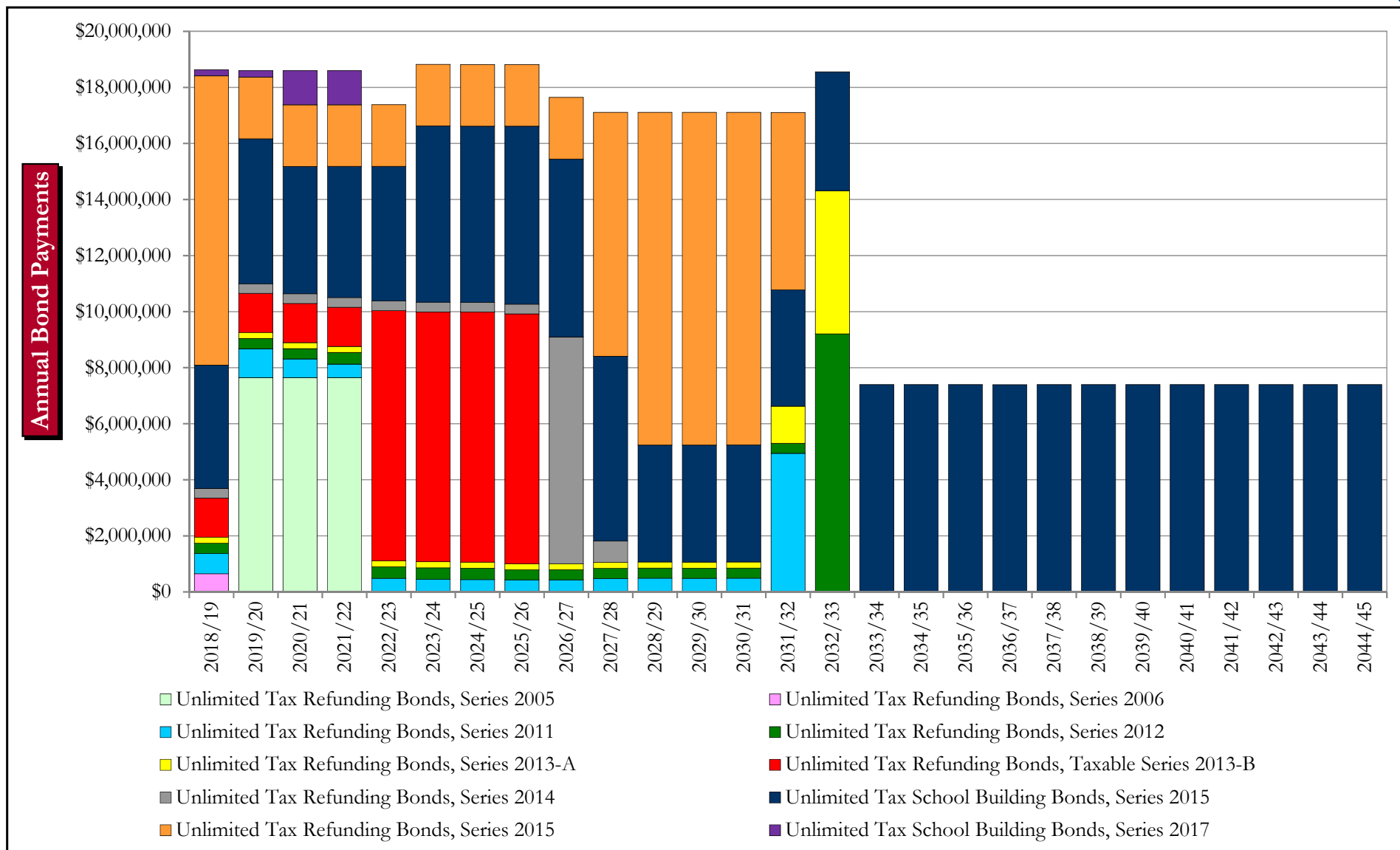
Unrestricted General Operating Fund Balance as a Percentage of General Operating Expenditures



^(A) For 10-month time period of September 1, 2012 - June 30, 2013. Reflects initial year of District's change in fiscal year.



