



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2012

FORT WORTH INDEPENDENT SCHOOL DISTRICT
FORT WORTH, TEXAS

COVER PHOTO:
STUDENTS SHOW EXCITEMENT OVER CAREFLIGHT
HELICOPTOR LANDING AT SOUTH HI MOUNT ELEMENTARY

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2012



Prepared by
Hank Johnson, CPA, Deputy Superintendent
Elsie Schiro, Controller
Linda Vaughan, Assistant Controller



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
FORT WORTH, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2012**

Exhibit
Number

Table of Contents

Page
Number

INTRODUCTORY SECTION

Letter of Transmittal	i
Certificate of Board	xi
Government Finance Officers Association of the United States and Canada Certificate of Achievement for Excellence in Financial Reporting	xii
Association of School Business Officials International Certification of Excellence in Financial Reporting	xiii
Organizational Charts	xiv
Board Members and Their Respective Districts	xix
Superintendent's Cabinet	xx

FINANCIAL SECTION

Independent Auditor's Report	1
Management's Discussion and Analysis (Unaudited).....	3
Basic Financial Statements:	
Government-Wide Financial Statements	
A-1 Statement of Net Assets	21
B-1 Statement of Activities	22
Fund Financial Statements:	
Governmental Funds Financial Statements	
C-1 Balance Sheet	27
C-2 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	28
C-3 Statement of Revenues, Expenditures, and Changes in Fund Balances	29
C-4 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	30
Proprietary Funds Financial Statements	
D-1 Statement of Net Assets	33
D-2 Statement of Revenues, Expenses, and Changes in Fund Net Assets	34
D-3 Statement of Cash Flows.....	35
Fiduciary Funds Financial Statements	
E-1 Statement of Fiduciary Net Assets	39
E-2 Statement of Changes in Private Purpose Trusts Net Assets	40
Notes to the Basic Financial Statements	
F Footnotes to the Basic Financial Statements	43
Required Supplementary Information (unaudited)	
G-1 Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget-to-Actual: General Fund (GAAP BASIS).....	67
Notes to the Required Supplementary Information	
G-2 Notes to the Required Supplementary Information.....	71
Other Supplementary Information:	
Non-Major Governmental Funds	
H-1 Combining Balance Sheet	77
H-2 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	78
Internal Service Funds	
H-3 Combining Statement of Net Assets	81
H-4 Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets	82
H-5 Combining Statement of Cash Flows	83
Fiduciary Funds	
H-6 Combining Statement of Agency Funds Net Assets and Liabilities	87
H-7 Combining Statement of Private Purpose Trust Funds Net Assets	88
H-8 Combining Statement of Changes in Assets and Liabilities - Agency Fund.....	89
H-9 Combining Statement of Changes in Private Purpose Trust Funds Net Assets.....	90

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
FORT WORTH, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2012**

Exhibit
Number

Page
Number

Table of Contents (Page 2)

Budget Comparison Reporting	
H-10	Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget-to-Actual: Debt Service Fund (GAAP BASIS) 93
H-11	Schedule of Revenues, Expenditures and Changes in Net Assets – Budget-to-Actual: Food Service Fund (GAAP BASIS)..... 94
Compliance Schedules	
J-1	Schedule of Delinquent Property Taxes Receivable 96
J-2	Schedule of Expenditures for Computation of Indirect Cost for 2011-2012 General Fund, Special Revenue Funds and Food Service Fund 98
STATISTICAL SECTION (Unaudited)	
	Statistical Section Overview 99
Financial Trends:	
I	Net Assets by Component – Last Ten Fiscal Periods (Unaudited)..... 103
II	Government Wide Expenses, Program Revenues and Changes in Net Assets – Last Ten Fiscal Periods (Unaudited) 104
III	General Revenues and Total Change in Net Assets – Last Ten Fiscal Periods (Unaudited) 105
IV	Fund Balances, Governmental Funds – Last Ten Fiscal Periods (Unaudited)..... 106
V	Governmental Funds Revenues – Last Ten Fiscal Periods (Unaudited) 107
VI	Governmental Funds Expenditures and Debt Service Ratio – Last Ten Fiscal Periods (Unaudited)..... 108
VII	Other Financing Sources and Uses and Net Changes in Fund Balances for Governmental Funds – Last Ten Fiscal Periods (Unaudited) 109
Revenue Capacity Information:	
VIII	Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Periods (Unaudited)..... 113
IX	Direct and Overlapping Property Tax Rates – Last Ten Fiscal Periods (Unaudited) 114
X	Property Tax Levies and Collections – Last Ten Fiscal Periods (Unaudited)..... 115
XI	Principal Property Tax Payers – Current Year and Nine Years Ago (Unaudited) 116
Debt Capacity Information:	
XII	Legal Debt Margin Information – Last Ten Fiscal Periods (Unaudited)..... 119
XIII	Outstanding Debt by Type – Last Ten Fiscal Periods (Unaudited) 120
XIV	Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita – Last Ten Fiscal Periods (Unaudited)..... 121
XV	Direct and Overlapping Governmental Activities Debt (Unaudited)..... 122
Demographic and Economic Information:	
XVI	Demographic and Economic Statistics – Last Ten Calendar Years (Unaudited) 125
XVII	Principal Employers – Current Year and Ten Years Ago (Unaudited) 126
Operating Information:	
XVIII	Full-Time-Equivalent District Employees by Type – Last Ten Fiscal Periods (Unaudited)..... 129
XIX	Teacher Base Salaries – Last Ten Fiscal Periods (Unaudited)..... 130
XX	Operating Statistics – Last Ten Fiscal Periods (Unaudited) 131
XXI	School Building Information – Elementary Schools – Last Ten Fiscal Periods (Unaudited) 132
XXII	School Building Information – Middle Schools – Last Ten Fiscal Periods (Unaudited) 136
XXIII	School Building Information – Senior High Schools – Last Ten Fiscal Periods (Unaudited)..... 138
XXIV	School Building Information – Other Schools – Last Ten Fiscal Periods (Unaudited)..... 140

Comprehensive Annual Financial Report

Period Ended June 30, 2012

October 31, 2012



The Comprehensive Annual Financial Report of the Fort Worth Independent School District (hereinafter referred to as “the District”) is hereby submitted. This report has been prepared to provide the Board of Education (hereinafter referred to as “the Board”), representatives of financial institutions, the citizenry, and other interested parties information concerning the financial condition of the District.

Responsibility for the report’s accuracy, completeness, fairness of presentation, and its disclosures rests with the District. To the best of our knowledge and belief, the enclosed information is accurate in all material aspects. This data is reported in a manner designed to fairly present the financial and operational results of the District as measured by the financial activities of its various funds. Disclosures necessary to enable the reader to gain understanding of such financial operations have been included. The Management’s Discussion and Analysis (MD&A) section provides a brief overview of these financial reports. This transmittal letter is designed to be read in conjunction with the MD&A.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the United States Office of Management

and Budget Circular A-133. Information related to this single audit, including the schedule of expenditures of federal awards, findings and questioned costs, and the independent auditors’ reports on internal control and compliance, with applicable requirements, are included in a separate report.

This report includes all funds of the District. By way of information, the District is not a component unit nor does it have component units. A component unit is a legally separate organization that a primary government must include as part of its financial reporting entity for fair presentation in conformity with GAAP.

The District is a public school system offering full pre-kindergarten through grade twelve educational opportunities for all students that reside within its geographic boundaries. The District is governed by a nine member Board with decision making authority and responsibility over the fiscal matters of the District with assistance from Administration.



GENERAL INFORMATION

The District was organized by a special act of the Texas State Legislature in March of 1925. The District has been governed by a nine member Board of Trustees, each of whom served four-year terms, with the President elected at-large and eight members elected from single-member districts. However, in October of 2011, the Board approved a new redistricting map made up of nine single-member districts. Under the new plan, the Board chooses a President among the nine trustees. The new District 9 takes in part of the old Districts 1 and 8. All positions are filled by biennial elections with individual positions coming to the voters on a rotating basis. All candidates must be qualified voters and residents of the District and/or single-member district which they represent.

Regular and special meetings or study sessions of the Board are posted and advertised as prescribed under state law so that the Board may meet to fulfill its charge to the students, parents, staff, and taxpayers of the District. The Board has final control over all school matters except as limited by state law, the courts, and the will of its citizenry as expressed in elections. The Board's responsibilities generally include setting policy for the District to ensure efficient operations; to select and evaluate the Superintendent of Schools; to adopt an annual budget and its supporting tax rate; and to foster good community relations and communications.



The District provides a well-rounded program of public education from pre-kindergarten through grade twelve. The District is fully accredited by the Texas Education Agency. In order to serve its current enrollment of 81,566 students, the District provides regular, special education, vocational, gifted and talented, and bilingual/ESL curriculums. A broad range of elective, extracurricular and concentrated high academic programs are also evidenced. The District has ushered in a new era with winning opportunities for every student giving them power to choose courses of study based on personal interests and passions in the Gold Seal



Programs of Choice--one of the most comprehensive redesigns of secondary school education in the nation. Every Fort Worth ISD high school offers rigorous courses of study based on students' interests as well as the needs of the modern workplace. Gold Seal Program categories include everything from aviation technology, to biomedical science, to culinary arts, to digital gaming and much more. Each program provides an extraordinary learning opportunity for every student as well as opportunities to earn certificates, licenses,

and up to 60 hours of transferrable college credits while still in high school. All of the programs are tied to core instruction in math, science, and English language arts.

STATISTICAL & AREA INFORMATION, DEMOGRAPHICS, AND OTHER INFORMATION



Fort Worth Skyline

Introduction

Fort Worth, established in 1849, is a city of partnership and progress, qualities that ensured its survival as a frontier outpost and later transformed this city into a great place to live and work. The pioneering spirit remains with Fort Worth today, but attention has turned to the high-tech and service industries of an emerging western metropolis.

According to the U.S. Census Bureau, Fort Worth has been one of the fastest growing large cities of more than 500,000 persons in the nation since April 1, 2000, rising to the rank of the 16th largest city in the country. Tarrant County alone has a population of over 1.8 million people. The population of the City of Fort Worth is 758,738. The official 2010 U.S. Census has determined that the population of the Dallas-Fort Worth Metroplex has grown to 6,371,773 people. The area's population has grown by about one million people since the last census was administered in 2000. The DFW Metroplex is, by population, the largest metropolitan area in Texas, the largest in the South, and the forth-largest in the United States.



DFW Metroplex

The City of Fort Worth's strategic goals include making Fort Worth the nation's safest major city; improving mobility and air quality; creating and maintaining a clean, attractive city; strengthening the City's economic base; and to promote orderly and sustainable development. Achievement of each of these goals relies on quality development that continues to make Fort Worth an attractive place to live and work.

Quality of Life

Fort Worth residents enjoy the area's affordable, easy-going lifestyle, thriving business environment, outstanding educational system, active arts community, and a dynamic downtown named "Sundance Square" that offers restaurants, theaters, hotels and nightspots that dazzle locals and tourists alike. Downtown Fort Worth's Bass Performance Hall is listed among the Top 10 Opera Halls in the world and hosts performers from around the world.

In Fort Worth's celebrated cultural district, visitors can explore museums that are acclaimed for their architecture, the quality of their collections, and the programs they offer. The museums are situated in a relaxing, park-like setting one mile west of downtown. These include the Kimbell Arts Museum, the Amon Carter Museum of Art, and the Fort Worth Modern Museum of Art. With over 109 acres of museum space, Fort Worth has the second largest number of accredited museums within walking distance of each other, second only to Washington DC. Additionally, the city's cultural district, ranked the third largest in the U.S., provides rich opportunities for visitors of all ages, including the Museum of Science and History, the Fort Worth Botanical Gardens and the Fort Worth Zoo. The zoo, which opened in 1909, is recognized as the first zoo in Texas, is acknowledged as the best in Texas, and is further recognized as one of the top five zoos in the nation.



Not forgetting the city's western heritage, the National Cowgirl Museum and Hall of Fame have joined other museums in the Cultural District. And, to the north of downtown, the Historic Stockyards District further celebrates Fort Worth's western heritage and is a popular entertainment destination for both tourists and locals. The Fort Worth Stockyards host the world's only twice daily cattle drive.

North Texas is one of the few metropolitan regions that have professional football, baseball, basketball, and hockey teams. Dallas is the home of the 2011 NBA Champions, The Dallas Mavericks, and the National Hockey League's Dallas Stars. Nearby Arlington is the home of the American League Texas Rangers, who were the 2010 and 2011 American Baseball League Champions, and the National Football League's Dallas Cowboys. Theme park Six Flags over Texas is also located in Arlington. The Texas Motor Speedway, located in Fort Worth, is the second largest sports facility in the nation. It hosts two NASCAR races each year, as well as IRL events.



Public Safety

In 1995, the citizens of Fort Worth voted to establish a Crime Control and Prevention District (CCPD). The voters elected to renew this District in 2000, 2005, and most recently in 2009 for another five-year period. Fort Worth's Part I Crime Rate has declined 32% since 1995, while the population continues to increase. Revenue from the one-half cent sales tax serves in providing necessary resources to effectively implement crime reduction strategies. The Crime Tax monies fund a variety of successful initiatives, including Citizens on Patrol, Neighborhood Policing Districts and Neighborhood Police Officers. It also pays for aggressive code enforcement, a police gang unit and numerous educational and community outreach programs. The mission of the CCPD is to . . . "enhance Fort Worth's ability to increase safety and reduce crime through partnerships, increased capabilities, training, and crime prevention and intervention programs."



Public Transportation



Scheduled public bus service throughout Fort Worth is provided by the Fort Worth Transportation Authority, known as the "T". The "T" is able to partner with different companies, as well as Dallas Area Rapid Transit (DART) through the Trinity Railway Express (TRS), to meet employee transportation needs. Typical commutes for persons working and living in the Fort Worth area are 15 to 20 minutes. Commutes between Dallas and Fort Worth are usually 30-45 minutes.

Air transportation in Fort Worth is unsurpassed. DFW International Airport (the third busiest airport in the world) and Dallas Love Field are both major hubs. Alliance Airport is billed as the world's first 100% industrial airport and home to FedEx, American Airlines, Galaxy Aerospace, Intel, the Drug Enforcement Agency and many other operations. Meacham Airport offers private aircraft convenient access to the city, and Spinks Flight Center is rapidly becoming home to area flight schools.

Labor Force

Fort Worth's labor force is large and diverse, providing a sufficient supply of employees at all skill levels. Fort Worth is a bustling metropolitan area with excellent education and training opportunities. The cost of living is low, helping to keep wage rates competitive. The absence of state or local income taxes is always a plus for workers in Texas. The presence of 16 colleges and universities with over 53,000 students, together with the region's substantial active and retired military population, further enhance the labor force.

The Economy and 2012 Economic Outlook

Fort Worth is the fifth-largest city in Texas; and, according to Forbes.com, ranks as the fourth best big city for US job growth. Aggressive, forward-thinking city government and modern amenities make Fort Worth an ideal place for business prosperity. As one of the most diverse high-tech manufacturing locations in Texas, Fort Worth is home to a variety of high tech corporations, including Lockheed Martin, Bell Helicopter and Alcon Laboratories. A number of international corporations are also headquartered here, including American Airlines, BNSF Railway, RadioShack and XTO Energy. Other corporate luminaries include Chesapeake Energy Corporation, DynCorp International, FedEx, and Ben E. Keith. Healthcare, finance, telecommunications, education, tourism, and retail trade are also significant economic sectors for the area, together with natural gas exploration and development.

According to the North Texas Commission, Fort Worth and the metroplex has been able to weather the recession by having an economy not dependent on just one or two industries. The Dallas-Fort Worth area has the fourth-largest number of corporate headquarters in the country. In recent years, it has had major growth in energy related business and has one of the largest concentrations of aviation related businesses worldwide. The area is the 10th largest retail market in the country, and Texas is one of only two states that refunds sales tax to international visitors upon departure. The technology sector is a billion dollar business which generated thousands of jobs for the area. While recognizing the recessionary trend, these growing and successful industries in North Texas have aided the economy during these troubled times.

While many parts of the country are suffering due to the economic downturn and rising unemployment, the unemployment rate was lower here than in other states. Texas unemployment rate has been at or below the national rate since 2007. The unemployment rate in the area is 7.4 percent, below the national average of 8.2.

Thus far, Texas has weathered the national real estate crunch without significant damage to property values. The Texas foreclosure rate was one in every 1336 mortgages. This was substantially better than Florida's one in 318, California's one in 361, or Arizona's one in 398.



THE DISTRICT'S MISSION: "Success Demands Singleness of Purpose"

"Success demands singleness of purpose." This quote from the legendary Vince Lombardi introduced the District's 2011-2012 Annual Report. The report provides a snapshot of the year while showing the many ways the District is working toward Singleness of Purpose. In his forward to the District's Annual Report, Superintendent Walter Dansby defines Singleness of Purpose as "all of our stakeholders – each with his or her own interests and talents – moving the ball down the court as a team toward the ultimate goal of student achievement." The mission is to bring a new kind of collaboration among non-profit groups, community partners, and organizations to participate with the Board in strategic planning to support schools in ways that make sense for everyone. "All should work under one umbrella to provide Fort Worth ISD students with the ultimate competitive advantage." The full Annual Report can be reviewed at http://www.fwisd.org/about/Pages/annual_report.aspx.

The District's Vision: "Educating for Life"

District Goals:

- **Goal 1: Student Achievement**
All students will learn at high levels of academic expectations, and the achievement gap will be eliminated.
- **Goal 2: Operational Efficiency & Effectiveness**
All operations in the District will be efficient and effective.
- **Goal 3: Family Involvement & Community Partnerships**
Family involvement and community partnerships will be an integral part of the education of all children

These tenets have been used in writing action plans for the District and in developing the District's annual budget. Additionally, each division within the District uses district goals, mission and vision statements to set academic and operating standards and to establish measures for reaching them.



CAPITAL IMPROVEMENTS

In order to assess possible needs for the 2007 bond program, the District engaged Magellan K12 to provide a Facility Condition Analysis Report and a Demographic Analysis/Enrollment Projection. The Facility Condition Analysis Report documented the physical conditions and projected cost of repairs and code compliance in priority order. Updated floor plans were also provided for all facilities by utilizing electronic Computer Aided Design (CAD) software. The study was completed in spring 2007.



Rosemont Elementary Ribbon Cutting

In November 2007 the citizens of Fort Worth approved a \$593.6 million bond election for the Fort Worth Independent School District's Capital Improvement Program (CIP). Of those funds, \$551.9 was allocated to school construction. The CIP includes building 5 new schools (3 Elementary Schools and 2 Middle Schools), constructing additions at 8 schools, and renovating 121 schools and 3 Athletic facilities.



Thank you, Fort Worth!

As of June 30, 2012, the District expended \$508 million for school construction. All original planned projects were completed on schedule and under budget by November 2011. Two new middle schools, Benbrook MS and Jean McClung MS, and two new elementary schools, John T. White ES and Rosemont ES, were completed for the opening of the 2011-2012 school year. Utilizing savings, the Board of Education approved extending the program to November 15, 2012, to complete additional work recommended in the 2007 Magellan study, which CIP updated during the first quarter of 2011. The Board approved Phase 4 & 4A

additional work included \$74 million for district-wide facility upgrades. Construction is scheduled to be completed by August 2012 for all projects except one. On January 17, 2012, the Board approved an \$11 million budget for the design and construction of a new Culinary Arts Facility with additional classrooms at North Side High School. That project is scheduled to be completed by the summer of 2013.

FINANCIAL INFORMATION

Overview:

The administration of the Fort Worth Independent School District is responsible for establishing and maintaining internal controls that are designed to ensure that the assets of the District are protected from loss, theft, and misuse. Also, the administration is charged to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Accounting Department of the District has not only fulfilled these needs, but has been honored with both the Government Finance Officers Association's and the Association of School Business Officials International's prestigious awards for "Excellence in Financial Reporting".

Internal controls are designed to provide reasonable, but not absolute, assurance that the above objectives are being met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

The District employs a full time Internal Audit Department. Its responsibility is to provide assistance for ensuring the public's trust.

Single Audit. As a recipient of federal, state and local financial assistance, the District also is responsible for ensuring that adequate internal controls are in place to provide compliance with applicable laws and regulations related to those programs. Internal controls are subject to periodic evaluation by management and the internal audit staff of the District. As a part of the District's single audit process, tests are made to determine the adequacy of the internal controls, including that portion related to federal awards programs, as well as to determine the District's compliance with applicable laws and regulations.

Budgetary Controls. In addition to the above, the District maintains budgetary controls throughout all of its financial systems. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated (official) budget adopted by the Board. Activities in the General Fund, Debt Service Fund, and Food Service Enterprise Fund are included in the official budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) are monitored at the fund-function-object code levels. However, District systems can exercise budgetary controls at varying combinations of the account code structure. The Texas accounting system for school districts, as codified in Texas Education Agency Financial Accountability System Resource

Guide, requires the usage of a twenty-digit account code structure and requires budgetary control through the fund-function level. A local education agency can expand the account code structure, as required for local definition or to accommodate financial software systems, which the District has elected to do. Oversight control of all the District's expenditures is maintained at this level by the budget staff.

The District also utilizes an encumbrance accounting system to maintain budgetary control through a transaction's life cycle. Outstanding encumbrances at the end of a fiscal year are no longer reported separately on the face of the balance sheet in accordance with GASB 54. If

the requirements for commitment or assignment of funds are met, then those encumbrances would be reported accordingly, but not as "committed or assigned for encumbrances." The District did not commit or assign encumbrances for the period ended June 30, 2012.

Independent Audit. State law and District policy require an annual audit by independent certified public accountants. The annual audit was performed by Weaver and Tidwell LLP for the year ended June 30, 2012.

In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the federal Single Audit Act of 1996 and related OMB Circular A-133. The independent auditors' report on the basic financial statements and the Management's Discussion and Analysis report are included in the financial section of this report. The independent auditors' reports relating specifically to the single audit are included in a separate report.

AWARDS

The Association of School Business Officials International ("ASBO") awarded a Certificate of Excellence in Financial Reporting and the Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. This was the twenty-sixth consecutive year that the District has received these prestigious awards. In order to be awarded these Certificates, the District published an easily readable and efficiently organized comprehensive annual financial report, which satisfied both generally accepted accounting principles and applicable legal requirements.


The Certificates are valid for a period of one year only. The District believes that this current Comprehensive Annual Financial Report continues to meet both the Certificate programs' requirements, and it will be submitted to ASBO and GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the dedicated efforts of the entire staff of the Accounting and Business and Finance Departments. Sincere appreciation for everyone's time and effort in this endeavor is hereby expressed. Also, special thanks needs to be extended to the Board and the District's Audit Committee for their interest and support in the District's financial departments. Their concern that the business operations of the District be conducted efficiently and responsibly and their recognition of the importance of such services makes such tasks rewarding for the staff as a whole.


Hank Johnson, CPA
Deputy Superintendent


Elsie I. Schiro
Controller


Walter Dansby
Superintendent

Certificate of Board

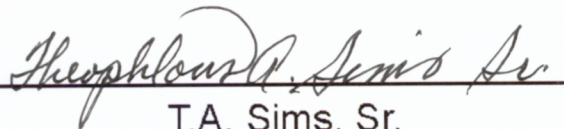
Fort Worth Independent District
Fort Worth, Texas

Name of School

Tarrant
County

220-905
Co.-Dist. Num.

We, the undersigned, do hereby certify that the attached auditors' report of the above named school district was reviewed and approved disapproved (check one) for the year ended June 30, 2012, at the meeting of the board of school trustees of such school district on the 13th day of November, 2012.



T.A. Sims, Sr.
Board President



Judy Needham
Board Secretary



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fort Worth Independent
School District, Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Danson

President

Jeffrey R. Emer

Executive Director

Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
is presented to*

Fort Worth Independent School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2011*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, reading 'Brian L. Mee'.

Brian L. Mee, SFO, RSBA
President

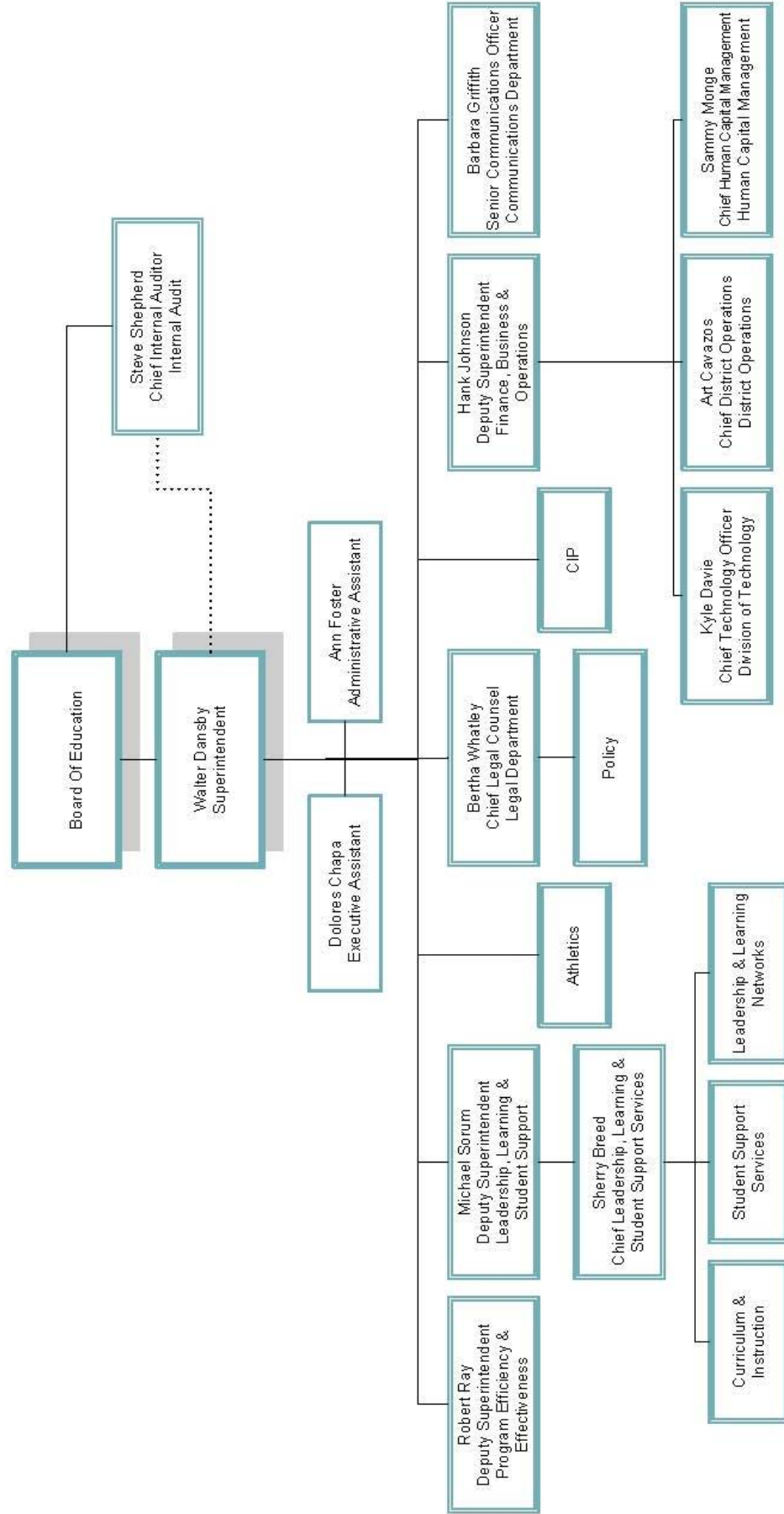
A handwritten signature in black ink, reading 'John D. Musso'.

