

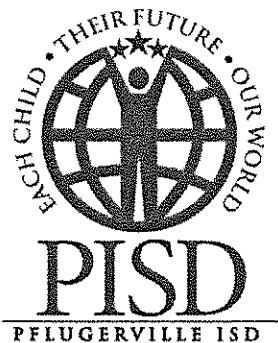
**PFLUGERVILLE INDEPENDENT  
SCHOOL DISTRICT**

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended August 31, 2012**

**Issued By**

**Pflugerville Independent School District  
Department of Finance**

**Pflugerville, Texas**





**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
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# PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT

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**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT  
PRINCIPAL OFFICIALS AND ADVISORS**

**BOARD OF TRUSTEES**

Ms. Elva Gladney  
President

Ms. Vernagene Mott  
Vice-President

Dr. Cynthia Graves  
Secretary

Dr. Carol Fletcher  
Member

Mr. Jimmy Don Havins  
Member

Mr. Mario Acosta  
Member

Mr. Rob Reyes  
Member

**ADMINISTRATION**

Mr. Charles E. Dupre  
Superintendent of Schools

Dr. Troy Galow  
Deputy Superintendent

Dr. Kenneth Adix  
Chief Financial Officer

Dr. Lori Einfalt  
Chief Schools Officer

Dr. Terrence Eaton  
Assistant Superintendent of Learning

Ms. Denise Monzingo  
Executive Director of Student Success

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT  
PRINCIPAL OFFICIALS AND ADVISORS**

**ADMINISTRATION (continued)**

Ms. Diana Sustaita  
Executive Director of Curriculum and Instruction

Ms. Amanda Brim  
Communications Officer

**CONSULTANTS AND ADVISORS**

Hereford, Lynch, Sellars and Kirkham, PC  
Conroe, Texas - Independent Auditors

Andrews Kurth L.L.P.  
Houston, Texas - Bond Counsel

Specialized Public Finance, Inc.  
Austin, Texas - Financial Advisor

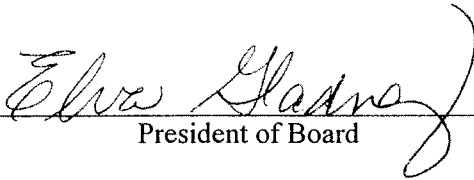
**CERTIFICATE OF THE BOARD**

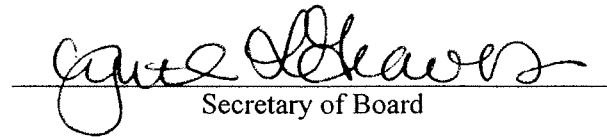
Pflugerville Independent School District  
Name of School District

Travis  
County

227-904  
Co. - Dist. No.

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and approved for the year ended August 31, 2012, at a meeting of the Board of Trustees of such school district on January 17, 2013.

  
\_\_\_\_\_  
President of Board

  
\_\_\_\_\_  
Secretary of Board







January 17, 2013

Ms. Elva Gladney, President and  
Board of Trustee Members and Citizens of  
Pflugerville Independent School District  
1401 West Pecan  
Pflugerville, Texas 78660

Dear Ms. Gladney, Board Members and Citizens of Pflugerville Independent School District:

The Finance Department is pleased to submit the Comprehensive Annual Financial Report for the Pflugerville Independent School District (Pflugerville ISD) for the fiscal year ended August 31, 2012.

This report is published to provide the Board, citizens, our bondholders, staff and other interested parties with detailed information concerning the financial condition and activities of the school district.

Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. In our opinion, we believe the data, as presented, is accurate in all material aspects and is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs are included in this report.

The MD&A (Management Discussion and Analysis) is a narrative introduction, overview and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditors' report. The Statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The Financial section is prepared in accordance with generally accepted accounting principles for governments, as prescribed by the Governmental Accounting Standards Board and other professional associations.

### **THE REPORTING ENTITY AND ITS SERVICES**

This report includes all of the funds of the District, including activities considered by the State of Texas to be part of the K-12 public school system. Pflugerville ISD is an independent school district incorporated as a political subdivision of the State of Texas. A seven-member board governs the District in accordance with state statutes and regulations. Members of the Board serve staggered three-year terms without compensation and are elected from at-large member districts. The Board of Trustees operates as a policy making body, delegates management to the single executive head (the Superintendent of Schools), determines District goals and evaluates policies in terms of effectiveness in attaining those goals. The Superintendent of Schools and the administrative staff execute the policies of the Board, assume responsibility for the operation of the District, make recommendations

to the Board in matters of policy and professional personnel, prepare the budget and report to the Board on matters related to the progress of the District in attaining the goals set by the Board.

The District provides a comprehensive range of school programs and services, as required by state statute, to over 23,000 enrolled students in grades pre-K through 12. This includes basic elementary pre-kindergarten through grade five, middle school grades six through eight, high school grades nine through twelve, career and technical education, alternative schools, bilingual education, pupil transportation, food service, special education and numerous special programs for remedial and enriched education. A wide variety of electives in fine arts, athletics and technology supplement these basic programs.

## **ECONOMIC CONDITION AND OUTLOOK**

Pflugerville ISD is located in and around the City of Pflugerville which is a rapidly growing suburb of the state's capital, Austin, and a developing commercial center of Travis County. The City of Pflugerville is experiencing growth in all business sectors. With a population of 50,850 and being strategically located a few miles north of Austin along the I-35 corridor and 25 minutes from the Austin-Bergstrom International Airport, Pflugerville provides businesses a climate with easy access to several metropolitan areas without the big city challenges.

Pflugerville also stands out as an excellent commercial site with a friendly and welcoming residential community. The SH-130 toll road is going to continue being the driving force behind Pflugerville's continuing growth. In the past year, average daily traffic counts increased to almost 50,000, an increase of over 20 percent. Housing development will thrive on the east side of Pflugerville near SH-130 as families will be drawn to this area known for outstanding schools, affordable housing and easy access to work or play. More than seven major institutions of higher education surround Pflugerville ISD, including The University of Texas at Austin, Huston-Tillotson University, St. Edward's University, Southwestern University, Texas State University, Concordia University and the Austin Community College system.

The U.S. economy continues trying to recover from the Great Recession and the U.S. unemployment rate improved to 7.9% in October 2012. At the state and local level employment rates were better as the Texas unemployment rate was 6.3% and the Austin area was at 5.3% in September according to the Bureau of Labor and Statistics. The District's property values increased due to both new homes and businesses. The District's General Fund unassigned fund balance more than doubled in the last three years due to improved financial management and reducing cost.

The District currently has 19 active subdivisions producing 620 homes on an annual basis. The District has 22 subdivisions with over 7,850 future lots. The Austin new housing market is positioned for continued growth with 700 to 800 new home starts expected each year. The District currently has two apartment complexes under construction for a total of 707 units. Several thousand additional units are expected to be added to the District over the next ten years.

New businesses continued to open in Pflugerville during 2012. Pflugerville offers a good infrastructure, a long-range water supply and enviable demographics - an educated workforce and strong consumer base who want to work, live and shop close to home.

For 2012, the Chief Appraisers of Travis and Williamson County Appraisal Districts certified all taxable properties in the District subject to appraisals to be valued at \$6,955,404,182. The total tax rate for the 2012-2013 school year is \$1.54 and consists of the maintenance and operations tax rate of \$1.04 and the debt service tax rate of \$0.50.

**FOR THE FUTURE** - The Board of Trustees adopted its mission, vision, and values for the 2012-2013 school year that set high standards for the students and staff of the School District and are reviewed by the Board on an annual basis.

**Mission Statement:**

The mission of the Pflugerville ISD is to provide a quality education with a commitment to excellence by facilitating learning in a safe and nurturing environment.

**Our Values:**

We believe that:

- The community expects and supports a quality education as the key to student success.
- A strong work ethic strengthens our schools and community.
- A safe community contributes to the quality of life in Pflugerville ISD.
- All individuals have worth.
- Education is an important priority that keeps our community productive and healthy.
- Our children are afforded equitable educational opportunities to achieve their potential.

**Our Vision:**

Our students are:

- Productive citizens committed to the community.
- Enthusiastic learners who practice continual self-development.
- Sensitive to others' needs and feel safe, both physically and emotionally.
- Applying and understanding technology.
- Positive role models.
- Setting challenging personal goals to achieve their full potential.
- Effective problem solvers and decision makers who communicate clearly and work well independently and as team members.

**ACHIEVEMENTS**

The Texas Education Association (TEA) rated the PISD Academically Acceptable for 2012. Riojas Elementary, River Oaks Elementary and Spring Hill Elementary received an Exemplary rating while Hendrickson High, Kelly Lane Middle, Park Crest Middle, Caldwell Elementary, Highland Park Elementary, Murchison Elementary, Pflugerville Elementary, Rowe Lane Elementary, Timmerman Elementary, and Windermere Primary received a Recognized rating. Connally High, Pflugerville High, Dessau Middle, Pflugerville Middle, Brookhollow Elementary, Copperfield Elementary, Delco Primary, Dessau Elementary, Northwest Elementary, Parmer Lane Elementary and Windermere Elementary received an Academically Acceptable rating. Westview Middle and Wieland Elementary were rated Academically Unacceptable.

**FINANCIAL INFORMATION**

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit - As a recipient of state and federal financial assistance, the District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District. As a part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended August 31, 2012 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

### **Accounting System and Budgetary Control**

The District's accounting records reflect generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board on governmental accounting. The District's accounting records for general governmental operations are maintained on a modified accrual basis as prescribed by the Texas Education Agency Financial Accountability System Resource Guide.

In developing and evaluating the District's accounting system, consideration is given to the adequacy of internal accounting structure. The internal accounting structure is designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. All internal control evaluations occur within the above framework. We believe the District's internal accounting structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

Budgetary control is initiated at the onset when the Board of Trustees adopts the annual budget. To ensure budgetary compliance, the Texas Education Agency and the District have established spending regulations and policies. For all administrators with line item or program responsibility, regulations set the level of budgetary control at the major functional expenditure level. All requested budget revisions that move money between functions require approval by the Board of Trustees.

### **GOVERNMENTAL CHANGES**

For 2011-12 Pflugerville ISD received approximately \$3.7 million in one-time, EduJobs funding. These funds were used to pay some of the principals' and assistant principals' salaries (Function 23). All of the revenue and expenses associated with EduJobs was coded to Fund 287 for 2011-12. These expenses will be paid with Fund 199 in 2012-13.

### **RISK MANAGEMENT**

On January 1, 2012 the District continued with both a self-funded employee group health insurance plan and a self-funded workers' compensation plan. The District increased its monthly, medical insurance contribution from \$303 to \$320 toward the total employee's cost for the medical plans that could include coverage for a spouse, child(ren) or family. On July 30, 2012, the District transferred \$2,000,000 from the General Fund into the District's Health Insurance account (Fund 753). This transfer provides a significant reserve if future claims are higher than expected and/or to pay "run-off" claims if the District went back to a fully-insured program. The District's stop-loss deductible is \$200,000 for each insured person.

For workers' compensation, the District has purchased Excess Workers' Compensation insurance coverage. The District's self-insured retention is \$300,000 for each accident and the stop loss carrier indemnifies the District against specific losses in excess of \$300,000. For the 2012-2013 fiscal year, the District has a financially sound reserve set aside to offset potential fund deficits in future years.

The district purchases commercial insurance for Property in the amount of \$574,384,415. Lower sub-limits are provided for Computer Equipment, Musical Instruments/Uniforms, Audio and Mobile Equipment; Flood limit of \$100,000,000, Earthquake limit of \$100,000,000, General Liability, Law Enforcement, Employee Benefits Liability and Educator's Legal Liability (Professional) are insured for a limit of \$1,000,000 per occurrence; Automobile Liability limits are \$100,000, each person for Bodily Injury, \$300,000 for each Accident Bodily Injury and \$100,000 limit Property Damage. Within these policy limits, the District's exposure is limited to the deductibles and specific retentions. There has not been any significant reduction of insurance coverage from that of the prior year. The District has not had claims in excess of its coverage.

The District provides regular home-to-school and special education student transportation through a contracted service and the contractor maintains insurance coverage on the buses used to conduct operations.

### **Independent Audit**

Texas School Law requires an annual audit of all District funds by an independent outside auditing firm. All Pflugerville ISD funds have been audited. The auditor's opinion is included in this report.

### **AWARDS AND ACKNOWLEDGEMENTS**

#### **GFOA Certificate of Achievement for Excellence**

For the third year in a row, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pflugerville ISD for its comprehensive annual financial report (CAFR) for the fiscal year ended August 31, 2011. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

#### **ASBO Certificate of Excellence in Financial Reporting**

For the third year in a row, the Association of School Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to Pflugerville ISD for its CAFR for the fiscal year ended August 31, 2011. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by ASBO. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials.

A Certificate of Excellence is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Excellence in Financial Reporting program's requirements and we are submitting it to the ASBO to determine its eligibility for another certificate.

#### **Acknowledgments**

We respectfully acknowledge the responsible and sincere involvement of the school board, principals, administrators, program directors and coordinators in the financial affairs of the District.

Special appreciation is also expressed to members of the business office staff for their assistance and effort in maintaining the financial records of the District. Individual recognition is directed to Mary Rabalais, Jo Zaneck, Craig Pruettt, Jackie Porter, Janet Maluschka, Sue Holmes, Lisa Campbell, Lisa Wagner, Jennifer Davis, Paula Bowden, Elizabeth Rehak, Brooke Greenfeder, Kristin Baum, Fiona Ellis, Diana Clark, Cheryl Smith, Susan Simpson, Valerie Watts and Margaret Sepulveda for their combined efforts in closing out the accounting records and assisting in preparing the various financial reports at year-end.

Pflugerville ISD publicly solicits the active involvement of all citizens and school District personnel in its financial affairs. Together we are preparing Each Child for Their Future in Our World.