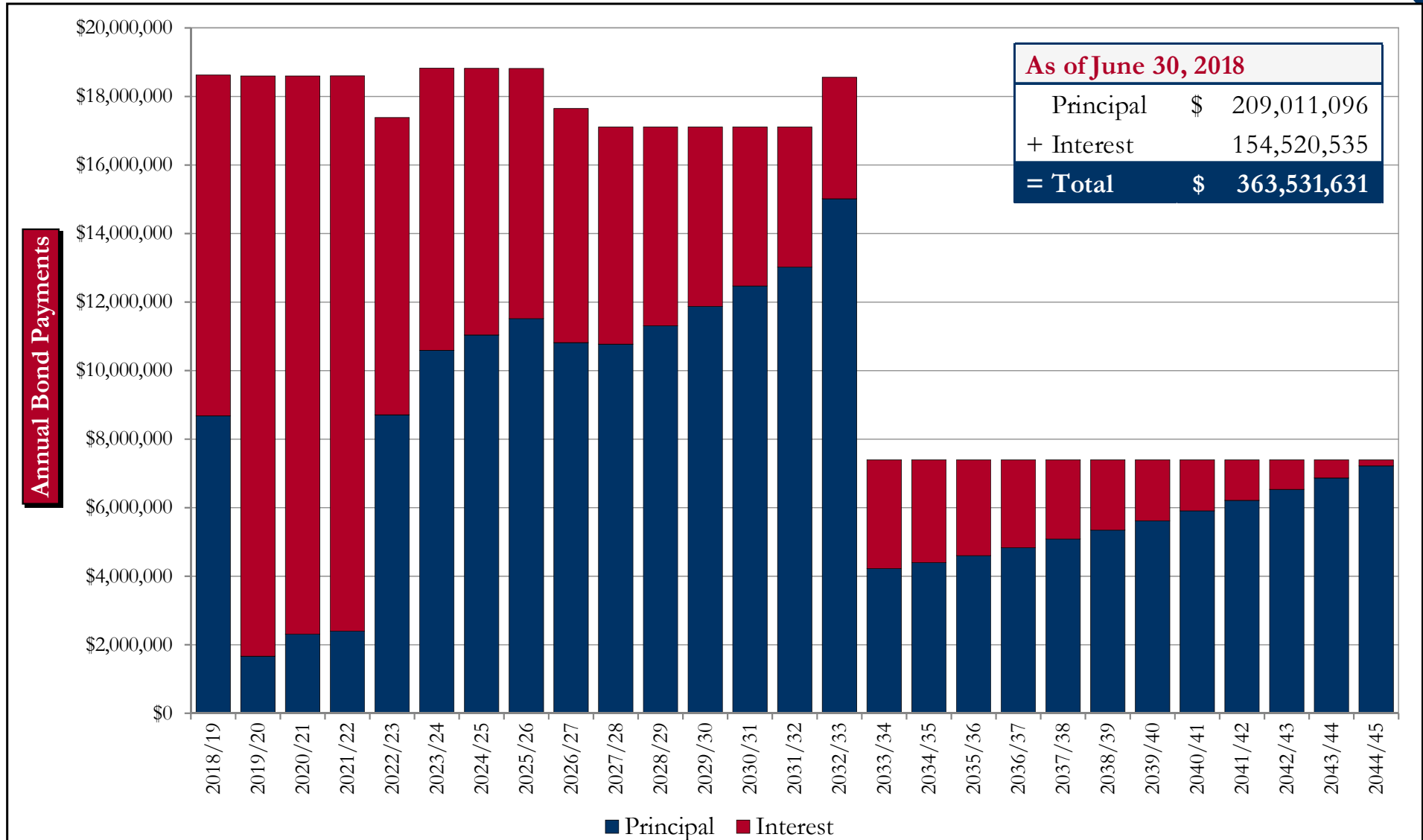
Unlimited Tax Debt Service By Series – Existing Bonds Approved By Voters



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 2018 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 2018 debt payments are not portrayed in the graph above.