John D. Musso, CAE, RSBA
Executive Director

Fort Worth ISD



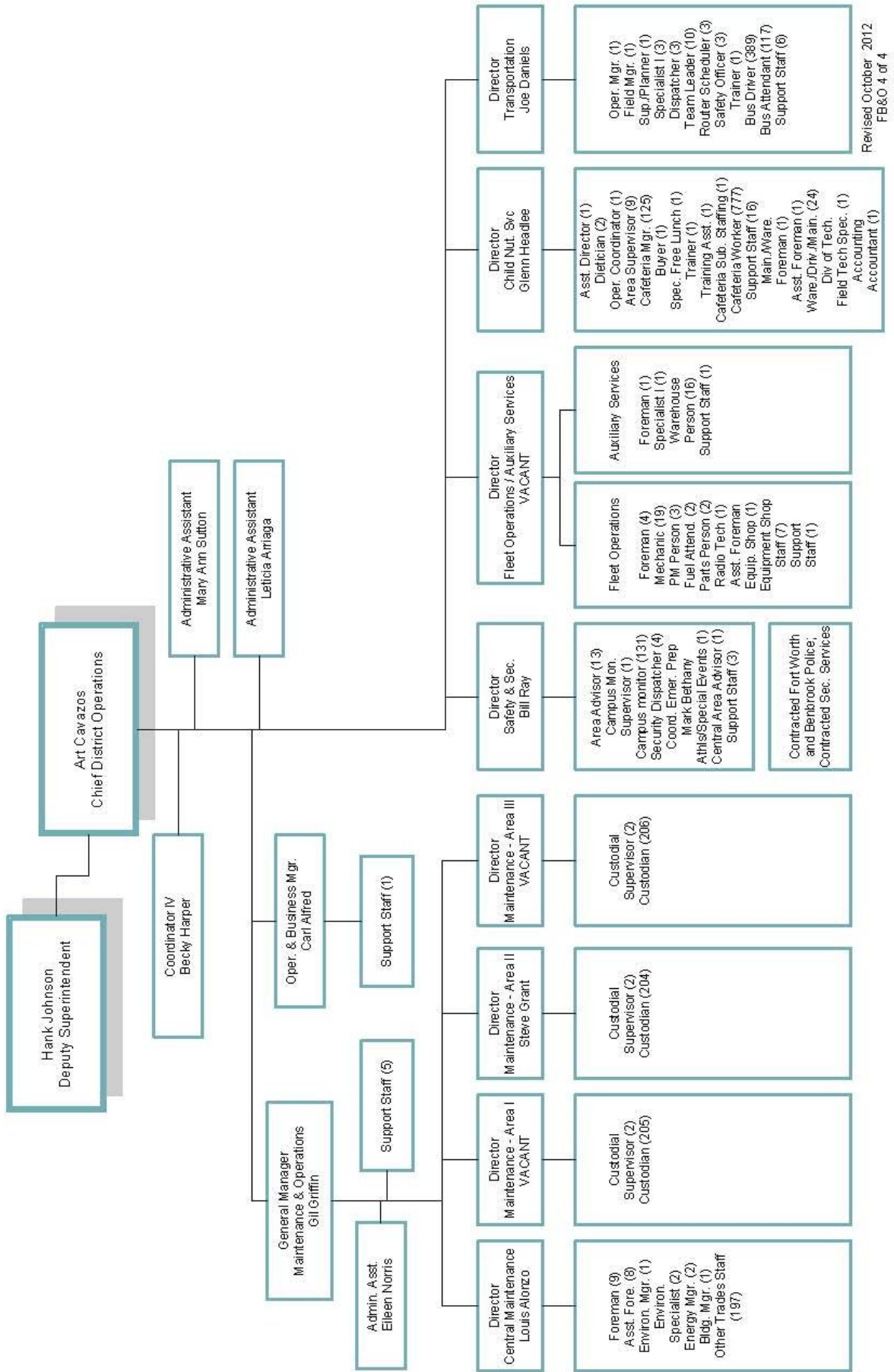
ORGANIZATIONAL CHART 2012-13



Finance, Business & Operations District Operations



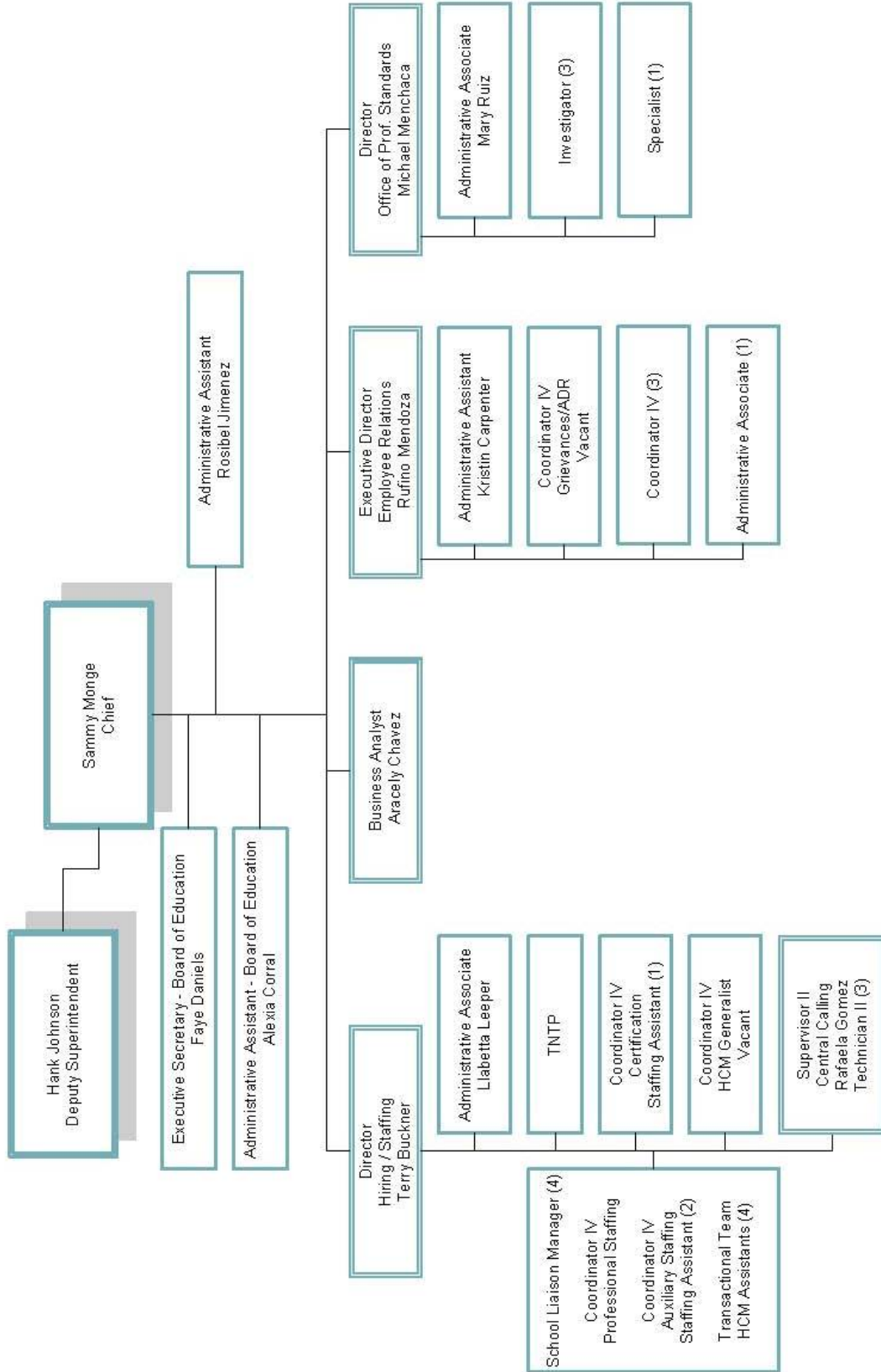
ORGANIZATIONAL CHART 2012-13



Revised October 2012
FB&O 4 of 4

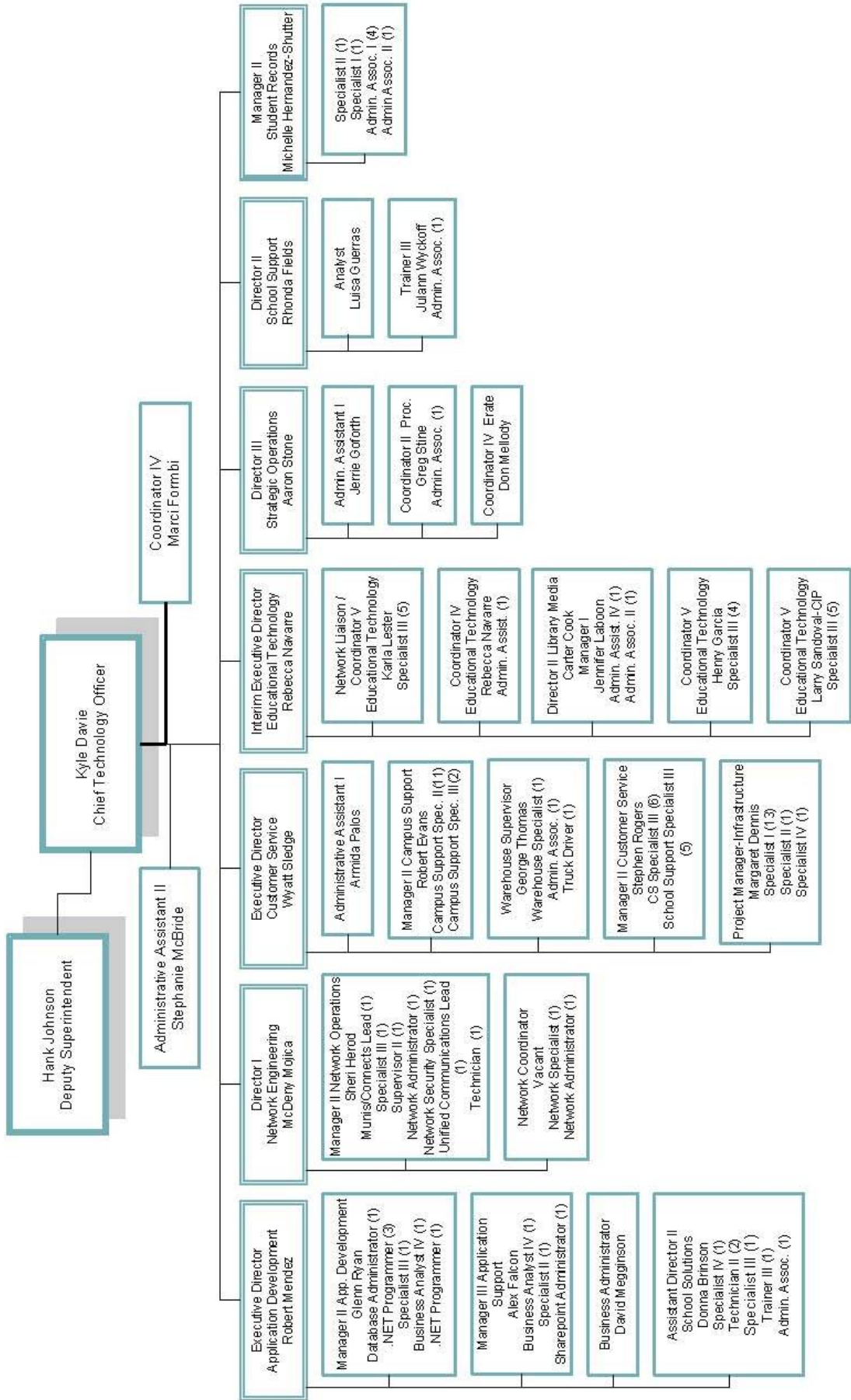
Finance, Business & Operations Human Capital Management

ORGANIZATIONAL CHART 2012-13



Finance, Business & Operations Division of Technology

ORGANIZATIONAL CHART 2012-13



BOARD MEMBERS AND THEIR DISTRICTS

T. A. Sims, Sr.

Board President
District 4
First elected 1983
Pharmacist
Term Expires 2013
4421 Kingsdale Drive
76119, (817) 534-6406
ta.sims@fwisd.org



CHRISTINE C. MOSS

Board Vice President
District 3
Elected 1990
State Nurse Surveyor
Term Expires 2015
5625 Eisenhower
76112, (817) 429-9071
christene.moss@fwisd.org



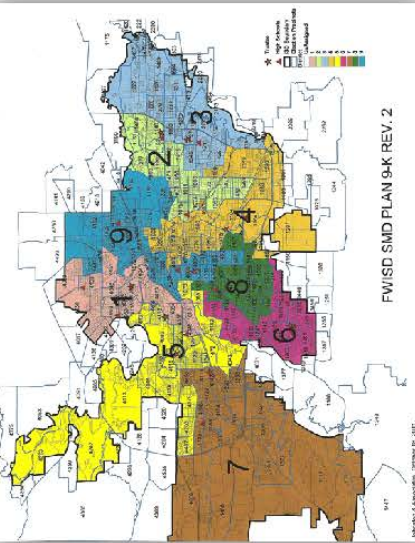
JUDY NEEDHAM

Board Secretary
District 5
Elected 1996
Fundraising Consultant
Term Expires 2015
5328 Collinwood Avenue
76107, (817) 223-0552
judy.needham@fwisd.org



CARLOS VASQUEZ

District 1
Elected 2008
Educational Consultant
Term Expires 2013
1214 Circle Park Blvd.
76164, (817) 625-7152
carlos.vasquez@fwisd.org



NORMAN ROBBINS

District 7
Elected 2004
Sr. Mgr. Community Relations
Term Expires 2013
6144 Plum Valley Place
76116, (817) 851-4392
norman.robbins@fwisd.org



TOBI JACKSON

District 2
Elected 2010
Professional Educator
and Administrator
Term Expires 2015
2108 Yosemite Court
76112, (817) 457-7816
tobi.jackson@fwisd.org



Joe Ralph (J.R.) Martinez

District 8
First elected 2012
Realtor
Term Expires 2013
1908 Ben Hall Ct.
76110, (817) 455-6422
jr.martinez@fwisd.org



ANN SUTHERLAND

District 6
Elected 2010
Educator, Budget Analyst
Term Expires 2015
4028 Aragon Drive
76133, (817) 504-3360
ann.sutherland@fwisd.org



JUAN RANGEL

District 9
First elected 2000
Consultant
Term Expires 2013
2259 Lipscomb
76110, (817) 923-3245
juan.rangel@fwisd.org



WALTER D. DANSBY

Superintendent
(817) 814-1900
walter.dansby@fwisd.org



Fort Worth Independent School District



SUPERINTENDENT'S CABINET

Walter Dansby Superintendent
Robert Ray Deputy Superintendent, Program Efficiency, Effectiveness & Sustainability
Michael Sorum Deputy Superintendent, Leadership, Learning & Student Support
Hank Johnson Deputy Superintendent, Finance, Business & Operations
Bertha Whatley Chief, Legal Department
Sherry Breed Chief Leadership, Learning & Student Support Services
Kyle Davie Chief, Division of Technology
Art Cavazos Chief, District Operations
Sammy Monge Chief, Human Capital Management
Barbara Griffith Senior Communications Officer

BUSINESS/FINANCE DEPARTMENT

Elsie I. Schiro Controller
Linda Vaughan Assistant Controller

INTERNAL AUDIT

Steven Shepherd Chief Internal Auditor

ACCOUNTANTS AND ADVISORS

Weaver and Tidwell L. L.P., Independent Auditors
Fort Worth, Texas
Kelly, Hart and Hallman Bond Counsel
Fort Worth, Texas
First Southwest Company Financial Advisors
Dallas, Texas

FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Fort Worth Independent School District
Fort Worth, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Fort Worth Independent School District (the District) as of and for the year ended June 30, 2012, 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2012, 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 October 31, 2012, 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 Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget to Actual: General Fund on pages 3 through 16 and 67 through 71 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 inquiries 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, other supplementary information and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The other supplementary information listed in the table of contents is 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 schedules 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
October 31, 2012

Fort Worth Independent School District Management's Discussion and Analysis For the Period Ended June 30, 2012

(Unaudited)

In this section of the Comprehensive Annual Financial Report, the Fort Worth Independent School (the District) discusses and analyzes its financial performance for the period ended June 30, 2012. This section should be read in conjunction with the transmittal letter, the independent auditors' report, and the District's Basic Financial Statements.

FINANCIAL HIGHLIGHTS

- Total combined net assets for the District amounted to \$395.7 million as of June 30, 2012. This was a decrease of 0.9% from the previous year.
- Total primary governmental expenses totaled \$823.1 million down by 0.45% from the prior year. Of this amount total Governmental Activities totaled \$783.7 million and Business-Type Activities totaled \$39.3 million.
- Net assets of the enterprise fund (business-type activities) increased by \$2.2 million to \$10.2 million, an increase of 27.8%.
- The total available general fund balance decreased by \$18.6 million from last year to \$123.9 million.
- At the end of the current fiscal year, unassigned fund balance in the general fund was \$95.3 million, or 16.0% of total general fund expenditures

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The two major categories of statements are the government-wide statements and the fund financial statements.

The government-wide financial statements include the Statement of Net Assets and the Statement of Activities. These statements provide information about the activities of the District as a whole and provide both long-term and short-term information about the overall financial status.

The fund financial statements focus on individual parts of the government, reporting the District's operations in more detail than the government-wide statements. The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending. Proprietary funds statements offer short and long-term financial information about the activities the government operates like businesses, such as food service. Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information contained in the financial statements and provide more detailed information and data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

The remainder of this overview section of the MD&A explains the structure and contents of each of the statements.

The Statement of Net Assets and the Statement of Activities

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net assets and how they have changed. Net assets—the difference between the District's assets and liabilities—is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating.
- To assess the overall health of the District, additional non-financial factors such as changes in the District's tax base must be considered.

The government-wide financial statements of the District include the Governmental Activities and Business-Type Activities. Most of the District's basic services are included in the Governmental Activities, such as instruction, extracurricular activities, curriculum and staff development, health services, and general administration. Property taxes and grants finance most of these activities.

Business-type activities include those services for which fees are charged to help cover the cost of the services. The District's food service enterprise fund is included here.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the District's most significant funds—not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has three kinds of funds:

- *Governmental Funds*—Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

Because this information does not encompass the additional long-term focus of the government-wide statements additional information is provided at the bottom of the governmental funds statements, or on the subsequent page that explains, the relationship (or differences) between them.

Management's Discussion and Analysis – continued

- *Proprietary Funds*—Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information.

The District uses the food service enterprise fund to report activities related to the school lunch and breakfast program.

Internal service funds are used to report activities that provide supplies and services for the District's other programs and activities—such as the District's self-funded Workers' Compensation and Unemployment Insurance Fund and the Print Shop Fund.

- *Fiduciary Funds*—The District is the trustee, or fiduciary, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets. These activities are excluded from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net assets. The District's *combined* net assets were \$395.7 million on June 30, 2012 (See Table A-1).

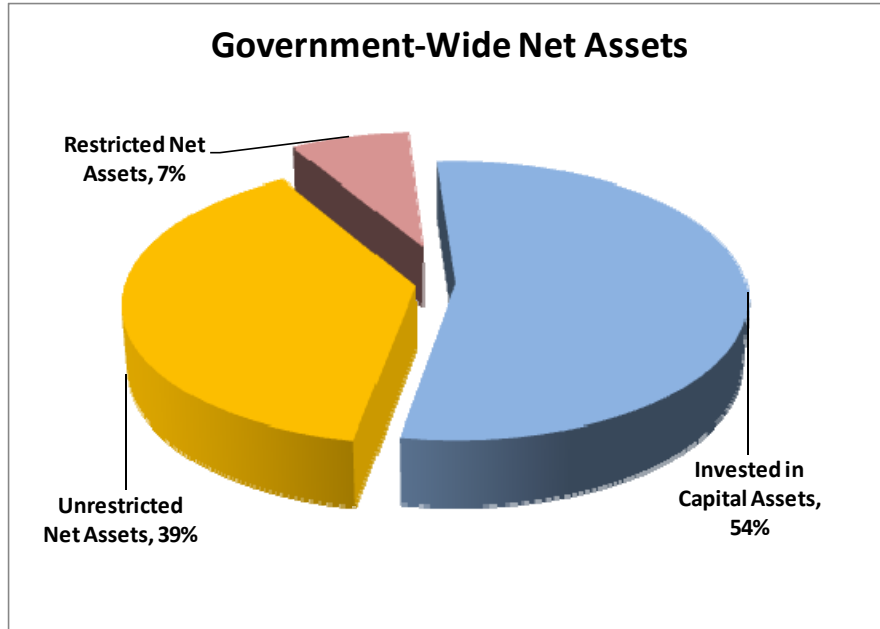
Some of the District's net assets from governmental activities are either restricted as to the purpose they can be used for or they are invested in capital assets. The unrestricted net assets of the governmental activities of the District total \$148.8 million. The district had \$207.7 million invested in capital assets.

The net assets of the business-type activities totaled \$10.2 million. These resources cannot be used for governmental activities. The District can generally only use these net assets to finance the continuing operations of its business activities in food service.

Table A-1

The District's Net Assets (in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current Assets	\$ 353.5	\$ 461.5	\$ 10.5	\$ 8.4	\$ 364.0	\$ 469.9
Other Noncurrent Assets	40.0	40.0	-	-	40.0	40.0
Capital Assets	903.5	858.4	0.4	0.5	903.9	858.9
Total Assets	1,297.0	1,359.9	10.9	8.9	1,307.9	1,368.8
Current Liabilities	217.0	185.9	0.7	0.9	217.7	186.8
Non-Current Liabilities	694.6	782.8	-	-	694.6	782.8
Total liabilities	911.6	968.7	0.7	0.9	912.3	969.6
Net Assets:						
Invested in capital assets,						
Net of related debt	207.7	199.0	0.4	0.4	208.1	199.4
Restricted Net Assets	28.9	27.2	9.8	7.6	38.7	34.8
Unrestricted Net Assets	148.8	165.0	-	-	148.8	165.0
Total Net Assets	\$ 385.4	\$ 391.2	\$ 10.2	\$ 8.0	\$ 395.7	\$ 399.2



Reviewing Table A-1 reveals a decrease in governmental activities current assets from the prior year by \$108.0 million. This was the result in a decrease in cash and long term investments. These resources were used to fund ongoing construction and renovation projects under the District's Capital Improvement Program, which is also reflected in the \$45.1 million increase in capital assets. Non-current liabilities decreased due to payments made on long-term debt and a decrease in the District's long-term compensated absences liability. The District did not issue or refund bonds for this reporting period. At June 30, 2012, the District maintained \$148.8 million in unrestricted net assets available to fund on-going projects of the District. The District further had invested \$207.7 million in capital assets, net of related debt—an increase of \$8.7 million from the prior year due to capital additions which reduced the amount of unrestricted net assets for this reporting period.

Business-type activities current assets increased by \$2.1 million over last year mainly driven by an increase in cash and temporary investments and an increase in food service inventory. Capital assets declined slightly due to accumulated depreciation. Total liabilities also decreased slightly from the prior year as a result of the reduction in accrued liabilities. The increase in total assets was the result of revenues exceeding expenses in the food service program by \$2.2 million for the 2011-2012 school year (See Exhibit D-2 at page 34).

GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

Total Program Revenues: The District's total revenues were \$819.5 million, broken down into governmental activities totaling \$777.9 million and business type activities totaling \$41.6 million. The decrease in total revenue this reporting period over last year (\$-16.4 million) is the result of the culmination of state and federal stabilization and stimulus funding programs, e.g. State Fiscal Stabilization Funds (SFSF) and ARRA Stimulus funding.

Total Program Expenses: The District's total expenses were \$823.1 million, broken down into governmental activities totaling \$783.7 million and business type activities totaling \$39.3 million. The decrease in total expenditures this reporting period over last year (\$-3.6 million) is the result of reductions in expenditures in government activities expenses as will be outlined hereinafter.

Management's Discussion and Analysis – continued

Key elements of program revenues and expenses are listed below, together with an analysis as noted on the following page (See Table B-1).

Table B-1
Change in Net Assets
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
PROGRAM REVENUES:						
Charges for services	\$ 6.6	\$ 6.0	\$ 4.7	\$ 4.7	\$ 11.3	\$ 10.7
Operating Grants and Contributions	161.3	199.8	36.9	33.2	198.2	233.0
General Revenue:						
Property taxes - Maintenance & Operations	268.7	263.9	-	-	268.7	263.9
Property taxes - Debt Service	72.6	70.2	-	-	72.6	70.2
State aid - formula grants	262.2	254.3	-	-	262.2	254.3
Investment earnings	0.7	1.1	-	-	0.7	1.1
Miscellaneous	5.8	2.7	-	-	5.8	2.7
Total Revenues	777.9	798.0	41.6	37.9	819.5	835.9
EXPENSES						
11 Instruction	448.3	442.9	-	-	448.3	442.9
12 Instructional resources and media services	11.8	11.9	-	-	11.8	11.9
13 Curriculum development and instructional staff development	33.3	34.3	-	-	33.3	34.3
21 Instructional leadership	12.9	13.5	-	-	12.9	13.5
23 School leadership	47.2	45.7	-	-	47.2	45.7
31 Guidance, counseling and evaluation services	33.6	34.8	-	-	33.6	34.8
32 Social work services	4.7	4.5	-	-	4.7	4.5
33 Health services	7.9	7.7	-	-	7.9	7.7
34 Student (pupil) transportation	19.5	20.4	-	-	19.5	20.4
35 Food services	0.4	0.3	39.3	36.4	39.7	36.7
36 Cocurricular/Extracurricular activities	10.3	9.8	-	-	10.3	9.8
41 General administration	17.4	16.5	-	-	17.4	16.5
51 Plant maintenance and operations	71.4	79.4	-	-	71.4	79.4
52 Security and monitoring services	11.1	11.6	-	-	11.1	11.6
53 Data processing services	9.8	12.7	-	-	9.8	12.7
61 Community services	5.3	5.7	-	-	5.3	5.7
71 Debt service	31.9	32.5	-	-	31.9	32.5
93 Payments to Fiscal Agent	0.1	0.1	-	-	0.1	0.1
95 Payments to juvenile justice alternative education programs	0.2	0.2	-	-	0.2	0.2
97 Payments to tax increment fund	4.5	4.3	-	-	4.5	4.3
99 Other Intergovernmental Charges	2.1	1.5	-	-		
Total Expenses	783.7	790.3	39.3	36.4	820.9	825.2
Increase in Net Assets	(5.8)	7.7	2.3	1.5	(1.4)	9.2
Beginning Net Assets	391.2	383.5	8.0	6.5	399.2	390.0
Ending Net Assets	\$ 385.4	\$ 391.2	\$ 10.3	\$ 8.0	\$ 397.8	\$ 399.2

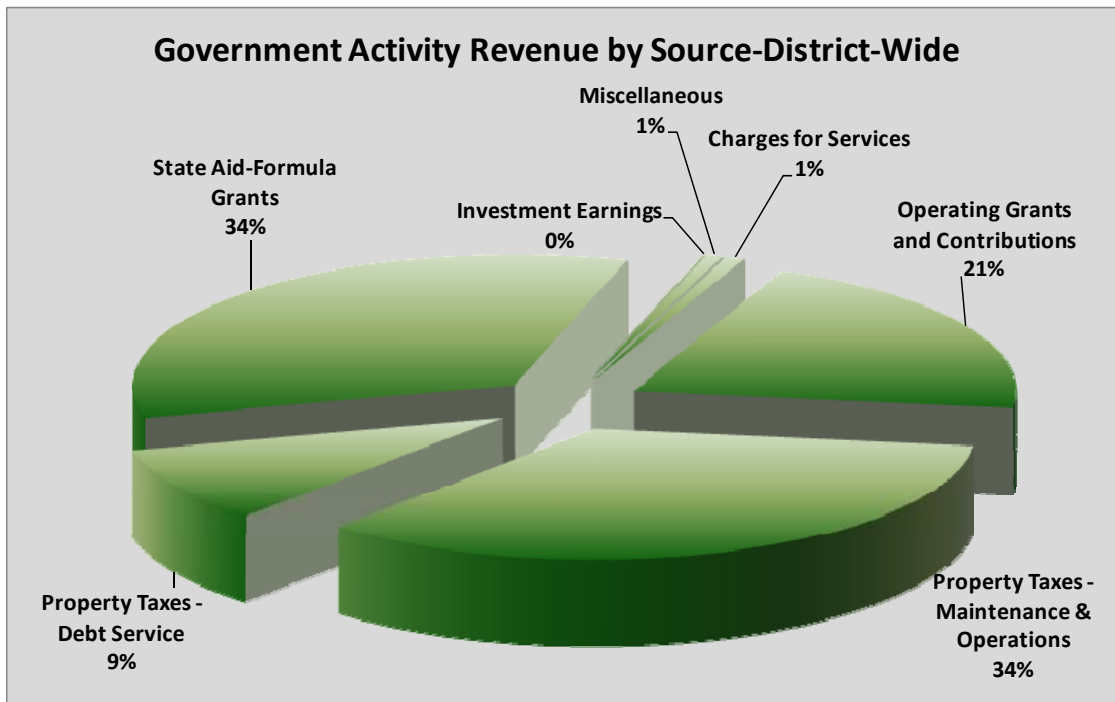
(Notes: Investment earnings for Business Type Activities was less than one million dollars; actual amount \$4,921).

*Differences in Table from other Exhibits due to rounding.

Government Activities Revenue:

A significant portion, 43%, of the District's governmental activities revenue came from property taxes (34% for Maintenance and Operations and 9% for Debt Service). Maintenance and Operations (M & O) and Interest and Sinking (I & S) tax revenue collections increased from the prior year. Property values increased over the prior year, resulting in a 2.2% increase in current tax collections during this reporting period.

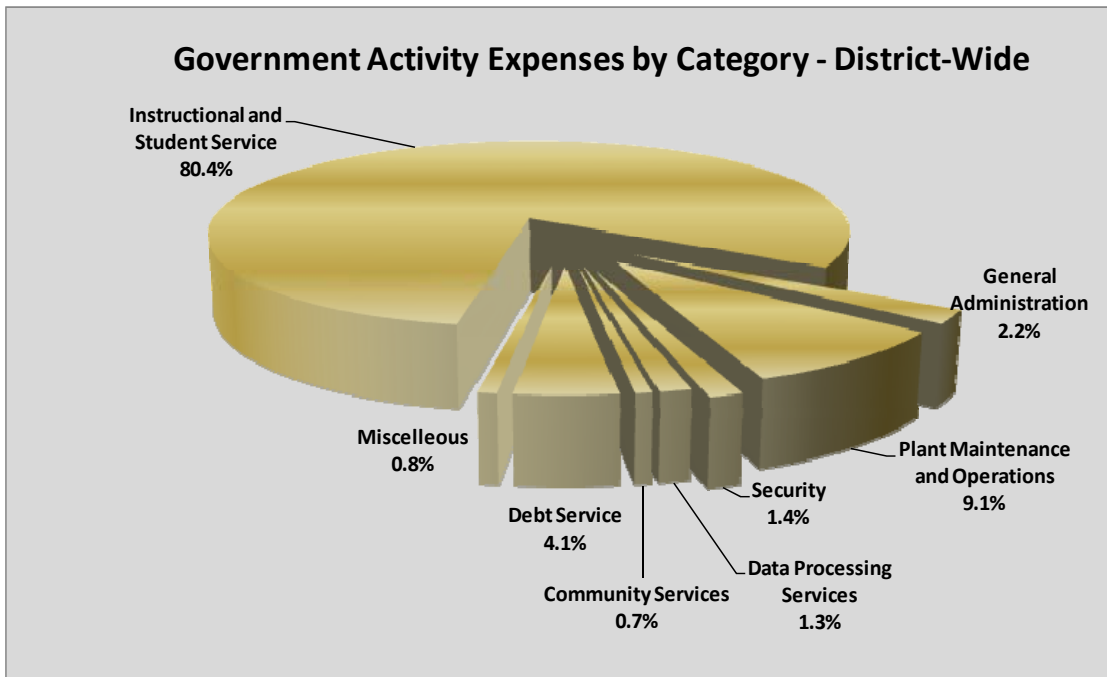
State aid and state and federal grants and contributions were also a significant part of the District's operations, representing 55.0% of the District's revenue (34.0% from State aid-formula grants and 21.0% from Operating Grants and Contributions). Revenues generated from the state foundation program totaled \$262.2 million, an increase of \$7.9 million due to changes in program funding by the state mandated reduction in property tax rates and increased student enrollment. Investment income, charges for services and other revenue make up the remaining 2.0% portion of the District's total governmental activities revenue. District investment income was lower from prior years due to continued decline in rates of return on investments and decrease in cash as a result of completion of capital projects through the District's Capital Improvement Program.



*Note: Differences in percentages from other Exhibits due to rounding

Government Activities Expenses:

The majority of the District's governmental activities expenses (80.4%) pay for direct instructional and student services and for plant maintenance and operations (9.1%), which includes utilities and upkeep of the buildings. The remainder (10.5%) is divided into general administration, security, data processing services, debt service payments, community related services, and miscellaneous expenses as reflected in the graph below.



Note: Differences in percentages from other Exhibits due to rounding

Government activities expenses decreased from the prior year by \$-6.6 million or -0.5%, with the most significant reduction in cost being in plant maintenance and operations and instructional related expenditures. This was the result of better energy management and energy efficient systems and the district’s efforts to reduce personnel through attrition. A two-year comparison of governmental activity expenditures reveals that the District’s expenditures are consistent by category with variances being minimal. This also indicates no significant changes in the district operations over this two year period.

Category	2012 Percentage	2011 Percentage	Variance
Instructional and Student Service	80.40%	80.25%	0.15%
General administration	2.20%	2.00%	0.20%
Plant maintenance and oper	9.10%	9.62%	-0.52%
Security	1.40%	1.41%	-0.01%
Data processing services	1.30%	1.54%	-0.24%
Community services	0.70%	0.69%	0.01%
Debt service	4.10%	3.94%	0.16%
Miscellaneous	0.80%	0.56%	0.24%

Business Type Activities Revenue:

Business type activities revenue totaled \$41.6 million up by \$3.7 million from last year. The business type activities were funded primarily with operating grants, which totaled \$36.9 million or 88.7% of the total, with the remaining \$4.7 million coming from charges for services. The increase in operating grants and contributions revenue was the result of increased revenue from the National School Breakfast and Lunch grants.

Business Type Activities Expenses:

Business type activities expenses totaled \$39.3 million up by \$2.9 million from the prior year. Business type activities expenses are incurred in the operation of the District's food service enterprise fund which includes the cost of operating District's school cafeterias, including personnel costs. The increased costs were offset by additional business type activities revenue, which resulted in a net increase in net assets of \$2.2 million.

FUND BALANCE OF THE DISTRICT'S FUNDS

The District implemented GASB 54 with this financial report ending June 30, 2011. This statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. For further details on the various fund balance classifications, refer to Exhibit F, Notes to the Financial Statements, Note 13.

FUND BALANCE COMPARISON			
Fund 199	2012 GASB 54	2011 GASB 54	Net Change
Non-Spendable:			
Inventory	\$ 967,749	\$ 1,049,891	\$ (82,142)
Prepaid Items	50,000	100,000	(50,000)
Spendable:			
Assigned Budgetary Deficit	27,618,102	35,677,295	(8,059,193)
Unassigned	95,305,990	105,717,356	(10,411,366)
Totals	123,941,841	142,544,542	(18,602,701)
Funds 500 - 599			
Spendable			
Restricted Retirement, Long Term Deb	36,909,379	36,254,791	654,588
Totals	36,909,379	36,254,791	654,588
Funds 600 - 699			
Spendable:			
Restricted for Construction	57,500,542	137,357,311	(79,856,769)
Totals	57,500,542	137,357,311	(79,856,769)
Funds 380 - 499			
Spendable:			
Restricted Special Revenue Funds	2,278,744	2,882,173	(603,429)
Committed Campus Activity Funds	2,035,503	1,773,366	262,137
Totals	4,314,247	4,655,539	(341,292)
Grand Totals	\$ 222,666,009	\$ 320,812,183	\$ (98,146,174)

At the end of the current fiscal year, the Board of Education did not commit a portion of fund balance for any specified purpose in the general fund. In accordance with GASB 54, the Board, by adopting a budget deficit for 2012-2013 in the sum of \$27.6 million, assigned those funds for that purpose. As a result, unassigned fund balance in the General Fund totaled \$95.3 million after considering

nonspendable inventory and prepaid items, understanding encumbrances are no longer a designation, unless specifically committed or assigned for that purpose.