Respectfully submitted,

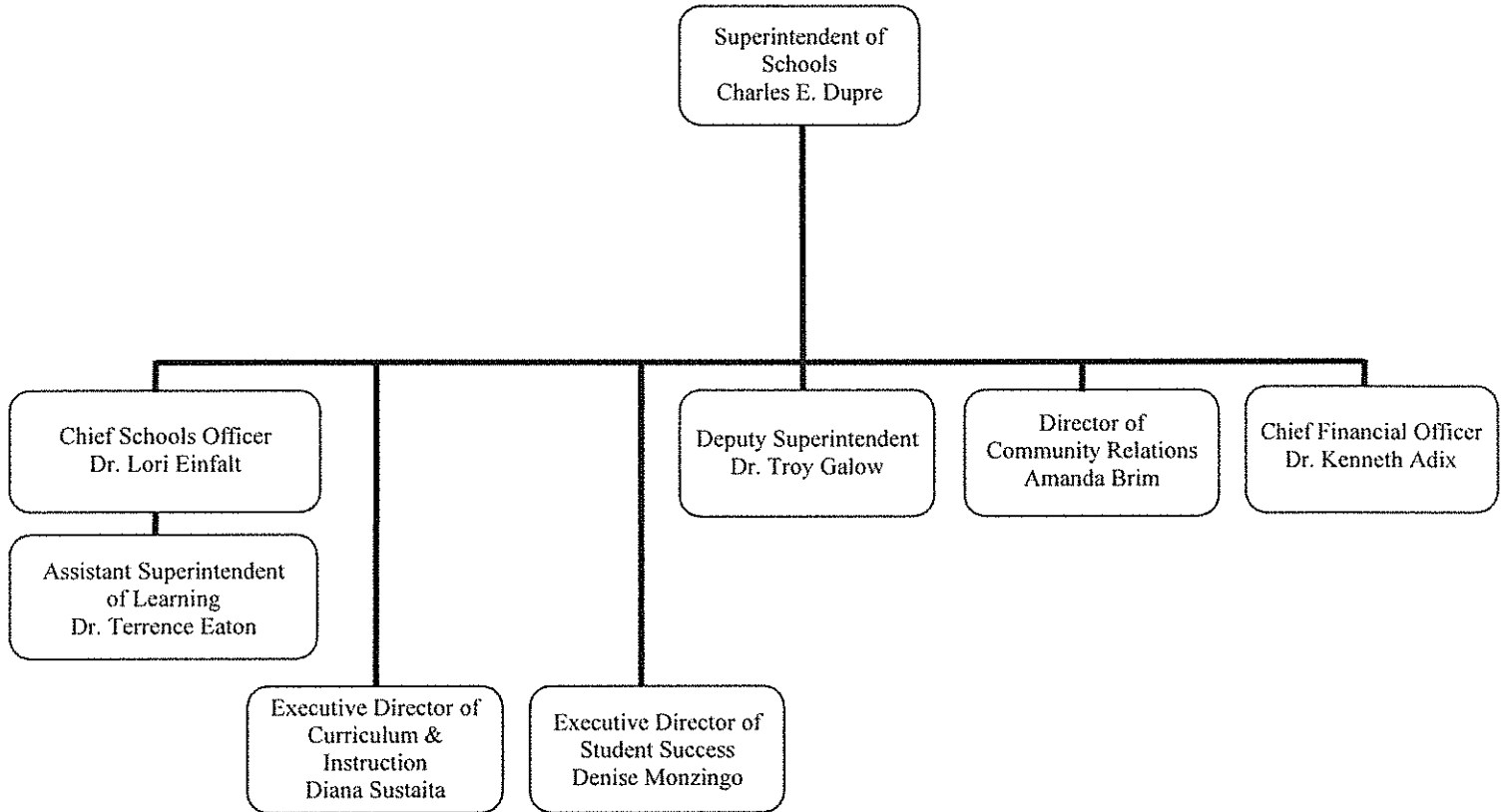


Charles E. Dupre  
Superintendent of Schools



Kenneth R. Adix, Ph.D.  
Chief Financial Officer

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**ORGANIZATIONAL CHART**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to  
Pflugerville Independent School  
District, Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
August 31, 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.



*Christopher P. Merrill*

President

*Jeffrey R. Enos*

Executive Director



ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended August 31, 2011

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director



## **Financial Section**



# HLSK

*Hereford, Lynch, Sellars & Kirkham*

Certified Public Accountants • A Professional Corporation

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1406 Wilson Rd., Suite 100  
Conroe, Texas 77304  
Tel 936-756-8127  
Metro 936-441-1338  
Fax 936-756-8132

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Texas Society of Certified Public Accountants  
Private Companies Practice Section  
of the AICPA Division for Firms

Cleveland  
111 East Boothe  
Cleveland, Texas 77327  
Tel 281-592-6443  
Fax 281-592-7706

## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Pflugerville Independent School District  
1401 West Pecan  
Pflugerville, Texas 78660

Members of the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Pflugerville Independent School District (District), as of and for the year ended August 31, 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 the 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, business-type activities, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2012, and the respective changes in financial position, and, where applicable, cash flows 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 January 4, 2013, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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, combining fund statements, required TEA schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining fund statements, required TEA schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Respectfully submitted,

*Hereford, Lynch, Sellars & Kirkham, P.C.*

**HEREFORD, LYNCH, SELLARS & KIRKHAM, P.C.**  
**Certified Public Accountants**

Conroe, Texas  
January 4, 2013

## **Management's Discussion and Analysis**

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**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

This section of the Pflugerville Independent School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending August 31, 2012. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

**Financial Highlights**

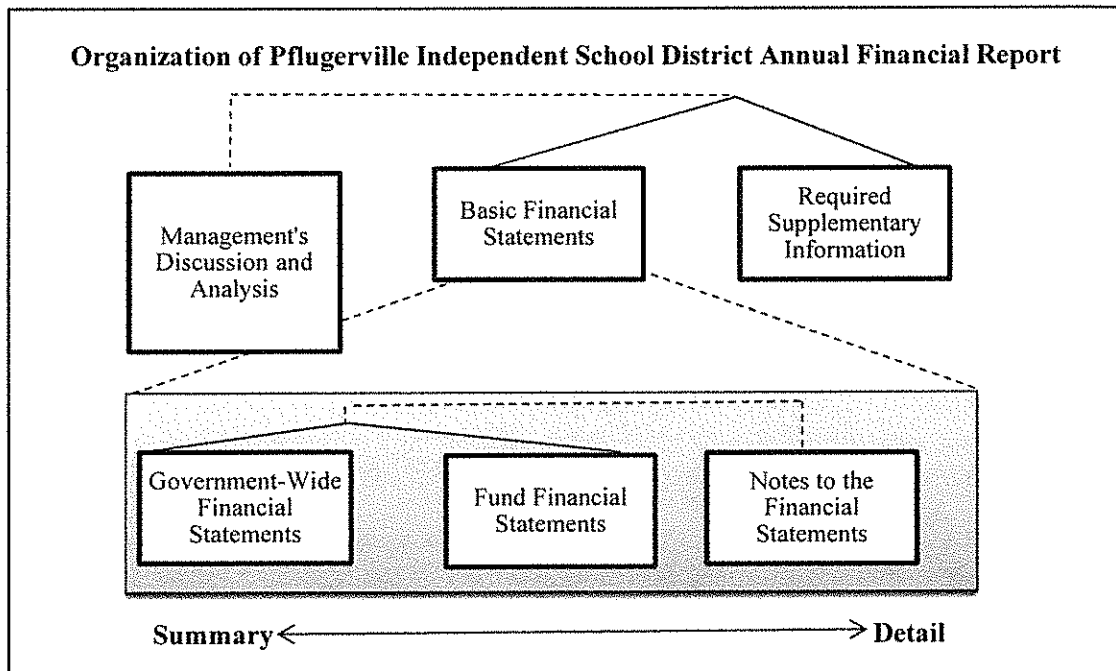
- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$74,185,724 (*net assets*). Of this amount, \$39,720,463 (*unrestricted net assets*) may be used to meet the District's ongoing obligations to students and creditors.
- Total net assets of the District increased by \$11,415,234 or about 18.18%, including the prior period adjustment for accumulated depreciation on capital assets.
- The total fund balance of the general fund was \$30,611,405 and was an increase of \$5,337,914 from the prior year. The unassigned fund balance of the General Fund was \$26,586,007, or 17.70% of total general fund expenditures.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves, including schedules required by the state oversight agency, the Texas Education Agency (TEA).

Figure A-1 shows how the financial statements, management's discussion and analysis and required supplementary information are arranged and related to one another.

**Figure A-1**



**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Figure A-2**

<i>Type of Statements</i>	<b>Government-Wide</b>	<b>Governmental Funds</b>	<b>Proprietary Funds</b>	<b>Fiduciary Funds</b>
Scope	Entire Agency's government (except fiduciary funds) and the Agency's component units	The activities of the District that are not proprietary or fiduciary	Activities the District operates similar to private businesses: self insurance and a parenting program	Instances in which the District is the trustee or agent for someone else's resources
Required Financial Statements	<ul style="list-style-type: none"> <li>• Statement of net assets</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balance</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net assets</li> <li>• Statement of revenues, expenses, and changes in fund net assets</li> <li>• Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of fiduciary net assets</li> <li>• Statement of changes in fiduciary net assets</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the Agency's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Government-wide Financial Statements**

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 the changes. Net assets - the difference between the District's assets and liabilities - are 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, respectively.
- To assess the overall health of the District, one needs to consider additional non-financial factors such as changes in the District's tax base and the changes in student enrollment.

## **PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The *government-wide financial statements* of the District include the governmental activities and business-type activities. The governmental activities of the District include activities such as instruction, extracurricular activities, curriculum and staff development, health services and general administration. Property taxes and grants finance most of these activities. The business-type activities of the District include an extended day program.

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 the following 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 one 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, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.

*Proprietary funds* - The District maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The District accounts for its extended day program in an enterprise fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District has two internal service funds that accounts for an employee group health insurance plan and a worker's compensation insurance program. These internal service fund profits have been eliminated in the government wide presentations.

*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 reported assets are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and of changes in fiduciary net assets. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Financial Analysis of the District as a Whole**

**Net assets**

The District's combined net assets were \$74,185,724 at August 31, 2012. The following table compares twelve months of operations for the 2011-2012 fiscal year to twelve months of operations for the 2010-2011 fiscal year.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT'S NET ASSETS**

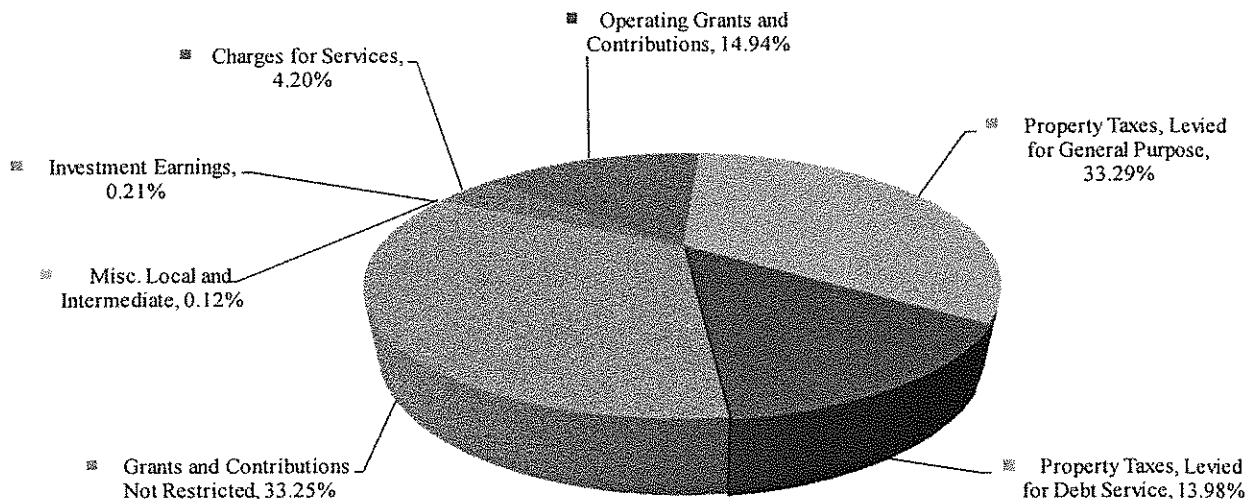
	Governmental Activities		Business-Type Activities		Totals	
	2012	2011	2012	2011	2012	2011
	Amount	Amount	Amount	Amount	Amount	Amount
Current and Other Assets	\$ 98,599,750	\$ 118,744,872	\$ 44,310	\$ 60,133	\$ 98,644,060	\$ 118,805,005
Capital Assets, net of Depreciation	325,432,933	308,124,867	87,808	-	325,520,741	308,124,867
<b>Total Assets</b>	<b>424,032,683</b>	<b>426,869,739</b>	<b>132,118</b>	<b>60,133</b>	<b>424,164,801</b>	<b>426,929,872</b>
Noncurrent Liabilities						
Outstanding	339,809,919	356,656,557	-	-	339,809,919	356,656,557
Other Liabilities	10,110,644	7,410,114	58,514	92,711	10,169,158	7,502,825
<b>Total Liabilities</b>	<b>349,920,563</b>	<b>364,066,671</b>	<b>58,514</b>	<b>92,711</b>	<b>349,979,077</b>	<b>364,159,382</b>
<b>Net Assets:</b>						
Invested in Capital Assets, net of Related Debt	31,823,815	31,462,570	87,808	-	31,911,623	31,462,570
Restricted	2,553,638	3,014,281	-	-	2,553,638	3,014,281
Unrestricted	39,734,667	28,326,217	(14,204)	(32,578)	39,720,463	28,293,639
<b>Total Net Assets</b>	<b>\$ 74,112,120</b>	<b>\$ 62,803,068</b>	<b>\$ 73,604</b>	<b>\$ (32,578)</b>	<b>\$ 74,185,724</b>	<b>\$ 62,770,490</b>

**Changes in net assets**

Net assets increased overall by \$11.4 million mainly due to the increase in state aid revenues and reduction of interest on long-term debt expenses. State aid revenues increased as a result of additional students and to offset the loss in local property tax revenue. Interest on long-term debt decreased as a result of \$69 million of bond refundings to decrease interest rates.

The District's total general revenues, charges for services, and operating grants and contributions were \$224.1 million. A significant portion, 47%, of the District's revenue comes from taxes (see Figure A-3), 33% comes from state aid formula and certain federal government grants, 15% from operating grants and 5% relates to investment earnings, charges for services, and miscellaneous local and intermediate sources. The total cost of all programs and services was \$206.6 million. Of these costs, 53% are related to instruction expenses.