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

- Duncanville ISD has implemented 8 bond refunding programs and prepaid \$955,000 of existing bonds to reduce the cost of voter-approved bonds – Which have generated more than \$38.2 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 Refunding Bonds, Series 2005	2001B	\$ 47,166,096	\$ 8,394,395
Unlimited Tax Refunding Bonds, Series 2006	1999, 2001B	71,105,909	5,245,894
Unlimited Tax Refunding Bonds, Series 2011	1999, 2001B, 2003	9,127,999	1,471,177
Unlimited Tax Refunding Bonds, Series 2012	2003	9,400,000	1,765,400
Unlimited Tax Refunding Bonds, Series 2013-A	2001B, 2003	8,170,000	2,062,386
Unlimited Tax Refunding Bonds, Taxable Series 2013-B	2005	33,865,000	4,379,971
Unlimited Tax Refunding Bonds, Series 2014	2005	9,600,000	1,972,676
Unlimited Tax Refunding Bonds, Series 2015	2005, 2006	61,500,000	12,422,734
Total - Bond Refunding Programs at a Lower Interest Rate	---	\$ 249,935,004	\$ 37,714,633
Prepayment of Series 2005 Bonds - February 2015	2005	\$ 955,000	\$ 558,675
Totals	---	\$ 250,890,004	\$ 38,273,308