The federal grant funds (Funds 200-379) have no fund balance since the majority of revenue realized from these funds is on a reimbursement method or, where applicable, unused balances are returned to the grantor at the close of the specified project periods.

The debt service fund balance (Funds 500-599) increased by less than \$0.7 million totaling \$36.9 million. This balance is managed as an integral part of the District's debt service program to pay the principal and interest due on voter approved bonds if current year revenue falls short for that purpose.

The capital projects fund balance (Funds 600-699) decreased by \$79.9 million. This decrease was the result of continued upgrades and renovations of District schools and athletic facilities as recommended in the 2007 Magellan study.

The non-major funds (Funds 380-499) have a combined \$4.3 million fund balance up slightly from the prior year. With GASB 54, fund balances in state and local funds are restricted by the granting agency as specified in the grant award, and campus activity funds are committed pursuant to board policy for the purposes intended within the funds.

The total fund balances available to the District at June 30, 2012, was \$222.7 million. Of this amount, \$123.9 million is available in the General Fund. The overall fund balance decreased by \$98.1 million due to (1) the drop in the capital projects fund balance from the prior year in the sum of \$80.0 million as a result of the utilization of reserves to complete campus additions, campus and athletic facilities renovations, and the construction of new schools under the District's Capital Improvement Program; and (2) a reduction of \$18.6 million in fund balance in the general fund due to the inability to operate the District with a balanced budget as a result of the State's reduction in funding for public schools.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised its budget. These budget amendments generally fell into 4 categories:

- Supplemental appropriations to reflect encumbrances and unspent site-based carryovers from the previous year;
- Revenue adjustments to reflect changes in property tax and state aid revenues based on updated information;
- Line item transfers between functional categories;
- Final amendments to reflect any projected/potential budget overruns.

Management's Discussion and Analysis – continued

The Budget to Actual Comparison Table that follows is illustrative of the changes in the District's 2011-2012 budget from initial adoption by the Board to the final approved amendment prior to the end of the fiscal year. The table also reflects actual revenues by revenue type and expenditures by function. This comparison is also presented with fund balance presentation in Exhibit G-1 on page 67.

Budget to Actual Comparison

	BUDGETED AMOUNTS		GENERAL FUND	VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL AMOUNTS	FINAL BUDGET POSITIVE (NEGATIVE)
Resources (inflows):				
5700 Local and intermediate sources	\$ 258,663,925	\$ 258,663,925	\$ 276,215,564	\$ 17,551,639
5800 State program revenues	287,954,741	292,169,758	287,036,110	(5,133,648)
5900 Federal program revenues	6,300,000	10,300,000	14,882,727	4,582,727
Amounts available for appropriation	\$ 552,918,666	\$ 561,133,683	\$ 578,134,401	\$ 17,000,718
Charges to appropriations (outflows)				
11 Instruction	\$ 338,277,483	\$ 355,926,275	\$ 349,662,911	\$ 6,263,364
12 Instructional resources and media services	10,267,646	10,488,781	10,153,802	334,979
13 Curriculum development and instructional personnel development	6,589,231	5,977,606	5,812,001	165,605
21 Instructional administration	10,714,988	10,389,584	10,388,457	1,127
23 School administration	40,758,331	42,951,498	41,985,702	965,796
31 Guidance and counseling services	28,484,398	29,556,642	28,277,831	1,278,811
32 Attendance and social work services	3,424,796	3,425,595	3,187,901	237,694
33 Health services	7,232,105	7,412,110	7,300,087	112,023
34 Student (pupil) transportation	20,276,115	19,686,703	18,726,656	960,047
35 Food services	226,636	226,636	197,295	29,341
36 Cocurricular/Extracurricular activities	8,109,586	9,799,466	9,214,713	584,753
41 General administration	13,444,595	13,963,381	14,062,421	(99,040)
51 Plant maintenance and operations	74,199,880	73,868,397	67,891,709	5,976,688
52 Security and monitoring services	8,975,869	9,603,556	10,104,702	(501,146)
53 Data processing services	7,518,241	9,632,680	9,926,664	(293,984)
61 Community services	3,602,041	3,602,041	3,466,811	135,230
81 Facilities Acquisition & Construction	300,000	2,152,822	-	2,152,822
95 Juvenile Justice Alternative Education	328,332	328,332	248,250	80,082
97 Tax Increment Financing	3,790,817	3,790,817	3,553,128	237,689
99 Other Intergovernmental Charges	2,074,871	2,074,871	2,064,703	10,168
Total charges to appropriations	\$ 588,595,961	\$ 614,857,793	\$ 596,225,744	\$ 18,632,049

At the close of the fiscal year, actual expenditures were \$18.6 million less than the final budgeted appropriations of \$614.9 million, and actual revenues and other sources were \$17.0 million more than the final budgeted estimated revenues of \$561.1 million. The largest budget variances in revenue were caused by an increase in local property tax revenue and revenue from other intermediate sources (e.g. oil and gas, rental, and athletic revenues) and additional federal revenue in the form of Medicaid Administrative Claims (MAC) and School Health and Related Services (SHARS) revenue. These revenue increases were reduced by an overestimate in the calculation of state aid.

The major variances from the original budget to the final approved budget and/or from the final approved budget to actual expenditures are explained as follows:

Over the past three years, the District has been faced with reductions in revenue as a result of loss in state aid. Since 85% of the district's annual expenditures are paid in the form of salaries and benefits, the District was compelled to look to reducing its workforce. To avoid layoffs, the District relied on attrition--reducing staff as a result of retirements or voluntary separations from employment--sparing jobs without the necessity of reducing personnel involuntarily. As a result, technical adjustments needed to be made throughout the past two years in the budget after the original budget was adopted. This is evident in such areas as instruction, school administration and data processing. In instruction (function 11), it was determined that the number of personnel working in that function was underestimated; resulting in a budget amendment soon after the original budget was adopted, leaving the positive variance of \$6.2 million or approximately 1.0%. School administration (function 23) was increased due to an underestimate of administrative staff that could be funded through attrition for the opening of four new schools during the 2011-2012 school year. Estimates for attrition were estimated in (function 53) but did not occur because the need for high level service 140 campuses outweighed the financial benefit of reductions in force in this area.

The variance in plant maintenance and operations (function 51) from actual expenditures to amended budget was the result in nearly \$4.8 million reduction in energy costs. With the building of new, more energy efficient, schools and in replacing HVAC equipment with new, more efficient, systems district-wide through the CIP program and a mild winter, proved to be very cost effective. The other \$1.2 million variance was work in progress that was not completed at year end which was re-budgeted in the new year.

The variance in security and monitoring service (function 52) was the result of additional security costs, both in personnel and contracted services, associated with the opening of new schools and the continued need to keep our schools and district property safe for our students, staff, and public.

Finally, the variance from the original budget to the amended budget in facilities acquisition and construction (function 81) is the board approved placement of artificial turf on two high school football fields in partnership with school athletic booster clubs. In order for the work to be completed before the beginning of the 2012-2013 school year, the budget required amendment to enter purchase orders for contracts and materials. Those encumbrances were then rolled into the next school year and available as the work was completed.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2012, the District had invested \$903.6 million (net of accumulated depreciation) in a broad range of capital assets, including land, buildings and improvements, and furniture and equipment in the governmental activities funds. During the 2011-2012 school year, the district continued to complete the designated projects under its Capital Improvement Program. As indicated in the Capital Asset Table that follows, the district added over \$183.1 million in building improvements to the district's capital assets during the 2010 – 2011 school year. The \$183.1 million increase in buildings and improvements came from current bond project construction.

The increase to construction in progress in the 2011-2012 school year was \$70.6 million spread over 41 remaining project locations across the District. This increase to construction in progress was expended to complete original bond projects and will be added to building improvements in the upcoming 2012-2013 school year.

With the savings from completion of the current bond program, the Board approved additional renovation work recommended in the 2007 Magellan study that will be completed during the 2012-2013 school year. The District had just over \$57.5 million available for remaining projects.

Business-type activities capital assets had no significant reportable changes from the prior year. (See Note 7 to the Financial Statements for more detailed analysis of the year's capital asset activity).

District's Capital Assets
(in millions of dollars)

	Governmental Activities		Business-type Activities	
	2012	2011	2012	2011
Land	\$ 43.4	\$ 43.5	\$ -	\$ -
Buildings and Improvements	1,065.6	882.5	-	-
Furniture and Equipment	119.4	114.3	12.0	11.8
Construction in Progress	70.6	183.1	-	-
Totals at Historical Cost	<u>1,299.0</u>	<u>1,223.4</u>	<u>12.0</u>	<u>11.8</u>
Total Accumulated Depreciation	<u>(395.4)</u>	<u>(365.0)</u>	<u>(11.6)</u>	<u>(11.2)</u>
Net Capital Assets	<u>\$ 903.6</u>	<u>\$ 858.4</u>	<u>\$ 0.4</u>	<u>\$ 0.6</u>

Note: Differences in Table from other Exhibits due to rounding.

Debt Administration:

The District did not issue, retire, or refund bonds in the 2011-2012 reporting period. The Long Term Debt Table below shows the comparison of the District’s Long Term Debt from the prior year. You will note that the reduction in bonds payable is the result of the discharge of principal on bonds.

**District’s Long Term Debt
(in millions of dollars)**

	Governmental Activities	
	2012	2011
Bonds Payable		
Current Year Portion	\$ 83.22	\$ 40.60
Long Term Portion	632.48	715.70
Total Bonds Payable	715.70	756.30
Compensation Payable		
Current Year Portion	5.78	9.45
Long Term Portion	17.37	19.35
Total Compensation Payable	23.16	28.80
Workers' Comp Losses-Accrued Expenses		
Current Year Portion	4.02	4.27
Long Term Portion	6.53	7.30
Total Workers' Comp Projected Losses	10.55	11.57
Total Long Term Debt	\$ 749.41	\$ 796.67

For additional details on long term debt activity, see Exhibit F, Notes to the Financial Statements, Note 9, starting at page 54.

ECONOMIC FACTORS AND THE 2012-2013 BUDGET AND TAX RATES

The Board adopted a deficit budget in the sum of \$27.6 million for the 2012-2013 school year, representing \$600 million in appropriations and \$572.4 in estimated revenues. The \$27.6 million has been assigned as the budgetary deficit. The unassigned fund balance is \$95.3 million.

Bond Ratings
By virtue of the State’s Permanent School Fund guarantee, District’s bonds that are covered under this guarantee have a “AAA” rating. Underlying ratings are as follows: Moody’s Investor Services “Aa1” and Standard & Poors “AA”.

The 82nd Legislature reduced funding for public school districts by \$5.3 billion for the 2012-2013 biennium. This has required local districts to cut budgets and make difficult decisions. To that end, the district offered an incentive for early notice of retirement and reviewed all staffing positions for possible cuts. The district did not provide a pay increase to employees. However, the Board did approve a one time payment to eligible employees equal to one percent of their base pay to be paid in October 2012. This amount will not be added to the employees' base pay for future calculations. Going forward, efforts will continue to be made to review all expenditures during the upcoming budget process to find ways to decrease expenditures while maintaining the overall educational quality for its students, including reviewing student to teacher staff ratios.

The district is in the planning stages to again seek voter approval for another bond election for the District's Capital Improvement Program. More complete details of the plans for this election have not been fully formalized as of this writing.

The District's maintenance and operations tax rate for 2012-2013 did not change from the prior year and is \$1.04/\$100 and the debt service rate is \$0.282/\$100. The District has also considered the option of going to the voters for an increase of the M & O tax rate.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, 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, please feel free to contact us at the locations and telephone numbers listed below:

Elsie I. Schiro, Controller
100 N. University, Suite NE140B
Fort Worth, Texas 76107
(817) 814-2140

Mr. Hank Johnson, CPA
Deputy Superintendent
100 N. University Drive
Fort Worth, Texas 76107
(817) 814-2100

BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2012**

DATA CONTROL CODES	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
1110	\$ 214,104,573	\$ 8,443,461	\$ 222,548,034
1220	38,844,412	-	38,844,412
1230	(12,380,879)	-	(12,380,879)
1240	98,025,741	447,916	98,473,657
1250	78,023	-	78,023
1260	244,805	(244,805)	-
1290	8,947,751	-	8,947,751
1310	967,749	1,815,931	2,783,680
1410	50,000	-	50,000
1420	4,649,763	-	4,649,763
	<hr/>	<hr/>	<hr/>
Total Current Assets	353,531,938	10,462,503	363,994,441
Noncurrent Assets:			
1510	43,371,538	-	43,371,538
1520	739,194,930	-	739,194,930
1530	50,362,745	427,923	50,790,668
1580	70,587,569	-	70,587,569
1910	40,000,000	-	40,000,000
	<hr/>	<hr/>	<hr/>
Total Noncurrent Assets	943,516,782	427,923	943,944,705
1000	\$ 1,297,048,720	\$ 10,890,426	\$ 1,307,939,146
LIABILITIES			
Current Liabilities:			
2110	\$ 24,002,998	\$ 387,021	\$ 24,390,019
2140	12,189,106	-	12,189,106
2150	5,895,720	-	5,895,720
2160	75,444,735	250,031	75,694,766
2170	1,009,440	-	1,009,440
2180	749,703	-	749,703
2210	4,020,066	-	4,020,066
2121	83,220,000	-	83,220,000
2123	5,784,417	-	5,784,417
2310	4,712,387	19,223	4,731,610
2400	-	-	-
	<hr/>	<hr/>	<hr/>
Total Current Liabilities	217,028,572	656,275	217,684,847
Noncurrent Liabilities:			
2210	6,533,039	-	6,533,039
2510	670,688,665	-	670,688,665
2590	17,371,123	-	17,371,123
	<hr/>	<hr/>	<hr/>
Total Noncurrent Liabilities	694,592,827	-	694,592,827
2000	911,621,399	656,275	912,277,674
3800	NET ASSETS		
3200	207,686,945	427,923	208,114,868
3800	Restricted Net Assets:		
	28,938,429	-	28,938,429
	-	9,806,228	9,806,228
3900	148,801,947	-	148,801,947
	<hr/>	<hr/>	<hr/>
3000	\$ 385,427,321	\$ 10,234,151	\$ 395,661,472

See Notes to the Basic Financial Statements.

EXHIBIT B-1

FORT WORTH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
11 Instruction	\$ 448,284,972	\$ 5,629,412	\$ 102,626,088	\$ -	\$ (340,029,462)	\$ -	\$ (340,029,462)
12 Instructional Resources and Media Services	11,840,542	-	1,905,593	-	(9,934,959)	-	(9,934,959)
13 Curriculum Development and Instructional Staff Development	33,349,009	-	26,183,367	-	(7,165,642)	-	(7,165,642)
21 Instructional Leadership	12,875,154	-	2,534,737	-	(10,340,417)	-	(10,340,417)
23 School Leadership	47,151,357	-	6,024,796	-	(41,126,571)	-	(41,126,571)
31 Guidance, Counseling, and Evaluation Services	33,614,646	-	5,788,142	-	(27,826,504)	-	(27,826,504)
32 Social Work Services	4,739,025	-	1,592,742	-	(3,146,283)	-	(3,146,283)
33 Health Services	7,941,014	-	895,413	-	(7,045,601)	-	(7,045,601)
34 Student (pupil) Transportation	19,508,064	-	1,280,865	-	(18,227,199)	-	(18,227,199)
35 Food Services	381,092	-	126,267	-	(254,825)	-	(254,825)
36 Cocurricular/Extracurricular Activities	10,294,101	925,122	790,234	-	(8,578,745)	-	(8,578,745)
41 General Administration	17,414,127	-	2,361,429	-	(15,052,698)	-	(15,052,698)
95 Payments to Juvenile Justice Alternative Education Progre	248,250	-	-	-	(248,250)	-	(248,250)
97 Payments to Tax Increment Fund	4,516,572	-	-	-	(4,516,572)	-	(4,516,572)
93 Payments to Fiscal Agent	113,848	-	-	-	(113,848)	-	(113,848)
99 Other Intergovernmental Charges	2,064,703	-	-	-	(2,064,703)	-	(2,064,703)
51 Plant Maintenance and Operations	71,358,412	-	5,326,007	-	(66,032,405)	-	(66,032,405)
52 Security and Monitoring Services	11,081,778	-	1,211,212	-	(9,870,566)	-	(9,870,566)
53 Data Processing Services	9,806,905	-	794,997	-	(9,011,908)	-	(9,011,908)
61 Community Services	5,254,488	-	2,021,092	-	(3,233,396)	-	(3,233,396)
71 Interest on Long-Term Debt	31,923,897	-	-	-	(31,923,897)	-	(31,923,897)
Total Governmental Activities	783,741,956	6,554,534	161,312,971	-	(615,874,451)	-	(615,874,451)
Business-Type Activities:							
Food Service	39,348,147	4,679,465	36,892,920	-	-	2,224,238	2,224,238
Total Business-Type Activities	39,348,147	4,679,465	36,892,920	-	-	2,224,238	2,224,238
Total Primary Government	\$ 823,090,103	\$ 11,233,999	\$ 198,205,891	\$ -	\$ (615,874,451)	\$ 2,224,238	\$ (613,650,213)
General revenues:							
Taxes:							
Property taxes - Maintenance & Operations					\$ 268,749,766	\$ -	\$ 268,749,766
Property taxes - Debt Service					72,610,065	-	72,610,065
State aid-formula grants					262,168,989	-	262,168,989
Investment earnings					712,887	4,921	717,808
Miscellaneous					5,836,950	-	5,836,950
Total general revenues					610,078,667	4,921	610,083,588
Change in net assets					(5,795,784)	2,229,159	(3,566,625)
Net assets - beginning					391,223,105	8,004,992	399,228,097
Net assets - ending					\$ 385,427,321	\$ 10,234,151	\$ 395,661,472

See Notes to the Basic Financial Statements.

FUND FINANCIAL STATEMENTS



GOVERNMENTAL FUNDS FINANCIAL STATEMENTS



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2012**

DATA CONTROL CODES	MAJOR FUNDS				NONMAJOR FUNDS		
	100 - 199	200 - 379	500 - 599	600 - 699	380 - 499	TOTAL GOVERNMENTAL FUNDS	
	GENERAL FUND	FEDERAL GRANT FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS		
ASSETS							
1110	Cash and Temporary Investments	\$ 114,492,790	\$ -	\$ 25,051,254	\$ 69,873,447	\$ 4,687,082	\$ 214,104,573
1220	Property Taxes Receivable	32,652,806	-	6,191,606	-	-	38,844,412
1230	Allowance for Uncollectible Taxes	(10,407,429)	-	(1,973,450)	-	-	(12,380,879)
1240	Due from Other Governments	73,502,613	22,675,120	1,183,288	-	664,720	98,025,741
1250	Accrued Interest Receivable	44,973	-	23,563	9,354	133	78,023
1260	Due from Other Funds	25,081,217	36,649	-	9,259,542	7,223,709	41,601,117
1290	Other Receivables	8,946,209	-	-	-	1,542	8,947,751
1310	Inventories	967,749	-	-	-	-	967,749
1410	Deferred Expenditures/Expenses	50,000	-	-	-	-	50,000
1910	Long Term Investments	30,000,000	-	10,000,000	-	-	40,000,000
1000	TOTAL ASSETS	275,330,928	22,711,769	40,476,261	79,142,343	12,577,186	430,238,487
LIABILITIES							
2110	Accounts Payable and Accrued Liabilities	10,288,856	980,806	-	12,189,501	426,065	23,885,228
2150	Payroll Deductions and Withholdings	5,343,668	-	-	-	-	5,343,668
2160	Accrued Wages Payable	66,075,657	9,045,584	-	-	323,494	75,444,735
2170	Due to Other Funds	52,853,185	12,646,853	963,944	9,452,300	2,630,055	78,546,337
2180	Due to Other Governments	539,180	38,526	-	-	170,938	748,644
2300	Deferred Revenue	16,288,541	-	2,602,938	-	4,712,387	23,603,866
2000	TOTAL LIABILITIES	151,389,087	22,711,769	3,566,882	21,641,801	8,262,939	207,572,478
FUND EQUITY							
Fund Balances:							
(1) Nonspendable:							
3410	Inventory	967,749	-	-	-	-	967,749
3430	Prepaid Items	50,000	-	-	-	-	50,000
(2) Spendable:							
a. Restricted							
3450	Special Revenue Funds	-	-	-	-	2,278,744	2,278,744
3480	Retirement of Long-Term Debt	-	-	36,909,379	-	-	36,909,379
3510	Construction	-	-	-	57,500,542	-	57,500,542
b. Committed							
3545	Campus Activity Funds	-	-	-	-	2,035,503	2,035,503
c. Assigned							
3590	Budgetary Deficit	27,618,102	-	-	-	-	27,618,102
3600	d. Unassigned	95,305,990	-	-	-	-	95,305,990
3000	TOTAL FUND EQUITY	123,941,841	-	36,909,379	57,500,542	4,314,247	222,666,009
4000	TOTAL LIABILITIES AND FUND EQUITY	\$ 275,330,928	\$ 22,711,769	\$ 40,476,261	\$ 79,142,343	\$ 12,577,186	\$ 430,238,487

See Notes to the Basic Financial Statements.

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS
JUNE 30, 2012**

Total Fund Balances - Governmental Funds (Exhibit C-1)	\$ 222,666,009
The District uses internal service funds 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 funds are included in governmental activities in the statement of net assets. The net effect of this consolidation is to increase net assets.	24,956,599
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. They are reported net of Accumulated Depreciation in the government-wide financial statements.	903,516,782
Bonds payable have not been included in the fund financial statements.	(715,693,282)
Bond issue costs are not capitalized in the fund financial statements.	4,649,763
Premiums on the issuance of bonds are not capitalized in the fund financial statements.	(48,038,679)
Deferred loss on bond refunding has not been reflected in the fund financial statements.	9,823,296
Revenue from property taxes is reported as deferred revenue in the fund financial statements but is recognized as revenue in the government-wide financial statements.	18,891,479
Accrued liabilities for compensated absences have not been reflected in the fund financial statements.	(23,155,540)
Interest is accrued on outstanding debt in the government-wide financial statements whereas in the fund financial statements interest expenditures are reported when due.	(12,189,106)
Total Net Assets of Governmental Activities (Exhibit A-1)	<u><u>\$ 385,427,321</u></u>

See Notes to the Basic Financial Statements.

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2012**

	MAJOR FUNDS				NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
	100 - 199 GENERAL FUND	200 - 379 FEDERAL GRANT FUND	500 - 599 DEBT SERVICE FUND	600 - 698 CAPITAL PROJECTS	380 - 499 OTHER GOVERNMENTAL FUNDS	
REVENUES						
5700 Local and Intermediate Sources	\$ 276,215,564		\$72,745,747	\$ 142,910	\$ 8,719,239	\$ 357,823,460
5800 State Program Revenues	287,036,110	-	3,935,229	-	16,166,093	307,137,432
5900 Federal Program Revenues	14,882,727	97,318,412	-	-	-	112,201,139
Total Revenues	578,134,401	97,318,412	76,680,976	142,910	24,885,332	777,162,031
EXPENDITURES						
Current:						
11 Instruction	349,662,911	59,834,796	-	2,034,183	20,019,321	431,551,211
12 Instructional Resources and Media Services	10,153,802	839,613	-	-	428,039	11,421,454
13 Curriculum Development and Instructional Staff Development	5,812,001	24,731,667	-	-	1,458,033	32,001,701
21 Instructional Leadership	10,388,457	1,543,901	-	-	416,950	12,349,308
23 School Leadership	41,985,702	2,858,496	-	-	404,227	45,248,425
31 Guidance, Counseling, and Evaluation Service	28,277,831	3,218,238	-	-	749,816	32,245,885
32 Social Work Services	3,187,901	1,263,174	-	-	90,381	4,541,456
33 Health Services	7,300,087	310,462	-	-	10,615	7,621,164
34 Student (pupil) Transportation	18,726,656	-	-	5,118,525	-	23,845,181
35 Food Services	197,295	26,885	-	-	86,320	310,500
36 Cocurricular/Extracurricular Activities	9,214,713	-	-	234,608	453,762	9,903,083
41 General Administration	14,062,421	122,348	-	-	24,989	14,209,758
51 Plant Maintenance and Operations	67,891,709	114,955	-	13,478	751,819	68,771,961
52 Security and Monitoring Services	10,104,702	524,901	-	-	15,842	10,645,445
53 Data Processing Services	9,926,664	-	-	-	-	9,926,664
61 Community Services	3,466,811	1,644,381	-	-	163,481	5,274,673
Debt Service:						
71 Principal	-	-	40,620,000	-	-	40,620,000
71 Interest & Issuance Costs	-	-	34,442,944	-	-	34,442,944
Capital Outlay/Expenditures:						
81 Facilities Acquisition and Construction	-	227,000	-	72,598,885	96,776	72,922,661
Intergovernmental:						
93 Payments to Fiscal Agent	-	57,595	-	-	56,253	113,848
95 Payments to Juvenile Justice Alternative Education Programs	248,250	-	-	-	-	248,250
97 Payments to Tax Increment Fund	3,553,128	-	963,444	-	-	4,516,572
99 Other Intergovernmental Charges	2,064,703	-	-	-	-	2,064,703
Total Expenditures	596,225,744	97,318,412	76,026,388	79,999,679	25,226,624	874,796,847
Excess (deficiency) of Revenues Over Expenditures	(18,091,343)	-	654,588	(79,856,769)	(341,292)	(97,634,816)
OTHER FINANCING SOURCES (USES)						
8911 Transfers Out	(511,358)	-	-	-	-	(511,358)
Total Other Financing Sources and Uses	(511,358)	-	-	-	-	(511,358)
Net Change in Fund Balances	(18,602,701)	-	654,588	(79,856,769)	(341,292)	(98,146,174)
Fund Balances - Beginning	142,544,542	-	36,254,791	137,357,311	4,655,539	320,812,183
Fund Balances - Ending	\$ 123,941,841	\$ -	\$36,909,379	\$ 57,500,542	\$ 4,314,247	\$ 222,666,009

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

EXHIBIT C-4

Exhibit C-4	
Net Change in Fund Balances - Total Governmental Funds (Exhibit C-3)	\$ (98,146,174)
The District uses internal service funds to charge the costs of certain activities, such as self-insurance and catering, to appropriate functions in other funds. The net income of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase net assets.	(1,352,145)
Current year capital outlays are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The net effect of removing the 2012 capital outlays is to increase net assets.	79,502,188
Depreciation is not recognized as an expenditure in 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 net assets.	(34,076,571)
Disposal of fixed assets are shown as a reduction in capital assets in the government-wide financials, although they do not affect the fund financial statements.	(296,053)
Current year long term debt principal payments are expenditures in the fund financial statements, whereas they are reported as reductions of bonds payable in the government-wide financial statements. The effect of current year principal paid on bonds payable increased net assets.	40,620,000
Current year accretion on capital appreciation bonds is not recorded in the fund financial statements, but is shown as an increase in the accreted interest on the government-wide financial statements.	(26,716)
Current year amortization of bond issue costs is not reflected in the fund financial statements, but is shown as a reduction to the bond issue costs asset in the government-wide financial statements.	(413,592)
Premiums associated with bonds payable are reported as revenue on the fund financial statements when bonds are issued. Amounts are reported net of amortization on the government-wide financial statements.	4,291,234
Current year amortization of the deferred loss on the issuance of refunding bonds is not reflected in the fund financial statements, but is shown as a reduction of the loss in the government-wide financial statements.	(2,019,291)
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 accounts in the government-wide statements.	(210,811)
Compensated absences are recognized when the related obligation matures and is expected to be liquidated with expendable available financial resources. Therefore additions to the accrual for compensated absences are not reported in the fund financial statements. The net effect of the current year increase in compensated absences was to decrease net assets.	5,644,735
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.	\$687,412
Change in Net Assets of Governmental Activities (Exhibit B-1)	\$ (5,795,784)

See Notes to the Basic Financial Statements.

PROPRIETARY FUNDS FINANCIAL STATEMENTS



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET ASSETS – PROPRIETARY FUNDS
JUNE 30, 2012**

DATA CONTROL CODES		BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND		GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS	
		700 - 749		750 - 799	
		FOOD SERVICE		PRINT SHOP & INSURANCE FUNDS	
	ASSETS				
	Current Assets:				
1110	Cash and Temporary Investments	\$	8,443,461	\$	-
1240	Due from Other Government		447,916		-
1260	Due from Other Funds		-		36,180,585
1310	Inventories		1,815,931		-
	Total Current Assets		10,707,308		36,180,585
	Noncurrent Assets:				
	Capital Assets:				
1530	Furniture and Equipment		11,981,576		18,700
1573	Less Accumulated Depreciation		(11,553,653)		(18,700)
	Total Noncurrent Assets		427,923		-
	Total Assets		11,135,231		36,180,585
	LIABILITIES				
	Current Liabilities:				
2110	Accounts Payable		387,021		117,770
2150	Payroll Deductions and Withholdings		-		552,052
2160	Accrued Wages		250,031		-
2170	Due to Other Funds		244,805		-
2180	Due to Other Governments		-		1,059
2210	Accrued Expenses		-		4,020,066
2310	Unearned Revenue		19,223		-
	Total Current Liabilities		901,080		4,690,947
	Noncurrent Liabilities:				
2210	Accrued Expenses		-		6,533,039
	Total Noncurrent Liabilities		-		6,533,039
	Total Liabilities		901,080		11,223,986
	NET ASSETS				
3200	Invested in Capital Assets		427,923		-
3800	Restricted - Food Service		9,806,228		-
3900	Unrestricted - Insurance Claims		-		24,956,599
	Total Net Assets	\$	10,234,151	\$	24,956,599

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

DATA CONTROL CODES		BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND 700 - 749	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS 750 - 799
		FOOD SERVICE	PRINT SHOP & INSURANCE FUNDS
	OPERATING REVENUES		
5700	Local and Intermediate Sources	\$ 4,679,465	\$ 8,225,940
5020	TOTAL REVENUES	4,679,465	8,225,940
	OPERATING EXPENSES		
6100	Payroll Costs	18,168,569	779,078
6200	Professional and Contracted Services	1,140,872	8,961,041
6300	Supplies and Materials	19,676,169	318,462
6400	Other Operating Costs	46,839	30,862
6449	Depreciation	315,698	-
6030	TOTAL EXPENSES	39,348,147	10,089,443
	OPERATING INCOME (LOSS)	(34,668,682)	(1,863,503)
	NON-OPERATING REVENUE		
5700	Interest and Other Miscellaneous Income	4,921	-
5800	State Matching and Other	254,745	-
7952	National School Breakfast Grant	7,250,846	-
7953	National School Lunch Grant	26,097,313	-
7954	USDA Commodities Grant	2,518,147	-
7989	Afterschool Snack Reimbursement	771,869	-
7020	TOTAL NON-OPERATING REVENUES	36,897,841	-
	INCOME (LOSS) BEFORE TRANSFERS	2,229,159	(1,863,503)
7915	Transfers In		511,358
1300	CHANGE IN NET ASSETS	2,229,159	(1,352,145)
	EQUITY		
0100	Net Assets		
	July 1 (Beginning)	8,004,992	26,308,744
3800	Net Assets		
	June 30 (Ending)	\$ 10,234,151	\$ 24,956,599

See Notes to the Basic Financial Statements.