**Figure A-3 District Sources of Revenue for Fiscal Year 2012**



**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT'S CHANGES IN NET ASSETS**

	Governmental Activities		Business-Type Activities		Totals	
	2012	2011	2012	2011	2012	2011
	Amount	Amount	Amount	Amount	Amount	Amount
<b>REVENUES</b>						
Program Revenues:						
Charges for Services	\$ 7,264,490	\$ 7,214,303	\$ 2,154,516	\$ 179,137	\$ 9,419,006	\$ 7,393,440
Operating Grants and Contributions	33,479,272	34,786,457	-	-	33,479,272	34,786,457
General Revenues:						
Property Taxes, Levied for General Purpose	74,620,548	74,151,360	-	-	74,620,548	74,151,360
Property Taxes, Levied for Debt Service	31,339,637	29,893,334	-	-	31,339,637	29,893,334
Grants and Contributions Not Restricted	74,534,585	70,295,035	-	-	74,534,585	70,295,035
Investment Earnings	475,331	493,138	-	-	475,331	493,138
Misc. Local and Intermediate	272,522	557,567	-	-	272,522	557,567
<b>Total Revenues</b>	<b>221,986,385</b>	<b>217,391,194</b>	<b>2,154,516</b>	<b>179,137</b>	<b>224,140,901</b>	<b>217,570,331</b>
<b>EXPENSES</b>						
Instruction	109,251,840	108,337,542	-	-	109,251,840	108,337,542
Instructional Resources and Media Services	3,279,662	3,196,747	-	-	3,279,662	3,196,747
Curriculum and Instructional Staff Development	6,335,867	6,099,548	-	-	6,335,867	6,099,548
Instructional Leadership	2,219,164	2,456,580	-	-	2,219,164	2,456,580
School Leadership	10,173,649	10,159,941	-	-	10,173,649	10,159,941
Guidance, Counseling, and Evaluation Services	6,576,716	6,588,865	-	-	6,576,716	6,588,865
Social Work Services	501,903	475,137	-	-	501,903	475,137
Health Services	1,899,532	1,828,229	-	-	1,899,532	1,828,229
Student Transportation	7,104,168	7,466,658	-	-	7,104,168	7,466,658
Food Services	11,264,856	11,457,443	-	-	11,264,856	11,457,443
Extracurricular Activities	6,838,249	6,651,685	-	-	6,838,249	6,651,685
General Administration	3,643,282	3,840,998	-	-	3,643,282	3,840,998
Plant Maintenance and Operations	12,636,964	13,208,973	-	-	12,636,964	13,208,973
Security and Monitoring Services	2,708,046	2,383,226	-	-	2,708,046	2,383,226
Data Processing Services	3,394,096	3,767,644	-	-	3,394,096	3,767,644
Community Services	134,188	251,683	-	-	134,188	251,683
Interest on Long-term Debt	14,139,014	17,453,765	-	-	14,139,014	17,453,765
Current Debt Fees	300,405	-	-	-	300,405	-
Facilities Repair and Maintenance	2,277,256	13,136	-	-	300,405	13,136
Payments Related to Shared Service Arrangements	1,810,439	2,505,714	-	-	1,810,439	2,505,714
Payments to Juvenile Justice Alternative Education Programs	15,319	15,642	-	-	15,319	15,642
Payments to Appraisal District	466,306	564,007	-	-	466,306	564,007
Extended Day Program	-	-	1,648,334	211,715	1,648,334	211,715
<b>Total Expenses</b>	<b>206,970,921</b>	<b>208,723,163</b>	<b>1,648,334</b>	<b>211,715</b>	<b>206,642,404</b>	<b>208,934,878</b>
Change in Net Assets	15,015,464	8,668,031	506,182	(32,578)	15,521,646	8,635,453
Transfers	400,000	-	(400,000)	-	-	-
Prior Period Adjustment	(4,106,412)	-	-	-	(4,106,412)	-
Net Assets - Beginning	62,803,068	54,135,037	(32,578)	-	62,770,490	54,135,037
<b>Net Assets - Ending</b>	<b>\$ 74,112,120</b>	<b>\$ 62,803,068</b>	<b>\$ 73,604</b>	<b>\$ (32,578)</b>	<b>\$ 74,185,724</b>	<b>\$ 62,770,490</b>

**Governmental Activities**

- Property tax rates for the 2011-2012 fiscal year increased \$0.02 to \$1.48 per \$100 of valuation. Taxable values for the 2012 fiscal year decreased by 2.42%.

**Business-type Activities**

- Business-type activities increased net assets by \$506,182 due to the operation of the extended day program, of which \$400,000 was transferred to the general fund.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following table presents the cost of each of the District's largest functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what state revenues as well as local tax dollars funded.

- The cost of all governmental activities this year was \$207 million.
- The amount that local taxpayers paid for these activities through property taxes was \$106 million.
- Those who directly benefited from the programs paid \$7.3 million. Operating grants covered \$33.5 million in cost.

**Net Cost of Selected District Functions**

	Total Cost of Services		Percent Change	Net Cost of Services		Percent Change
	2012	2011		2012	2011	
Instruction	\$ 109,251,840	\$ 108,337,542	1%	\$ 92,662,909	\$ 92,396,321	0%
School Leadership	10,173,649	10,159,941	0%	5,561,629	3,986,112	40%
Plant Maintenance & Operations	12,636,964	13,208,973	-4%	11,690,645	12,200,943	-4%
Debt Service - Interest	14,139,014	17,143,765	-18%	14,139,014	17,453,765	-19%

**Financial Analysis of the District's Funds**

Revenues from governmental fund types totaled \$220.5 million, an increase of \$2.7 million from the preceding year. State aid increased mainly due to additional students and the decline in property tax revenue that is offset by a corresponding increase in state funding. The \$2.8 million decrease in federal revenues is primarily due to the loss of American Recovery and Reinvestment Act (ARRA) funding.

**General Fund Budgetary Highlights**

Over the course of the year, the District recommended and the Board approved revisions to budgeted revenue and appropriations. Most of the budget adjustments were done in August to ensure that no Function's actual expenditures exceeded their budgeted amount. With these adjustments, actual expenditures were \$3.5 million less than final budgeted amounts. The most significant favorable variances were in student transportation (lower fuel cost) and plant maintenance and operation (lower utility cost).

Resources available were \$3.0 million more than the final budgeted amount:

- State program revenues were approximately \$1.5 million more than budgeted, due to additional students and more students receiving higher weightings (i.e. WADA was higher).
- Property tax revenue was approximately \$1.0 million more than budgeted due to higher property values.

Bottom-line, the change in fund balance for the year of \$5.3 million was \$4.8 million better than the final budgeted net increase of \$0.5 million.

Differences between the originally-adopted budget and the final amended budget of the general fund were to increase appropriations \$3,375,000. The most significant change was to increase instructional appropriations for a retention bonus. Amendments were approved by the governing body.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Financial Analysis of the Government's Funds**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund balances and percent of increase (decrease) for the governmental funds are as follows:

**Major Fund Balances**

<u>Fund</u>	<u>2012</u>	<u>2011</u>	<u>Percent Change</u>
General Fund	\$ 30,611,405	\$ 25,273,491	21%
Debt Services	2,291,826	1,643,443	39%
Capital Projects	44,363,710	77,865,559	-43%

**General Fund**

The General Fund encompasses the general governmental functions of the District and all other functions not accounted for in other funds. The General Fund balance increased by \$5.3 million due to revenues exceeding expenditures by \$6.9 million and net transfers out of \$1.6 million. General Fund balance of \$30.6 million includes nonspendable inventories and prepaid items totaling \$0.5 million and assignments for technology of \$3.5 million.

General Fund revenues, expenditures, and explanations of significant increases/decreases are summarized as follows:

<u>Revenue Sources</u>	<u>2012</u>	<u>Percent Realized</u>	<u>2011</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Local	\$ 75,396,043	48%	\$ 76,628,849	\$ (1,232,806)	-2%
State	80,011,196	51%	77,702,562	2,308,634	3%
Federal	1,714,142	1%	1,258,718	455,424	36%
<b>Total</b>	<b>\$ 157,121,381</b>	<b>100%</b>	<b>\$ 155,590,129</b>	<b>\$ 1,531,252</b>	

Local revenues, which are generated primarily from property taxes, decreased by 2 percent relative to the 2010-2011 school year, due to the decline in property values. The increase in State revenue resulted from additional students and to offset the loss in local property tax revenue. Federal revenues make up only 1 percent of total realized revenues. The amount of \$1,714,142 represents indirect cost earned from federal programs such as ESEA Title 1 Part A, Medicaid reimbursement for services performed by the Special Education Department and other qualifying employees, and the Reserve Officer Training Corp. grant.

Expenditures for the General Fund totaled \$150,180,467 an increase of 0.75% from last year.

<u>Function</u>	<u>Expenditures 2012</u>	<u>Percent Expended</u>	<u>Expenditures 2011</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Instruction	\$ 100,696,841	67%	\$ 99,793,825	\$ 903,016	1%
Instruction/Leadership	7,497,543	5%	6,129,716	1,367,827	22%
Pupil Services	19,774,739	13%	20,432,669	(657,930)	-3%
Administrative Support	3,545,725	2%	3,773,366	(227,641)	-6%
Support Services	16,357,890	11%	15,887,951	469,939	3%
Community Services	24,701	0%	103,896	(79,195)	-76%
Payments to Juvenile Justice	15,319	0%	15,642	(323)	
Other Intergovernmental Charges	2,267,709	2%	2,928,656	(660,947)	-23%
<b>Total</b>	<b>\$ 150,180,467</b>	<b>100%</b>	<b>\$ 149,065,721</b>	<b>\$ 1,114,746</b>	

Instruction and instructional related expenditures increased by \$0.9 million. This increase was largely due to paying a retention bonus. Instructional/Leadership expenditures increased by \$1.3 million due to the loss of

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

ARRA funding which last year had paid for some of the staff costs out of a separate fund. In 2011-12, all but \$3.7 million (amount paid by EduJobs) of costs were paid by the General Fund.

**Debt Service Fund**

The Debt Service Fund has a total fund balance of \$2.3 million, all of which is restricted for the payment of debt service. The District makes semi-annual debt service payments in February and August of each year. Debt service payments on bonded indebtedness including bond fees for the year ended August 31, 2012 were \$32 million. The Debt Service Fund balance increased due to increased property tax revenues resulting from the \$0.02 increase in debt service property tax rate and state aid for debt, which exceeded the increase in debt service expenditures.

**Capital Projects Fund**

The Capital Projects Fund has a total fund balance of \$44 million, all of which is restricted for authorized construction projects. The net decrease in fund balance during the current year of \$33 million was primarily due to equipment purchases and the ongoing renovation projects and construction in progress for new campus buildings.

**Federal Awards**

Federal awards are primarily grants that are restricted by law or other formal action to expenditures for specific purposes. The District operated its school breakfast and lunch program with the assistance of federal awards. All federal awards are subject to a budget in the grant application. Revenue from federal sources for the breakfast and lunch program was \$7,078,915. Revenues exceeded expenditures and other uses in the school breakfast and lunch program by \$517,286. The Education Jobs Fund provided one-time funding of \$3.7 million that the District used to pay some of the (Assistant) Principals' salaries.

**Internal Service Funds**

These funds are used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis. The operations of the employee group health insurance plan and workers' compensation program are accounted for in these funds. The District retains a partial risk on its workers' compensation program. Reinsurance is retained for workers' compensation individual claims of \$300,000. The increase in net assets for the employee group health insurance plan was \$1,598,196. The decrease in net assets for the workers' compensation program was \$225,040.

**Capital Assets**

The majority of capital assets of the district were those used in the performance of general governmental functions. The District has a policy of capitalizing items with a cost of over \$5,000. As of August 31, 2012, general governmental capital assets of the District amounted to \$325,432,933. Additional information is available in Note 4 to the financial statements.



**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Capital Assets and Debt Administration**

**Capital Assets**

As of August 31, 2012, the District had a net value of \$325,520,741 in a broad range of capital assets, including land, buildings and improvements, furniture and equipment, and construction in progress.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT'S CAPITAL ASSETS  
(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Totals	
	2012	2011	2012	2011	2012	2011
	Amount	Amount	Amount	Amount	Amount	Amount
Land	\$ 27,628,968	\$ 26,454,051	\$ -	\$ -	\$ 27,628,968	\$ 26,454,051
Buildings and Improvements	261,146,295	272,522,828	87,808	-	261,234,103	272,522,828
Furniture and Equipment	6,855,325	6,914,280	-	-	6,855,325	6,914,280
Construction in Progress	29,802,345	2,233,708	-	-	29,802,345	2,233,708
<i>Totals</i>	<u>\$ 325,432,933</u>	<u>\$ 308,124,867</u>	<u>\$ 87,808</u>	<u>\$ -</u>	<u>\$ 325,520,741</u>	<u>\$ 308,124,867</u>

**Capital Projects Fund**

Interest earned in the Capital Projects Fund for the 2011-2012 fiscal year was \$306,976.

**Long Term Debt**

At the end of the year, the District had \$329.7 million in bonds, which represents a 4.78 percent decrease. The District's bonds carry "AAA" rating, because the Permanent School Fund (PSF) of Texas guarantees the repayment of the bond issues. More detailed information about the District's debt is presented in Note 6 to the Financial Statements.

**Debt Administration**

The Debt Service Fund is used to account for the accumulation of resources to pay principal and interest on general long-term debt. Revenue sources for this fund include receipts from property taxes and state funds. The Debt Service Fund contains fund balance reserves and interest earnings on those reserves. An excess of revenues and other sources over expenditures and other uses for the year amounted to \$0.6 million resulting in a fund balance of \$2.3 million.

All bonds are direct obligations of the District payable from and secured by the proceeds of a continuing, direct annual ad valorem tax levied, subject to the Texas State Attorney General limits as to rate, against all taxable property within the District. Eleven building and refunding bond issues (2003, 2004, 2004A, 2005, 2005A, 2006, 2008, 2010, 2011, 2011A, and 2012) remain outstanding and mature serially through the year 2033.

The applicable debt service fund tax rate increased \$0.02 to \$0.44/\$100 for the assessed valuation for the 2011/2012 school year.