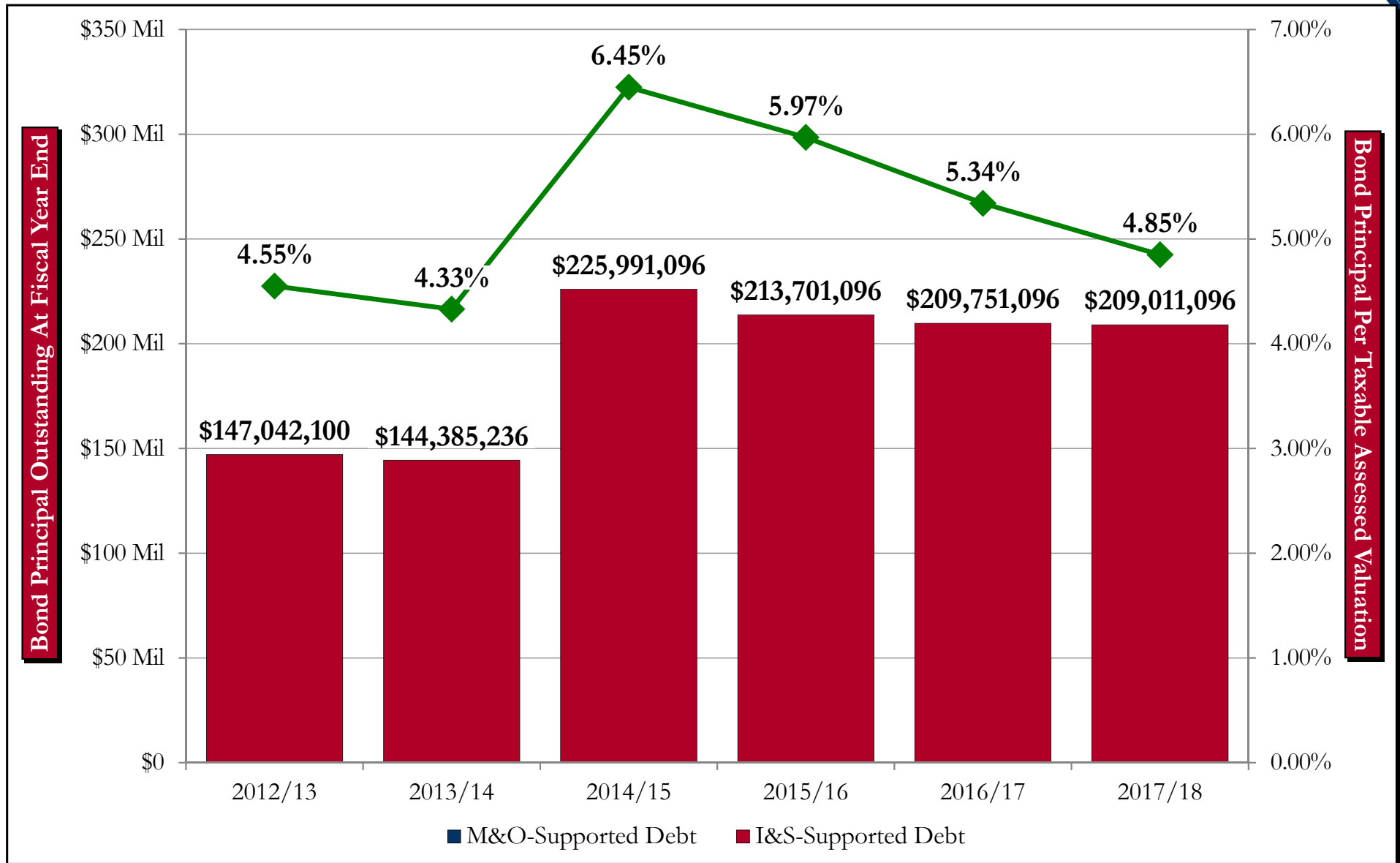


Summary of Unlimited Tax Debt Outstanding By Series – As of Fiscal Year Ended June 30, 2018

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 Refunding Bonds, Series 2005	Refunding at a lower interest rate, etc.	\$47,166,096.15	\$1,141,096.15	\$22,935,000.00	\$16.57	\$333.01	02/15/2022	\$58,806,896.94	\$58,806,896.94	\$0.00
2	Unlimited Tax Refunding Bonds, Series 2006	Refunding at a lower interest rate, etc.	\$71,105,908.65	\$355,000.00	\$650,000.00	\$5.15	\$9.44	02/15/2019	\$78,210,538.14	\$78,210,538.14	\$0.00
3	Unlimited Tax Refunding Bonds, Series 2011	Refunding at a lower interest rate, etc.	\$9,125,000.00	\$8,120,000.00	\$12,142,681.34	\$117.90	\$176.31	02/15/2032	\$9,890,402.59	\$9,890,402.59	\$0.00
4	Unlimited Tax Refunding Bonds, Series 2012	Refunding at a lower interest rate, etc.	\$9,225,000.00	\$9,225,000.00	\$14,673,000.00	\$133.94	\$213.05	02/15/2033	\$9,862,662.40	\$9,862,662.40	\$0.00
5	Unlimited Tax Refunding Bonds, Series 2013-A	Refunding at a lower interest rate, etc.	\$7,985,000.00	\$6,145,000.00	\$9,331,750.00	\$89.22	\$135.49	02/15/2033	\$8,347,695.67	\$8,347,695.67	\$0.00
6	Unlimited Tax Refunding Bonds, Taxable Series 2013-B	Refunding at a lower interest rate, etc.	\$33,365,000.00	\$32,930,000.00	\$41,945,750.00	\$478.13	\$609.04	02/15/2026	\$37,263,397.57	\$37,263,397.57	\$0.00
7	Unlimited Tax Refunding Bonds, Series 2014	Refunding at a lower interest rate, etc.	\$8,835,000.00	\$8,645,000.00	\$11,787,000.00	\$125.52	\$171.14	02/15/2028	\$9,905,703.75	\$9,905,703.75	\$0.00
8	Unlimited Tax School Building Bonds, Series 2015	Capital Improvements	\$88,170,000.00	\$86,725,000.00	\$167,267,950.00	\$1,259.22	\$2,428.68	02/15/2045	\$98,678,772.48	\$92,022,132.48	\$6,656,640.00
9	Unlimited Tax Refunding Bonds, Series 2015	Refunding at a lower interest rate, etc.	\$54,460,000.00	\$53,175,000.00	\$79,860,300.00	\$772.08	\$1,159.55	02/15/2032	\$63,164,414.07	\$63,164,414.07	\$0.00
10	Unlimited Tax School Building Bonds, Series 2017	Capital Improvements	\$4,475,000.00	\$2,550,000.00	\$2,938,200.00	\$37.03	\$42.66	02/15/2022	\$4,813,843.84	\$61,953.84	\$4,751,890.00