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
	700 - 749 FOOD SERVICE	750 - 799 PRINT SHOP & INSURANCE FUNDS
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Cash Received From User Charges	\$ 5,235,787	\$ 11,533,022
Cash Payments to Employees for Services	(18,505,163)	(779,078)
Cash Payments for Insurance Claims		(8,598,761)
Cash Payments to Suppliers for Goods and Services	(20,988,878)	(318,462)
Cash Payments for Operating Costs	(46,839)	(2,348,079)
NET CASH PROVIDED USED IN OPERATING ACTIVITIES	(34,305,093)	(511,358)
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u>		
Cash Received from Other Funds	(1,853)	
Grants Received	36,892,920	
Transfer From Other Funds		511,358
NET CASH PROVIDED BY FINANCING ACTIVITIES	36,891,067	511,358
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>		
Purchase of Capital Assets	(186,205)	
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(186,205)	
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Interest on Investments	4,921	
NET CASH PROVIDED BY INVESTING ACTIVITIES	4,921	
NET CHANGE IN CASH AND CASH EQUIVALENTS	2,404,690	
CASH AND CASH EQUIVALENTS - JULY 1	6,038,771	
CASH AND CASH EQUIVALENTS - JUNE 30	\$ 8,443,461	\$ -
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</u>		
OPERATING LOSS	\$ (34,668,682)	\$ (1,863,503)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:		
Depreciation	315,698	
Changes in Assets and Liabilities:		
Receivables		682,022
Inventories	(298,229)	
Accounts Payable	126,392	(430,014)
Accrued Liabilities		(1,017,474)
Accrued Wages, Payroll and Deductions	(336,594)	(831,917)
Due from Other Funds		2,948,469
Due to Other Funds	(7,768)	
Due to other Governments	625,284	1,059
Unearned Revenue	(61,194)	
NET CASH PROVIDED USED IN OPERATING ACTIVITIES	\$ (34,305,093)	\$ (511,358)

See Notes to the Basic Financial Statements.



FIDUCIARY FUNDS FINANCIAL STATEMENTS



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2012**

DATA CONTROL CODES		AGENCY FUND	PRIVATE PURPOSE TRUSTS
		849 - 890	829 - 836
<u>ASSETS</u>			
1110	Cash and Temporary Investments	\$ -	\$ 970,451
1250	Accrued Interest	-	752
1260	Due from Other Funds	1,431,882	64,459
1290	Other Receivables	-	-
1910	Long-Term Investments	-	524,928
1000	TOTAL ASSETS	1,431,882	1,560,590
<u>LIABILITIES</u>			
2110	Accounts Payable	2,063	-
2170	Due to Other Funds	-	486,901
2190	Due to Student Groups	1,429,819	-
2420	Amounts Held for Granting Agencies	-	181,566
2000	TOTAL LIABILITIES	1,431,882	668,467
<u>NET ASSETS</u>			
3000	Held in Trust for Scholarships	-	892,123
3000	TOTAL NET ASSETS	\$ -	\$ 892,123

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN PRIVATE PURPOSE TRUSTS NET ASSETS
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2012**

PRIVATE PURPOSE TRUST FUNDS 829 - 836	
ADDITIONS	
Contributions:	
Donor	\$ 42,112
Total Additions	<u>42,112</u>
DEDUCTIONS	
Scholarships Granted	27,404
Total Deductions	<u>27,404</u>
CHANGE IN NET ASSETS	14,708
Net Assets - Beginning of the Year	<u>877,415</u>
Net assets - End of the Year	<u><u>\$ 892,123</u></u>

NOTES TO THE BASIC FINANCIAL STATEMENTS



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Fort Worth Independent School District ("District") substantially comply with the rules prescribed by the Texas Education Agency ("Agency") Financial Accountability System Resource Guide. These accounting policies conform to accounting principles generally accepted in the United States of America ("generally accepted accounting principles") applicable to governments.

Management's Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Reporting Entity - The Fort Worth Independent School District Board of Education ("Board") is the level of government which has responsibility and control over all activities related to public school education within the District. The District receives funding from local, state and federal government sources and must comply with all the requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined by generally accepted accounting principles. Board members are elected by the public, have decision-making authority, the power to designate management, the ability to significantly influence operations and the primary accountability for fiscal matters. In addition, there are no component units which meet the financial accountability criteria as defined in Governmental Accounting Standards Board Statements 14 and 39 which are included in the District's reporting entity.

Basis of Presentation - The District prepares its financial statements in accordance with reporting practices prescribed by the Agency in the Financial Accountability System Resource Guide and the Governmental Accounting Standards Board.

Interfund Activities - Transactions among governmental funds and between governmental funds and proprietary funds appear as due to/due from other funds on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Assets and as other financing sources and uses on the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance and on the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Assets. Interfund services provided and used are not eliminated in the consolidation of funds for the Statement of Activities. All interfund transactions that do not represent services provided and used between governmental funds and between governmental funds and internal service funds are eliminated on the government-wide statements. Interfund activities between governmental funds and enterprise funds remain on the government-wide statements and appear on the government-wide Statement of Net Assets as internal balances and on the Statement of Activities as interfund transfers. Interfund activities between governmental funds and fiduciary funds remain as due to/due from other funds on the government-wide Statement of Net Assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Purpose of Funds

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set self-balancing accounts to reflect results of activities. The following funds are used by the District:

Governmental Funds

General Fund - used to account for all revenues and expenditures, not accounted for in other funds, relating to general operations of the District. The General Fund is considered a major fund as defined by GASB 34.

Federal Grant Funds – used to account for the financial resources of federal program grants. The District has identified Federal Grant Funds as a major fund as defined by GASB 34.

Debt Service Fund - used to account for payment of principal and interest on District general obligation bonds. The District has identified the Debt Service Fund as a major fund due to its importance to the financial statement users.

Capital Projects Fund – used to account for acquisition of capital facilities by proceeds from long term financing and other authorized sources. The Capital Projects Fund is considered a major fund as defined by GASB 34.

Other Governmental Funds - used to account for the financial resources of state and local program grants. Funds are legally restricted to expenditures for specified purposes.

Proprietary Funds

Enterprise Fund - used to account for the operations of the District's cafeterias and other food facilities. Revenues are distinguished between operating and non-operating. Operating revenues are derived primarily from charges to users. Non-operating revenues are derived from federal child nutrition programs under which amounts are received by grant and by receipt of commodities from the United States Department of Agriculture ("USDA") as well as interest from investments and other state matching funds. The Food Service fund is considered a major proprietary fund as defined by GASB 34.

Internal Service Funds - used to account for accumulation of resources for the payment of employee workers' compensation and unemployment claims. Accrued liabilities include provisions for claims reported and claims incurred but not reported. The provision for reported claims is determined by estimating the amount which will ultimately be paid to each claimant. The provision for claims incurred but not yet reported is estimated based on District experience since the inception of the program. The District's print shop is also accounted for in an internal service fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Fiduciary Funds

Agency Funds - used to account for the receipts and disbursements of monies from student activity and other organizations. The student activity and other granting organizations exist with the explicit approval of and are subject to revocation by the District's Board. The funds have no equity, assets are equal to liabilities, and do not include revenues and expenditures for general operations of the District.

Private Purpose Trust Funds – are used to report all trust arrangements under which principal and income benefit a specific school or group of students.

Basis of Accounting/Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally 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 accounts of the Governmental Funds are maintained, and the financial statements have been prepared, on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when they become measurable and available as net current assets. Substantially all revenues (state, federal and local property tax and interest revenues) are considered to be susceptible to accrual. Revenues from expenditure-driven grants are recognized when the expenditure is incurred. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which are recognized as expenditures when due.

Property tax revenues recorded in the General Fund and Debt Service Fund are recognized under the “susceptible to accrual” concept. The District generally considers property taxes as available if they are collected within 60 days after year-end. Grant revenues are recognized when expenditures are made. Charges for services and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available within 60 days of year-end.

Foundation School Program revenues are recognized as revenue when measurable and available within 60 days of year-end.

The government-wide financial statements (the statement of net assets and the statement of activities) are prepared using the accrual basis of accounting and the information about the school district as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and inter-governmental revenues, are reported separately from business type activities, which rely to a significant extent on charges for support.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are also included in the program expense reported for individual functions and activities. 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements and the Proprietary Funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the balance sheet. Equity for the government-wide financial statements and Proprietary Funds (i.e., net total assets) is segregated into invested in capital assets, restricted and unrestricted components. Proprietary Fund Type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. Private Purpose Trust Funds also employ the economic resources measurement focus.

The government-wide financial statements, Proprietary Funds and Private Purpose Trust Funds are maintained on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. The District applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements, applicable to the Enterprise Fund and the Government-wide financial statements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund and of the District's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal services funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Agency funds are reported using the accrual basis of accounting.

Cash and Cash Equivalents - Investments are considered to be cash equivalents if they are highly liquid with maturity within three months or less when purchased.

Investments - Investments are recorded at fair value. Money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less are recorded at amortized cost provided that the fair values of these investments are not significantly affected by impairment of the credit standing of the issues or other factors.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Inventory - Inventory is stated at cost using the first-in, first-out method. Inventory in the General Fund consists of expendable parts and supplies. Inventories are recorded as expenses when consumed.

Inventory in the Enterprise Fund consists primarily of food service commodities. Commodities are valued at prices supplied by the USDA at the time of receipt.

Prepaid (Deferred) Expenditures – Deferred expenditures indicates payments made by the District in the current year to provide services occurring in the subsequent fiscal year. The District uses the consumption approach when recording prepaid expenditures. The consumption approach provides for the initial reporting of the item as an asset while recognition of the expenditures is deferred until the period that the item is actually used or “consumed.”

Capital Assets - Land, buildings and equipment are stated on the basis of historical cost. Donated capital assets are valued at their estimated fair market value on the date donated.

Capital assets of the Enterprise Fund (furniture and equipment) are being depreciated by the straight-line method, generally over the estimated useful life of five years.

Building and building improvements of the District are depreciated using the straight-line method beginning in the year they are placed in service. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Classification</u>	<u>Useful Life</u>
Buildings and Building Improvements	40 years
Portable Buildings/Other Improvements	20 years
Buses and Large Trucks	10 years
Cars and Small Trucks	5 years
Equipment	5 years

The capitalization threshold for recording the capital asset classifications listed above is \$5,000, except for building improvements which have a capitalization threshold of \$250,000. If the building improvement is funded by bonds, capital lease, or other debt, then the capitalization threshold is \$5,000. Maintenance, repairs and minor improvements that do not significantly extend the life of assets are not capitalized. Land and construction in progress are not depreciable.

Vacation and Sick Leave - Employees who work 240 days or more annually earn and accumulate vacation pay. Such amounts that are used in any one year are recognized as expenditures in that year. In the event of a termination, an employee is reimbursed for any unused accumulated vacation. However, the reimbursement is limited to a maximum of two year's accumulation. The accrued vacation payable from future resources totals \$4,460,565.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Employees accrue between ten and twelve days sick leave each year, without limit. However, employees are reimbursed for accrued sick leave only on retirement under the District's termination pay program which is described in Note 12.

Long-Term Debt - General obligation bonds which have been issued to fund capital projects of the District are to be repaid from tax revenues of the District.

Data Control Codes - In accordance with the Financial Accountability System Resource Guide, 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 as presented in the Financial Accountability System Resource Guide. Mandatory codes are recorded in the order provided in that section.

Categories and Classifications of Fund Balance:

Fort Worth ISD has implemented GASB 54 with this financial report ending June 30, 2011. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. For further details on the various fund balance classifications, refer to Note 13.

2. CASH AND INVESTMENTS

Statutes of the State of Texas and policies mandated by the District's Board of Trustees authorize the District to invest in obligations of the U.S. Government or its agencies, repurchase agreements, commercial paper, public fund investment pools, mutual funds and money market accounts. All cash balances and investments are held separately in each of the District's funds.

The Texas Education Agency requires certain depository information to be reported in the notes to the financial statements including (1) the name of the depository bank; (2) the confirmation of the highest combined balances on deposit; (3) the month on which the highest combined balances on deposit occurred; and (4) the amount of pledged securities and FDIC insurance held on the corresponding date at the depository bank. This information is presented as follows:

- a. Name of Depository Bank: JP Morgan Chase Bank.
- b. Highest Combined Ledger Balance: \$120,328,652 (\$44,470,342 Non-Interest Bearing and \$75,858,310 Interest Bearing/CDs).
- c. Month of Highest Ledger Combined Balance: June 2012.
- d. Amount of Pledged Securities (Market Value): \$84,026,084 covering interest bearing ledger balances.
- e. Amount of FDIC Insurance – Unlimited for Non-Interest Bearing Accounts and \$250,000 for Interest Bearing Accounts/CDs.

2. CASH AND INVESTMENTS - continued

Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), effective December 31, 2010, provides that “non-interest bearing transaction accounts will have unlimited FDIC coverage for 2 years starting December 31, 2010 and ending December 31, 2012.”

Investment Portfolio as of June 30, 2012

INVESTMENT TYPE	FAIR VALUE	BOOK VALUE	PERCENT OF INVESTMENTS	WEIGHTED AVERAGE MATURITY (DAYS)	CREDIT RATING	
					STANDARD AND POORS	MOODY'S
Cash						
Cash In Bank	\$ 12,399,170	\$ 12,399,170	N/A		NR	NR
Total Cash	12,399,170	12,399,170				
Mutual Funds						
Highmark Funds	24,928	24,928	0.01%	N/A	NR	NR
Total Mutual Funds	24,928	24,928	0.01%			
U.S. Government Agency Obligations						
Freddie Mac (FHLMC)	28,266,975	28,269,721	11.24%	344	AA+	Aaa
Federal Farm Credit Bank (FFCB)	25,019,704	24,999,884	9.94%	350	AA+	Aaa
Federal Home Loan Bank (FHLB)	9,994,400	10,000,000	3.97%	669	AA+	Aaa
Fannie Mae (FNMA)	5,005,750	5,004,831	1.99%	122	AA+	Aaa
Total Government Agency Obligations	68,286,829	68,274,436	27.14%	103		
Certificate of Deposit						
JP Morgan	75,850,000	75,850,000	30.14%	84	NR	NR
Total Certificate of Deposit	75,850,000	75,850,000	30.14%	25		
Local Government Investment Pools						
Texas Class	47,718,702	47,718,702	18.96%	1	AAAm	NR
TexPool	16,562,118	16,562,118	6.58%	1	AAAm	NR
TexStar	42,408,427	43,191,176	17.17%	1	AAAm	NR
Total Local Govt Investment Pools	106,689,247	107,471,996	42.71%			
Total Cash and Investments	\$ 263,250,174	\$ 264,020,530	100.00%	128		

Interest rate risk. In accordance with the District’s investment policy, investments are made in a manner that ensures the preservation of capital in the overall portfolio, and offsets during a 12-month period any market price losses resulting from interest-rate fluctuations by income received from the balance of the portfolio. The District’s policy states that no individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio. The district further controls interest rate risk by limiting the term to maturity of any single investment to a maximum of three years, and the dollar weighted average maturity of the entire portfolio to a maximum of one year.

2. CASH AND INVESTMENTS - continued

Credit risk. Currently the district's investment policy does not specifically address credit risk but indirectly provides for safeguards for controlling risk. The district recognizes that credit risks result from issuer defaults, market price changes, or various technical complications leading to temporary liquidity. Portfolio diversification is employed as a way to control risk. No individual transaction shall be undertaken which jeopardizes the total position of the overall portfolio. Furthermore, state law limits investments in commercial paper to a rating of not less than A-1 or P-1 (or equivalent rating) by at least two nationally recognized credit rating agencies. If commercial paper is acquired as an investment instrument, the total portfolio cannot contain more than 25% of this type of security. As of June 30, 2012, the District had no commercial paper in its portfolio. The District's investments in public funds investment pools and money market mutual funds include those with MBIA Texas Class, TexPool and TexSTAR. They are all public funds investment pools operating in full compliance with the Public Funds Investment Act. MBIA Texas Class, TexPool and TexSTAR are all rated as AAAM by Standard & Poor's. As of June 30, 2012, the book value of the District's investment in these pools was \$107,471,996 with a fair value of \$106,689,247. Investments in Fannie Mae (FNMA), Federal Home Loan Bank (FHLB), Freddie Mac (FHLMC), and Federal Farm Credit Bank (FFCB) are senior obligations of these U.S. agencies, all of which carry an AA+ senior debt rating by Standard & Poor's and an Aaa senior debt rating by Moody's.

In accordance with Government Code 2256.005(b), the investment officers of the District are required to develop a procedure to monitor changes in investment ratings and to liquidate investments that do not maintain satisfactory ratings. The district currently reviews various websites to monitor economic activity that could result in changes in credit ratings; schedules more frequent meetings with financial staff regarding the district's portfolio; and works more closely with financial advisors to monitor investment ratings to ensure district investment holdings can be liquidated if investment ratings drop below policy requirements.

Concentration of credit risk. The investment portfolio is diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific issuer. As a percentage of total investments, the District's portfolio contains the following investment types: U.S. Government Agency Obligations (Federal Farm Credit Bank; Freddie Mac; Federal Home Loan Bank and Fannie Mae) at 27.14%, Investment Pools (MBIA Texas Class; TexPool and TexSTAR) at 42.71%, Certificate of Deposits at 30.14%, and Mutual Funds at .01%.

Custodial credit risk – deposits. Custodial credit risk is eliminated when the District ensures deposits are adequately collateralized. Otherwise, in the event of bank failure, the District stands the risk of losing its deposits. During the fiscal year, all deposits held in the depository bank, JPMorgan, was fully collateralized in accordance with the Texas Government Code, Sec. 2257.023, and federal legislations.

3. PROPERTY TAXES

Property taxes are levied on October 1 and are due and payable at that time. The Board establishes the District's property tax rates annually. The authorized tax rates for property taxes assessed on January 1, 2012, were \$1.04 and \$.282 per \$100 for the General Fund and Debt Service Fund, respectively,

The legally authorized tax rate limit for the District is \$1.04 per \$100 assessed valuation for maintenance and operations. On January 1 of each year, a tax lien attaches to property to secure the payment of penalties imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period and those expected to be collected during a 60 day period after the close of the District's fiscal year.

All unpaid taxes become delinquent on February 1 of the following year. At June 30, 2012, taxes receivable, net of estimated uncollectible taxes, aggregated \$22,245,377 and \$4,218,156 for the General Fund and Debt Service Fund.

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. Uncollectible personal property taxes are periodically reviewed and written-off, but the District is prohibited from writing-off real property taxes without specific statutory authority from the Texas Legislature.

The District has entered into an agreement with Tarrant County ("County") whereby the County bills and collects the District's property taxes.

The legislation which created county education districts ("CED's"), Texas House Bill 351, was declared unconstitutional by the Texas Supreme Court. The Texas legislature enacted Senate Bill 7 which abolished CED's effective as of September 1, 1993. The District currently receives any delinquent CED payments from the County.

4. DUE FROM OTHER GOVERNMENTS

General Fund – Amounts due primarily from the state for school foundation program.

Other Governmental Funds - Amounts due from local, state and federal agencies represent receivables for the excess of expenditures over revenues incurred in the administration of various supplemental education programs.

Enterprise Fund - Amounts due from state agencies represent receivables due from the agency for federal child nutrition programs.

5. INTERFUND RECEIVABLES AND PAYABLES

The following is a summary of amounts due to and due from other funds:

	DUE TO	DUE FROM
General Fund	\$ 25,081,216	\$ -
Federal Grant Funds	-	12,646,851
Debt Service Fund	-	963,944
Capital Projects Funds	-	9,452,300
Other Governmental Funds	-	1,286,415
Enterprise Fund	-	244,805
Private Purpose Trusts Funds	-	486,901
Federal Grant Funds	36,649	-
General Fund	-	36,649
Capital Projects Funds	9,259,542	-
General Fund	-	9,259,542
Other Governmental Funds	7,223,708	-
General Fund	-	7,223,708
Agency Funds	1,431,883	-
General Fund	-	88,243
Other Governmental Funds	-	1,343,640
Internal Service Funds	36,180,584	-
General Fund	-	36,180,584
Private Purpose Trusts	64,459	-
General Fund	-	64,459
	<u>\$ 79,278,041</u>	<u>\$ 79,278,041</u>

Interfund balances relate primarily to amounts paid by one fund on behalf of another—to be repaid or collected in the normal course of business, within one year of the fiscal year-end.

6. INTERFUND TRANSFERS

	TRANSFERS IN	TRANSFERS OUT
General Fund:		
Print Shop Fund	\$ -	\$ 511,358
Print Shop Fund:		
General Fund	511,358	-
TOTAL	<u>\$ 511,358</u>	<u>\$ 511,358</u>

In the government-wide financial statements eliminations of interfund transactions have been made in the governmental and business-type activities columns. A transfer was made between the Internal Service and General Operating Funds for the purpose of offsetting charges in the Print Shop.

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

EXHIBIT F

7. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2012, was as follows:

Capital asset activity for the year ended June 30, 2012 was as follows:

	Beginning Balance	Additions	Transfers	Deletions Retirements	Ending Balance
Governmental activities:					
<u>Capital assets not being depreciated</u>					
Land	\$ 43,469,298	\$ -	\$ -	\$ (97,760)	\$ 43,371,538
Construction in Progress	183,083,122	70,587,569	(183,083,122)	-	70,587,569
Total capital assets not being depreciated	226,552,420	70,587,569	(183,083,122)	(97,760)	113,959,107
<u>Other capital assets</u>					
Buildings and Improvements	882,545,588	-	183,083,122	-	1,065,628,710
Vehicles	37,170,721	5,184,225	-	(1,662,705)	40,692,241
Furniture and Equipment	77,054,812	3,730,394	-	(2,124,011)	78,661,195
Total other capital assets at historical cost	996,771,121	8,914,619	183,083,122	(3,786,716)	1,184,982,146
<u>Accumulated depreciation:</u>					
Buildings and Improvements	306,719,015	19,714,765	-	-	326,433,780
Vehicles	15,533,366	6,801,676	-	(1,403,673)	20,931,369
Furniture and Equipment	42,683,942	7,560,130	-	(2,184,750)	48,059,322
Total accumulated depreciation	364,936,323	34,076,571	-	(3,588,423)	395,424,471
Other capital assets, net	631,834,798	(25,161,952)	183,083,122	(198,293)	789,557,675
Governmental activities capital assets, net	858,387,218	45,425,617	-	(296,053)	903,516,782
<u>Business-type activities:</u>					
Furniture and Equipment	11,798,938	186,805	-	(4,167)	11,981,576
Less accumulated depreciation	11,239,909	315,698	-	(1,954)	11,553,653
Business-type activities capital assets, net	\$ 559,029	\$ (128,893)	\$ -	\$ (2,213)	\$ 427,923

Depreciation expense was charged to functions as follows:

Governmental activities:		
11	Instruction	\$ 20,711,540
12	Instruction resources and media services	549,495
13	Curriculum development and instructional personnel department	1,539,627
21	Instructional administration	594,640
23	School administration	2,182,254
31	Guidance and counseling services	1,551,404
32	Attendance and social work services	218,493
33	Health Services	366,660
34	Student (pupil) transportation	900,954
35	Food Services	14,938
36	Cocurricular/Extracurricular activities	465,158
41	General Administration	683,643
51	Plant Maintenance and operations	3,308,024
52	Security and monitoring services	512,161
53	Data processing services	477,580
Total governmental activities depreciation expense		\$ 34,076,571

8. BANK OVERDRAFT LINE OF CREDIT

The District has available a negotiable bank overdraft line of credit. The District is charged interest at the bank's prime lending rate. The District generally maintains a minimum cash balance in its operating bank accounts in order to maximize interest income on temporary investments. The District's bank overdraft balance as of June 30, 2012 was zero.

9. LONG-TERM LIABILITIES

The change in governmental long-term liabilities is summarized as follows:

	Balance June 30, 2011	Additions/ Adjustments	Reductions	Balance June 30, 2012	Amounts Due Within One Year
General Obligation-Principal	\$ 755,734,996	\$ -	\$ 40,620,000	\$ 715,114,996	\$ 83,220,000
General Obligation Bonds Accretion on Capital Appreciation Bonds	551,570	26,716	-	578,286	-
Total General Obligation Bonds	756,286,566	26,716	40,620,000	715,693,282	83,220,000
Compensated Absences Payable	22,461,542	3,359,952	7,126,520	18,694,974	2,020,199
Vacation Payable	6,338,732	3,764,218	5,642,384	4,460,566	3,764,218
Total	<u>\$ 785,086,840</u>	<u>\$ 7,150,886</u>	<u>\$ 53,388,904</u>	<u>\$ 738,848,822</u>	<u>\$ 89,004,417</u>

Other important notes regarding long-term liabilities:

- The General Fund has been used to liquidate the liability for compensated absences.
- Premium on the bonds in the amount of \$48,038,679 and the Deferred Amount on Refunding in the amount of \$9,823,296 are not reflected in the note above.
- There is \$36,909,379 in the Debt Service Fund at June 30, 2012, to service the general obligation bonds.
- For the period ended June 30, 2012, the District did not issue or refund any bonds.
- On June 30, 2012, there were no outstanding bonds considered defeased.

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

EXHIBIT F

9. LONG-TERM LIABILITIES - continued

Bond Outstanding (June 30, 2012)

DATE OF ISSUE	DESCRIPTION	INTEREST RATE PAYABLE	ORIGINAL ISSUE AMOUNT	AMOUNTS OUTSTANDING JUNE 30, 2011	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	ACCRETION	AMOUNTS OUTSTANDING JUNE 30, 2012
02/01/05	Unlimited Tax Refunding Bonds, Series 2005	3.0% to 5.0%	\$ 117,235,000	\$ 99,360,000		\$ 11,765,000		\$ 87,595,000
12/15/06	Unlimited Tax Refunding Bonds, Series 2006	4.0% to 5.0%	112,339,995	109,936,566			26,716	109,963,282
01/24/08	Unlimited Tax Refunding Bonds, Series 2008	3.0% to 5.0%	6,700,000	2,930,000		465,000		2,465,000
02/01/08	School Building Unlimited Tax Series 2008	3.0% to 5.0%	224,525,000	203,905,000		10,025,000		193,880,000
06/02/09	School Building Unlimited Tax Series 2009	3.0% to 5.0%	176,755,000	162,340,000		7,695,000		154,645,000
12/01/09	School Building Unlimited Tax Series 2009 QSCB	3.0% to 5.0%	31,600,000	31,600,000		1,975,000		29,625,000
08/01/10	Unlimited Tax Qualified School Construction Bonds, Series 2010		15,000,000	15,000,000				15,000,000
09/01/10	Unlimited Tax School Building Bonds, Series 2010	2.0% to 5.0%	103,715,000	103,715,000				103,715,000
09/01/10	Unlimited Tax Refunding Bonds, Series 2010	4.0% to 5.0%	27,500,000	27,500,000		8,695,000		18,805,000
Total				\$ 756,286,566	\$ -	\$ 40,620,000	\$ 26,716	\$ 715,693,282

Debt service requirements to maturity are summarized as follows:

Year	Principal	Interest	Total Requirements
2013	\$42,600,000	\$32,580,319	\$75,180,319
2014	44,540,000	30,648,750	75,188,750
2015	46,034,996	29,357,355	75,392,351
2016	48,960,000	26,561,925	75,521,925
2017	51,280,000	24,332,900	75,612,900
2018 - 2022	236,955,000	85,639,275	322,594,275
2023 - 2027	174,300,000	42,056,713	216,356,713
2028 - 2030	70,445,000	5,657,249	76,102,249
Total	\$715,114,996	\$276,834,486	\$991,949,482

10. EMPLOYEES' RETIREMENT PLAN

Plan Description: The Fort Worth Independent School 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, 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.

Funding Policy: The State sets contribution rates for the state and its members. The State contribution rate for the 2011-2012 school year was 6.0% and a member contribution rate of 6.4%. In certain instances, the reporting district is required to make all or a portion of the state's 6.4% 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 6.58% of the member's annual compensation and a state contribution rate of not less than 6.58% and not more than 10.0% of the aggregate annual compensation of all members of the system during that fiscal year; and
- (2) a state statute prohibits its 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.

For the ten months ended June 30, 2010, and the years ended June 30, 2011 and June 30, 2012, State contributions to TRS made on behalf of the Fort Worth Independent School District's employees and reflected in the District's financial statements as both revenue and expenditures were \$20,988,299, \$27,361,382, and \$24,094,214 respectively. The Fort Worth Independent School District paid additional state contributions on a portion of their employees' salaries that exceeded the statutory minimum for the ten months ended June 30, 2010, in the amount of \$4,990,583 ; the amount of \$6,873,888 for the period ended June 30, 2011, and the sum of \$6,722,255 for the year ended June 30, 2012.

11. RETIREE HEALTH PLAN

Plan Description The Fort Worth 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 Systems of Texas. The statutory authority for the program is Texas Insurance Code, Chapter 1575. Section 1575.052 grants the TRS Board of Trustees the authority to establish and amend 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 website at www.trs.state.tx.us, by writing to the Communications Dept. of the Teacher Retirement System of Texas at 1000 Red River Street, Austin, Texas, or by calling 1-800-223-8778.

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 the Fort Worth Independent School District contributing a percentage of payroll set at 0.55% for fiscal periods 2011 and 2012. Pursuant to the 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 ten months ended June 30, 2010, the year ended June 30, 2011, and the year ended June 30, 2012, the State's contributions to TRS-Care were \$1,256,770, \$1,652,420, and \$1,694,169, respectively, the active member contributions were \$2,320,502, \$3,379,872, and \$3,366,881 respectively, and the Fort Worth Independent School District's contributions were, \$553,146, \$690,822 and \$632,141 respectively, which equaled the required contributions each period.

Medicare Part D The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. Under Medicare Part D, TRS-Care retiree drug subsidy payments from the federal government offset certain prescription drug expenditures for eligible TRS-Care participants. For the ten months ended June 30, 2010, the year ended June 30, 2011, and the year ended June 30, 2012, the subsidy payments received by the TRS-Care on behalf of the District were \$1,317,539, \$1,390,432 and \$1,445,956 respectively. These payments are recorded as equal revenues and expenditures in the governmental fund financial statements.

Early Retiree Reinsurance Program (ERRP) The ERRP, implemented in fiscal year 2012, is a provision of the Patient Protection and Affordable Care Act (PPACA) and provides reimbursement to plan sponsors for a portion of the cost of providing health benefits to retirees between the ages of 55–64 and their covered dependants regardless of age. An “early retiree” is defined as a plan participant aged 55–64 who is not eligible for Medicare and is not covered by an active employee of the plan sponsor. This temporary program is available to help employers continue to provide coverage to early retirees. ERRP reimbursement is available on a first come, first served basis for qualified employers that apply and become certified for the program. TRS has been certified for this program and has received funds from the ERRP program. Total amount received by TRS Care on behalf of the District was \$1,367,409.

12. COMPENSATED ABSENCES COMMITMENT

The District provides a termination pay program under which it makes a lump-sum payment to certain retiring employees or to the beneficiaries of certain employees who die while employed. This program covers all compensated absences earned by qualifying employees. The amount of the lump-sum payment is based on the employee's current rate of compensation and years of service, plus an amount of the employee's accumulated vacation and sick leave at death or retirement. To be eligible for termination pay, an employee must have been hired before September 1, 2003, have 5 or more years of service with the District and be eligible for retirement by the Teacher Retirement System of Texas standards. Meeting these requirements, the employee will receive 1 day's pay for each unused sick leave day upon termination of employment for up to 20 days. In addition, the employee is also entitled to receive 1 day's pay for each year of service upon termination of employment. The termination payable is calculated for all employees who meet the eligibility requirements and who are within 5 years of eligible retirement age. The liability is calculated based on the current year's salary and the number of years of service. The District has at June 30, 2012, a liability of \$18,694,974 in the Government-Wide Statement of Net Assets and is financed on a pay-as-you-go basis.

Effective September 1, 2012, the district's termination pay policy will change. District employees shall no longer be eligible to accrue benefits under the program for reimbursement of unused leave at retirement (terminal pay). All eligible employees who have previously accrued unused leave benefits through August 31, 2012, shall be paid, at the time of their retirement, the amount earned under this program, if any, as of August 31, 2012. Freezing terminal pay places a ceiling on the District's liability, which will decrease over the coming years.