# **PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **Economic Factors and Next Year's Budgets and Rates**

- The appraised Net Taxable Value used for the 2012-2013 budget preparation is \$7.0 billion or \$200 million more than the 2011-2012 values. The higher values resulted in a budgeted increase of \$0.9 million in current local tax revenue for 2012-2013 compared to actual collections in the prior year in the General Fund. The District is currently taxing at \$1.04 per \$100 in assessed valuation, the maximum allowable tax rate for maintenance and operations allowed by state law without a rollback election, which is the same tax rate used in 2011-2012.
- The District's student attendance was budgeted to increase by approximately 200 students for a 2012-2013 total attendance of 21,935. The student attendance rate was budgeted at 96.0%.
- Compared to the 2011-2012 actual results, State aid increased by approximately \$0.6 million for the 2012-2013 General Fund budget. However, in 2011-2012 the District received \$3.7 million of "one-time" money from the Federal government's EduJobs program. These funds were used to pay some of the principals' and assistant principals' salaries. All of the revenue and expenses associated with EduJobs was coded to Fund 287 for 2011-2012. These expenses will be paid with Fund 199 in 2012-2013 as there will be no funding from EduJobs.
- General Fund spending per enrolled student for the 2012-2013 budget increased by \$358 or 5.4% when compared to the 2011-2012 budget.
- General Fund budgeted expenditures for 2012-2013 increased by \$6.4 million primarily due to the elimination of EduJobs funding which caused some principals' and assistant principals' salaries to again be paid by the General Fund, adding teacher and campus positions, opening a new elementary school and giving staff a 1.0 percent pay increase.
- If 2012-2013 budget estimates are realized, the District's Unassigned General Fund Balance is expected to increase \$0.2 million to \$26.8 million or 64 days of operating fund balance.

### **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 as well as demonstrate accountability for funds the District receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, Pflugerville ISD, 1401 West Pecan Street, Pflugerville, Texas 78660.

## **Basic Financial Statements**

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**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**

**Exhibit A-1**

**STATEMENT OF NET ASSETS**

**AUGUST 31, 2012**

<b>Data Control Codes</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
1110 <i>Cash and Cash Equivalents</i>	\$ 17,675,353	\$ 45,070	\$ 17,720,423
1120 <i>Current Investments</i>	28,579,297	-	28,579,297
1225 <i>Property Taxes Receivables (Net)</i>	3,957,114	-	3,957,114
1240 <i>Due from Other Governments</i>	3,230,313	-	3,230,313
1250 <i>Accrued Interest</i>	358,378	-	358,378
1260 <i>Internal Balances</i>	1,853	(1,853)	-
1290 <i>Other Receivables</i>	32,182	1,093	33,275
1300 <i>Inventories, at Cost</i>	454,658	-	454,658
1410 <i>Prepaid Items</i>	412,283	-	412,283
1420 <i>Capital Bond and Other Debt Issuance Costs</i>	2,400,754	-	2,400,754
1910 <i>Long-term Investments</i>	41,497,565	-	41,497,565
<b>Capital Assets:</b>			
1510 <i>Land</i>	27,628,968	-	27,628,968
1520 <i>Buildings and Improvements (Net)</i>	261,146,295	87,808	261,234,103
1530 <i>Furniture and Equipment (Net)</i>	6,855,325	-	6,855,325
1580 <i>Construction in Progress</i>	29,802,345	-	29,802,345
1000 <b>Total Assets</b>	<u>424,032,683</u>	<u>132,118</u>	<u>424,164,801</u>
<b>LIABILITIES</b>			
2110 <i>Accounts Payable</i>	5,632,842	13,421	5,646,263
2140 <i>Interest Payable</i>	675,374	-	675,374
2150 <i>Payroll Deductions and Withholdings</i>	886,906	-	886,906
2160 <i>Accrued Wages Payable</i>	383,591	19,809	403,400
2177 <i>Due to Fiduciary Funds</i>	24,482	-	24,482
2180 <i>Due to Other Governments</i>	847,307	-	847,307
2200 <i>Accrued Expenditures</i>	1,341,393	-	1,341,393
2300 <i>Unearned Revenue</i>	318,749	25,284	344,033
<b>Noncurrent Liabilities:</b>			
2501 <i>Due Within One Year</i>	18,602,557	-	18,602,557
2502 <i>Due in More Than One Year</i>	321,207,362	-	321,207,362
2000 <b>Total Liabilities</b>	<u>349,920,563</u>	<u>58,514</u>	<u>349,979,077</u>
<b>NET ASSETS</b>			
3200 <i>Invested in Capital Assets (Net of Related Debt)</i>	31,823,815	87,808	31,911,623
3850 <i>Restricted for Debt Service</i>	2,553,638	-	2,553,638
3900 <i>Unrestricted</i>	39,734,667	(14,204)	39,720,463
3000 <b>Total Net Assets</b>	<u>\$ 74,112,120</u>	<u>\$ 73,604</u>	<u>\$ 74,185,724</u>

The accompanying notes are an integral part of this statement.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

Data Control Codes	Functions/Programs	Expenses	Program Revenues	
			Charges for Services	Operating Grants and Contributions
	Governmental Activities:			
0011	Instruction	\$ 109,251,840	\$ 908,105	\$ 15,680,826
0012	Intructional Resources and Media Services	3,279,662	87,713	142,748
0013	Curriculum and Instructional Staff Development	6,335,867	16,863	2,109,132
0021	Instructional Leadership	2,219,164	-	623,025
0023	School Leadership	10,173,649	170,187	4,441,833
0031	Guidance, Counseling, and Evaluation Services	6,576,716	128,620	385,518
0032	Social Work Services	501,903	-	86,511
0033	Health Services	1,899,532	2,385	206,670
0034	Student Transportation	7,104,168	-	207,967
0035	Food Services	11,264,856	3,890,454	7,009,730
0036	Extracurricular Activities	6,838,249	1,537,818	165,632
0041	General Administration	3,643,282	1,987	303,128
0051	Plant Maintenance and Operations	12,636,964	501,262	445,057
0052	Security and Monitoring Services	2,708,046	5,151	14,589
0053	Data Processing Services	3,394,096	-	65,901
0061	Community Services	134,188	13,945	98,475
0072	Interest on Long-term Debt	14,139,014	-	-
0073	Current Debt Fees	300,405	-	1,483,494
0081	Facilities Repair and Maintenance	2,277,256	-	-
0093	Payments Related to Shared Services Arrangements	1,810,439	-	9,036
0095	Payments to Juvenile Justice Alternative Education Programs	15,319	-	-
0099	Payments to Appraisal District	466,306	-	-
TG	Total Governmental Activities	<u>206,970,921</u>	<u>7,264,490</u>	<u>33,479,272</u>
	Business-type-Activities:			
01	Extended Day Program	1,648,334	2,154,516	-
TB	Total Business-type Activities	<u>1,648,334</u>	<u>2,154,516</u>	<u>-</u>
TP	Total Primary Government	<u>\$ 208,619,255</u>	<u>\$ 9,419,006</u>	<u>\$ 33,479,272</u>
	General Revenues:			
MT	Property Taxes, Levied for General Purposes			
DT	Property Taxes, Levied for Debt Services			
GC	Grants and Contributions Not Restricted to Specific Programs			
IE	Investment Earnings			
MI	Miscellaneous			
FR	Transfers			
TR	Total General Revenues and Transfers			
CN	Change in Net Assets			
NB	Net Assets - Beginning			
PA	Prior Period Adjustment			
	Net Assets - Beginning, as Restated			
NE	Net Assets - Ending			

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (92,662,909)	\$ -	\$ (92,662,909)
(3,049,201)	-	(3,049,201)
(4,209,872)	-	(4,209,872)
(1,596,139)	-	(1,596,139)
(5,561,629)	-	(5,561,629)
(6,062,578)	-	(6,062,578)
(415,392)	-	(415,392)
(1,690,477)	-	(1,690,477)
(6,896,201)	-	(6,896,201)
(364,672)	-	(364,672)
(5,134,799)	-	(5,134,799)
(3,338,167)	-	(3,338,167)
(11,690,645)	-	(11,690,645)
(2,688,306)	-	(2,688,306)
(3,328,195)	-	(3,328,195)
(21,768)	-	(21,768)
(14,139,014)	-	(14,139,014)
1,183,089	-	1,183,089
(2,277,256)	-	(2,277,256)
(1,801,403)	-	(1,801,403)
(15,319)	-	(15,319)
(466,306)	-	(466,306)
<u>(166,227,159)</u>	<u>-</u>	<u>(166,227,159)</u>
-	506,182	506,182
-	<u>506,182</u>	<u>506,182</u>
\$ <u>(166,227,159)</u>	\$ <u>506,182</u>	\$ <u>(165,720,977)</u>
74,620,548	-	74,620,548
31,339,637	-	31,339,637
74,534,585	-	74,534,585
475,331	-	475,331
272,522	-	272,522
400,000	(400,000)	-
<u>181,642,623</u>	<u>(400,000)</u>	<u>181,242,623</u>
<u>15,415,464</u>	<u>106,182</u>	<u>15,521,646</u>
<u>62,803,068</u>	<u>(32,578)</u>	<u>62,770,490</u>
<u>(4,106,412)</u>	<u>-</u>	<u>(4,106,412)</u>
<u>58,696,656</u>	<u>(32,578)</u>	<u>58,664,078</u>
\$ <u>74,112,120</u>	\$ <u>73,604</u>	\$ <u>74,185,724</u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**AUGUST 31, 2012**

<u>Data Control Codes</u>		<u>General Fund</u>	<u>Debt Service Fund</u>
	<b>ASSETS</b>		
1110	<i>Cash and Cash Equivalents</i>	\$ 11,241,009	\$ 271,193
1120	<i>Current Investments</i>	4,239,532	2,635,611
1225	<i>Property Taxes Receivable (Net)</i>	3,019,928	937,186
1240	<i>Due from Other Governments</i>	1,635,047	-
1250	<i>Accrued Interest</i>	209,165	-
1260	<i>Due from Other Funds</i>	1,631,321	-
1290	<i>Other Receivables</i>	6,775	8,489
1300	<i>Inventories, at Cost</i>	379,652	-
1410	<i>Prepaid Items</i>	145,746	350
1910	<i>Long-term Investments</i>	15,000,000	-
1000	<b>Total Assets</b>	<u>\$ 37,508,175</u>	<u>\$ 3,852,829</u>
	<b>LIABILITIES AND FUND BALANCES</b>		
	Liabilities:		
2110	<i>Accounts Payable</i>	\$ 1,790,208	\$ -
2150	<i>Payroll Deductions and Withholdings</i>	886,906	-
2160	<i>Accrued Wages Payable</i>	374,525	-
2170	<i>Due to Other Funds</i>	565,285	-
2180	<i>Due to Other Governments</i>	220,824	623,817
2200	<i>Accrued Expenditures</i>	3,198	-
2300	<i>Deferred Revenues</i>	3,055,824	937,186
2000	<b>Total Liabilities</b>	<u>6,896,770</u>	<u>1,561,003</u>
	Fund Balances:		
	Nonspendable:		
3410	<i>Inventories</i>	379,652	-
3430	<i>Prepaid Items</i>	145,746	350
	Restricted:		
3470	<i>Land Acquisitions and Construction Projects</i>	-	-
3480	<i>Debt Service</i>	-	2,291,476
	Committed:		
3545	<i>Other</i>	-	-
	Assigned to:		
3590	<i>Technology</i>	3,500,000	-
3600	<i>Unassigned</i>	26,586,007	-
3000	<b>Total Fund Balances</b>	<u>30,611,405</u>	<u>2,291,826</u>
4000	<b>Total Liabilities and Fund Balances</b>	<u>\$ 37,508,175</u>	<u>\$ 3,852,829</u>

The accompanying notes are an integral part of this statement.



<u>Capital Projects Fund</u>	<u>Nonmajor Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 2,981,549	\$ 1,788,932	\$ 16,282,683
20,206,608	1,170,762	28,252,513
-	-	3,957,114
-	1,595,266	3,230,313
148,905	-	358,070
448,426	76,537	2,156,284
-	3,411	18,675
-	75,006	454,658
95,255	29,932	271,283
24,997,565	-	39,997,565
<u>\$ 48,878,308</u>	<u>\$ 4,739,846</u>	<u>\$ 94,979,158</u>
\$ 3,175,291	\$ 323,841	\$ 5,289,340
-	-	886,906
-	9,066	383,591
1,112	1,452,516	2,018,913
-	2,666	847,307
1,338,195	-	1,341,393
-	282,853	4,275,863
<u>4,514,598</u>	<u>2,070,942</u>	<u>15,043,313</u>
-	-	379,652
95,255	29,932	271,283
44,268,455	-	44,268,455
-	-	2,291,476
-	2,638,972	2,638,972
-	-	3,500,000
-	-	26,586,007
<u>44,363,710</u>	<u>2,668,904</u>	<u>79,935,845</u>
<u>\$ 48,878,308</u>	<u>\$ 4,739,846</u>	<u>\$ 94,979,158</u>

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**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET ASSETS**  
**AUGUST 31, 2012**

Exhibit C-2

*Total Fund Balances - Governmental Funds (Exhibit C-1)* \$ 79,935,845

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The governmental capital assets at year-end consist of:

Governmental Capital Assets Costs	\$ 429,776,321	
Accumulated Depreciation of Governmental Capital Assets	<u>(104,343,388)</u>	325,432,933

Property taxes receivable, which will be collected subsequent to year-end, but are not available soon enough to pay expenditures and, therefore, are deferred in the funds. 3,957,114

Issuance cost related to debt is not a financial resource and, therefore, is not reported in the funds. Issuance cost is amortized over the life of the debt. 2,400,754

Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Liabilities at year-end related to such items, consist of:

Bonds Payable, at Original Par	\$ (329,690,000)	
Premium on Bonds Payable	(19,597,496)	
Deferred Interest Expense Adjustment	11,314,668	
Accrued Interest on the Bonds	(675,374)	
Compensated Absences	<u>(582,816)</u>	(339,231,018)

An internal service fund is used by the District to charge the costs of various services to the individual funds. The assets and liabilities of the following internal service funds are included with governmental activities:

Health Insurance	\$ 1,550,191	
Workers' Compensation	<u>66,301</u>	<u>1,616,492</u>

*Total Net Assets - Governmental Activities (Exhibit A-1)* \$ 74,112,120

The accompanying notes are an integral part of this statement.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