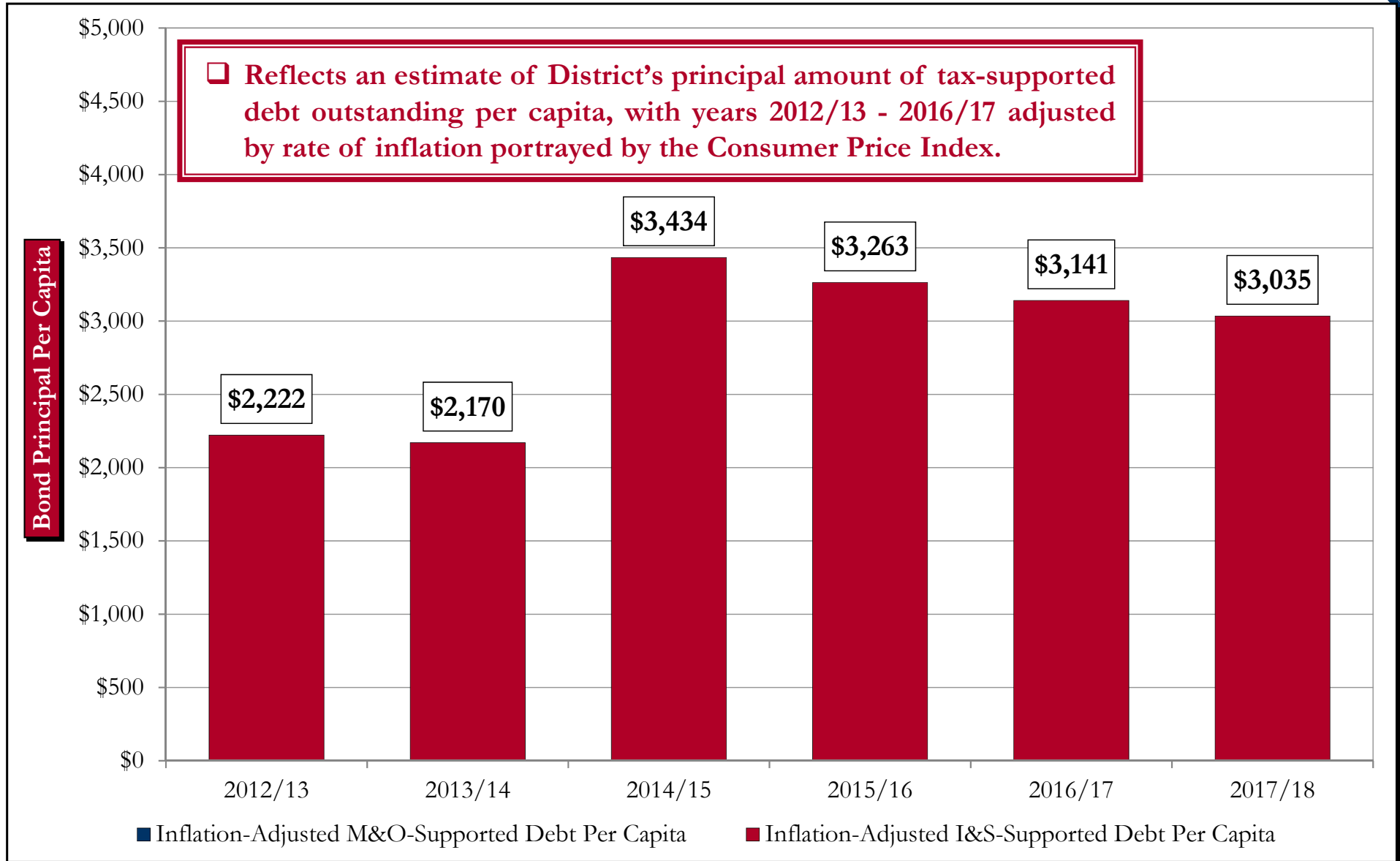
Tax-Supported Debt Obligations At Fiscal Year End and As a Percentage of Taxable Assessed Valuation



Note: The District has no outstanding debt payable from M&O taxes.



Inflation-Adjusted Tax-Supported Debt Per Capita



Note: The District has no outstanding debt payable from M&O taxes.



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



Note: Debt payments represent District's voter-approved bonds payable from a levy of its I&S tax rate.



Contact Information and Links to Additional Resources

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Superintendent of Schools
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Email: superintendent@duncanvilleisd.org

Links to Additional Resources:

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

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