13. CLASSIFICATIONS OF FUND BALANCE

Fund Balance Designations:

In accordance with Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the District classifies governmental fund balances effective with its financial statement ended June 30, 2012, and thereafter, as follows:

1. Nonspendable Fund Balance – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. Examples include inventories, long-term receivables, endowment principal, and/or prepaid/deferred items.
2. Spendable Fund Balance
 - a. Restricted Fund Balance – includes amounts that can be spent only for the specific purposes as imposed by law, or imposed by creditors, grantors, contributors, or other governments' laws and regulations. Examples include federal and state grant programs, retirement of long-term debt, and construction.
 - i. The aggregate fund balance in the debt service fund is legally restricted for payment of bonded indebtedness and is not available for other purposes until all bonded indebtedness is liquidated.

13. CLASSIFICATIONS OF FUND BALANCE - continued

- ii. The fund balance of the capital projects fund reflects an amount restricted for construction and major renovation projects, and it usually represents unexpended proceeds from the sale of school building bonds, which primarily have restricted uses.
 - iii. The proceeds of specific revenue sources that are restricted to expenditures for specified purposes as designated by grantors, contributors, or governmental entities over state or local program grants.
- b. Committed Fund Balance – includes amounts that can be used only for the specific purposes as determined by the governing body by formal action recorded in the minutes of the governing body. Commitments may be changed or lifted only by the governing body taking the same formal action that imposed the constraint originally. Examples include, but specifically not limited to, board action regarding construction, claims, and judgments, retirement of loans/notes payable, capital expenditures, and self-insurance. The school board must take action to commit funds for a specific purpose prior to the end of the fiscal year, but the amount of the commitment may be determined after the end of the fiscal year.
- i. Campus activity funds are considered committed by the governing body through adoption of board policy pertaining to the usage of these funds.
- c. Assigned Fund Balance – comprises amounts intended to be used by the district for specific purposes. Pursuant to GASB 54, this intent can be expressed by an official or body to which the governing body delegates that authority. In Forth Worth ISD that authority has not been delegated to any official or body. The Board of Education is the only governing body that can assign fund balance for specific purposes by formal action recorded in the official minutes. Examples take on the similar appearance as those enumerated for committed fund balance, including the appropriation of existing fund balance to eliminate a deficit in next year’s budget.
- d. Unassigned Fund Balance – is the residual classification of the general fund and includes all amounts not contained in other classifications. Only the general fund will have unassigned amounts. By accounting for amounts in other funds, FWISD has implicitly assigned the funds for the purposes of those particular funds.

Other Disclosures:

For accounting purposes, committed amounts are reduced first followed by assigned, and then unassigned in accordance with GASB 54. Nonspendable and restricted fund balances are governed by legal or contractual requirements or as may be imposed by law, creditors, grantors, contributors, or other governments’ laws and regulations. The Board of Education is the highest and only level of decision-making authority and determines the spending of its restricted and unrestricted resources. A schedule of the District fund balances designations is provided in Exhibit C-1.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

14. 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 is insured. This exposure is in property and general liability, health insurance, workers' compensation and unemployment insurance.

Property and General Liability

Real property, fleet liability, portable equipment, specified causes of loss and bonding insurance is purchased commercially.

The District purchases general liability coverage from the Texas Association of School Boards. Limited special event liability insurance is purchased from the commercial market. There have been no significant reductions in insurance coverage from the prior year for any category of risk. Settlements have not exceeded insurance coverage in any of the last three fiscal periods.

Health

During the year ended June 30, 2012, eligible employees and eligible dependents were offered a choice of medical plans provided through the Teachers Retirement System of Texas. The District provides \$237 monthly towards premium efforts.

Workers' Compensation and Unemployment

The District self-insures against workers' compensation and unemployment claims. The costs associated with the self-insurance plan are reported as operating revenues and operating expenses of the Internal Service Fund. Catastrophe loss protection is provided by a commercial carrier for individual claims in excess of \$2,000,000 for any occurrence. The total estimated claims payable at June 30, 2012, includes approximately \$10,553,105 for workers' compensation case reserve losses. This liability includes claims from fiscal year 1982 through June 30, 2012. The liabilities reported in the fund at June 30, 2012, are based on the requirements of Governmental Accounting Standards Board Statement Nos. 10 and 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This includes provisions for claims reported but not paid and claims incurred but not reported. The provision for reported claims is determined by estimating the amount which will ultimately be paid each claimant. The provision for claims incurred but not yet reported is estimated based on the District's experience. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors. Workers' compensation liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time were computed by an actuary and are reported at their nominal value.

14. RISK MANAGEMENT - continued

Changes in the workers' compensation claims liability amount in fiscal years 2011 and 2012 were:

	Beginning of Fiscal Year Liability	Current-Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability	Due in One Year
2011	\$ 10,921,189	\$ 4,161,650	\$ 3,509,440	\$ 11,573,399	\$ 4,272,062
2012	11,573,399	2,533,540	3,553,234	10,553,105	4,020,066

15. COOPERATIVE PROGRAMS

The District participates in an Adult Basic Education cooperative program. The District does not account for revenues or expenditures of the other participating districts in these programs and does not disclose them in these financial statements. The District is the fiscal agent manager of the cooperatives.

The following table presents the revenues and expenditures attributable to member districts' participation:

	Adult Basic Education Federal	Adult Basic Education State	Total
Revenues:			
State Revenue	\$ -	\$ 56,253	\$ 56,253
Federal Revenue	57,595	-	57,595
	<u>57,595</u>	<u>56,253</u>	<u>113,848</u>
Expenditures:			
Contracted Services	57,595	56,253	113,848
	<u>\$ 57,595</u>	<u>\$ 56,253</u>	<u>\$ 113,848</u>

16. CONTINGENT LIABILITIES

Federal and State Programs: Minimum foundation funding received from the Agency is based primarily upon information concerning average daily attendance at the District's schools which is compiled by the District and supplied to the Agency. Federal funding for Food Services under child nutrition programs is based primarily upon the number and type of meals served and on user charges as reported to the USDA. Federal and state funding received related to various grant programs are based upon periodic reports detailing reimbursable expenditures made in compliance with program guidelines to the grantor agencies.

These programs are governed by various statutory rules and regulations of the grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies. To the extent, if any, that the District has not complied with all the rules and regulations with respect to performance, financial or otherwise, adjustment to or return of funding monies may be required. In the opinion of the District's administration, there are no significant contingent liabilities relating to matters of compliance and, accordingly, no provision has been made in the accompanying financial statements for such contingencies.

There are other claims and pending actions incident to normal operations of the District. In the opinion of the District administration, the District's potential liability in these matters will not have a material impact on the financial statements.

17. DEFERRED REVENUE

Deferred revenue at year-end consisted of the following:

	General Fund	Debt Service Fund	Other Governmental Funds	Enterprise Funds	Total
Property Tax Unearned	\$ 16,288,541	\$ 2,602,938	\$ -	\$ -	\$ 18,891,479
Grant Revenue Unearned	-	-	4,712,387	-	4,712,387
Charges Unearned	-	-	-	19,223	19,223
Total	\$ 16,288,541	\$ 2,602,938	\$ 4,712,387	\$ 19,223	\$ 23,623,089

18. INSTRUCTIONAL MATERIALS ALLOTMENT

In May 2011, Senate Rule 6, repealed the technology allotment used by Texas schools and created an Instructional Materials Allotment (IMA) for the purchase of instructional materials, technology equipment, and technology related services. Under the IMA instructional material purchases must be made through TEA's online registration system. Instructional materials purchased from IMA totaling \$1,250,550 are recorded as revenues and expenditures in the State Instructional Materials Fund.

Ownership of textbooks previously purchased by the state and utilized by the District were transferred to the District. The majority of these textbooks were sold or otherwise disposed of in accordance with TEA guidelines. Therefore, at June 30, 2012, the remainder of the textbooks in possession of the District have minimal value and are not otherwise reflected elsewhere in these statements.

19. NEW ACCOUNTING PRONOUNCEMENTS:

The GASB issued Statement No. 64, Accounting and Financial Reporting for Derivative Instruments, which will be effective for periods beginning after June 15, 2011. The Statement clarifies the existing requirements for the termination of hedge accounting. This statement applies to all state and government and amends Statement 53, paragraphs 22d and 82. The District has no derivative instruments. In the future if there is a situation that applies to this Statement, the District will account for it appropriately.

The GASB issued Statement No. 63, Accounting and Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, which will be effective in the fiscal year ending December 15, 2011. The Statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed. The District will evaluate the impact of the standard on its Financial Statements and will take the necessary steps to implement it.

The GASB issued Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements, which will be effective for periods beginning after December 15, 2011. The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements, which are a type of public-private or public-public partnership. The District will evaluate the impact of the standard on its Financial Statements and will take the necessary steps to implement it.



REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET-TO-ACTUAL: GENERAL FUND (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2012**

	BUDGETED AMOUNTS		FUNDS 199 ACTUAL AMOUNTS	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET POSITIVE (NEGATIVE)
Revenues				
5700 Local and Intermediate Sources	\$ 258,663,925	\$ 258,663,925	\$ 276,215,564	\$ 17,551,639
5800 State Program Revenues	287,954,741	292,169,758	\$ 287,036,110	(5,133,648)
5900 Federal Program Revenues	6,300,000	10,300,000	\$ 14,882,727	4,582,727
Total Revenues	552,918,666	561,133,683	578,134,401	17,000,718
Expenditures				
11 Instruction	338,277,483	355,926,275	349,662,911	6,263,364
12 Instructional Resources and Media Servic	10,267,646	10,488,781	10,153,802	334,979
13 Curriculum Development and Instructiona Personnel Development	6,589,231	5,977,606	5,812,001	165,605
21 Instructional Administration	10,714,988	10,389,584	10,388,457	1,127
23 School Administration	40,758,331	42,951,498	41,985,702	965,796
31 Guidance and Counseling Services	28,484,398	29,556,642	28,277,831	1,278,811
32 Attendance and Social Work Services	3,424,796	3,425,595	3,187,901	237,694
33 Health Services	7,232,105	7,412,110	7,300,087	112,023
34 Student (pupil) Transportation	20,276,115	19,686,703	18,726,656	960,047
35 Food Services	226,636	226,636	197,295	29,341
36 Cocurricular/Extracurricular Activities	8,109,586	9,799,466	9,214,713	584,753
41 General Administration	13,444,595	13,963,381	14,062,421	(99,040)
51 Plant Maintenance and Operations	74,199,880	73,868,397	67,891,709	5,976,688
52 Security and Monitoring Services	8,975,869	9,603,556	10,104,702	(501,146)
53 Data Processing Services	7,518,241	9,632,680	9,926,664	(293,984)
61 Community Services	3,602,041	3,602,041	3,466,811	135,230
81 Facilities Acquisition & Construction	300,000	2,152,822	-	2,152,822
95 Juvenile Justice Alternative Education	328,332	328,332	248,250	80,082
97 Tax Increment Financing	3,790,817	3,790,817	3,553,128	237,689
99 Other Intergovernmental Charges	2,074,871	2,074,871	2,064,703	10,168
Total Expenditures	588,595,961	614,857,793	596,225,744	18,632,049
Other Financing Sources (uses)				
8911 Transfers Out	-	-	(511,358)	(511,358)
Total Other Financing Sources and Uses	-	-	(511,358)	(511,358)
Net Change in Fund Balances	(35,677,295)	(53,724,110)	(18,602,701)	35,121,409
Fund Balances-Beginning	142,544,542	142,544,542	142,544,542	-
Fund Balances-Ending	\$ 106,867,247	\$ 88,820,432	\$ 123,941,841	\$ 35,121,409



NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2012**

EXHIBIT G-2

BUDGET PROCESS

Budgeting - Annual budgets are legally adopted for the General Fund, Debt Service Fund and Food Service Fund. The annual budget is presented in the accompanying exhibit G-1 for the General Fund. The budget for the General Fund is presented on the modified accrual basis of accounting.

Budgetary Procedures - The following procedures are used in establishing the budgetary data reflected in the financial statements:

- (1) Prior to June 30 of the preceding fiscal year, 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 of Education is then called for the purpose of adopting the proposed budget after public notice of the meeting has been given.
- (3) Prior to July 1, the budget is legally enacted through passage of a resolution by the Board of Education.

The budget is prepared and controlled by the budget officer at the revenue object and expenditure function level.

Other Budget Information:

Administration performs budget reviews and re-evaluates budgetary requirements. Recommendations for budget amendments, if any, are then recommended to the Board. The budget officer has the authority to transfer appropriation balances within a functional expenditure category as long as total expenditures for that function are not changed. The Board may approve amendments to the budget, which are required when a change is made to the functional expenditure categories or revenue object accounts, as defined by the Agency. The final amended budget for the General Fund reflected increases in budgeted revenues in state programs revenues, and an increase in federal revenue for additional anticipated reimbursements for Medicaid and SHARS related services. The expenditures budget was increased to make technical adjustments for staffing as more fully outlined in the MD&A at page 13 in functions 11, 23 and 52 and 53. The expenditure budget in function 81 was increased to place artificial turf on two high school football fields in partnership with school athletic booster clubs prior to the beginning of the 2012-2013 school year. The budget amounts reflected in the financial statements represent final amended budget amounts as approved by the Board.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in order to reserve that portion of the applicable appropriation, is used in all Governmental Funds. Since appropriations lapse at year-end, outstanding encumbrances are re-appropriated in the subsequent fiscal year's budget to provide for the liquidation of the prior commitments.



OTHER SUPPLEMENTARY INFORMATION



NON-MAJOR GOVERNMENTAL FUNDS



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012**

DATA CONTROL CODES		FUNDS	FUNDS	TOTAL
		(380 - 459)	(460 - 499)	NONMAJOR GOVERNMENTAL FUNDS
		STATE	LOCAL	
ASSETS				
1110	Cash and Temporary Investments	\$ -	\$ 4,687,082	\$ 4,687,082
1240	Due from Other Governments	426,382	238,338	664,720
1250	Accrued Interest Receivable	-	133	133
1260	Due from Other Funds	2,484,546	4,739,163	7,223,709
1290	Other Receivables	-	1,542	1,542
1000	TOTAL ASSETS	2,910,928	9,666,258	12,577,186
LIABILITIES:				
2110	Accounts Payable and Accrued Liabilities	219,584	206,481	426,065
2160	Accrued Wages Payable	198,022	125,472	323,494
2170	Due to Other Funds	38,228	2,591,827	2,630,055
2180	Due to Other Governments	8,545	162,393	170,938
2310	Deferred Revenue	167,805	4,544,582	4,712,387
2000	TOTAL LIABILITIES	632,184	7,630,755	8,262,939
FUND EQUITY				
Spendable				
Restricted For:				
3450	Special Revenue Funds	2,278,744	-	2,278,744
Committed For:				
3545	Campus Activity Funds	-	2,035,503	2,035,503
3000	TOTAL FUND EQUITY	2,278,744	2,035,503	4,314,247
4000	TOTAL LIABILITIES AND FUND EQUITY	\$ 2,910,928	\$ 9,666,258	\$ 12,577,186

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

DATA CONTROL CODES		FUNDS (380 - 459)	FUNDS (460 - 499)	TOTAL NONMAJOR GOVERNMENTAL FUNDS
		STATE	LOCAL	
REVENUES				
5700	Local and Intermediate Sources	\$ -	\$ 8,719,239.00	\$ 8,719,239.00
5800	State Program Revenues	16,166,093	-	16,166,093
5020	TOTAL REVENUES	16,166,093	8,719,239	24,885,332
EXPENDITURES				
Current:				
0010	Instruction and Instructional-Related Services:			
0011	Instruction	14,032,371	5,986,950	20,019,321
0012	Instructional Resources and Media Services	365,242	62,797	428,039
0013	Curriculum Development and Instructional Staff Development	1,400,125	57,908	1,458,033
	Total Instruction and Instructional-Related Services	15,797,738	6,107,655	21,905,393
0020	Instructional and School Leadership:			
0021	Instructional Leadership	316,559	100,391	416,950
0023	School Leadership	159,610	244,617	404,227
	Total Instructional and School Leadership	476,169	345,008	821,177
0030	Support Services - Student (Pupil):			
0031	Guidance, Counseling and Evaluation Services	213,246	536,570	749,816
0032	Social Work Services	60,517	29,864	90,381
0033	Health Services	3,103	7,512	10,615
0035	Food Service	76,908	9,412	86,320
0036	Cocurricular/Extracurricular Activities	96	453,666	453,762
	Total Support Services - Student (Pupil)	353,870	1,037,024	1,390,894
0040	Administrative Support Services:			
0041	General Administration	-	24,989	24,989
	Total Administrative Support Services	-	24,989	24,989
0050	Support Services - Nonstudent Based:			
0051	Plant Maintenance and Operations	15,495	736,324	751,819
0052	Security and Monitoring Services	133	15,709	15,842
	Total Support Services - Nonstudent Based	15,628	752,033	767,661
0060	Ancillary Services:			
0061	Community Services	10,102	153,379	163,481
	Total Ancillary Services	10,102	153,379	163,481
0080	Facilities Acquisition and Construction:			
0081	Facilities Acquisition and Construction	61,479	35,297	96,776
	Total Facilities Acquisition and Construction:	61,479	35,297	96,776
0090	Payments to Fiscal Agent/Member Districts of Shared Services Arrangements:			
0093	Payments to Fiscal Agent/Member Districts of Shared Services Arrangements	56,253	-	56,253
	Total Payments to Fiscal Agent/Member Districts of Shared Services Arrangements	56,253	-	56,253
	TOTAL EXPENDITURES	16,771,239	8,455,385	25,226,624
1200	NET CHANGE IN FUND BALANCES	(605,146)	263,854	(341,292)
0100	FUND BALANCE - JULY 1 (BEGINNING)	2,883,890	1,771,649	4,655,539
3000	FUND BALANCE - JUNE 30 (ENDING)	\$ 2,278,744	\$ 2,035,503	\$ 4,314,247

INTERNAL SERVICE FUNDS



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2012**

DATA CONTROL CODES		753 INSURANCE FUND	752 PRINT SHOP	TOTAL INTERNAL SERVICE FUND
ASSETS				
Current Assets:				
1260	Due from Other Funds	\$ 36,124,706	\$ 55,879	\$ 36,180,585
	Total Current Assets	<u>36,124,706</u>	<u>55,879</u>	<u>36,180,585</u>
Capital Assets:				
1530	Furniture & Equipment -	-	18,700	18,700
1573	Net of Accumulated Depreciation	<u>-</u>	<u>(18,700)</u>	<u>(18,700)</u>
	TOTAL ASSETS	<u>\$ 36,124,706</u>	<u>\$ 55,879</u>	<u>\$ 36,180,585</u>
LIABILITIES				
Current Liabilities:				
2110	Accounts Payable	\$ 61,891	\$ 55,879	\$ 117,770
2150	Payroll deductions and withholdings	552,052	-	552,052
2180	Due to other governments	1,059	-	1,059
2210	Accrued Expenses	<u>4,020,066</u>	<u>-</u>	<u>4,020,066</u>
	Total Current Liabilities	<u>4,635,068</u>	<u>55,879</u>	<u>4,690,947</u>
Noncurrent Liabilities				
2210	Accrued Expenses	<u>6,533,039</u>	<u>-</u>	<u>6,533,039</u>
	Total Noncurrent Liabilities	<u>6,533,039</u>	<u>-</u>	<u>6,533,039</u>
	TOTAL LIABILITIES	<u>11,168,107</u>	<u>55,879</u>	<u>11,223,986</u>
NET ASSETS				
3900	Unrestricted - Insurance Claims	<u>24,956,599</u>	<u>-</u>	<u>24,956,599</u>
3000	TOTAL NET ASSETS	<u>\$ 24,956,599</u>	<u>\$ -</u>	<u>\$ 24,956,599</u>

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

DATA CONTROL CODES	753 INSURANCE FUND	752 PRINT SHOP	TOTAL INTERNAL SERVICE FUND	
OPERATING REVENUES				
5700	Charges for Services	\$ 7,662,721	\$ 563,219	\$ 8,225,940
5020	TOTAL OPERATING REVENUES	7,662,721	563,219	8,225,940
OPERATING EXPENSES				
6100	Payroll Costs	621,775	157,303	779,078
6200	Professional and Contracted Services	8,350,470	610,571	8,961,041
6300	Supplies and Materials	12,238	306,224	318,462
6499	Other Operating Costs	30,383	479	30,862
6030	TOTAL OPERATING EXPENSES	9,014,866	1,074,577	10,089,443
	OPERATING INCOME/ (LOSS)	(1,352,145)	(511,358)	(1,863,503)
7915	Transfer In	-	511,358	511,358
1300	CHANGE IN NET ASSETS	(1,352,145)	-	(1,352,145)
	EQUITY			-
0100	Net Assets			-
	July 1 (Beginning)	26,308,744	-	26,308,744
				-
3300	Net Assets			-
	June 30 (Ending)	\$ 24,956,599	\$ -	\$ 24,956,599

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	753	752	TOTAL INTERNAL SERVICE FUND
	INSURANCE FUND	PRINT SHOP	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from User Charges	\$ 10,969,803	\$ 563,219	\$ 11,533,022
Cash Payments to Employees for Services	(621,775)	(157,303)	(779,078)
Cash Payments for Insurance Claims	(8,598,761)		(8,598,761)
Cash Payments to Suppliers for Goods and Services	(12,238)	(306,224)	(318,462)
Cash Payments to Operating Costs	(1,737,029)	(611,050)	(2,348,079)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	-	(511,358)	(511,358)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfer Received from Other Funds		511,358	511,358
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	-	511,358	511,358
NET CHANGE IN CASH AND CASH EQUIVALENTS	-	-	-
CASH AND CASH EQUIVALENTS - JULY 1	-	-	-
CASH AND CASH EQUIVALENTS - JUNE 30	\$ -	\$ -	\$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ (1,352,145)	\$ (511,358)	\$ (1,863,503)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:			
Changes in Assets and Liabilities:			
Receivables	682,022		682,022
Accounts Payable	(483,073)	53,059	(430,014)
Accrued Liabilities	(1,017,474)		(1,017,474)
Accrued Payroll and Deductions	(831,917)		(831,917)
Due from Other Funds	3,001,528	(53,059)	2,948,469
Due to Other Governments	1,059		1,059
NET CASH PROVIDED USED IN OPERATING ACTIVITIES	-	-	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ -	\$ (511,358)	\$ (511,358)



FIDUCIARY FUNDS



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF AGENCY FUNDS NET
ASSETS AND LIABILITIES
JUNE 30, 2012**

DATA CONTROL		STUDENT ACTIVITIES	OTHER AGENCY FUND	TOTAL
CODES		890	849	
	ASSETS			
1260	Due From Other Funds	\$ 1,431,487	\$ 395	\$ 1,431,882
	TOTAL ASSETS	<u>\$ 1,431,487</u>	<u>\$ 395</u>	<u>\$ 1,431,882</u>
	LIABILITIES			
2110	Accounts Payable	\$ 2,063	\$ -	\$ 2,063
2190	Due to Student Groups	1,429,424	395	1,429,819
	TOTAL LIABILITIES	<u>\$ 1,431,487</u>	<u>\$ 395</u>	<u>\$ 1,431,882</u>

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF PRIVATE PURPOSE TRUST FUNDS NET ASSETS
JUNE 30, 2012**

DATA CONTROL CODES	PRIVATE PURPOSE TRUST FUNDS			
	PRIVATE PURPOSE	SCHOLARSHIPS	TOTAL	
	829	836		
ASSETS				
1110	Cash and Investments	\$ -	\$ 970,451	\$ 970,451
1260	Due from other funds	64,459	-	64,459
1270	Accrued Interest	-	752	752
1910	Long-Term Investments	-	524,928	524,928
	TOTAL ASSETS	64,459	1,496,131	1,560,590
LIABILITIES				
2171	Due to Other Funds	-	486,901	486,901
2420	Amounts Held for Granting Agencies	64,459	117,107	181,566
	TOTAL LIABILITIES	64,459	604,008	668,467
NET ASSETS				
3490	Held in Trust for Scholarships	\$ -	\$ 892,123	\$ 892,123

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES –
AGENCY FUNDS
YEAR ENDED JUNE 30, 2012**

	BALANCE July 1, 2011	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2012
AGENCY FUND				
ASSETS				
Cash and Temporary Investments	\$ -	\$ 3,102,669	\$ 3,102,669	\$ -
Due from Other Funds	1,695,196	7,031,038	7,294,352	1,431,882
Other Receivables	4,439	-	4,439	-
TOTAL ASSETS	\$ 1,699,635	\$ 10,133,707	\$ 10,401,460	\$ 1,431,882
LIABILITIES				
Accounts Payable	\$ 7,902	\$ 226,407	\$ 232,246	\$ 2,063
Accrued Wages	10,226	-	10,226	-
Due to Other Funds	3,025	60,670	63,695	-
Due to Student Groups	1,678,482	3,850,839	4,099,502	1,429,819
TOTAL LIABILITIES	\$ 1,699,635	\$ 4,137,916	\$ 4,405,669	\$ 1,431,882

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN PRIVATE PURPOSE
TRUST FUNDS NET ASSETS
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2012**

	PRIVATE PURPOSE TRUST FUNDS		
	PRIVATE PURPOSE	SCHOLARSHIPS	TOTAL
	829	836	
ADDITIONS			
Contributions:			
Donor	\$ -	\$ 42,112	\$ 42,112
Total Additions	-	42,112	42,112
DEDUCTIONS			
Scholarships Granted	-	27,404	27,404
Total Deductions	-	27,404	27,404
Change in Net Assets	-	14,708	14,708
Net Assets - Beginning of the Year	-	877,415	877,415
Net Assets - End of the Year	\$ -	\$ 892,123	\$ 892,123

BUDGET COMPARISON REPORTING



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET-TO-ACTUAL: DEBT SERVICE FUND (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2012**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Revenues				
5700 Local and Intermediate Sources	\$ 71,439,556	\$ 71,439,556	\$ 72,745,747	\$ 1,306,191
5800 State Program Revenues	4,576,486	4,576,486	3,935,229	(641,257)
Total Revenues	76,016,042	76,016,042	76,680,976	664,934
Expenditures				
71 Debt Services	75,074,220	75,074,220	75,062,944	11,276
97 Tax Increment Financing	941,822	941,822	963,444	(21,622)
Total Expenditures	76,016,042	76,016,042	76,026,388	(10,346)
Net Change in Fund Balances	-	-	654,588	675,280
Fund Balance - Beginning	36,254,791	36,254,791	36,254,791	-
Fund Balances - Ending	<u>\$ 36,254,791</u>	<u>\$ 36,254,791</u>	<u>\$ 36,909,379</u>	<u>\$ 675,280</u>

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS –
BUDGET-TO-ACTUAL: FOOD SERVICE FUND (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2012**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Revenues				
5700 Local and Intermediate Sources	\$ 4,547,000	\$ 4,547,000	\$ 4,684,386	\$ 137,386
5800 State Program Revenues	250,000	250,000	254,745	4,745
7950 Non-Operating Revenues	33,469,000	33,469,000	36,638,175	3,169,175
Total Revenues	<u>38,266,000</u>	<u>38,266,000</u>	<u>41,577,306</u>	<u>3,311,306</u>
Expenses				
35 Food Services	40,661,000	40,661,000	38,768,083	1,892,917
51 Plant Maintenance and Operations	590,000	590,000	580,064	9,936
52 Security and Monitoring Services	3,300	3,300	-	3,300
Total Expenses	<u>41,254,300</u>	<u>41,254,300</u>	<u>39,348,147</u>	<u>1,906,153</u>
Net Change in Fund Balances	(2,988,300)	(2,988,300)	2,229,159	1,405,153
Fund Balances--Beginning	<u>8,004,992</u>	<u>8,004,992</u>	<u>8,004,992</u>	<u>-</u>
Fund Balances--Ending	<u><u>\$ 5,016,692</u></u>	<u><u>\$ 5,016,692</u></u>	<u><u>\$ 10,234,151</u></u>	<u><u>\$ 1,405,153</u></u>

COMPLIANCE SCHEDULES

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT PROPERTY TAXES RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2012**

LAST TEN YEARS ENDED JUNE 30	TAX RATES		NET ASSESSED/ APPRAISED VALUE	BEGINNING	CURRENT
	MAINTENANCE	DEBT SERVICE	FOR SCHOOL	BALANCE	YEAR'S
			TAX PURPOSES	7/1/11	TOTAL LEVY (1)
2003 and prior years	VARIOUS	VARIOUS	VARIOUS	\$ 10,323,701	
2004	1.5000	0.1580	17,370,553,451	1,780,792	
2005	1.5000	0.1580	18,601,738,084	1,564,534	
2006	1.5000	0.1540	19,683,317,731	1,752,351	
2007	1.3700	0.1440	21,903,297,019	1,794,157	
2008	1.0400	0.1500	24,104,551,995	1,711,723	
2009	1.0400	0.2170	24,954,443,444	2,575,755	
2010	1.0400	0.2820	25,717,744,800	3,700,079	
2011	1.0400	0.2820	25,904,294,507	11,578,242	
2012	1.0400	0.2820	26,569,371,350	-	335,782,368
				<u>\$ 36,781,334</u>	<u>\$ 335,782,368</u>
County Education District Taxes Receivable				<u>\$ 508,084</u>	<u>\$ -</u>

- (1) Current year's total levy is net of \$15,739,909 for levy loss due to frozen taxes on "over-65" accounts.
(2) Of the total collections, \$4,516,573 were remitted to the Tax Increment Financing District under Chapter 311, Tax Code.
(3) Amounts are net of settlement of overpayments.

EXHIBIT J-1

MAINTENANCE TOTAL COLLECTIONS (2)	DEBT SERVICE TOTAL COLLECTIONS	ENTIRE YEAR'S ADJUSTMENTS	ENDING BALANCE 6/30/12	MAINTENANCE BALANCE 6/30/12	DEBT SERVICE BALANCE 6/30/12
\$ 184,973	\$ 22,788	\$ (655,151)	\$ 9,460,789	\$ 8,420,101	\$ 1,040,688
57,832	6,091	(18,240)	1,698,629	1,528,766	169,863
64,535	6,797	(17,999)	1,475,203	1,327,683	147,520
126,142	12,950	(17,829)	1,595,430	1,451,841	143,589
186,419	19,594	16,362	1,604,506	1,444,055	160,451
222,882	32,146	21,000	1,477,695	1,285,595	192,100
337,052	70,327	(83,797)	2,084,579	1,730,201	354,378
595,498	161,471	(455,023)	2,488,087	1,965,589	522,498
6,157,902	1,669,737	(488,696)	3,261,907	2,576,907	685,000
<u>256,182,094</u>	<u>69,464,747</u>	<u>3,081,234</u>	<u>13,216,761</u>	<u>10,441,241</u>	<u>2,775,520</u>
<u>\$ 264,115,329</u>	<u>\$ 71,466,648</u>	<u>\$ 1,381,861</u>	<u>\$ 38,363,586</u>	<u>\$ 32,171,979</u>	<u>\$ 6,191,607</u>
<u>\$ 15,473</u>	<u>\$ -</u>	<u>\$ (11,785)</u>	<u>\$ 480,826</u>		
			<u>\$ 38,844,412</u>		

Fort Worth Independent School District

Statistical Section Overview

(Unaudited)

The statistical section is organized in five sections:

- Financial Trends – Compiles information reported in the Comprehensive Annual Report over the past ten years (2003 - 2012) as a result of the implementation of GASB 34 reporting. Information for Government Wide statements dates back to 2002 when the District implemented. These schedules report how the District's financial position has changed over time.
- Revenue Capacity Information – Provides information regarding the District's major own source revenue (property taxes) and the stability/growth of that revenue for the past ten year period.
- Debt Capacity Information – Provides information on the District's outstanding debt, the District's ability to repay the debt, and its ability to issue additional debt, if needed, for the past ten years, where applicable.
- Demographic and Economic Information – Provides information regarding the District's socioeconomic environment; specifically, its taxpayers, employers, and the changes to those groups over the past ten years, if available.
- Operating Information – Provides information on the District's employees, operations of the District, and facilities for the period stated in the reports.