Data Control Codes		<u>General Fund</u>	<u>Debt Service Fund</u>
<b>REVENUES</b>			
5700	<i>Local, Intermediate, and Out-of-State</i>	\$ 75,396,043	\$ 31,090,743
5800	<i>State Programs</i>	80,011,196	1,483,494
5900	<i>Federal Programs</i>	1,714,142	-
5020	<b>Total Revenues</b>	<u>157,121,381</u>	<u>32,574,237</u>
<b>EXPENDITURES</b>			
Current:			
0011	<i>Instruction</i>	93,698,095	-
0012	<i>Instructional Resources and Media Services</i>	2,598,276	-
0013	<i>Curriculum and Instructional Staff Development</i>	4,400,470	-
0021	<i>Instructional Leadership</i>	1,693,337	-
0023	<i>School Leadership</i>	5,804,206	-
0031	<i>Guidance, Counseling, and Evaluation Services</i>	6,170,383	-
0032	<i>Social Work Services</i>	439,756	-
0033	<i>Health Services</i>	1,778,521	-
0034	<i>Student Transportation</i>	6,857,163	-
0035	<i>Food Services</i>	120,757	-
0036	<i>Extracurricular Activities</i>	4,408,159	-
0041	<i>General Administration</i>	3,545,725	-
0051	<i>Plant Maintenance and Operations</i>	11,973,573	-
0052	<i>Security and Monitoring Services</i>	2,179,066	-
0053	<i>Data Processing Services</i>	2,205,251	-
0061	<i>Community Services</i>	24,701	-
Debt Service:			
0071	<i>Principal on Long-term Debt</i>	-	15,960,000
0072	<i>Interest on Long-term Debt</i>	-	15,572,477
0073	<i>Issuance Costs and Fees</i>	-	681,314
Capital Outlay:			
0081	<i>Facilities Acquisition and Construction</i>	-	-
Intergovernmental:			
0093	<i>Payments to Shared Services Arrangements</i>	1,801,403	-
0095	<i>Payments to Juvenile Justice Alternative Education Programs</i>	15,319	-
0099	<i>Payments to Appraisal District</i>	466,306	-
6030	<b>Total Expenditures</b>	<u>150,180,467</u>	<u>32,213,791</u>
1100	<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>6,940,914</u>	<u>360,446</u>
<b>OTHER FINANCING SOURCES AND USES</b>			
7901	<i>Issuance of Refunding Bonds</i>	-	68,935,000
7915	<i>Transfers In</i>	400,000	-
7916	<i>Premium from Issuance of Bonds</i>	-	8,209,802
8911	<i>Transfers Out</i>	(2,000,000)	-
8912	<i>Settlement of Lawsuit</i>	(3,000)	-
8940	<i>Payment to Bond Refunding Escrow Agent</i>	-	(76,856,865)
7080	<b>Total Other Financing Sources and (Uses)</b>	<u>(1,603,000)</u>	<u>287,937</u>
1200	<b>Net Change in Fund Balances</b>	5,337,914	648,383
0100	<b>Fund Balances - Beginning</b>	25,273,491	1,643,443
3000	<b>Fund Balances - Ending</b>	<u>\$ 30,611,405</u>	<u>\$ 2,291,826</u>

The accompanying notes are an integral part of this statement.

<u>Capital Projects Fund</u>	<u>Nonmajor Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 306,976	\$ 5,946,688	\$ 112,740,450
-	4,409,857	85,904,547
-	20,126,315	21,840,457
<u>306,976</u>	<u>30,482,860</u>	<u>220,485,454</u>
1,307,896	10,856,552	105,862,543
234,824	104,999	2,938,099
49,116	1,898,050	6,347,636
-	533,867	2,227,204
35,035	4,092,008	9,931,249
5,022	186,571	6,361,976
-	62,565	502,321
5,504	119,170	1,903,195
-	202,555	7,059,718
55,240	10,388,657	10,564,654
-	1,150,954	5,559,113
-	3,089	3,548,814
248,928	275,510	12,498,011
116,633	5,153	2,300,852
3,136,855	-	5,342,106
-	111,728	136,429
-	-	15,960,000
-	-	15,572,477
-	-	681,314
28,613,772	-	28,613,772
-	9,036	1,810,439
-	-	15,319
-	-	466,306
<u>33,808,825</u>	<u>30,000,464</u>	<u>246,203,547</u>
(33,501,849)	482,396	(25,718,093)
-	-	68,935,000
-	-	400,000
-	-	8,209,802
-	-	(2,000,000)
-	-	(3,000)
-	-	(76,856,865)
<u>-</u>	<u>-</u>	<u>(1,315,063)</u>
(33,501,849)	482,396	(27,033,156)
<u>77,865,559</u>	<u>2,186,508</u>	<u>106,969,001</u>
<u>\$ 44,363,710</u>	<u>\$ 2,668,904</u>	<u>\$ 79,935,845</u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

Exhibit C-4

*Total Net Changes in Fund Balances - Governmental Funds (Exhibit C-3)* \$ (27,033,156)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital Assets <i>increased</i>	\$ 33,077,215	
Depreciation Expense	<u>(9,385,481)</u>	23,691,734

The net effect of miscellaneous transactions involving capital assets (transfers, adjustments and dispositions) is an increase (decrease) to net assets. (2,277,256)

Because some property taxes will not be collected for several months after the District's fiscal year end, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenues increased (decreased) by this amount this year. 1,499,672

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Bond Issuance Costs <i>capitalized</i>	\$ 664,034	
Amortization of Issuance Costs	<u>(283,124)</u>	380,910

Issuance of bonds provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets.

Par Value	\$ (68,935,000)	
Premium	<u>(8,209,802)</u>	(77,144,802)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 15,960,000

Payment to escrow agent to refund bonds from refunding proceeds. 76,856,865

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The increase (decrease) in interest reported in the statement of activities consist of the following:

Accrued Interest on Current Interest Bonds Payable <i>decreased</i>	\$ 797,654	
Amortization of Bond Premium	1,426,712	
Amortization of Deferred Interest on Refunding Bonds	<u>(790,904)</u>	1,433,462

The (increase) decrease in compensated absences is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. 674,879

An internal service fund is used by the District to charge the costs of various services to the individual funds. The net activity of the following internal service funds are reported in the government-wide statements:

Health Insurance	\$ 1,598,196	
Workers' Compensation	<u>(225,040)</u>	<u>1,373,156</u>

*Change in Net Assets for Governmental Activities (Exhibit B-1)* \$ 15,415,464

The accompanying notes are an integral part of this statement.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**AUGUST 31, 2012**

Exhibit D-1

<u>Data Control Codes</u>	<u>Business-Type Activities Enterprise Fund - Extended Day Program</u>	<u>Governmental Activities Internal Service Funds</u>
<b>ASSETS</b>		
Current Assets:		
1110 <i>Cash and Cash Equivalents</i>	\$ 45,070	\$ 1,392,670
1120 <i>Current Investments</i>	-	326,784
1250 <i>Accrued Interest</i>	-	308
1290 <i>Other Receivables</i>	1,093	13,507
1410 <i>Prepaid Items</i>	-	141,000
1910 <i>Long-term Investments</i>	-	1,500,000
Total Current Assets	<u>46,163</u>	<u>3,374,269</u>
Noncurrent Assets:		
1520 <i>Buildings and Improvements</i>	89,600	-
1570 <i>Accumulated Depreciation</i>	(1,792)	-
Total Noncurrent Assets	<u>87,808</u>	<u>-</u>
1000 Total Assets	<u>133,971</u>	<u>3,374,269</u>
<b>LIABILITIES</b>		
Current Liabilities:		
2110 <i>Accounts Payable</i>	13,421	343,502
2123 <i>Claims Payable - Due Within One Year</i>	-	1,254,275
2160 <i>Accrued Wages Payable</i>	19,809	-
2170 <i>Due to Other Funds</i>	1,853	160,000
2300 <i>Unearned Revenue</i>	25,284	-
Total Current Liabilities	<u>60,367</u>	<u>1,757,777</u>
2000 Total Liabilities	<u>60,367</u>	<u>1,757,777</u>
<b>NET ASSETS</b>		
3900 <i>Unrestricted</i>	73,604	1,616,492
3000 Total Net Assets	<u>\$ 73,604</u>	<u>\$ 1,616,492</u>

The accompanying notes are an integral part of this statement.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

Exhibit D-2

<u>Data Control Codes</u>	<u>Business-Type Activities Enterprise Fund - Extended Day Program</u>	<u>Governmental Activities Internal Service Funds</u>
<b>OPERATING REVENUES</b>		
5737 <i>Registration Fees</i>	\$ 68,058	\$ -
5739 <i>Tuition</i>	2,086,458	-
5754 <i>Interfund Services Provided</i>	-	11,606,643
5020 <i>Total Revenues</i>	<u>2,154,516</u>	<u>11,606,643</u>
<b>OPERATING EXPENSES</b>		
6100 <i>Payroll Costs</i>	1,249,303	-
6200 <i>Purchased and Contracted Services</i>	47,668	1,783,596
6300 <i>Supplies and Materials</i>	248,033	155
6400 <i>Claims Expense and Other Operating Expenses</i>	101,538	10,453,995
6449 <i>Depreciation</i>	1,792	-
6030 <i>Total Expenses</i>	<u>1,648,334</u>	<u>12,237,746</u>
<i>Operating Income (Loss)</i>	<u>506,182</u>	<u>(631,103)</u>
<b>NONOPERATING REVENUES</b>		
7955 <i>Investment Earnings - Deposits and Investments</i>	-	4,259
8030 <i>Total Nonoperating Revenues</i>	-	4,259
<i>Income (Loss) before Transfers</i>	<u>506,182</u>	<u>(626,844)</u>
7915 <i>Transfers In</i>	-	2,000,000
8911 <i>Transfers Out</i>	<u>(400,000)</u>	<u>-</u>
1300 <i>Change in Net Assets</i>	106,182	1,373,156
0100 <i>Total Net Assets - Beginning</i>	<u>(32,578)</u>	<u>243,336</u>
3300 <i>Total Net Assets - Ending</i>	<u>\$ 73,604</u>	<u>\$ 1,616,492</u>

The accompanying notes are an integral part of this statement.



**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

Exhibit D-3

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise</u>	
	<u>Fund -</u>	<u>Internal</u>
	<u>Extended Day</u>	<u>Service</u>
	<u>Program</u>	<u>Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Employee and Employer	\$ -	\$ 11,563,447
Cash Received from Registration Fees and Tuition	2,162,283	-
Cash Payments to Suppliers for Goods and Services	(428,378)	-
Cash Payments for Claims	-	(9,867,038)
Cash Payments for Employees	(1,352,222)	-
Cash Payments for Administrative Services	-	(1,783,751)
Net Cash Provided by (Used for) Operating Activities	<u>381,683</u>	<u>(87,342)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers from Other Funds	-	2,000,000
Transfers to Other Funds	(400,000)	-
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(400,000)</u>	<u>2,000,000</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of Capital Assets	(89,600)	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(89,600)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest and Dividends Received on Investments	-	7,685
Purchase of Investments	-	(1,786,081)
Net Cash Provided by (Used For) Investing Activities	<u>-</u>	<u>(1,778,396)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(107,917)	134,262
Cash and Cash Equivalents at Beginning of Year	152,987	1,258,408
<b>Cash and Cash Equivalents at End of Year</b>	<u>\$ 45,070</u>	<u>\$ 1,392,670</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:</b>		
Operating Income (Loss)	\$ 506,182	\$ (631,103)
Depreciation Expense	1,792	-
Change in Assets and Liabilities:		
(Increase) Decrease in Other Receivables	14,259	(1,662)
Increase (Decrease) in Accounts Payable	(31,139)	205,350
Increase in Accrued Wages Payable	3,434	-
Decrease in Deferred Revenue	(6,492)	-
Increase in Claims Payable	-	383,269
Decrease in Due to Other Funds	(106,353)	(43,196)
Net Cash Provided (Used) by Operating Activities	<u>\$ 381,683</u>	<u>\$ (87,342)</u>

The accompanying notes are an integral part of this statement.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**AUGUST 31, 2012**

Exhibit E-1

<u>Data Control Codes</u>	<u>Private-Purpose Trust Fund</u>	<u>Agency Fund</u>
<b>ASSETS</b>		
1110 <i>Cash and Cash Equivalents</i>	\$ 42,700	\$ 296,484
1120 <i>Current Investments</i>	240,288	-
1260 <i>Due from Other Funds</i>	-	24,482
1000 Total Assets	<u>\$ 282,988</u>	<u>\$ 320,966</u>
<b>LIABILITIES</b>		
2110 <i>Accounts Payable</i>	\$ -	\$ 450
2190 <i>Due to Student Groups</i>	-	320,516
2000 Total Liabilities	<u>-</u>	<u>\$ 320,966</u>
<b>NET ASSETS</b>		
3800 <i>Restricted Net Assets</i>	<u>\$ 282,988</u>	

The accompanying notes are an integral part of this statement.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FIDUCIARY FUND**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

Exhibit E-2

	<u>Private-Purpose Trust Fund</u>
<b>ADDITIONS:</b>	
<i>Gifts and Contributions</i>	\$ 6,170
<i>Interest</i>	288
Total Additions	<u>6,458</u>
<b>DEDUCTIONS:</b>	
<i>Miscellaneous Expense</i>	<u>9,648</u>
Total Deductions	<u>9,648</u>
Change in Net Assets	(3,190)
Net Assets - Beginning of Year	286,178
Net Assets - End of Year	<u>\$ 282,988</u>

The accompanying notes are an integral part of this statement.

**Note 1 - Summary of Significant Accounting Policies**

**Reporting Entity**

The Pflugerville Independent School District (District) is governed by a seven-member Board of Trustees (Board), which has governance responsibilities over all activities related to public elementary and secondary education within the District. Because members of the Board are elected by the public; have authority to make decisions; appoint management and significantly influence operations; and have primary accountability for fiscal matters; the District is not included in any other governmental reporting entity. The accompanying financial statements present the District. There are no component units, which are entities the District is considered to be financially accountable, included within the reporting entity.

The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities.

**Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Depreciation expense, self-insurance plans' net profit or loss, and compensated absences costs have been allocated to all applicable functions in order to present the expenditures of the District more accurately in the Statement of Activities. *Program revenues* include 1) charges to students or users 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*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

Grant revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

- The *general fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.
- The *capital projects fund* is used to account for proceeds from sales of bonds and other revenues to be used for authorized construction and other capital asset acquisitions.

The District reports the following nonmajor governmental funds:

- The *special revenue funds* are used to account for resources restricted to, or designated for specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a special revenue fund. Generally, unused balances are returned to the grantor at the close of the specified project periods. With respect to the *National School Breakfast and Lunch Program*, campus activity funds, and special projects funds are rolled over from year to year for use in the program.