FINANCIAL TRENDS



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
NET ASSETS BY COMPONENT
FISCAL YEAR END JUNE 30, 2012
LAST TEN FISCAL PERIODS (UNAUDITED)
(AMOUNTS IN THOUSANDS - ACCRUAL BASIS OF ACCOUNTING)**

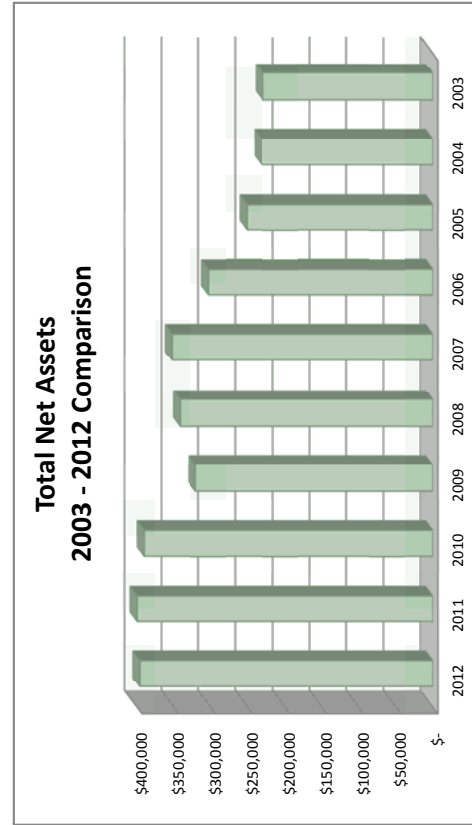
TABLE I

FORT WORTH INDEPENDENT SCHOOL DISTRICT

Net Assets by Component
Fiscal Year End June 30, 2011
Last Ten Fiscal Periods (Unaudited)
(Amounts in thousands - Accrual basis of accounting)

TABLE I

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental activities			Ten Month Period							
Invested in capital assets, net of related debt	\$ 207,687	\$ 198,971	\$ 280,439	\$ 168,230	\$ 145,314	\$ 152,916	\$ 161,831	\$ 138,992	\$ 137,704	\$ 137,187
Restricted for										
Debt service	28,938	27,193	28,121	15,759	18,425	16,911	15,075	10,971	9,717	13,038
Unrestricted	148,802	165,059	74,918	130,782	170,713	174,261	118,661	94,639	78,095	74,293
Total governmental net assets	385,427	391,223	383,478	314,771	334,452	344,088	295,567	244,602	225,516	224,518
Business-type activities										
Invested in capital assets, net of related debt	428	449	624	596	449	196	1	8	78	120
Restricted for										
Food service	9,806	7,556	5,896	4,246	5,571	7,238	6,563	5,598	4,967	4,532
Total business-type net assets	10,234	8,005	6,520	4,842	6,020	7,434	6,564	5,606	5,045	4,652
Total primary government	208,115	199,420	281,063	168,826	145,763	153,112	161,832	139,000	137,782	137,307
Invested in capital assets, net of related debt										
Restricted for										
Debt service	28,938	27,193	28,121	15,759	18,425	16,911	15,075	10,971	9,717	13,038
Food service	9,806	7,556	5,896	4,246	5,571	7,238	6,563	5,598	4,967	4,532
Unrestricted	148,802	165,059	74,918	130,782	170,713	174,261	118,661	94,639	78,095	74,293
Total net assets	\$ 395,661	\$ 399,228	\$ 389,998	\$ 319,613	\$ 340,471	\$ 351,522	\$ 302,131	\$ 250,208	\$ 230,561	\$ 229,170



Variance Check Completed \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$235.00 \$3,876.00 (\$1,176.00) (\$4,653.00) \$197,823.00

TABLE II

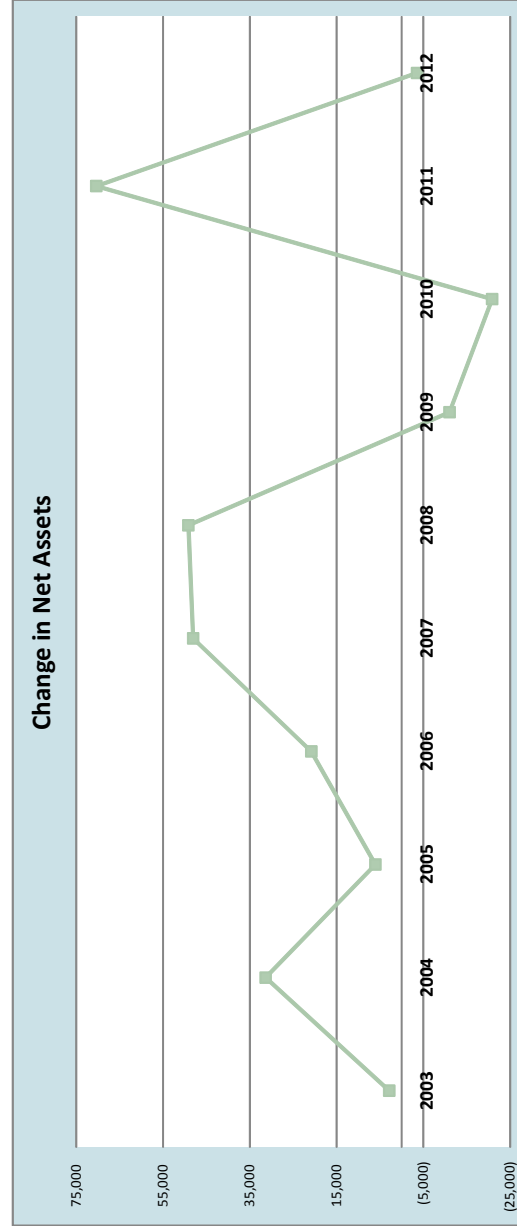
**FORT WORTH INDEPENDENT SCHOOL DISTRICT
GOVERNMENT WIDE EXPENSES, PROGRAM REVENUES, AND CHANGES IN NET ASSETS
FISCAL YEAR END JUNE 30, 2012
LAST TEN FISCAL PERIODS (UNAUDITED)
(ACCRUAL BASIS OF ACCOUNTING)**

	Ten Month Period									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses										
Governmental activities:										
11 Instruction	\$ 448,284,972	\$ 442,850,604	\$ 416,013,524	\$ 412,109,651	\$ 387,636,765	\$ 349,241,656	\$ 354,525,809	\$ 333,712,398	\$ 333,567,750	\$ 334,354,691
12 Instructional resources and media	11,840,542	11,855,022	10,820,285	13,063,154	11,855,870	11,834,531	14,673,562	10,457,163	12,387,384	11,282,832
13 Curricular development and										
instructional staff development	33,349,009	34,286,643	33,549,560	37,610,900	31,099,018	26,800,783	14,244,072	13,857,446	16,203,661	15,117,601
instructional leadership	12,875,154	13,492,448	12,452,433	13,971,637	14,688,568	11,761,820	13,906,315	13,857,526	13,708,468	13,259,421
23 School leadership	47,151,357	45,692,357	41,837,738	44,987,091	42,210,410	41,272,888	36,655,619	35,360,470	36,327,952	35,343,567
31 Guidance, counseling, and evaluation	33,614,646	34,772,303	33,509,257	32,900,588	29,511,449	28,730,856	26,810,288	25,653,138	26,642,330	25,819,737
32 Social work services	4,739,025	4,471,197	4,215,271	4,794,441	4,256,897	4,104,908	4,104,406	4,493,672	4,031,790	3,988,716
33 Health services	7,941,014	7,719,587	7,462,124	7,946,417	7,304,766	6,870,622	6,487,106	6,659,600	6,693,449	6,550,041
34 Student (pupil) transportation	19,508,064	20,464,495	17,960,245	18,647,457	20,855,849	16,704,755	18,562,336	17,285,968	17,795,972	17,990,757
35 Food services	381,092	285,014	383,804	1,099,059	244,405	537,243	530,193	569,236	660,430	1,127,037
36 Co-curricular/Extracurricular activities	10,294,101	9,795,122	7,903,641	9,296,197	9,191,708	8,751,072	7,417,263	7,469,916	7,541,603	7,495,540
41 General administration	17,414,127	16,532,979	13,753,454	16,402,724	16,287,335	13,762,084	13,305,053	13,872,653	14,755,614	14,810,124
51 Plant maintenance and operations	71,358,412	79,385,647	65,051,064	75,244,237	75,128,938	66,521,403	66,321,130	63,974,837	67,027,768	57,805,138
52 Security and monitoring services	11,061,778	11,673,495	10,474,140	12,222,536	11,580,746	10,351,168	9,894,992	11,971,769	12,186,926	11,360,517
53 Data processing services	9,806,905	12,664,057	8,081,212	11,719,018	12,907,473	8,459,265	11,199,162	5,468,530	6,376,501	5,039,774
61 Community services	5,254,488	5,744,673	5,545,763	5,800,636	7,158,339	6,775,556	6,550,334	6,779,526	6,538,112	6,176,782
71 Debt Service	31,923,897	32,499,136	24,898,870	32,175,930	16,024,902	18,384,592	17,650,904	20,058,045	21,976,860	21,952,608
81 Facilities acquisition and construction	-	-	-	1,669,919	132,590	331,106	678,059	2,433,001	6,946,055	7,092,269
93 Payments to Fiscal Agent	113,848	72,486	86,378	101,486	141,039	-	-	-	-	-
95 Payments to Juvenile Justice Alternative Education Programs	-	-	-	-	-	-	-	-	-	-
97 Payments to Tax Incremental Fund	248,250	195,250	236,375	223,375	228,225	62,170	170,610	267,741	283,116	180,287
99 Other Intergovernmental Charges	4,516,572	4,298,005	4,473,705	3,988,455	3,201,835	3,195,443	2,836,851	1,910,051	2,582,813	1,716,780
2,064,703	1,482,799	1,564,635	-	-	-	-	-	-	-	-
Total government activities expenses	763,741,956	790,233,319	720,273,478	755,974,908	701,647,127	634,453,921	626,523,064	598,112,686	614,234,554	598,464,219
Business-Type Activities										
Food services	39,348,147	36,372,396	32,808,928	33,868,257	33,565,119	29,547,221	29,151,357	28,877,900	27,131,906	26,636,230
Instruction	39,348,147	36,372,396	32,808,928	33,868,257	33,565,119	29,547,221	29,151,357	28,877,900	27,131,906	26,636,230
Total Business-Type Activities	78,696,294	72,744,792	65,617,856	67,736,514	67,130,238	59,094,442	58,302,714	57,755,800	54,263,812	53,272,460
Total Primary Government Expenses	823,080,103	826,605,715	785,891,334	823,711,422	768,777,365	693,548,363	684,825,778	655,868,486	641,366,460	625,100,449
Program Revenues										
Governmental Activities										
Charges for services	-	-	-	-	-	-	-	-	-	-
Health Services	925,122	820,636	486,381	677,158	478,761	551,865	532,132	510,206	461,274	506,879
Extracurricular activities	5,629,412	5,181,878	4,357,210	5,250,720	5,976,475	1,841,667	131,632	545,250	582,884	677,013
Instruction	-	-	-	526,794	-	-	-	211,258	275,854	558,984
Other	-	-	-	-	-	-	-	-	-	-
Grants and contributions										
Instruction	102,626,098	118,680,765	127,041,644	77,034,851	70,207,216	71,139,826	84,603,240	69,183,373	68,964,010	72,510,729
Food service	126,267	75,104	42,991	860,117	81,736	3,797	304,100	305,254	329,071	798,167
Other	58,960,606	81,079,968	64,761,924	55,796,087	58,851,680	54,527,526	65,506,703	49,507,906	52,154,561	51,429,497
Business-Type Activities										
Charges for Services	4,679,465	4,680,469	5,248,371	5,653,966	5,833,544	5,152,344	5,512,378	5,365,723	5,691,525	5,672,275
Operating grants and contributions	36,892,920	33,172,701	29,227,972	26,993,020	26,183,832	24,715,921	24,347,953	23,957,475	21,427,214	20,906,473
Total primary government program revenues	209,439,890	243,691,521	231,166,493	172,752,713	167,613,244	161,376,884	189,023,744	150,343,466	151,689,024	153,060,017
Net (Expense) Revenue										
Governmental Activities	(615,874,451)	(584,394,968)	(523,583,328)	(615,869,181)	(566,051,259)	(602,945,302)	(467,359,651)	(477,092,418)	(489,864,269)	(471,982,950)
Business Type Activities	2,224,238	1,480,774	1,667,415	(1,547,743)	(1,547,743)	321,044	708,974	445,298	(13,167)	(57,482)
Total Primary Government	\$ (613,650,213)	\$ (582,914,194)	\$ (521,915,913)	\$ (617,090,452)	\$ (567,599,002)	\$ (602,624,258)	\$ (466,650,677)	\$ (476,647,120)	\$ (489,877,436)	\$ (472,040,432)

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
GENERAL REVENUES AND TOTAL CHANGE IN NET ASSETS
FISCAL YEAR END JUNE 30, 2012
LAST TEN FISCAL PERIODS (UNAUDITED)
(ACCRUAL BASIS OF ACCOUNTING)**

TABLE III

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Net (Expense)/Revenue			Ten Month Period 2010							
Total primary government net expense	\$ (613,650,213)	\$ (582,914,194)	\$ (521,915,913)	\$ (617,090,452)	\$ (567,599,002)	\$ (502,624,258)	\$ (466,650,677)	\$ (476,647,120)	\$ (489,677,436)	\$ (472,040,432)
General Revenues										
Property taxes - Maintenance & Operations	268,749,766	263,863,223	272,419,517	266,895,545	243,217,453	296,436,870	292,191,348	271,046,254	259,413,739	242,467,193
Property taxes - Debt Service	72,610,065	70,221,764	73,168,114	52,131,038	35,289,258	31,081,895	30,294,698	28,564,334	24,523,786	33,213,277
County Education District Taxes	-	-	-	-	-	-	-	-	138,465	78,326
State aid-formula grants	262,168,999	254,269,944	241,206,214	256,063,843	257,954,089	205,147,831	178,150,941	186,887,291	203,561,213	213,807,306
Other Grants and contributions	-	-	-	1,274,448	-	-	-	-	-	2,312,360
Investment earnings	712,887	1,108,918	2,010,970	7,366,983	13,255,462	14,352,727	10,081,487	4,876,116	2,858,890	6,319,199
Miscellaneous	5,836,950	2,676,109	3,485,331	12,454,825	6,539,155	4,447,359	3,729,276	6,180,748	2,302,456	5,130,024
Special item-gain on sale of property	-	-	-	-	159,616	-	-	-	2,327,890	-
Capital Contributions	-	-	-	-	-	-	-	-	188,000	-
Total General revenues	610,078,667	592,139,958	592,290,146	596,183,682	556,415,033	551,466,682	514,447,750	497,354,743	495,314,439	503,327,685
Business-type activities										
Investment earnings	4,921	4,388	10,456	43,601	133,377	313,357	249,613	115,735	362,779	60,059
Miscellaneous	-	-	-	-	-	-	-	-	43,902	-
Total Business-type activities	4,921	4,388	10,456	43,601	133,377	313,357	249,613	115,735	406,681	60,059
Total Primary Government	610,083,588	592,144,346	592,300,602	596,232,283	556,548,410	551,780,039	514,697,363	497,470,478	495,721,120	503,387,744
Change in Net Assets	\$ (3,566,625)	\$ 9,230,152	\$ 70,384,689	\$ (20,858,169)	\$ (11,050,592)	\$ 49,155,781	\$ 48,046,686	\$ 20,823,358	\$ 6,043,684	\$ 31,347,312

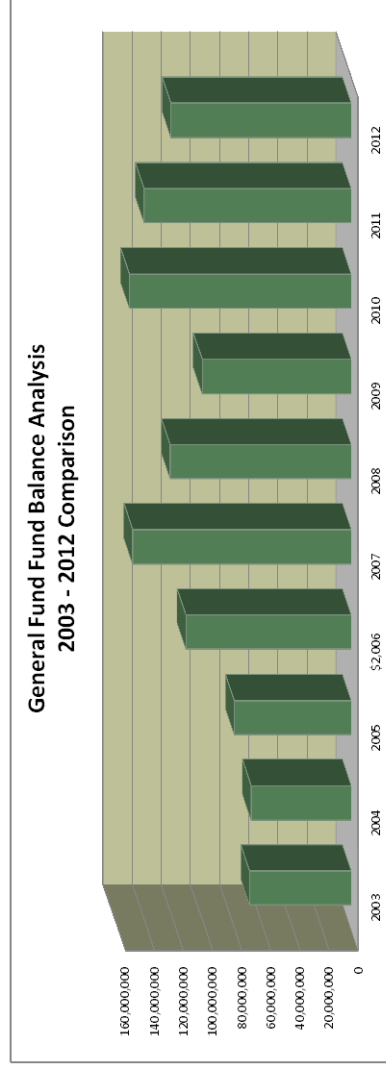


**FORT WORTH INDEPENDENT SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS
FISCAL YEAR END JUNE 30, 2012
LAST TEN FISCAL PERIODS (UNAUDITED)
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

TABLE IV

	GASB 54 2012	GASB 54 2011	Ten Month Period 2010		2009	2008	2007	2006	2005	2004	2003
General Fund											
Reserved	\$ -	\$ -	\$ 6,057,686	\$ 7,067,937	\$ 5,196,642	\$ 7,187,419	\$ 4,827,539	\$ 3,063,669	\$ 4,275,759	\$ 6,484,743	
Unreserved Designated	-	-	11,123,707	11,123,707	12,122,295	42,197,217	28,711,512	16,272,490	20,497,017	13,239,475	
Unreserved Undesignated	-	-	135,598,053	84,327,076	107,130,012	101,058,082	80,000,000	61,263,178	44,662,133	50,239,998	
Non-Spendable	1,149,890	1,149,891	-	-	-	-	-	-	-	-	
Spendable	-	-	-	-	-	-	-	-	-	-	
Restricted	-	-	-	-	-	-	-	-	-	-	
Committed	35,677,295	35,677,295	-	-	-	-	-	-	-	-	
Assigned	87,114,655	105,777,356	-	-	-	-	-	-	-	-	
Unassigned	-	-	-	-	-	-	-	-	-	-	
Total General fund	123,941,841	142,544,542	152,679,446	102,518,720	124,448,949	150,442,718	113,539,051	80,599,337	68,834,909	69,964,216	
Other Governmental Funds											
Reserved, reported in											
Debt Service Fund	-	-	35,271,180	15,064,172	16,056,162	14,024,258	12,872,108	10,971,129	9,717,025	8,252,814	
Capital Projects Fund	-	-	239,195,645	341,094,563	225,236,784	549,562	3,967,464	1,175,141	14,620,207	65,077,857	
Unreserved, Undesignated, reported in											
Non-major Special Revenue Funds	-	-	4,531,249	4,044,218	4,832,583	1,691,423	1,612,405	1,448,113	2,109,190	2,003,401	
Spendable	-	-	-	-	-	-	-	-	-	-	
Restricted	-	-	-	-	-	-	-	-	-	-	
Special Revenue Funds	2,276,743	2,882,174	-	-	-	-	-	-	-	-	
Retirement of Long Term Debt	36,998,379	36,284,791	-	-	-	-	-	-	-	-	
Construction	57,500,542	137,357,311	-	-	-	-	-	-	-	-	
Committed	-	-	-	-	-	-	-	-	-	-	
Campus Activity Funds	2,035,504	1,773,365	-	-	-	-	-	-	-	-	
Total other governmental funds	98,724,168	178,267,641	278,988,074	360,202,943	246,125,529	16,265,233	18,451,977	13,584,383	26,446,422	75,334,072	
Total Governmental Funds	\$ 222,666,009	\$ 320,812,183	\$ 431,677,520	\$ 462,721,663	\$ 370,574,478	\$ 166,707,951	\$ 131,991,028	\$ 94,193,720	\$ 95,281,331	\$ 145,288,288	

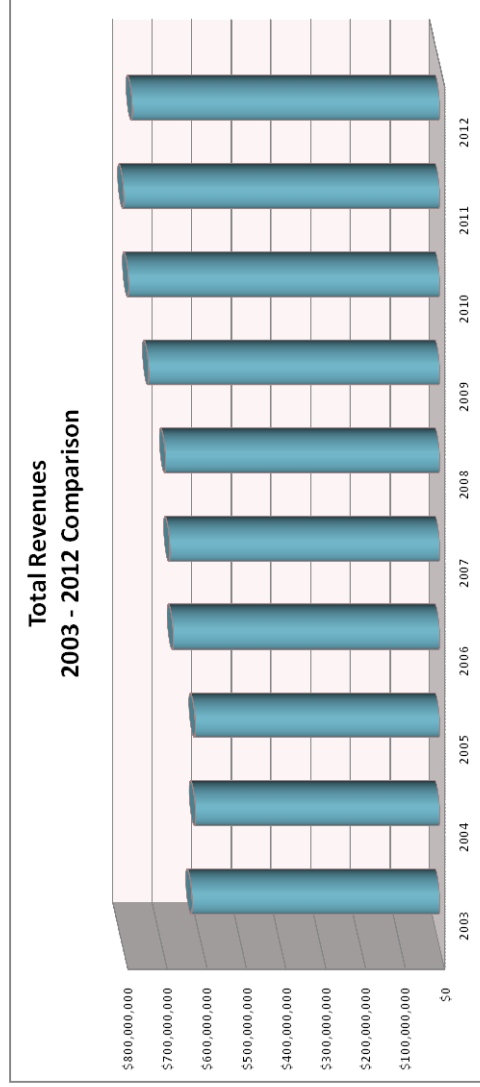
Note: The District adopted the provisions of GASB 54 in 2011. Therefore, the fund balances beginning in 2011 conform with GASB 54.



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS REVENUES
FISCAL YEAR END JUNE 30, 2012
LAST TEN FISCAL PERIODS (UNAUDITED)
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

TABLE V

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Federal sources:										
Federal source revenue	\$ 12,827,364	\$ 8,984,852	\$ 4,433,692	\$ 2,871,992	\$ 1,928,084	\$ 2,960,078	\$ 4,060,264	\$ 4,322,946	\$ 5,359,702	\$ 6,283,095
Other revenue	10,265,878	10,633,099	3,254,554	1,800,919	865,131	2,871,887	7,798,081	932,241	2,108,429	217,569
Through state agencies	89,107,897	131,899,573	143,777,299	82,434,150	71,060,997	71,725,684	86,194,615	55,402,064	51,537,439	47,291,964
Total federal sources	112,201,139	151,527,524	151,465,545	87,107,061	73,854,212	77,557,649	98,052,960	60,657,251	59,005,570	53,792,618
State sources:										
Per capita and foundation	262,988,221	258,883,536	241,074,051	257,015,337	267,031,124	206,888,200	184,639,048	198,635,529	215,927,928	243,826,671
Other state revenue	44,149,211	40,718,479	39,243,865	44,908,603	45,097,882	46,478,440	48,693,507	42,326,331	45,656,838	40,433,103
Total state sources	307,137,432	299,602,015	280,317,916	301,923,940	312,129,006	253,366,640	233,332,555	241,161,860	261,584,766	284,259,774
Local sources:										
Local maintenance and debt service tax	341,570,639	334,084,987	339,596,772	317,768,810	278,913,263	327,518,765	322,486,046	299,610,588	283,937,525	275,680,470
Interest	712,892	1,108,918	5,335,520	7,412,644	13,255,463	14,103,114	10,081,487	4,876,116	2,858,890	2,004,523
Revenue from intermediate sources	15,539,929	12,347,007	9,599,232	20,624,181	14,102,169	8,841,041	8,579,448	11,534,438	9,782,552	9,771,028
Total local sources	357,823,460	347,540,912	354,530,524	346,025,635	306,270,895	350,462,920	341,146,981	316,021,142	296,576,967	287,456,021
Total revenues	\$ 777,162,031	\$ 798,670,451	\$ 786,313,985	\$ 735,056,636	\$ 692,254,113	\$ 681,387,209	\$ 672,732,596	\$ 617,840,253	\$ 617,169,303	\$ 625,508,413



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
FISCAL YEAR END JUNE 30, 2012
LAST TEN FISCAL PERIODS (UNAUDITED)
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

TABLE VI

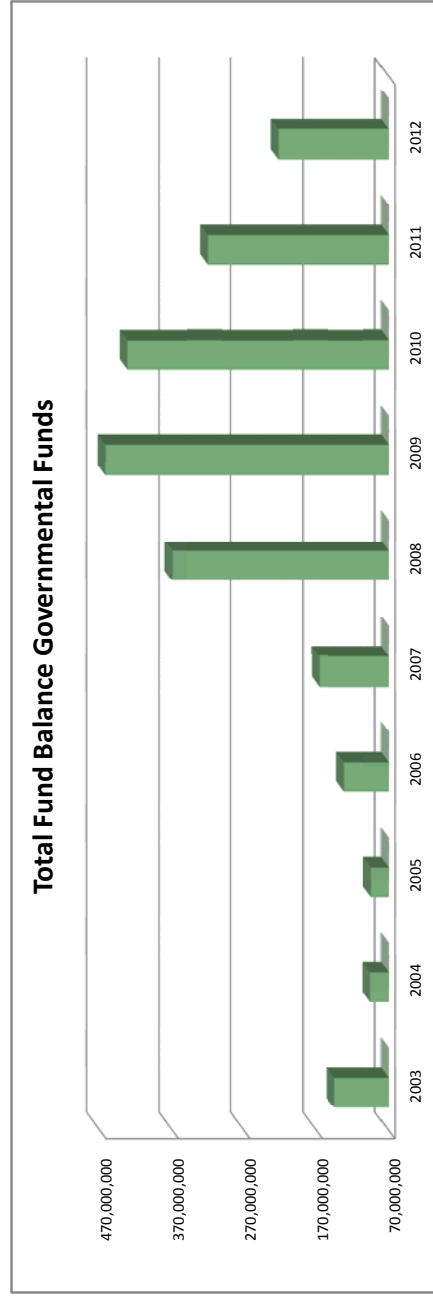
	Ten Month Period									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Non-Capital Operational Expenditures										
Instruction	\$ 431,551,211	\$ 428,887,458	\$ 398,435,817	\$ 395,858,019	\$ 378,886,698	\$ 341,220,538	\$ 345,713,732	\$ 325,613,655	\$ 322,889,937	\$ 329,509,812
Instruction resources and media services	11,421,454	11,481,231	10,283,180	12,823,441	11,467,214	11,674,438	14,526,400	10,310,386	12,441,849	10,927,929
Curriculum and staff development	32,001,701	33,205,580	32,376,515	36,282,859	30,367,497	26,100,621	13,823,252	15,401,367	15,575,771	15,094,994
Instructional Leadership	12,349,308	13,067,028	11,885,749	13,400,957	14,321,987	11,467,855	13,561,053	13,497,456	13,150,517	12,822,202
School leadership	45,248,425	44,251,670	39,720,431	43,146,137	41,260,921	40,258,283	35,825,691	34,550,656	34,097,872	34,097,872
Guidance, counseling, and evaluation services	32,245,885	33,675,927	31,865,701	31,631,814	29,052,762	28,021,788	26,640,220	25,439,995	26,525,179	26,162,190
Social work services	4,541,456	4,350,219	4,011,205	4,621,381	4,151,024	3,996,378	4,005,443	4,383,079	3,864,036	3,885,862
Health services	7,621,164	7,476,187	7,085,548	7,032,810	7,136,378	6,704,197	6,328,002	6,501,258	6,409,049	6,322,320
Student Transportation	23,845,181	19,819,246	19,890,725	18,885,168	24,841,291	19,929,434	18,283,493	17,011,254	19,216,985	18,086,202
Food service	310,500	276,027	253,586	758,793	317,771	854,965	514,548	552,541	635,091	1,093,810
Cocurricular/Extracurricular activities	9,903,083	9,486,280	7,538,794	9,596,130	8,991,424	8,514,965	7,286,065	7,374,535	7,385,375	7,250,300
General administration	14,209,758	16,011,692	11,687,843	15,831,234	15,899,138	13,559,827	13,028,320	12,045,520	12,221,966	12,753,086
Plant maintenance and operations	68,771,961	76,882,605	63,686,581	72,880,787	74,018,594	67,139,422	65,017,738	62,831,601	64,489,602	55,855,033
Security and monitoring services	10,645,445	11,305,428	9,983,762	11,772,161	11,290,085	10,215,139	9,701,246	11,694,026	11,662,446	10,958,470
Data processing services	9,926,664	12,264,757	10,560,252	13,408,139	18,503,590	9,466,235	11,175,270	5,615,504	7,032,897	5,178,536
Community services	5,274,673	5,563,541	5,519,311	5,754,433	7,186,616	6,810,008	6,603,625	6,835,166	6,490,120	6,135,934
Total non-capital operational expenditures	719,867,869	727,984,876	662,795,000	693,684,263	677,692,990	605,392,667	592,034,098	559,658,099	564,768,792	556,134,552
Intergovernmental										
Contracted instructional services between public schools										
Incremental costs associated with Chapter 41	113,848	72,486	86,378	101,486	141,039					
Payments to juvenile justice alternative ed. program	248,250	195,250	236,375	223,375	228,225	62,170	170,610	267,741	283,116	180,287
Payments to Tax Increment Fund	4,516,572	4,298,005	4,473,705	3,968,456	3,201,835	3,195,443	2,836,861	1,910,051	2,582,813	1,716,780
Other Intergovernmental Charges (See Note)	2,064,703	1,482,799	1,564,635							
Total intergovernmental	6,943,373	6,048,540	6,361,093	4,313,316	3,571,099	3,257,613	3,007,461	2,177,792	2,865,929	1,897,067
Capital Outlay										
Facilities acquisition/construction	72,922,661	233,691,093	125,554,304	72,599,476	11,824,948	2,751,036	1,661,717	15,751,162	54,118,456	96,931,535
Total capital outlay	72,922,661	233,691,093	125,554,304	72,599,476	11,824,948	2,751,036	1,661,717	15,751,162	54,118,456	96,931,535
Debt Service										
Principal	40,620,000	37,430,000	38,450,000	23,943,500	18,797,629	22,397,221	16,790,924	21,610,601	20,429,690	26,047,370
Interest and fiscal charges	34,442,944	34,034,945	15,450,063	36,738,318	22,805,602	20,503,165	25,078,204	21,340,467	22,243,519	20,394,957
Total debt service expenditures	75,062,944	71,464,945	53,900,063	60,681,818	41,603,231	42,900,386	41,869,128	42,951,068	42,673,209	46,442,327
Total expenditures	874,796,847	1,039,189,454	848,610,460	831,278,873	734,692,268	654,301,702	638,572,404	620,538,121	664,416,386	701,405,481
Total Expenditures less expenditures for capital outlay	\$ 801,874,186	\$ 805,498,361	\$ 723,056,156	\$ 758,679,397	\$ 722,867,320	\$ 651,550,666	\$ 636,910,667	\$ 604,786,959	\$ 610,297,930	\$ 604,473,946
Debt service as a percentage of noncapital expenditures	9.4%	8.9%	7.5%	8.0%	5.8%	6.6%	6.6%	7.1%	7.0%	7.7%

Note: Other Governmental Charges, Function 99, was used for the first time for the 2010 reporting period for fees to Tarrant Appraisal District. Previously, these were in Function 41.

TABLE VII

FORT WORTH INDEPENDENT SCHOOL DISTRICT
 OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES FOR GOVERNMENTAL FUNDS
 FISCAL YEAR END JUNE 30, 2012
 LAST TEN FISCAL PERIODS (UNAUDITED)
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Excess (deficiency) of revenues over (under) expenditures	\$ (97,634,816)	\$ (240,519,003)	\$ (62,296,475)	\$ (96,222,237)	\$ (42,438,155)	\$ 27,085,507	\$ 34,160,192	\$ (2,697,868)	\$ (47,247,083)	\$ (75,897,068)
Other Financing Sources (Uses)										
Bonds issued	-	146,215,000	31,600,000	176,755,000	231,225,000	112,339,995	-	117,235,000	-	14,485,000
Proceeds from capital leases	-	-	-	-	-	6,700,000	-	-	366,825	1,746,775
Proceeds from maintenance tax notes	-	-	-	-	-	333,527	85,488	1,573,472	1,925,000	-
Sale of real or personal property	-	-	-	-	-	2,437,564	4,000,000	74,250	1,872,389	103,401
Transfers in	-	-	-	-	501,553	7,141,878	-	-	-	-
Premium (discount) on issuance of bonds	-	13,575,678	14,044,936	18,348,620	18,348,620	7,141,878	-	12,539,462	-	505,991
Transfers out	-	(277,842)	(275,514)	(685,912)	(685,912)	(2,774,543)	(4,299,407)	(151,952)	-	-
Payment to bond refunding escrow agent (use)	-	(29,859,170)	(2,155,000)	(118,529,575)	(6,813,897)	(118,529,575)	1,150,589	(129,663,453)	(8,696,593)	(14,856,139)
Other sources (uses)	-	-	-	-	(17,430)	3,478	-	-	1,762,505	-
Total other financing sources (uses)	(511,358)	129,653,666	31,252,332	188,369,422	242,575,364	7,631,416	936,670	1,610,257	(2,769,874)	1,985,028
Special item - Proceeds from Sale of Land	-	-	-	-	3,729,318	-	-	-	-	-
Special item - Prior Period Adjustment	(98,146,174)	(110,865,337)	(31,044,143)	92,147,185	203,866,527	34,716,923	2,700,446	(1,087,611)	(50,016,957)	(73,912,040)
Net change in fund balances	320,812,183	431,677,520	462,721,663	370,574,478	166,707,951	131,991,028	94,193,720	95,281,331	145,298,288	219,210,328
Beginning Fund Balance	\$ 222,666,009	\$ 320,812,183	\$ 431,677,520	\$ 462,721,663	\$ 370,574,478	\$ 166,707,951	\$ 131,991,028	\$ 94,193,720	\$ 95,281,331	\$ 145,298,288





REVENUE CAPACITY INFORMATION



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 FISCAL YEAR END JUNE 30, 2012
 LAST TEN FISCAL PERIODS (UNAUDITED)
 (AMOUNTS IN THOUSANDS)**

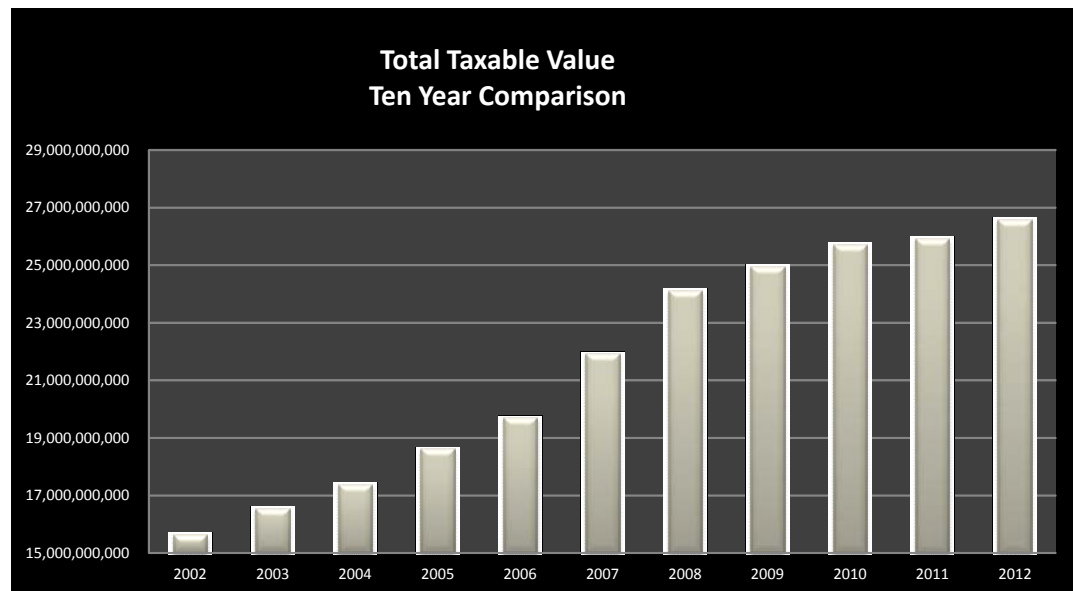
TABLE VIII

Fiscal Year	Tax Year	Actual Value					Less: Exemptions	Total Taxable Value	Total Direct Rate
		Real Property			Personal Property				
		Commercial	Residential	Other	Commercial	Industrial			
2002	2001	\$ 13,789,741,408	\$ -	\$ -	\$ 3,874,752,105	\$ -	\$ 2,026,849,836	15,637,643,677	1.6411
2003	2002	14,687,217,847	-	-	3,946,078,282	-	2,100,053,206	16,533,242,923	1.6858
2004	2003	15,655,094,799	-	-	3,854,883,860	-	2,139,425,208	17,370,553,451	1.6580
2005	2004	16,797,492,079	-	-	4,012,451,002	-	2,208,204,997	18,601,738,084	1.6580
2006	2005	18,057,120,063	-	-	4,019,368,633	-	2,393,170,965	19,683,317,731	1.6540
2007	2006	20,046,813,455	-	-	4,383,505,474	-	2,527,021,910	21,903,297,019	1.5140
2008	2007	11,468,862,098	13,717,489,900	587,340,709	3,906,290,845	1,136,070,113	6,711,501,670	24,104,551,995	1.1900
2009	2008	12,082,262,061	14,895,297,711	761,392,165	4,233,058,272	1,170,131,708	8,187,698,473	24,954,443,444	1.2570
2010	2009	12,529,174,397	15,359,841,265	1,181,082,884	4,228,396,469	1,173,234,648	8,753,984,863	25,717,744,800	1.3220
2011	2010	12,114,756,116	15,042,732,814	1,349,929,435	3,885,919,416	1,127,548,366	7,616,591,640	25,904,294,507	1.3220
2012	2011	12,745,683,114	15,170,581,535	1,384,238,631	4,038,691,469	1,222,258,319	7,992,081,718	26,569,371,350	1.3220

Source: Tax reports obtained from Tarrant Appraisal District

Notes: Assessed Value = Actual Value

Tarrant Appraisal District did not differentiate real property between commercial, residential, and other until 2008. Likewise personal property was not broken down between commercial and industrial until 2008.

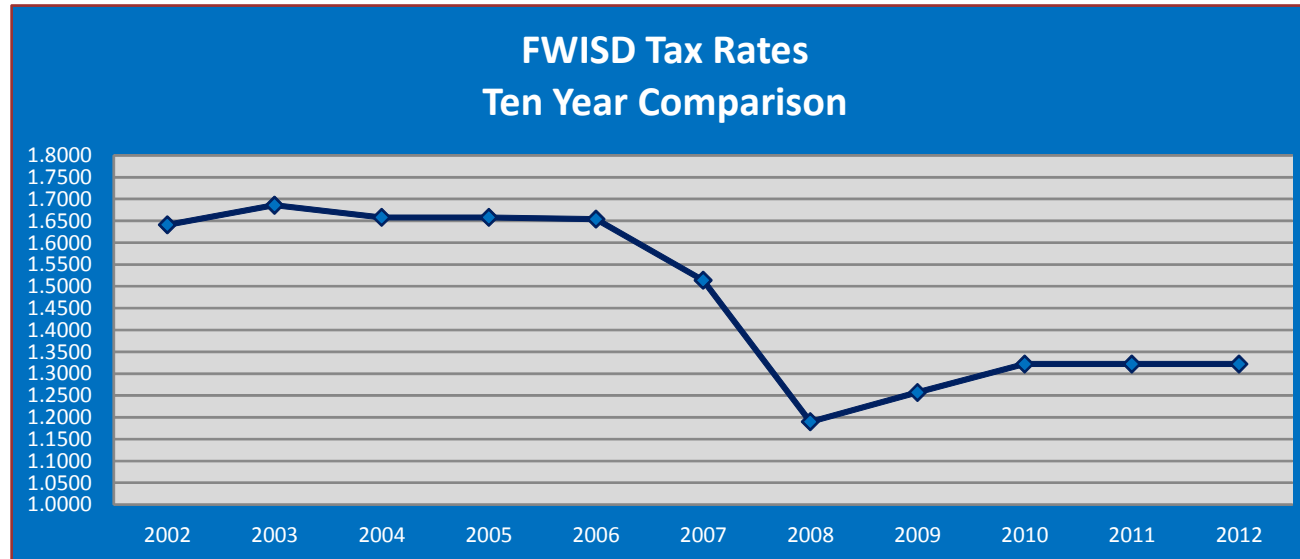


**FORT WORTH INDEPENDENT SCHOOL DISTRICT
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 FISCAL YEAR END JUNE 30, 2012
 LAST TEN FISCAL PERIODS (UNAUDITED)
 (RATE PER \$100 OF ASSESSED VALUE)**

TABLE IX

	FISCAL YEAR										
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Fort Worth ISD	1.3220	1.3220	1.3220	1.2570	1.1900	1.5140	1.6540	1.6580	1.6580	1.6858	1.6410
City of Arlington	0.6480	0.6480	0.6480	0.6480	0.6480	0.6480	0.6480	0.6480	0.6480	0.6340	0.6340
City of Benbrook	0.6575	0.6575	0.6575	0.6775	0.6975	0.7225	0.6770	0.7625	0.7625	0.7725	0.7725
City of Edgecliff Village	0.0286	0.2941	0.2941	0.3041	0.3141	0.3184	0.3284	0.2914	0.2876	0.2703	0.0259
City of Forest Hill	1.0600	1.0600	1.0600	0.9500	0.9500	0.9700	0.9700	0.9700	0.9700	0.9250	0.9250
City of Fort Worth	0.8550	0.8550	0.8550	0.8550	0.8550	0.8600	0.8650	0.8650	0.8650	0.8650	0.8650
City of Haltom	0.6517	0.6464	0.6464	0.5983	0.5983	0.5666	0.5578	0.5417	0.5210	0.4558	0.4558
City of Kendale	0.7225	0.7225	0.7225	0.7225	0.7225	0.7225	0.7225	0.7225	0.7325	0.7125	0.6925
Tarrant County	0.2640	0.2640	0.2640	0.2640	0.2665	0.2715	0.2725	0.2725	0.2725	0.2725	0.2748
Tarrant County Hospital	0.2279	0.2279	0.2279	0.2279	0.2304	0.2354	0.2354	0.2354	0.2354	0.2324	0.2341
Tarrant County College	0.1376	0.1376	0.1376	0.1380	0.1394	0.1394	0.1394	0.1394	0.1394	0.1394	0.0106
City of Westover	0.3519	0.3519	0.3519	0.3888	0.4156	0.4201	0.4448	0.5127	0.5203	0.5111	0.0503
City of White Settlement	0.6860	0.6860	0.6860	0.6137	0.6130	0.6130	0.6130	0.6169	0.6180	0.6150	0.6150

Note: The 79th Texas Legislature (HB1) decreased the maximum M&O Tax Rate without voter approval to \$1.37 in 2007 and \$1.04 in subsequent years (down from the previous \$1.50 cap).



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
FISCAL YEAR END JUNE 30, 2012
LAST TEN FISCAL PERIODS**

TABLE X

Fiscal Year	Original Taxes Levied for the Fiscal Year	Collected within the Year of Levy		Collections in subsequent years	Total Collections and cumulative adjustments to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2003	\$ 266,664,290	\$ 262,500,633	98.4%	\$ 4,641,341	\$ 267,141,974	100.18%
2004	274,852,060	274,360,266	99.8%	6,604,258	280,964,524	102.22%
2005	293,532,008	288,438,246	98.3%	6,965,251	295,403,497	100.64%
2006	309,982,014	310,128,704	100.0%	6,937,395	317,066,099	102.29%
2007	317,890,633	315,707,584	99.3%	5,695,757	321,403,341	101.11%
2008	278,185,294	269,121,423	96.7%	5,309,113	274,430,536	98.65%
2009	316,318,860	308,764,341	97.6%	4,955,862	313,720,203	99.18%
2010	342,775,191	329,528,539	96.1%	4,781,021	334,309,560	97.53%
2011	326,963,336	320,200,227	97.9%	10,672,420	330,872,647	101.20%
2012	335,782,368	325,646,841	97.0%	9,935,136	335,581,977	99.94%

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAX PAYERS (UNAUDITED)
 FISCAL YEAR END JUNE 30, 2012
 CURRENT YEAR AND NINE YEARS AGO**

TABLE XI

<u>Taxpayer</u>	<u>Tax Year of 2011</u>			<u>Tax Year of 2002</u>		
	<u>TAXABLE ASSESSSED VALUATION</u>	<u>Percent of Total Assessed Taxable Value</u>	<u>Rank</u>	<u>TAXABLE ASSESSSED VALUATION</u>	<u>Percent of Total Assessed Taxable Value</u>	<u>Rank</u>
Oncor Electric Delivery	\$ 209,233,337	0.81%	1			
Encana Oil and Gas (USA) Inc.	200,607,450	0.78%	2			
DDR/DTC City Investments LP Etal	197,509,897	0.77%	3			
Omni Fort Worth Partnership Lp	134,139,280	0.52%	4			
Southwestern Bell	128,364,691	0.50%	5			
Behringer Harvard Burnett Plz	124,104,381	0.48%	6			
Quicksilver Resources Inc	117,443,280	0.46%	7			
Chesapeake Operating (WI)	116,047,320	0.45%	8			
MS Crescent One SPL LLC	109,780,470	0.43%	9			
XTO Energy Inc	107,644,809	0.42%	10			
Texas Utilities Electric Co.				\$ 262,666,852	1.81%	1
Southern Bell				187,621,010	1.29%	2
Sprint Communications Co. Lp				136,906,888	0.94%	3
Tandy Corp.				127,735,175	0.88%	4
City Center Development Co.				124,037,845	0.85%	5
Albertson's Inc				121,499,976	0.84%	6
Miller Brewing Co				120,607,709	0.83%	7
Burnett Plaza Assoc.				82,093,017	0.57%	9
Alcon Laboratories Inc.				79,131,158	0.55%	8
Crescent Real Estate Funding				68,874,864	0.47%	10
TOTAL	\$ 1,444,874,915	5.62%		\$ 1,311,174,494	9.04%	

Source: Tax information obtained from Tarrant Appraisal District.

DEBT CAPACITY INFORMATION



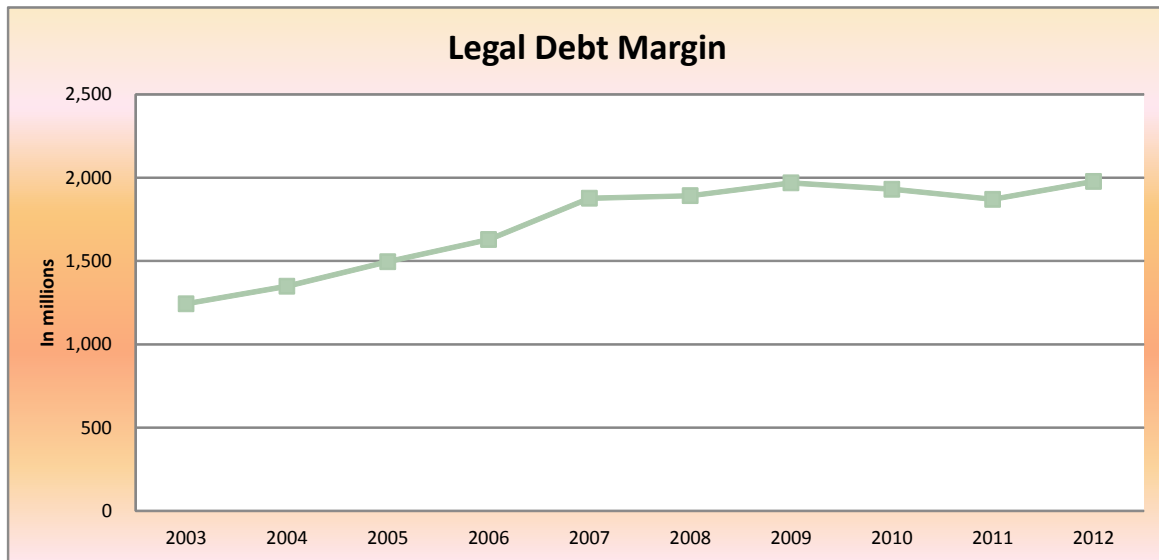
**FORT WORTH INDEPENDENT SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION (UNAUDITED)
 FISCAL YEAR END JUNE 30, 2012
 LAST TEN FISCAL PERIODS**

TABLE XII

	Assessed Value	Debt Limit (10% of assessed value) *	Total net debt applicable to limit	Legal Debt Margin	debt applicable to limit as a percent of Debt Limit
2003	\$ 15,637,643,677	\$ 1,653,324,292	\$ 409,862,081	\$ 1,243,462,211	25%
2004	16,533,242,923	1,737,055,345	388,474,050	1,348,581,295	22%
2005	17,370,553,451	1,860,173,808	364,620,624	1,495,553,184	20%
2006	18,601,738,084	1,968,331,773	339,804,735	1,628,527,038	17%
2007	19,683,317,731	2,190,329,702	313,451,106	1,876,878,596	14%
2008	21,903,297,019	2,410,455,200	518,284,800	1,892,170,400	22%
2009	24,104,551,995	2,638,439,851	669,933,290	1,968,506,561	25%
*2010	26,384,398,507	2,571,774,480	641,069,730	1,930,704,750	25%
2011	25,904,294,507	2,590,429,451	720,031,775	1,870,397,676	28%
2012	26,569,371,350	2,656,937,135	678,783,902	1,978,153,233	26%

*2010 was a ten month Period.

Source: Assessed Value from Tarrant County Appraisal District

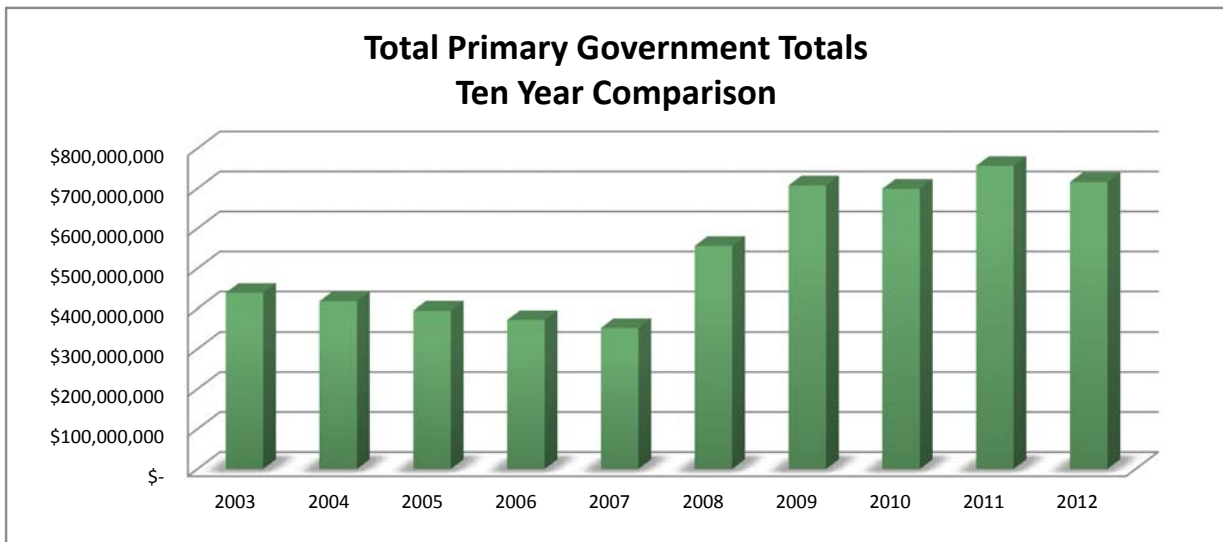
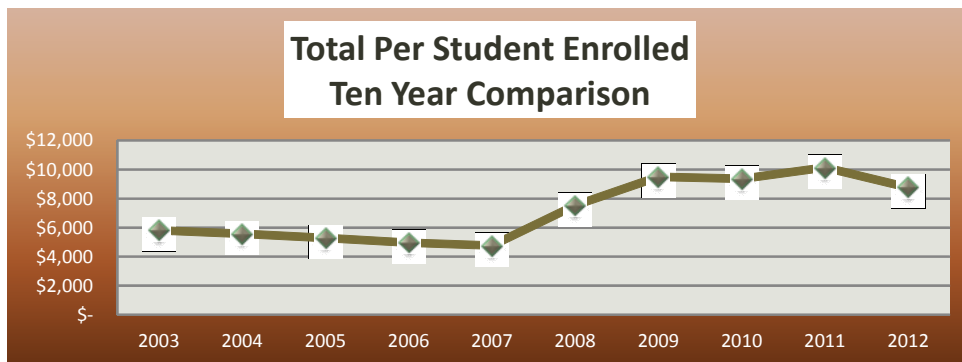


**FORT WORTH INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE (UNAUDITED)
FISCAL YEAR END JUNE 30, 2012
LAST TEN FISCAL PERIODS**

TABLE XIII

<u>Governmental Activities</u>					
Fiscal Year	Contractual Obligations	General Obligation Bonds	Capital Leases	Total Primary Government	Per Student Enrolled
2003	\$ -	\$ 418,114,895	\$ 1,586,547	\$ 438,667,127	5,822
2004	1,925,000	398,191,075	1,263,986	417,780,094	5,574
2005	1,685,000	375,591,753	622,712	394,847,297	5,291
2006	1,420,000	352,676,843	253,629	372,123,334	4,965
2007	6,710,000	327,475,364	-	352,395,009	4,760
2008	-	534,340,962	-	556,103,764	7,519
2009	-	684,997,462	-	707,480,920	9,501
2010	-	676,340,910	-	698,824,369	9,367
2011	-	756,286,565	-	756,286,565	10,138
2012	-	715,693,281	-	715,693,281	8,768

Note: See tables 16 and 20 for population and enrollment data used to calculate per capita and per student enrolled information.

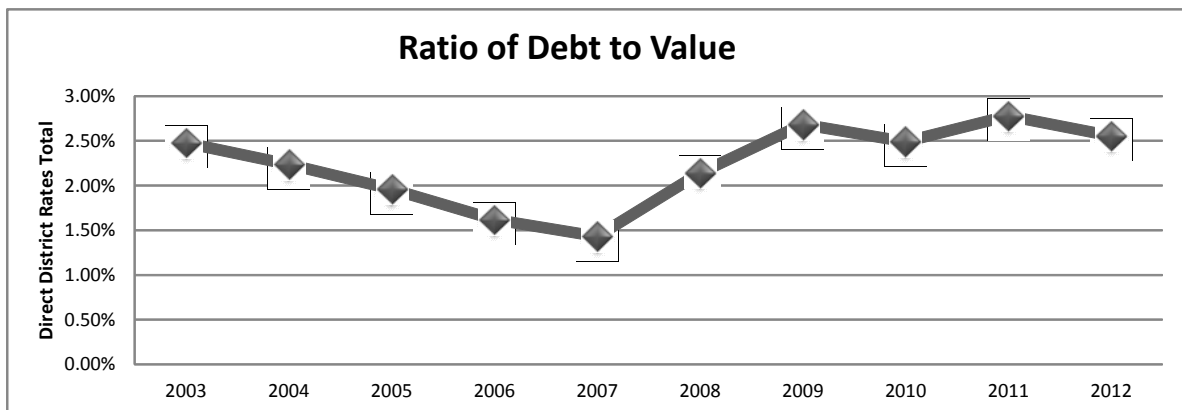
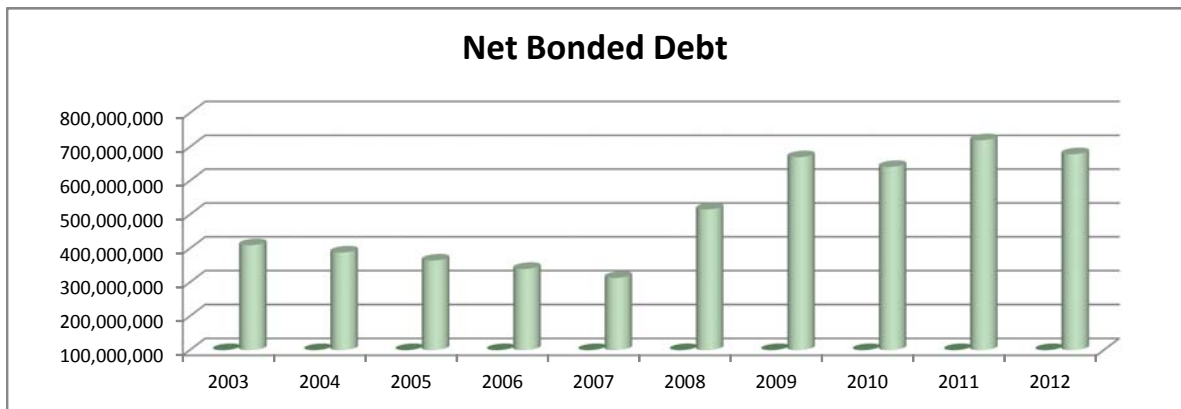


**FORT WORTH INDEPENDENT SCHOOL DISTRICT
 RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
 VALUE AND NET BONDED DEBT PER CAPITA (UNAUDITED)
 FISCAL YEAR END JUNE 30, 2012
 LAST TEN FISCAL PERIODS**

TABLE XIV

Year	City of Fort Worth Population	FWISD Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Debt to Value	Net Bonded Debt Per Capita
2003	577,500	\$ 16,533,242,923	\$ 418,114,895	\$ 8,252,814	\$ 409,862,081	2.48%	\$ 709.72
2004	598,850	17,370,553,451	398,191,075	9,717,025	388,474,050	2.24%	648.70
2005	618,600	18,601,738,084	375,591,753	10,971,129	364,620,624	1.96%	589.43
2006	661,850	20,977,843,921	352,676,843	12,872,108	339,804,735	1.62%	513.42
2007	686,850	21,903,297,019	327,475,364	14,024,258	313,451,106	1.43%	456.36
2008	702,850	24,104,551,995	534,340,962	18,424,880	515,916,082	2.14%	734.03
2009	720,250	24,954,443,444	684,997,462	15,064,172	669,933,290	2.68%	930.14
2010	736,200	25,717,744,800	676,340,910	35,271,180	641,069,730	2.49%	870.78
2011	746,290	25,904,294,507	756,286,565	36,254,790	720,031,775	2.78%	964.81
2012	757,810	26,569,371,350	715,693,281	36,909,379	678,783,902	2.55%	895.72

Source: City of Fort Worth population estimates furnished by North Central Texas Council of Governments.



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL
ACTIVITIES DEBT (UNAUDITED)
FISCAL YEAR END JUNE 30, 2012**

TABLE XV

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable*</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
DIRECT:			
Fort Worth Independent School District	\$715,693,281	100.00%	\$ 715,693,281
Total Direct Debt			<u>715,693,281</u>
OVERLAPPING:			
City of Arlington	315,039,392	4.46%	14,062,413
City of Benbrook	12,750,000	100.00%	12,750,000
City of Edgecliff Village (1)	0	63.27%	0
City of Forest Hill	0	83.03%	0
City of Fort Worth	574,099,495	47.28%	271,434,241
City of Haltom City	24,120,000	5.25%	1,266,300
City of Kennedale	14,491,250	6.91%	1,001,345
Tarrant County	317,725,000	22.61%	71,837,623
Tarrant County Hospital District	57,690,000	22.61%	13,043,709
Tarrant County College District	20,765,026	22.61%	4,694,972
City of Westover Hills (1)	0	100.00%	0
City of White Settlement (2)	14,955,000	2.40%	358,920
Total Overlapping Debt			<u>390,449,524</u>
Total direct and overlapping tax supported debt			<u>\$ 1,106,142,805</u>
Total Assessed Taxable Valuation			\$ 25,904,294,507
Total Population			757,810
Ratio of Direct and Overlapping Tax Supported Debt to Taxable Assessed Valuation			4.27%
Per Capita Overlapping Total Direct and Overlapping Tax Supported Debt			\$ 1,460

Source: Email verification to each City's Accounting Department

Notes:

(1) No outstanding debt

(2) That portion of the District overlapping the City of White Settlement is federal land not subject to ad valorem property tax

*Estimated percentage applicable to each entity is calculated by the amount of land that is served by the Fort Worth Independent School District.