Additionally, the District reports the following fund types:

- The *enterprise fund* accounts for the District's operation of an extended day school care program. This fund is supported principally by revenues generated through program fees.
- The *internal service funds* are used to account for the operations of the District's self-funded employee group health insurance and workers' compensation plans.
- *Private purpose trust funds* are used to account for resources legally held in trust under which principal and income benefit individuals, private organizations or other governments. The District's private-purpose trust funds represent scholarship funds being held in trust for students.
- The *agency fund* is used to account for assets held by the District as an agent for student organizations. The fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operation.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to students or users for goods, services, or privileges provided and 2) operating grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes and investment income.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

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 internal service funds are charges to the funds and/or employees for self-funded health services and workers' compensation. Operating expenses for the internal service funds include the cost of services and administrative expenses. The principal operating revenues of the District's enterprise fund are fees charged for extended day program for students. Operating expenses of the enterprise fund include the cost of payroll, supplies, and other miscellaneous operating costs to run the program. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses for the internal service funds and the enterprise fund. The District applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless these pronouncements conflict or contradict GASB pronouncements.

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. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and, lastly, unassigned funds.

**Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and certificates of deposit, with original maturities of three months or less from the date of acquisition.

Investments for the District are reported at fair value based on quoted market prices at August 31, 2012. The investment pools operate in accordance with appropriate state laws and regulations. The reported value of the pools is the same as the fair value of the pool shares.

**Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Property tax receivables, including unpaid property taxes, at year-end are shown net of an allowance for uncollectibles. The property tax receivable allowance is based on historical experience in collecting taxes. Revenues from property taxes are recognized when levied to the extent they are available. The District considers property taxes as available when collected. However, not all outstanding property taxes are expected to be collected within one year of the date of the financial statements. Property values are determined by Williamson Central Appraisal District and Travis Central Appraisal District as of January 1 of each year. Prior to September 1 of each year, the District must adopt its annual budget and as soon thereafter as practicable, shall adopt a tax rate thus creating the tax levy. Property taxes for the current calendar year are levied on approximately October 1 of each year and are payable by January 31 of the following year. Property tax receivables are recorded as of the date levied. Unpaid taxes become delinquent on February 1 and a tax lien on real property is created as of July 1 of each year.

**Inventories and Prepaid items**

Inventories consisting of supplies and materials are valued at weighted average cost and they include maintenance, transportation, office and instructional supplies, and food service commodities. Inventories are recorded under the consumption method. Inventories funds are recorded as expenditures when consumed rather than when purchased. Food service commodity inventory is recorded at fair market value on the date received.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

Commodities are recognized as revenues in the period received when all the eligibility requirements are met. Commodity inventory items are recorded as expenditures when distributed to user locations. The commodity inventory is not classified as nonspendable due to such amount is reported as a deferred revenue until consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**Capital Assets**

Capital assets, which include land, construction in progress, buildings and improvements, and furniture and equipment, are reported in the governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost that equals or exceeds \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Buildings and improvements, and furniture and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and Improvements	15-60
Furniture and Equipment	7-25

**Compensated Absences**

The State of Texas has created a minimum sick leave program consisting of five days per year sick leave with no limit on accumulation and transferability among districts for every eligible employee regularly employed in Texas public schools. Each district's local Board of Education is required to establish a sick leave plan. Local school districts may provide additional sick leave beyond the state minimum.

Through August 31, 2012, any employee with four or more full creditable years of experience in the District shall be paid for the number of unused local sick days upon separation from the District. An employee must have at least 22 unused local sick leave days remaining at separation in order to qualify for this benefit. The District will pay a maximum of 50 days. Beginning September 1, 2011, only employees who meet these requirements and are retiring will receive this benefit. All other employees will not receive any benefit associated with unused local sick leave days when they separate from the District.

**Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the bonds outstanding method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### **Fund Equity**

Beginning with fiscal year 2011, the District implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

*Nonspendable fund balance* - amounts that are not in spendable form (such as inventory) or are required to be maintained intact.

*Restricted fund balance* - Amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors.

*Committed fund balance* - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. the Board of Trustees). To be reported as committed, amounts cannot be used for any other purposes unless the District takes the same highest level of action to remove or change the constraint. The District establishes (and modifies or rescinds) fund balance commitments by passage of a resolution.

*Assigned fund balance* - amounts the District intends to use for a specific purpose. The Board delegates to the Superintendent or designee the responsibility to assign funds. An assigned fund balance shall mean that portion of the fund balance that is spendable or available for appropriation but is tentatively earmarked for some specific purpose. The assigned intent may change over time as directed by the Superintendent or designee.

*Unassigned fund balance* - amounts that are available for any purpose. Positive amounts are reported only in the general fund.

In the fund financial statements, governmental funds report categories of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. The goal for the operating fund shall be an unrestricted fund balance at a minimum between 45 and 60 days of operations. The goal for the debt service funds shall be at a level adequate to meet bonded debt obligations.

### **Data Control Codes**

The Data Control Codes refer to the account code structure prescribed by the Texas Education Agency (TEA) in the Financial Accountability System Resource Guide. TEA requires school districts to display these codes in the financial statements filed with the Agency in order to ensure accuracy in building a statewide database for policy development and funding plans.

### **Use of Estimates**

The presentation 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, disclosure of contingent 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.



**Note 2 - Deposits and Investments**

**Cash Deposits**

The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas School Depository Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the District's and the depository bank's agent bank. The pledged securities are approved by the Texas Education Agency and shall be in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

**Investments**

The District's investment policy is in accordance with the Public Funds Investment Act, the Public Funds Collateral Act, and federal and state laws. The District further limits its investments to obligations of the U.S. Treasury or the State of Texas, certain U.S. Agencies, certificates of deposit, collateralized mortgage obligations, no-load money market mutual funds, certain municipal securities, repurchase agreements, or investment pools.

For fiscal year 2012, the District invested in certificates of deposit, LOGIC, Texas Association of School Boards Lone Star Investment Pool, and Texas Cooperative Liquid Assets Securities System Trust (Texas CLASS). LOGIC, Lone Star, and Texas CLASS operate in a manner consistent with the Security and Exchange Commission's Rule 2a-7 of the Investment Company Act of 1940. The investment pools use amortized cost to report net assets and share prices, since those amounts approximate fair value.

LOGIC is duly chartered by the State of Texas Interlocal Cooperation Act, is administered by First Southwest Asset Management, Inc. and J.P. Morgan Investment Management, Inc. (JPMIM), and managed by JPMIM. J.P. Morgan Chase provides custody, fund accounting and transfer agency services. LOGIC may invest in obligations of the U.S. or its agencies and instrumentalities; repurchase agreements; SEC-registered money market funds rated in the highest rating category by at least one NRSRO; and commercial paper rated A-1, P-1 or equivalent by on NRSRO and is fully secured by an irrevocable letter or credit.

Lone Star Investment Pool is duly chartered by the State of Texas Interlocal Cooperation Act, is administered by First Public, LLC, and managed by Standish Mellon and American Beacon Advisors. The Bank of New York is the custodial bank. Lone Star Investment Pool is restricted to invest in obligations of the United States or its agencies and instrumentalities; other obligations insured by the United States; fully collateralized repurchase agreements having a defined termination date, secured by obligations described previously; and SEC-registered no-load money market mutual funds, the assets which consist exclusively of the obligations described above.

Texas CLASS is a local government investment pool organized under the authority of the Interlocal Cooperation Act, chapter 791, Texas Government Code, and the Public Funds Investment Act, chapter 2256, Texas Government Code. Texas CLASS was established in 1996. Pursuant to the Trust Agreement, Texas CLASS is supervised by a Board of Trustees who are elected by the Participants. The Board of Trustees supervises the Trust and its affairs and acts as the liaison between the Participants, the Custodian and the Program Administrator. Cutwater Investor Services Corp. serves as Program Administrator. Cutwater Investor Services Corp. is a subsidiary of Cutwater Asset Management. It maintains a Net Asset Value of approximately \$1 per share.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

At year-end, the District's cash and investments balances and the weighted average maturity of these investments for the governmental and business-type activities were as follows:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Cash and Deposits	\$ 17,720,423	N/A
<b>Investment Type:</b>		
Certificates of Deposit	36,500,000	1.05
Local Government Investment Pools:		
LOGIC	15,514,269	0.14
Lone Star	2,387,670	0.30
Texas CLASS	10,677,358	0.11
U.S. Agency Securities	4,997,565	1.76
Subtotal for Investments	<u>70,076,862</u>	
<b>Total Fair Value</b>	<b>\$ <u>87,797,285</u></b>	
<b>Portfolio Weighted Average Maturity</b>		<b>0.73</b>

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates may adversely affect the value of the investments. The District's investment policy limits the maturities of investments and prohibits any investment for speculative gains. Unless matched to a specific cash flow or specifically authorized by the Board, the District will not directly invest in securities maturing more than 24 months from the date of purchase. In no case will securities with a maturity of greater than 12 months exceed 50 percent of the total portfolio.

The District recognizes that investment risk can result from market price changes. Investment officers are expected to display prudence, discretion, and intelligence in the selection of securities, as a way to minimize risk. Investments of the District shall be selected in a manner that seeks to ensure the preservation of capital in the overall portfolio.

At August 31, 2012, the District's exposure to interest rate risk as measured by the segmented time distribution by investment type is summarized below:

	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Investment Maturities in Years</u>	
			<u>Less than 1</u>	<u>1-5</u>
Certificate of Deposit	\$ 36,500,000	\$ 36,500,000	\$ 26,500,000	\$ 10,000,000
Local Government Investment Pools:				
LOGIC	15,514,269	15,514,269	15,514,269	-
Lone Star	2,387,670	2,387,670	2,387,670	-
Texas CLASS	10,677,358	10,677,358	10,677,358	-
U.S. Agency Securities	4,997,565	4,997,565	-	4,997,565
	<b>\$ <u>70,076,862</u></b>	<b>\$ <u>70,076,862</u></b>	<b>\$ <u>55,079,297</u></b>	<b>\$ <u>14,997,565</u></b>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

**Credit Risk**

State law and the District's investment policy limits investments in all categories to top ratings issued by nationally recognized statistical rating organizations. As of August 31, 2012, the District's investments had the following ratings:

	<u>Fair Value</u>	<u>Rating</u>
Certificate of Deposit	\$ 36,500,000	Not Rated
Local Government Investment Pools:		
LOGIC	15,514,269	AAAm
Lone Star	2,387,670	AAAm
Texas CLASS	10,677,358	AAA/AA
U.S. Agency Securities	4,997,565	AA+
	<u>\$ 70,076,862</u>	

**Custodial Credit Risk**

The investments of the District shall be held by an independent third party with whom the District has a current custodial agreement. The District shall retain clearly marked receipts providing proof of the District's ownership. The District may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with the District funds.

The District's funds on deposit with the depository bank were either fully-insured by the Federal Deposit Insurance Corporation or collateralized with securities held by the District or its agent and listing the District as owner.

All investments are made in the name of the Pflugerville Independent School District. All investments were purchased with the delivery versus payment method and are recorded at the District's name on the custodial banks' book entry system and confirmed to the District via safekeeping receipt maintained on the books of the depository bank's safekeeping department.

**Concentration of Credit Risk**

The District's investment policy requires the investment portfolio to be diversified in terms of investment instruments, maturity scheduling, and financial institutions in order to reduce the risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific issuer. The asset mix of the District's portfolio is expressed in terms of maximum commitment so as to allow sufficient flexibility to take advantage of market considerations within the context of its investment policy. The asset mix requirements are as follows:

U.S. Treasury Obligations	25% (maximum)
Public Funds Investment Pools	100% (maximum)

No issuer of U.S. government securities or a single public funds investment pool will comprise more than 75 percent of the District's investment portfolio. The District does not invest its portfolio in one investment pool. Funds are divided between three pools for diversification and security reasons.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

As of August 31, 2012, the following was the composition of the District's investment portfolio, which includes interest bearing and earnings credit bank deposit accounts:

Certificates of Deposit	42%
LOGIC	18%
Lone Star Investment Pool	3%
Texas CLASS Pool	12%
U.S. Agency Securities	6%

The fair value of the investments in U.S. Government agency securities is based on quoted market prices. The investments are reported by the District at fair value. The amount of change in the fair value of these investments during the year ended August 31, 2012, is included in investment earnings as follows:

Investment Earnings	\$ 4,767
Net Increase (Decrease) in Investment Values	<u>(1,185)</u>
<b>Total Investment Earnings</b>	<b><u>\$ 3,582</u></b>

**Note 3 - Receivables**

Receivables as of year-end for the District's individual major and nonmajor (other governmental) funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Enterprise Fund</u>	<u>Internal Service Funds</u>	<u>Total</u>
<b>Receivables:</b>							
Property Taxes	\$ 3,050,432	\$ 946,653	\$ -	\$ -	\$ -	\$ -	\$ 3,997,085
Due From Other Governments:							
State	1,629,762	-	-	9,530	-	-	1,639,292
Federal	4,965	-	-	1,567,234	-	-	1,572,199
Local	320	-	-	18,502	-	-	18,822
Interest	209,165	-	148,905	-	-	308	358,378
Other	6,775	8,489	-	3,411	1,093	13,507	33,275
Gross Receivables	<u>4,901,419</u>	<u>955,142</u>	<u>148,905</u>	<u>1,598,677</u>	<u>1,093</u>	<u>13,815</u>	<u>7,619,051</u>
Less: Allowance for Uncollectibles	<u>(30,504)</u>	<u>(9,467)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39,971)</u>
<b>Net Total Receivables</b>	<b><u>\$ 4,870,915</u></b>	<b><u>\$ 945,675</u></b>	<b><u>\$ 148,905</u></b>	<b><u>\$ 1,598,677</u></b>	<b><u>\$ 1,093</u></b>	<b><u>\$ 13,815</u></b>	<b><u>\$ 7,579,080</u></b>

Tax revenues of the general and debt service fund are reported net of estimated uncollectible amounts. Total uncollectible amounts related to revenues of the current period increased (decreased) revenues as follows:

Uncollectibles Related to General Fund Property Taxes	\$ (3,425,141)
Uncollectibles Related to Debt Service Property Taxes	<u>(1,363,493)</u>
<b>Total Uncollectibles of the Current Fiscal Year</b>	<b><u>\$ (4,788,634)</u></b>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period or in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenues reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent Property Taxes Receivable (General Fund)	\$ 3,019,928	\$ -
Delinquent Property Taxes Receivable (Debt Service Fund)	937,186	-
Season Ticket Sales (General Fund)	-	11,602
Rental Deposits (General Fund)	-	6,440
Kickstart (General Fund)	-	17,854
Funds Received Prior to Meeting all Eligibility Requirements, Primarily Grants (Special Revenue Funds)	-	282,853
<b>Total Unavailable/Unearned Revenue For Governmental Funds</b>	<b>\$ <u>3,957,114</u></b>	<b>\$ <u>318,749</u></b>

**Note 4 - Capital Assets**

The District's capital asset activity for the year ended August 31, 2012 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions and Adjustments</u>	<u>Prior Period Adjustment</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>					
<b>Capital Assets, not being Depreciated:</b>					
Land	\$ 26,454,051	\$ 1,174,917	\$ -	\$ -	\$ 27,628,968
Construction in Progress	2,233,708	27,576,008	(7,371)	-	29,802,345
<b>Total Capital Assets, not being Depreciated</b>	<b><u>28,687,759</u></b>	<b><u>28,750,925</u></b>	<b><u>(7,371)</u></b>	<b><u>-</u></b>	<b><u>57,431,313</u></b>
<b>Capital Assets, being Depreciated:</b>					
Buildings and Improvements	350,366,808	98,855	(33,067)	-	350,432,596
Furniture and Equipment	19,921,795	4,227,435	(2,236,818)	-	21,912,412
<b>Total Capital Assets, being Depreciated</b>	<b><u>370,288,603</u></b>	<b><u>4,326,290</u></b>	<b><u>(2,269,885)</u></b>	<b><u>-</u></b>	<b><u>372,345,008</u></b>
<b>Less Accumulated Depreciation for:</b>					
Buildings and Improvements	(77,843,980)	(7,346,559)	-	(4,095,762)	(89,286,301)
Furniture and Equipment	(13,007,515)	(2,038,922)	-	(10,650)	(15,057,087)
<b>Total Accumulated Depreciation</b>	<b><u>(90,851,495)</u></b>	<b><u>(9,385,481)</u></b>	<b><u>-</u></b>	<b><u>(4,106,412)</u></b>	<b><u>(104,343,388)</u></b>
<b>Total Capital Assets, being Depreciated, net</b>	<b><u>279,437,108</u></b>	<b><u>(5,059,191)</u></b>	<b><u>(2,269,885)</u></b>	<b><u>(4,106,412)</u></b>	<b><u>268,001,620</u></b>
<b>Governmental Activities Capital Assets, net</b>	<b>\$ <u>308,124,867</u></b>	<b>\$ <u>23,691,734</u></b>	<b>\$ <u>(2,277,256)</u></b>	<b>\$ <u>(4,106,412)</u></b>	<b>\$ <u>325,432,933</u></b>
<b>Business-type Activities:</b>					
<b>Capital Assets, being Depreciated:</b>					
Buildings and Improvements	-	89,600	-	-	89,600
<b>Total Capital Assets, being Depreciated</b>	<b><u>-</u></b>	<b><u>89,600</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>89,600</u></b>
<b>Less Accumulated Depreciation for:</b>					
Buildings and Improvements	-	(1,792)	-	-	(1,792)
<b>Total Accumulated Depreciation</b>	<b><u>-</u></b>	<b><u>(1,792)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(1,792)</u></b>
<b>Business-type Activities Capital Assets, net</b>	<b>\$ <u>-</u></b>	<b>\$ <u>87,808</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>87,808</u></b>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

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

<b>Governmental Activities:</b>	
11 Instruction	\$ 4,619,058
12 Instructional Resources and Media Services	361,990
23 School Leadership	262,239
31 Guidance, Counseling, and Evaluation Services	225,434
32 Social Work Services	387
34 Student Transportation	44,723
35 Food Services	697,929
36 Extracurricular Activities	1,309,965
41 General Administration	87,532
51 Plant Maintenance and Operations	425,218
52 Security and Monitoring Services	478,052
53 Data Processing Services	872,954
<i>Total Depreciation Expense-Governmental Activities</i>	<u><u>\$ 9,385,481</u></u>

**Construction Commitments**

The District has active construction projects as of August 31, 2012. The projects include the construction and equipment of school facilities. At year-end, the District's commitments with contractors are as follows:

<b>Project</b>	<b>Approved Construction Budget</b>	<b>Remaining Commitment</b>
Drymalla Constr-ES #19	\$ 11,999,783	\$ 950,279
Charter Builders-MS #6	24,619,000	9,375,727
SHW-ES #19 Architect	715,000	14,300
SHW-MS #6 Architect	1,230,950	135,405
Braun & Butler-Rock Gym Renovations	335,000	99,434
PBK-Rock Gym Renovations Architect	19,440	972
PBK-High School #4 Architect (full budget not yet approved)	4,800,000	4,440,000
Braun & Butler-Geometry Construction-CHS	99,684	63,639
Braun & Butler-Geometry Construction-HHS	97,625	58,190
Hillhouse Power Solutions	376,000	376,000
<i>Totals</i>	<u><u>\$ 44,292,482</u></u>	<u><u>\$ 15,513,946</u></u>

**Note 5 - Interfund Receivables, Payables, and Transfers**

Interfund balances consist of short-term lending/borrowing arrangements that result primarily from payroll and other regularly occurring charges that are paid by the general fund and then charged back to the appropriate other fund. Additionally, some lending/borrowing may occur between two or more non-major governmental funds. All interfund balances are expected to be repaid within one year.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

The composition of interfund balances as of August 31, 2012, is as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental Funds:		
General Fund	\$ 1,631,321	\$ 565,285
Capital Projects Fund	448,426	1,112
Nonmajor-Other Governmental Funds	76,537	1,452,516
Proprietary Funds:		
Enterprise Fund - Extended Day Program	-	1,853
Internal Service Funds	-	160,000
Fiduciary Funds:		
Agency Fund	24,482	-
<i>Totals</i>	<u>\$ 2,180,766</u>	<u>\$ 2,180,766</u>

**Interfund Transfers**

Interfund transfers are defined as “flows of assets without equivalent flow of assets in return and without a requirement for repayment.” The following is a summary of the District’s transfers for the year ended August 31, 2012.

<u>Transfer Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Internal Service Fund - Health Insurance	\$ 2,000,000
Enterprise Fund-Extended Day Program	General Fund	400,000
<i>Total</i>		<u>\$ 2,400,000</u>

Transfers are used to supplement various programs accounted for in other funds in accordance with budgetary authorizations.

Transfers from the Enterprise to General Fund were to compensate for operating costs and building usage.

Transfers from General Fund to Health Insurance Fund are used to provide a significant reserve if future claims are higher than expected and/or to pay “run-off” claims if the District went back to a fully-insured program.

**Note 6 - Long-term Liabilities**

The District’s long-term liabilities consist of bond indebtedness, health insurance, workers’ compensation, and compensated absences. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund. The current requirements for health insurance and workers’ compensation are accounted for and liquidated in the respective internal service fund. The current and prior requirements for compensated absences are accounted for in the general fund.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

**Changes in Long-term Liabilities**

Long-term liability activity for the year ended August 31, 2012, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<i>Governmental Activities:</i>					
<b>Bonds Payable:</b>					
General Obligation Bonds	\$ 346,240,000	\$ 68,935,000	\$ (85,485,000)	\$ 329,690,000	\$ 17,290,000
Deferred Amounts:					
For Issuance Premiums	13,574,211	8,209,802	(2,186,517)	19,597,496	-
Deferred Interest on Refunding Bonds	(5,286,355)	(6,819,217)	790,904	(11,314,668)	-
<b>Total Bonds Payable, net</b>	<u>354,527,856</u>	<u>70,325,585</u>	<u>(86,880,613)</u>	<u>337,972,828</u>	<u>17,290,000</u>
Health Insurance Claims	429,424	10,191,463	(9,720,887)	900,000	900,000
Workers' Compensation Claims	441,582	324,597	(411,904)	354,275	354,275
Compensated Absences	1,257,695	(623,994)	(50,885)	582,816	58,282
<b>Governmental Activity Long-term Liabilities</b>	<u>\$ 356,656,557</u>	<u>\$ 80,217,651</u>	<u>\$ (97,064,289)</u>	<u>\$ 339,809,919</u>	<u>\$ 18,602,557</u>

See Compensated Absences in Note 1 for current year policy changes.

**General Obligation Bonds**

The District issues general obligation bonds to provide funds for the acquisition and construction/renovation of school buildings, equipment and technology. General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

<u>Series</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Maturity Date</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
2001	4.00-5.50%	\$ 59,560,000	2026	\$ 4,780,000	\$ -	\$ (4,780,000)	\$ -
2003	2.00-5.25%	20,000,000	2028	15,670,000	-	(14,340,000)	1,330,000
2004	2.25-5.00%	25,915,000	2029	22,230,000	-	(19,945,000)	2,285,000
2004 A	2.00-5.00%	14,090,000	2017	9,415,000	-	(170,000)	9,245,000
2005	3.00-5.25%	79,195,000	2026	68,200,000	-	(7,160,000)	61,040,000
2005 A	3.13-5.25%	28,670,000	2030	26,125,000	-	(22,200,000)	3,925,000
2006	4.00-5.00%	40,000,000	2031	38,085,000	-	(11,600,000)	26,485,000
2008	3.00-5.00%	121,715,000	2033	118,040,000	-	(1,520,000)	116,520,000
2010	2.00-5.00%	20,420,000	2019	20,120,000	-	(3,190,000)	16,930,000
2011	4.00-5.00%	23,655,000	2025	23,575,000	-	-	23,575,000
2011A	2.00-5.00%	28,170,000	2028	-	28,170,000	(580,000)	27,590,000
2012	2.00-5.00%	40,765,000	2030	-	40,765,000	-	40,765,000
<b>Totals</b>				<u>\$ 346,240,000</u>	<u>\$ 68,935,000</u>	<u>\$ (85,485,000)</u>	<u>\$ 329,690,000</u>



**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending</u> <u>August 31</u>	<u>Principal</u> <u>Value</u>	<u>Interest</u>	<u>Total</u> <u>Requirements</u>
2013	17,290,000	15,172,362	32,462,362
2014	18,185,000	14,281,272	32,466,272
2015	19,055,000	13,471,200	32,526,200
2016	19,555,000	12,605,826	32,160,826
2017	20,435,000	11,744,806	32,179,806
2018	17,520,000	10,901,613	28,421,613
2019	18,230,000	10,088,738	28,318,738
2020	14,750,000	9,221,588	23,971,588
2021	15,285,000	8,563,212	23,848,212
2022	15,975,000	7,835,450	23,810,450
2023	16,735,000	7,066,650	23,801,650
2024	17,530,000	6,289,122	23,819,122
2025	18,370,000	5,467,478	23,837,478
2026	19,605,000	4,428,881	24,033,881
2027	13,300,000	3,588,350	16,888,350
2028	13,960,000	2,951,431	16,911,431
2029	13,480,000	2,286,175	15,766,175
2030	12,250,000	1,675,062	13,925,062
2031	10,935,000	1,128,275	12,063,275
2032	8,405,000	652,125	9,057,125
2033	8,840,000	221,000	9,061,000
<b>Totals</b>	<b>\$ <u>329,690,000</u></b>	<b>\$ <u>149,640,616</u></b>	<b>\$ <u>479,330,616</u></b>

**General Obligation Bonds**

In November 2011, the District issued \$28,170,000 of refunding bonds. The proceeds of the refunding bonds were used to legally defease \$28,370,000 of previously issued District bonds in order to lower its overall debt service requirements. The reacquisition price exceeded the net carrying value of the old debt by \$2,358,961. The amount is netted against the new debt and amortized over the life of the new debt. The refunding resulted in an economic gain of \$2,371,986.

In March 2012, the District issued \$40,765,000 of refunding bonds. The proceeds of the refunding bonds were used to legally defease \$41,155,000 of previously issued District bonds in order to lower its overall debt service requirements. The reacquisition price exceeded the net carrying value of the old debt by \$4,460,256. The amount is netted against the new debt and amortized over the life of the new debt. The refunding resulted in an economic gain of \$3,640,285.

**Prior Year Refunding of General Obligation Bonds**

In 2012, the District defeased certain outstanding bonds by placing proceeds of new bonds in irrevocable escrow accounts to provide for all future debt service payments on the old bonds. Accordingly, the escrow accounts to provide for all future debt service payments are not included in the District's financial statements. At August 31, 2012, \$64,745,000 of previously refunded bonds outstanding are considered defeased as noted below:

2003	General Obligation Bonds (maturing 2015-2028, callable February 15, 2013)	\$ 13,715,000
2004	General Obligation Bonds (maturing 2016-2029, callable February 15, 2014)	19,150,000
2005A	General Obligation Bonds (maturing 2017-2030, callable February 15, 2015)	21,415,000
2006	General Obligation Bonds (maturing 2018-2023, callable February 15, 2016)	10,465,000
		<b>\$ <u>64,745,000</u></b>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

**Note 7 - Fund Balance**

Other committed fund balance includes the following commitments of funds:

<b>Other Governmental Funds:</b>		
National School Breakfast and Lunch Program		\$ 1,424,732
Campus Activity		1,155,107
Special Projects Fund		59,133
<i>Total Other Committed Fund Balance</i>		<u>\$ 2,638,972</u>

**Note 8 - Revenues from Local, Intermediate, and Out-of-State Sources**

During the current year, revenues from local and intermediate sources consisted of the following:

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Other Governmental Funds	Total
Property Taxes	\$ 73,400,703	\$ 31,059,810	\$ -	\$ -	\$ 104,460,513
Investment Income	198,177	-	239,778	2,184	440,139
Food Sales	-	-	-	3,965,366	3,965,366
Extracurricular Student Activities	401,739	-	-	931,936	1,333,675
Other	1,395,424	30,933	67,198	1,047,202	2,540,757
<i>Total</i>	<u>\$ 75,396,043</u>	<u>\$ 31,090,743</u>	<u>\$ 306,976</u>	<u>\$ 5,946,688</u>	<u>\$ 112,740,450</u>

**Note 9 - Pension Information**

**Plan Description**

The Pflugerville 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, Chapter 803 and 805, respectively. The Texas state legislature has the authority to establish and amend benefit provisions of the pension plan and may, under certain circumstances, grant special authority to the TRS Board of Trustees. 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 downloading the report from the TRS Internet website, [www.trs.state.tx.us](http://www.trs.state.tx.us), under the TRS Publications heading, by calling the TRS Communications Department at 1-800-223-8778, or by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701.

**Funding Policy**

Contribution requirements are not actuarially determined but are established and amended pursuant to the following state funding policy: (1) the state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10% of the aggregate annual compensation of all members of the system during the fiscal year; (2) state statute prohibits benefit improvements, if as a result of the particular action, the time required to amortize TRS' 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.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

**Contributions**

Contribution rates and contributions for fiscal years 2012-2010 are shown in the table below. These rates are set by the General Appropriations Act. In certain instances, the reporting district is required to make all or a portion of the state's and/or member's contribution and on the portion of the employees' salaries that exceeded the statutory minimum.