DEMOGRAPHIC AND ECONOMIC INFORMATION



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS (UNAUDITED)
 FISCAL YEAR END JUNE 30, 2012
 LAST TEN CALENDAR YEARS AVAILABLE THROUGH U.S. CENSUS BUREAU**

TABLE XVI

Calendar Year	Demographics for the entire Dallas, Fort Worth, Arlington Metropolitan Center			
	Population(A)	Disposable Personal Income(B) (in \$,000)	Per Capita Disposable Personal Income(B)	Unemployment Rate(B)
2001	5,354,623	\$ 183,612,436	\$ 34,290	6.0%
2002	5,476,578	185,792,452	33,925	6.6%
2003	5,582,033	191,048,073	34,226	6.4%
2004	5,689,982	203,798,298	35,817	5.8%
2005	5,816,407	220,481,629	37,907	5.2%
2006	5,999,411	239,307,804	39,889	4.5%
2007	6,156,652	255,311,694	41,469	4.4%
2008	6,301,085	275,257,974	43,684	6.1%
2009	6,337,992	264,699,998	41,764	8.1%
2010	6,371,773	267,353,223	41,959	8.0%

Sources: **A** Data from US Census Bureau
 B From US Department of Labor, Bureau of Labor Statistics

Notes: 2010 is the latest year available from US Census Bureau



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS (UNAUDITED)
 FISCAL YEAR END JUNE 30, 2012
 CURRENT YEAR AND TEN YEARS AGO**

TABLE XVII

<u>Employer</u>	<u>2012</u>			<u>2002</u>		
	<u>Approx. # Employees</u>	<u>Rank</u>	<u>% of Total Jobs</u>	<u>Approx. # Employees</u>	<u>Rank</u>	<u>% of Total Jobs</u>
American Airlines/AMR	22,169	1	1.99%			
Texas Health Resources	18,866	2	1.70%			
Lockheed Martin Aeronautics	14,988	3	1.35%			
NAS Fort Worth Joint Reserve Base	11,350	4	1.02%			
Fort Worth ISD	11,000	5	0.99%			
Arlington ISD	8,126	6	0.73%			
University of Texas Arlington	6,239	7	0.56%			
City of Fort Worth	6,195	8	0.56%			
JPS Health Network	4,872	9	0.44%			
Cooks Children's Health Care System	4,826	10	0.43%			
American Airlines				28,500	1	3.67%
Game Stop				20,000	2	2.57%
Lockheed Martin Aeronautics				16,800	3	2.16%
Fort Worth ISD				10,300	4	1.33%
Bell Helicopter-Textron				6,000	5	0.77%
City of Fort Worth				4,300	6	0.55%
Radio Shack				4,200	7	0.54%
Tarrant County Government				3,800	8	0.49%
Harris Methodist Fort Sorth Hospital				3,800	9	0.49%
Cooks Children's Medical Center				5,700	10	0.73%
Totals by Top Ten Employer	108,631		9.76%	103,400		13.31%
Total Jobs Reported	1,113,000			776,900		

Source: Fort Worth Chamber of Commerce-Economic Development

OPERATING INFORMATION

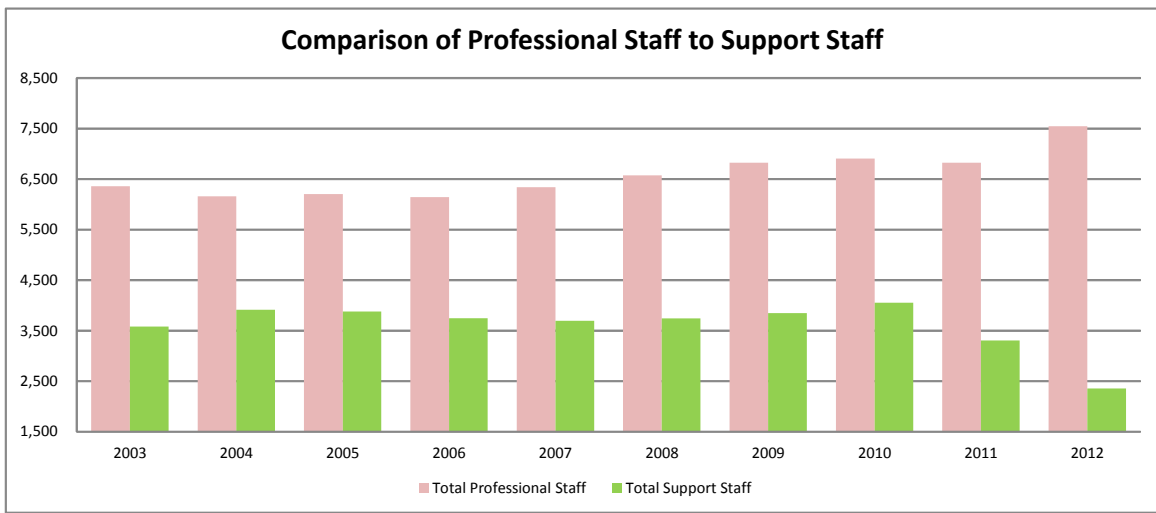


**FORT WORTH INDEPENDENT SCHOOL DISTRICT
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE (UNAUDITED)
 FISCAL YEAR END JUNE 30, 2012
 LAST TEN FISCAL PERIODS**

TABLE XVIII

	Professional Staff				Total Professional Staff	Support Staff		Total Support Staff	Total Staff
	Teachers	Professional Support	Campus Administration	Central Administration		Educational Aides	Auxiliary Staff		
2012	5,126	1,899	414	105	7,544	787	1,568	2,355	9,899
2011	5,132	1,195	420	78	6,825	835	2,472	3,306	10,131
2010	5,069	1,314	348	177	6,907	879	3,173	4,052	10,959
2009	5,167	1,130	422	103	6,823	834	3,014	3,847	10,670
2008	5,003	1,105	353	112	6,572	816	2,927	3,743	10,315
2007	4,839	1,068	322	110	6,339	794	2,900	3,694	10,033
2006	4,794	927	312	107	6,140	817	2,927	3,744	9,883
2005	4,804	982	316	103	6,205	815	3,062	3,877	10,082
2004	4,793	950	312	103	6,157	873	3,041	3,915	10,072
2003	4,967	967	319	103	6,356	905	2,674	3,579	9,935
% Change from 2003 to 2012	3.2%	96.4%	29.9%	1.9%	18.7%	-13.1%	-41.4%	-34.2%	-0.4%

Note: Support Staff includes librarians, counselors, school nurses, etc.
Source: Public Education Information Management System (PEIMS) Reports.



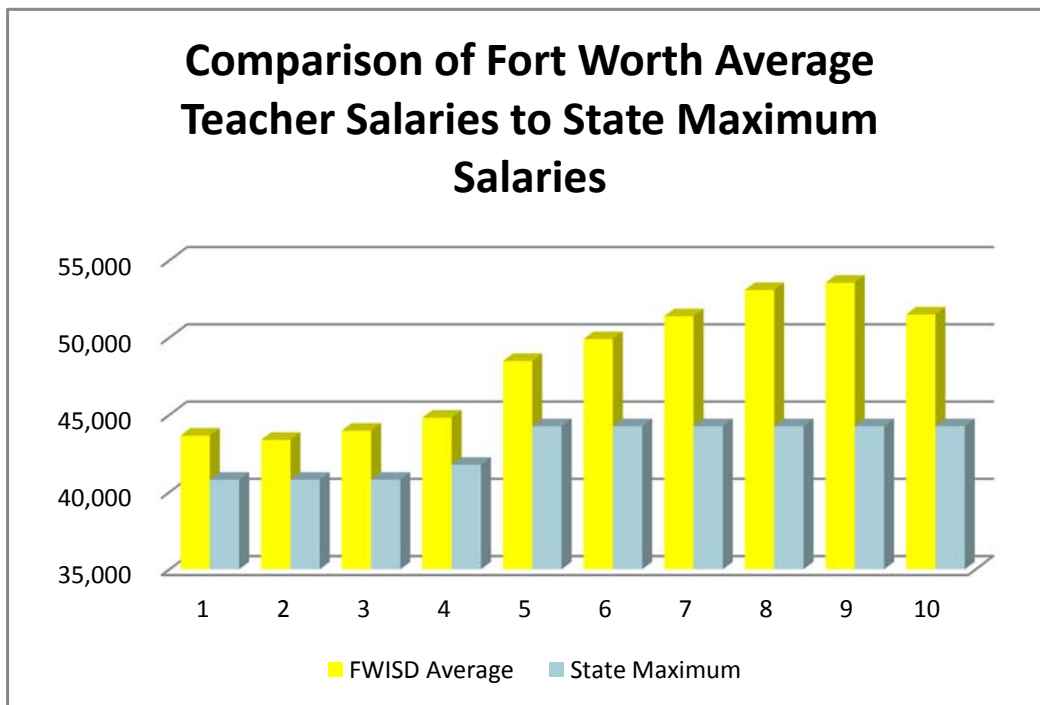
**FORT WORTH INDEPENDENT SCHOOL DISTRICT
TEACHER BASE SALARIES (UNAUDITED)
FISCAL YEAR END JUNE 30, 2012
LAST TEN FISCAL PERIODS**

TABLE XIX

Fiscal Year	Minimum Salary (A)	Maximum Salary (A)	District Average Salary (B)	Statewide Minimum Salary (C)	Statewide Maximum Salary (C)
2003	\$37,800	\$62,611	\$43,654	\$24,240	\$40,800
2004	38,500	64,176	43,379	24,240	40,800
2005	39,300	65,459	43,981	24,240	40,800
2006	43,216	67,961	44,814	24,820	41,770
2007	44,500	70,340	48,484	27,320	44,270
2008	44,500	70,340	49,906	27,320	44,270
2009	45,600	72,449	51,383	27,320	44,270
2010	46,570	73,417	53,078	27,230	44,270
2011	45,405	75,258	53,550	27,320	44,270
2012	46,184	65,693	51,496	27,320	44,270

Sources:

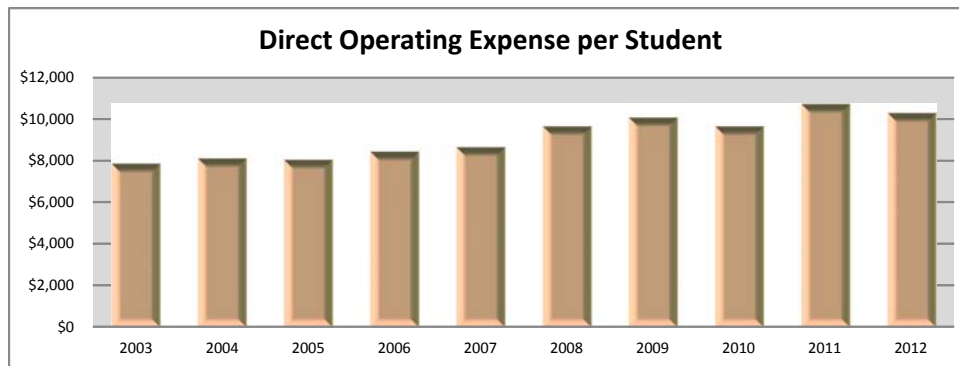
- A** Fort Worth ISD Teachers Salary Schedule
- B** PEIMS Reports
- C** TEA Salary Schedule



**FORT WORTH INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS (UNAUDITED)
FISCAL YEAR END JUNE 30, 2012
LAST TEN FISCAL PERIODS**

TABLE XX

Fiscal Year	Average Daily Enrollment	C3 Direct Operating Expenditures(A)	Cost per Pupil	Percent Change from PY	B1 Direct Operating Expenses(B)	Cost per Pupil	Percent Change from PY	Teaching Staff(C)	Pupil-Teacher Ratio	Students Receiving Free or Reduced-Price Meals(D)	Percentage of Students Receiving Free or Reduced-Price Meals
2003	75,351	\$ 556,134,552	\$ 7,381	2.8%	\$ 594,158,505	\$ 7,885	2.0%	4,967	15.2	52,075	69%
2004	74,945	564,758,792	7,536	2.1%	609,577,616	8,134	3.2%	4,793	15.6	55,710	74%
2005	74,626	559,658,099	7,500	-0.5%	602,321,748	8,071	-0.8%	4,804	15.5	57,007	76%
2006	74,945	592,034,098	7,900	5.3%	634,337,997	8,464	4.9%	4,794	15.6	56,819	76%
2007	74,034	605,392,667	8,177	3.5%	642,027,831	8,672	2.5%	4,839	15.3	56,636	76%
2008	73,964	677,692,990	9,162	12.0%	715,483,655	9,673	11.5%	5,003	14.8	58,686	79%
2009	74,462	693,684,263	9,316	1.7%	751,684,000	10,095	4.4%	5,167	14.4	59,820	80%
2010*	74,602	662,795,002	8,884	-4.6%	721,822,443	9,676	-4.2%	5,069	14.7	62,448	84%
2011	73,387	727,984,878	9,920	11.7%	788,058,039	10,738	11.0%	5,132	14.3	51,905	71%
2012	76,041	719,867,869	9,467	-4.6%	784,222,833	10,313	-4.0%	5,132	14.8	51,905	68%



Notes:

- *2010 was a ten month Period.
- A Total governmental funds expenditures less capital and debt expenditures.
- B Total primary government expenses less capital and debt expenses.
- C From Table 18.
- D FWISD Food Services
- Average Daily Enrollment provided by TEA enrollment report.

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS (UNAUDITED)**

Elementary Schools	(2)	(2)	(2)	(1)	(2)	(2)	Square Feet 2011
	Constructed	Acreage	Permanent Capacity 2012	Enrollment 2012	Permanent Square Feet 2012	# Portable Bldgs 2012	
Alice Carlson Applied Learn Ctr.	1926	5.3	297	394	49,176	0	49,176
Alice Contreras	1996	9.3	548	833	61,554	8	61,554
A. M. Pate	1965	8.0	614	578	55,281	3	55,281
Atwood McDonald	1967	6.3	525	612	53,499	4	53,499
Benbrook	1953	8.5	597	542	60,544	0	60,544
Bill J. Elliott	1988	10.0	535	669	53,027	4	53,027
Bonnie Brae	2003	13.6	469	446	61,679	0	61,679
Boulevard Heights	1932	4.1	260	48	47,514	0	47,514
Bruce Shulkey	1958	5.9	601	431	64,568	0	64,568
Burton Hill	1958	12.0	622	473	59,633	0	59,633
Carroll Peak	1989	5.1	670	528	67,603	2	67,603
Carter Park	1957	6.0	653	591	62,962	1	62,962
Cesar Chavez	2002	42.4	562	538	61,679	0	61,679
Charles E. Nash	1927	4.5	238	260	31,794	2	31,794
Christene C. Moss	1957	5.5	515	441	61,393	1	61,393
Clifford Davis	2002	10.0	522	588	61,690	2	61,690
Como	1954	3.0	594	439	56,832	0	56,832
Como Montessori (K-8)	1949	3.1	523	362	54,381	0	54,381
Daggett Montessori (K-8)	1980	5.7	557	553	83,729	0	83,729
David K. Sellars	1967	9.2	568	680	54,597	5	54,597
D. McRae	1990	5.2	750	820	65,606	2	65,606
De Zavala	1914	4.3	516	399	53,411	2	53,411
Diamond Hill	1988	5.8	615	626	56,221	3	56,221
Dolores Huerta	2004	6.3	581	594	69,174	0	69,174
E. M. Daggett	1926	5.9	832	770	88,367	0	88,367
East Handley	1958	8.2	429	370	46,155	2	46,155
Eastern Hills	1958	11.9	768	563	67,448	1	67,448
Edward J. Briscoe	1988	17.1	508	396	49,758	0	49,758
George C. Clarke	1914	4.3	554	463	64,152	2	64,152
Glen Park	1953	6.4	693	786	57,392	8	57,392
Greenbriar	1958	6.0	562	612	59,824	5	59,824
H. V. Helbing	1947	3.7	607	650	53,663	1	53,663
Harlean B. Beal	2002	4.4	495	562	65,975	0	65,975
Hazel Harvey Peace	2010	7.1	650	536	75,000	0	75,000
Hubbard Heights	1922	8.0	706	744	78,133	4	78,133
I. M. Terrell	1907	8.5	225	297	91,058	0	91,058
J. T. Stevens	1967	8.0	549	343	56,924	0	56,924
John T. White	2011	12.6	650	619	76,100	0	76,100
Lily B. Clayton	1923	7.3	502	520	62,747	0	62,747
Lowery Road	2000	20.0	569	927	61,447	9	61,447
Luella Merrett	1949	7.0	557	652	61,701	4	61,701
M. G. Ellis Primary	2002	2.5	614	485	67,730	0	67,730
M. H. Moore	1954	6.0	620	572	73,096	0	73,096
Manuel Jara	1990	7.0	627	690	55,683	4	55,683

Sources:

- (1) PEIMS Report
- (2) FWISD Facilities Management Records

TABLE XXI

Square Feet 2010	Square Feet 2009	Square Feet 2008	Square Feet 2007	Square Feet 2006	Square Feet 2005	Square Feet 2004	Square Feet 2003
49,176	49,176	49,176	49,176	38,929	38,929	38,929	38,929
61,554	61,554	61,554	61,554	64,726	64,726	64,726	64,726
55,281	55,281	55,281	55,281	60,137	60,137	60,137	60,137
39,444	39,444	39,444	39,444	42,059	42,059	42,059	42,059
60,544	60,544	60,544	60,544	62,536	62,536	62,536	62,536
53,027	53,027	53,027	53,027	54,126	54,126	54,126	54,126
61,679	61,679	61,679	61,679	65,138	65,138	65,138	65,138
47,514	47,514	47,514	47,514	48,313	48,313	48,313	48,313
64,568	64,568	64,568	64,568	74,059	74,059	74,059	74,059
59,633	59,633	59,633	59,633	61,881	61,881	61,881	61,881
46,450	46,450	46,450	46,450	48,710	48,710	48,710	48,710
62,962	62,962	62,962	62,962	43,391	43,391	43,391	43,391
61,679	61,679	61,679	61,679	63,636	63,636	63,636	63,636
31,794	31,794	31,794	31,794	23,428	23,428	23,428	23,428
61,393	61,393	61,393	61,393	53,171	53,171	53,171	53,171
61,690	61,690	61,690	61,690	51,440	51,440	51,440	51,440
56,832	56,832	56,832	56,832	58,697	58,697	58,697	58,697
54,381	54,381	54,381	54,381	63,756	63,756	63,756	63,756
83,729	83,729	83,729	83,729	111,709	111,709	111,709	111,709
54,597	54,597	54,597	54,597	60,617	60,617	60,617	60,617
52,089	52,089	52,089	52,089	49,339	49,339	49,339	49,339
53,411	53,411	53,411	53,411	57,730	57,730	57,730	57,730
56,221	56,221	56,221	56,221	65,465	65,465	65,465	65,465
66,067	66,067	66,067	66,067	69,174	69,174	69,174	69,174
88,367	88,367	88,367	88,367	94,769	94,769	94,769	94,769
46,155	46,155	46,155	46,155	42,473	42,473	42,473	42,473
67,448	67,448	67,448	67,448	51,592	51,592	51,592	51,592
49,758	49,758	49,758	49,758	50,754	50,754	50,754	50,754
64,152	64,152	64,152	64,152	59,402	59,402	59,402	59,402
57,392	57,392	57,392	57,392	49,525	49,525	49,525	49,525
59,824	59,824	59,824	59,824	62,910	62,910	62,910	62,910
53,663	53,663	53,663	53,663	56,439	56,439	56,439	56,439
65,975	65,975	65,975	65,975	60,778	60,778	60,778	60,778
78,133	78,133	78,133	78,133	79,152	79,152	79,152	79,152
91,058	91,058	91,058	91,058	142,828	142,828	142,828	142,828
56,924	56,924	56,924	56,924	58,730	58,730	58,730	58,730
62,747	62,747	62,747	62,747	77,104	77,104	77,104	77,104
61,447	61,447	61,447	61,447	51,440	51,440	51,440	51,440
61,701	61,701	61,701	61,701	69,350	69,350	69,350	69,350
67,730	67,730	67,730	67,730	105,520	105,520	105,520	105,520
57,267	57,267	57,267	57,267	66,076	66,076	66,076	66,076
55,683	55,683	55,683	55,683	66,553	66,553	66,553	66,553

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS (UNAUDITED)**

Elementary Schools (cont)	(2)	(2)	(2)	(1)	(2)	(2)	(2)
	Constructed	Acreage	Permanent Capacity 2012	Enrollment 2012	Permanent Square Feet 2012	# Portable Bldgs 2012	Square Feet 2011
Mary Louise Phillips	1948	7.2	554	511	63,762	3	63,762
Maude I. Logan	1957	7.3	647	505	61,740	1	61,740
Maudrie M. Walton	1958	7.9	528	478	52,980	3	52,980
Meadowbrook	1933	15.0	687	896	72,867	6	72,867
Milton L. Kirkpatrick	1959	5.0	436	440	42,117	5	42,117
Mitchell Blvd.	1953	6.0	495	483	50,905	1	50,905
Morningside	1934	9.8	924	577	84,470	0	84,470
Natha Howell	1958	6.3	455	472	42,727	3	42,727
North Hi Mount	1936	5.0	271	265	39,791	3	39,791
Oakhurst	1927	7.7	779	700	76,646	1	76,646
Oaklawn	1950	5.9	673	526	59,128	2	59,128
Richard J. Wilson	1913	3.1	634	768	68,542	0	68,542
Ridglea Hills	1958	8.0	641	701	61,864	2	61,864
Riverside Applied Learning Ctr	1955	6.1	341	294	41,472	1	41,472
Rosemont	2011	6.7	650	573	81,200	0	81,200
Rufino Mendoza, Sr.	1910	3.9	568	443	54,027	2	54,027
Sagamore Hill	1998	5.0	687	804	82,021	3	82,021
Sam Rosen	1909	4.1	528	542	57,296	4	57,296
Seminary Hills Park	2004	9.9	548	568	65,918	1	65,918
South Hi Mount	1936	7.0	594	588	64,495	4	64,495
South Hills	1954	5.7	800	894	74,636	4	74,636
Springdale	1953	4.1	535	565	55,159	3	55,159
Sunrise - McMillan	1958	6.0	554	439	51,388	2	51,388
S. S. Dillow	1937	8.0	697	541	61,490	2	61,490
T. A. Sims	1989	8.0	733	698	58,544	4	58,544
Tanglewood	1960	6.0	588	693	63,234	2	68,324
Van-Zandt Guinn	1980	4.9	356	287	40,212	1	40,212
Versia Williams	1955	2.7	429	499	34,580	5	34,580
W. J. Turner	1949	4.1	627	519	66,490	0	66,490
W. M. Green	1959	6.0	574	686	53,762	5	53,762
Washington Heights	1977	4.0	277	340	59,255	6	59,255
Waverly Park	1958	6.8	766	788	68,794	2	68,794
Westcliff	1954	5.1	417	498	52,063	2	52,063
Westcreek	1967	6.0	756	847	71,627	2	71,627
Western Hills	1961	10.3	693	803	64,420	6	64,420
Western Hills Primary	2000	6.6	588	574	61,612	2	61,612
West Handley	1954	5.0	431	443	41,677	5	29,878
Westpark	1988	33.0	450	375	45,706	0	45,706
Woodway	1990	10.0	601	645	57,730	3	57,730
Worth Heights	1955	7.2	792	824	70,843	6	70,843

Sources:

(1) PEIMS Report

(2) FWISD Facilities Management Records

**TABLE XXI
(Continued)**

Square Feet 2010	Square Feet 2009	Square Feet 2008	Square Feet 2007	Square Feet 2006	Square Feet 2005	Square Feet 2004	Square Feet 2003
63,762	63,762	63,762	63,762	67,902	67,902	67,902	67,902
61,740	61,740	61,740	61,740	55,388	55,388	55,388	55,388
52,980	52,980	52,980	52,980	72,425	72,425	72,425	72,425
72,867	72,867	72,867	72,867	82,093	82,093	82,093	82,093
42,117	42,117	42,117	42,117	54,814	54,814	54,814	54,814
50,905	50,905	50,905	50,905	50,083	50,083	50,083	50,083
84,470	84,470	84,470	84,470	101,806	101,806	101,806	101,806
42,727	42,727	42,727	42,727	46,089	46,089	46,089	46,089
39,791	39,791	39,791	39,791	51,308	51,308	51,308	51,308
76,646	76,646	76,646	76,646	94,975	94,975	94,975	94,975
59,128	59,128	59,128	59,128	40,965	40,965	40,965	40,965
68,542	68,542	68,542	68,542	73,155	73,155	73,155	73,155
61,864	61,864	61,864	61,864	63,118	63,118	63,118	63,118
41,472	41,472	41,472	41,472	34,947	34,947	34,947	34,947
54,027	54,027	54,027	54,027	59,928	59,928	59,928	59,928
82,021	82,021	82,021	82,021	82,602	82,602	82,602	82,602
57,296	57,296	57,296	57,296	77,336	77,336	77,336	77,336
65,918	65,918	65,918	65,918	69,174	69,174	69,174	69,174
64,495	64,495	64,495	64,495	45,885	45,885	45,885	45,885
53,501	53,501	53,501	53,501	55,149	55,149	55,149	55,149
55,159	55,159	55,159	55,159	36,278	36,278	36,278	36,278
51,388	51,388	51,388	51,388	43,913	43,913	43,913	43,913
61,490	61,490	61,490	61,490	76,002	76,002	76,002	76,002
58,544	58,544	58,544	58,544	54,887	54,887	54,887	54,887
63,234	63,234	63,234	63,234	68,396	68,396	68,396	68,396
40,212	40,212	40,212	40,212	71,742	71,742	71,742	71,742
34,580	34,580	34,580	34,580	44,028	44,028	44,028	44,028
66,490	66,490	66,490	66,490	64,469	64,469	64,469	64,469
53,762	53,762	53,762	53,762	47,061	47,061	47,061	47,061
59,255	59,255	59,255	59,255	19,128	19,128	19,128	19,128
68,794	68,794	68,794	68,794	54,379	54,379	54,379	54,379
52,063	52,063	52,063	52,063	54,111	54,111	54,111	54,111
71,627	71,627	71,627	71,627	74,829	74,829	74,829	74,829
64,420	64,420	64,420	64,420	44,452	44,452	44,452	44,452
61,612	61,612	61,612	61,612	64,744	64,744	64,744	64,744
41,677	41,677	41,677	41,677	29,878	29,878	29,878	29,878
45,706	45,706	45,706	45,706	47,344	47,344	47,344	47,344
57,730	57,730	57,730	57,730	59,744	59,744	59,744	59,744
70,843	70,843	70,843	70,843	92,957	92,957	92,957	92,957

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS (UNAUDITED)**

Middle Schools	(2)	(2)	(2)	(1)	(2)	(2)	Square Feet 2011
	Constructed	Acreage	Permanent Capacity 2012	Enrollment 2012	Permanent Square Feet 2012	# Portable Bldgs 2012	
Applied Learning/Intl.Newcomers Acad	2000	12.1	1,155	594	139,967	0	139,967
Benbrook Middle	2011	33.0	800	667	175,600	0	
Dunbar Middle	1981	25.3	855	520	108,137	3	108,137
E. M. Daggett Middle	1954	7.6	413	368	83,104	6	83,104
Forest Oak Middle	1953	15.5	889	753	105,715	4	105,715
Glencrest 6th Grade	1953	6.0	458	396	47,064	5	47,064
Handley Middle	1980	20.0	634	698	92,302	7	92,302
J. P. Elder Middle	1918	14.9	1,095	1,146	156,425	5	156,425
Jean McClung Middle*	2011	12.3	800	830	172,990	0	
Kirkpatrick Middle	1949	5.8	608	505	71,194	0	71,194
Leonard Middle	1962	15.0	799	752	117,419	3	117,419
McLean 6th Grade	1950	4.6	390	458	36,964	4	36,964
Meadowbrook Middle	1953	11.0	926	882	119,030	5	119,030
Morningside Middle	1959	13.2	769	670	107,289	5	107,289
Riverside Middle	1949	12.2	975	953	130,903	5	110,335
Rosemont 6th Grade	1922	9.2	458	503	52,648	3	52,648
Rosemont Middle	1936	20.5	926	903	130,322	7	130,322
W. A. Meacham Middle	1960	20.0	675	701	114,398	2	94,728
W. C. Stripling Middle	1928	7.7	803	540	98,848	0	98,848
W. P. McLean Middle	1953	15.2	750	824	100,462	9	100,462
Wedgwood 6th Grade	1960	7.6	469	455	56,354	1	56,354
Wedgwood Middle	1964	12.0	855	831	143,703	5	118,195
William James Middle	1926	8.0	1,234	1,241	132,411	7	132,411
William Monnig Middle	1951	7.0	784	627	99,792	2	99,792
Young Men's Leadership Academy	1952	10.0	476	139	71,017	4	71,017

Sources:

- (1) PEIMS Report
- (2) FWISD Facilities Management Records

TABLE XXII

Square Feet 2010	Square Feet 2009	Square Feet 2008	Square Feet 2007	Square Feet 2006	Square Feet 2005	Square Feet 2004	Square Feet 2003
139,967	139,967	139,967	229,130	229,130	229,130	229,130	229,130
108,137	108,137	108,137	132,200	132,200	132,200	132,200	132,200
83,104	83,104	83,104	83,735	83,735	83,735	83,735	83,735
105,715	105,715	105,715	120,547	120,547	120,547	120,547	120,547
47,064	47,064	47,064	44,120	44,120	44,120	44,120	44,120
92,302	92,302	92,302	94,571	94,571	94,571	94,571	94,571
156,425	156,425	156,425	161,026	161,026	161,026	161,026	161,026
71,194	71,194	71,194	80,067	80,067	80,067	80,067	80,067
117,419	117,419	117,419	117,314	117,314	117,314	117,314	117,314
36,964	36,964	36,964	36,821	36,821	36,821	36,821	36,821
119,030	119,030	119,030	130,584	130,584	130,584	130,584	130,584
107,289	107,289	107,289	126,752	126,752	126,752	126,752	126,752
110,335	110,335	110,335	118,706	118,706	118,706	118,706	118,706
52,648	52,648	52,648	46,725	46,725	46,725	46,725	46,725
130,322	130,322	130,322	112,406	112,406	112,406	112,406	112,406
94,728	94,728	94,728	105,236	105,236	105,236	105,236	105,236
98,848	98,848	98,848	117,513	117,513	117,513	117,513	117,513
100,462	100,462	100,462	105,878	105,878	105,878	105,878	105,878
56,354	56,354	56,354	60,983	60,983	60,983	60,983	60,983
118,195	118,195	118,195	133,619	133,619	133,619	133,619	133,619
132,411	132,411	132,411	161,615	161,615	161,615	161,615	161,615
99,792	99,792	99,792	140,512	140,512	140,512	140,512	140,512
71,017	71,017	71,017	118,052	118,052	118,052	118,052	118,052

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS (UNAUDITED)**

Senior High Schools	(2) Constructed	(2) Acreage	(2) Permanent Capacity 2012	(1) Enrollment 2012	(2) Permanent Square Feet 2012	(2) # Portable Bldgs 2012	Square Feet 2011
Amon Carter-Riverside	1935	18.2	983	1,088	110,533	13	110,533
Arlington Heights	1936	31.7	1,616	1,769	217,595	7	217,595
Diamond Hill-Jarvis	1952	21.0	1,065	884	134,784	10	134,784
Eastern Hills	1959	20.0	1,601	1,294	160,619	11	160,619
North Side High	1937	32.4	1,406	1,478	179,680	16	179,680
O. D. Wyatt	1968	30.0	1,586	1,137	250,700	5	250,700
Paul Lawrence Dunbar	1967	13.8	1,560	814	200,727	4	200,727
Polytechnic High	1936	18.6	1,189	1,151	167,044	12	167,044
R. L. Paschal	1936	24.6	2,014	2,457	272,466	9	272,466
South Hills	1969	27.7	1,436	1,436	195,447	6	195,447
Southwest High	1967	65.6	1,560	1,492	205,636	12	205,636
Trimble Technical	1917	11.0	2,115	1,785	363,320	0	363,320
Western Hills	1969	33.0	1,478	1,536	176,495	15	176,495

Sources:

(1)PEIMS Report

(2)FWISD Facilities Management Records

TABLE XXIII

Square Feet 2010	Square Feet 2009	Square Feet 2008	Square Feet 2007	Square Feet 2006	Square Feet 2005	Square Feet 2004	Square Feet 2003
114,407	110,533	110,533	110,533	110,533	114,407	114,407	114,407
200,911	217,595	217,595	217,595	217,595	200,911	200,911	200,911
205,618	134,784	134,784	134,784	134,784	205,618	205,618	205,618
192,122	160,619	160,619	160,619	160,619	192,122	192,122	192,122
160,183	179,680	179,680	179,680	179,680	160,183	160,183	160,183
216,707	248,812	248,812	248,812	248,812	216,707	216,707	216,707
197,364	200,727	200,727	200,727	200,727	197,364	197,364	197,364
159,127	167,044	167,044	167,044	167,044	159,127	159,127	159,127
334,951	272,466	272,466	272,466	272,466	334,951	334,951	334,951
195,447	195,447	195,447	195,447	195,447	220,584	220,584	220,584
211,027	205,636	205,636	205,636	205,636	211,027	211,027	211,027
379,684	363,320	363,320	363,320	363,320	379,684	379,684	379,684
180,175	176,495	176,495	176,495	176,495	180,175	180,175	180,175

**FORT WORTH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS (UNAUDITED)**

Other Schools	(2) Constructed	(2) Acreage	(2) Permanent Capacity 2012	(1) Enrollment 2012	(2) Permanent Square Feet 2012	(2) # Portable Bldgs 2012	Square Feet 2011
Jo Kelly School	1943	5.8	139	54	19,928	1	19,928
Texas Academy of Bio-Medical	1954	2.0	206	0	29,647	4	64,113
Middle Level Learning Center	2000	2.6	488	113	64,113	0	67,079
Metro Opportunity School	2000	2.0	400	137	73,428	0	73,428
New Lives School*	1990	N/A	N/A	143	N/A	0	37,820

Sources:

- (1) PEIMS Report
- (2) FWISD Facilities Management Records

Notes:

- * Leased Property

TABLE XXIV

Square Feet 2010	Square Feet 2009	Square Feet 2008	Square Feet 2007	Square Feet 2006	Square Feet 2005	Square Feet 2004	Square Feet 2003
20,800	19,928	19,928	19,928	19,928	18,826	18,826	18,826
24,578	29,647	29,647	29,647	29,647	24,578	24,578	24,578
67,079	64,113	64,113	64,113	64,113	67,079	67,079	67,079
76,325	73,428	73,428	73,428	73,428	76,325	76,325	76,325
37,820	37,820	37,820	37,820	37,820	37,820	37,820	37,820



Fort Worth Independent School District
“Educating for Life”



Fort Worth
INDEPENDENT SCHOOL DISTRICT

100 North University Drive, Fort Worth, Texas 76107 (817) 814-2141