**Contribution Rates and Contribution Amounts**

Year	Member		State		District (Statutory Minimum)
	Rate	Amount	Rate	Amount	Amount
2012	6.4%	\$ 7,359,362	6.000%	\$ 5,424,287	\$ 999,251
2011	6.4%	\$ 7,436,074	6.644%	\$ 6,027,135	\$ 1,173,489
2010	6.4%	\$ 7,212,683	6.644%	\$ 5,768,078	\$ 1,111,364

The contributions made by the State on behalf of the District have been recorded in the financial statements of the District as both state revenues and payroll expenditures. These contributions are the legal responsibility of the State.

**Note 11 - Risk Management**

**Property/Liability**

The District is exposed to various risks of loss related to property/liability losses for which the District carries commercial insurance.

In addition, the District is a member of the Texas Association of Public Schools Property and Liability Fund (Fund). The Fund was created to formulate, develop and administer a program of modified self-funding for the property and/or liability coverage for its membership, provide claims administration, and develop a comprehensive loss control program. The District pays contributions to the Fund for its general and educators' liability coverage. The District's agreement with the Fund provides that the Fund will be self-sustaining through member premiums and will provide, through commercial companies, reinsurance contracts.

**Health Insurance Coverage**

On January 1, 2011, the District implemented a self-funded employee group health insurance plan and such transactions are accounted for in an Internal Service Fund. The District maintained its monthly, medical insurance contribution of \$303 for September through December and \$320 for January through August toward the total employee's cost for the medical plans that could include coverage for a spouse, child(ren) or family.

Liabilities of the self-funded employee group health insurance plan are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities also include an estimated amount for claims that have been incurred by not reported (IBNR). The result of the process to estimate the claims liability is based on the District's historical experience. An excess coverage insurance policy limits claims paid from the fund to an annual maximum amount of \$1,000,000 per plan year and an annual deductible of \$200,000 for each participant. There were no significant reductions in insurance coverage from the prior year. Settlements have not exceeded coverages for each of the past two fiscal years.

Fiscal Year General	Beginning of Year Accrual	Current Year Estimates	Claims Payments	End of Year Accrual
2011*	\$ -	\$ 6,423,803	\$ 5,994,379	\$ 429,424
2012	429,424	10,191,463	9,720,887	900,000

\* January 1, 2011 through August 31, 2011

**Workers' Compensation**

The District is self-insured for worker's compensation coverage and such transactions are accounted from in an internal service fund. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities also include an estimated amount for claims that have been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries for example from stop-loss or subrogation, are another component of the claims liability estimate. The District contributed estimated premiums to the internal service fund based on standard state rates. The District purchased excess coverage from Midwest Employers Casualty Company, a commercial insurer licensed in the State of Texas. The District's retention under this excess policy is limited to \$300,000 per employee claim, with a cap on the District's liability for all claims at \$1,000,000 in a policy period. There were no significant reductions in insurance coverage from the prior year. Settlements have not exceeded coverages for each of the past three fiscal years. Changes in workers' compensation plan's claims liability in fiscal years 2011 and 2012 were as follows:

<u>Fiscal Year</u> <u>General</u>	<u>Beginning of</u> <u>Year Accrual</u>	<u>Current Year</u> <u>Estimates</u>	<u>Claims</u> <u>Payments</u>	<u>End of Year</u> <u>Accrual</u>
2011	\$ 672,398	\$ 9,877	\$ 240,693	\$ 441,582
2012	441,582	324,597	411,904	354,275

**Note 12 - Retiree Health Plan**

**Plan Description**

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

**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. Funding for free basic coverage is provided by the program based upon public school district payroll. Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than 0.25% or greater than 0.75% of the salary of each active employee of the public school. Funding for optional coverage is provided by those participants selecting the optional coverage. Contribution rates and amounts are shown in the table below for fiscal years 2012-2010.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

**Contribution Rates**

Year	Active Member		State		District	
	Rate	Amount	Rate	Amount	Rate	Amount
2012	0.65%	\$ 747,435	1.00%	\$ 1,090,692	0.55%	\$ 632,445
2011	0.65%	\$ 755,205	1.00%	\$ 1,103,998	0.55%	\$ 699,005
2010	0.65%	\$ 732,555	1.00%	\$ 1,068,442	0.55%	\$ 678,436

For the current fiscal year and each of the past two years, the District’s actual contributions were equal to 100 percent of the required contributions. The contributions made by the State on behalf of the District have been recorded in the governmental funds financial statements of the District as both state revenues and expenditures. These contributions are the legal responsibility of the State.

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 receives retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the years ended August 31, 2012, 2011, and 2010, the subsidy payments received by TRS-Care on-behalf of the District were \$293,598, \$308,527, and \$277,402, respectively. These payments are recorded as equal revenues and expenditures in the governmental funds financial statements of the District.

The Early Retiree Reinsurance Program (ERRP) was established by section 1102 of the Affordable Care Act enacted on March 23, 2010. Under ERRP, TRS receives payments for a portion of the cost of providing health benefits to retirees between the ages of 55-64 and their covered dependents. For fiscal year 2012, the ERRP subsidy payments received by TRS-Care on-behalf of the District were \$277,649. These payments are recorded as equal revenues and expenditures in the governmental funds’ financial statements of the District.

**Note 13 - Litigation and Contingent Liabilities**

The District is a defendant in various lawsuits arising principally in the normal course of operations. In the opinion of the District's management, the potential losses, after insurance coverage, on all allegations, claims, and lawsuits will not have a material effect on the District’s financial position, results of operations or liquidity.

The District participates in a number of federal and state financial assistance programs. Although the District’s grant programs have been audited in accordance with the provisions of the Single Audit Act through August 31, 2012, these programs are subject to financial and compliance audits by the grantor agencies. The District is also subject to audit by the TEA of the attendance data upon which payments from the agency are based. These audits could result in questioned costs or refunds to be paid back to the granting agencies.

**Note 14 - Arbitrage**

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of: (1) the amount earned on investments purchased with bond proceeds, or (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five-year anniversary date of the bond issue. The District has estimated that it has no arbitrage liability as of August 31, 2012.

**Note 15 – Prior Period Adjustment**

During the current fiscal year, the District changed the software it uses to calculate depreciation expense. As a result of the software change, the District noted an error in how depreciation expense was calculated in the prior year. The correction of this error resulted in an increase in accumulated depreciation in the amount of \$4,106,412 as noted in Note 4 – Capital Assets and a decrease in governmental activities net assets in the same amount as shown on the statement of activities.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

*Exhibit F-1*  
*(Continued)*

**Note 16 - Shared Service Arrangements**

The District is the fiscal agent for a Shared Services Arrangement (“SSA”) which provides teaching, learning, educator preparation and development of school technology and readiness. In addition to the District, other member districts include KIPP Austin Public Schools, Bastrop ISD, San Marcos CISD, Round Rock ISD, Leander ISD, and the University of Texas Elementary School. Most expenditures were incurred by the fiscal agent on behalf of the member districts. Other expenditures are incurred by the member districts and reimbursed by the fiscal agent. The fiscal agent accounts for activities of the SSA in the appropriate Special Revenue Fund according to guidance provided in the Texas Education Agency’s Financial Accountability and Resource Guide.

	Fiscal Agent Expenditures on Behalf of Member District	Member District Expenditures	Total SSA Expenditures
Pflugerville ISD	\$ -	\$ -	\$ -
KIPP Austin Public Schools	-	-	-
Bastrop ISD	-	-	-
San Marcos CISD	-	-	-
Round Rock ISD	-	-	-
Leander ISD	-	-	-
Univ. of Texas Elementary School	-	9,036	9,036
<b>Total Expenditures</b>	<u>\$ -</u>	<u>\$ 9,036</u>	<u>9,036</u>
Indirect Costs			168
<b>Total TEA Payments</b>			<u>\$ 9,204</u>

The District participates in a Shared Service Arrangement (SSA) for the Energy for Schools Program with 102 other school districts. Approximately 3.5% of the electricity costs paid by the SSA are attributable to the District. The District does not account for the revenues or expenditures for this program and does not disclose them in these financial statements. The District neither has a joint ownership interest in capital assets purchased by the fiscal agent, Deer Park Independent School District, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal contingencies that would give rise to a future additional benefit or burden to Pflugerville Independent School District. The fiscal agent manager is responsible for all financial activities of the SSA.

Presented below are the revenues and expenditures attributable to the District’s participation.

Revenues	\$ 1,801,403
<b>Total</b>	<u>\$ 1,801,403</u>
Expenditures	\$ 1,801,403
<b>Total</b>	<u>\$ 1,801,403</u>

**Note 17 – Nonmonetary Transactions**

During 2012, the District received textbooks purchased by the State of Texas for the benefit of the District for a purchase price of \$1,458,784. The District receives the textbooks as part of state funding for textbook allotment. The textbooks have been recorded in the amount of \$1,458,784 in a special revenue fund as both state revenues and expenditures, which represents the amount of consideration given by the State of Texas.

**Required Supplementary Information**

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

*Exhibit G-1*

Data Control Codes	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	1	2	3	
	Original	Final	Actual	
<b>REVENUES</b>				
5700	\$ 74,225,000	\$ 74,225,000	\$ 75,396,043	\$ 1,171,043
5800	78,500,000	78,500,000	80,011,196	1,511,196
5900	1,300,000	1,420,000	1,714,142	294,142
5020	<u>154,025,000</u>	<u>154,145,000</u>	<u>157,121,381</u>	<u>2,976,381</u>
<b>EXPENDITURES</b>				
Current:				
0011	92,544,041	93,929,041	93,698,095	230,946
0012	2,730,341	2,818,167	2,598,276	219,891
0013	4,451,086	4,526,086	4,400,470	125,616
0021	1,709,882	1,784,882	1,693,337	91,545
0023	5,774,635	5,899,635	5,804,206	95,429
0031	6,107,604	6,227,604	6,170,383	57,221
0032	473,641	533,641	439,756	93,885
0033	1,796,191	1,921,191	1,778,521	142,670
0034	7,497,824	7,547,824	6,857,163	690,661
0035	67,655	142,655	120,757	21,898
0036	4,137,734	4,557,734	4,408,159	149,575
0041	3,691,857	3,691,857	3,545,725	146,132
0051	12,592,739	12,494,513	11,973,573	520,940
0052	1,737,526	2,237,526	2,179,066	58,460
0053	2,161,911	2,427,311	2,205,251	222,060
0061	70,741	180,741	24,701	156,040
Intergovernmental:				
0093	2,140,000	2,140,000	1,801,403	338,597
0095	22,000	22,000	15,319	6,681
0099	580,000	580,000	466,306	113,694
6030	<u>150,287,408</u>	<u>153,662,408</u>	<u>150,180,467</u>	<u>3,481,941</u>
1100	<u>3,737,592</u>	<u>482,592</u>	<u>6,940,914</u>	<u>6,458,322</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
7915	-	-	400,000	400,000
8911	-	-	(2,000,000)	(2,000,000)
8912	-	-	(3,000)	(3,000)
7080	<u>-</u>	<u>-</u>	<u>(1,603,000)</u>	<u>(1,603,000)</u>
1200	<u>3,737,592</u>	<u>482,592</u>	<u>5,337,914</u>	<u>4,855,322</u>
0100	25,273,491	25,273,491	25,273,491	-
3000	<u>\$ 29,011,083</u>	<u>\$ 25,756,083</u>	<u>\$ 30,611,405</u>	<u>\$ 4,855,322</u>

See accompanying notes to the required supplementary information.



**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**AUGUST 31, 2012**

*Exhibit G-2*

The District adopts annual appropriations type budgets for the General Fund, *National School Breakfast and Lunch Program* Special Revenue Fund, and the Debt Service Fund using the same method of accounting as for financial reporting, as required by law. The remaining Special Revenue Funds (primarily federal grant programs) utilize a managerial type budget approved at the fund level by the Board of Trustees upon acceptance of the grants. These grants are subject to Federal, State and locally imposed project length budgets and monitoring through submission of reimbursement reports.

Expenditures may not legally exceed budgeted appropriations at the function or activity level. Expenditure requests which would require an increase in total budgeted appropriations must be approved by the Trustees through formal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available and estimated revenues. State law also prohibits amendment of the budget after fiscal year end. Supplemental appropriations were made to the General Fund during the fiscal year ended August 31, 2012.

The administrative level at which responsibility for control of budgeted appropriations begins is at the organizational level within each function of operations. The finance department reviews closely the expenditure requests submitted by the various organizational heads (principal and department heads) throughout the year to ensure proper spending compliance. No public funds of the District shall be expended in any manner other than as provided for in the budget adopted by the Board of Trustees.

The official school budget was prepared for adoption for budgeted governmental fund types prior to August 20, 2011. The budget was formally adopted by the Board of Trustees at a duly advertised public meeting prior to the expenditure of funds. The final amended budget is filed with the Texas Education Agency (TEA) through inclusion in the annual financial and compliance report.

Encumbrance accounting is utilized in all government fund types. Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at year-end and encumbrances outstanding at that time are appropriately provided for in the subsequent year's budget.

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## **Other Supplementary Information**

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## Nonmajor Governmental Funds

### Special Revenue Funds

The Special Revenue Funds are used to account for financial resources restricted to or designated for specific purposes by a grantor. These funds may be locally, state, or federally funded.

Programs accounted for in the Special Revenue Funds include:

#### **ESEA, Title X, Part C – Education for the Homeless Children and Youth**

Funds used to provide enriched and educational services, including tutoring, to enable homeless students to be promoted or to show academic progress toward on-grade level expectations. Also to ensure that these students have access to needed specialized services, that they are able to regularly and safely get to school, and that these students and their families are aware of all community and district resources available to meet their basic needs.

#### **ESEA, Title I, Part A – Improving Basic Programs**

Funds granted to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet State performance standards developed for all children.

#### **IDEA – Part B, Formula**

Funds granted to operate educational programs for children with disabilities.

#### **IDEA – Part B, Preschool**

Funds granted for preschool children with disabilities.

#### **National School Breakfast and Lunch Program (Child Nutrition)**

Funds used to account for allowable expenditures as determined under the National School Breakfast and Lunch Program for the operation and improvement of Child Nutrition programs.

#### **Career and Technical – Basic Grant**

Funds granted to provide career and technical education to develop new and/or improve career and technical education programs for paid and unpaid employment.

#### **ESEA, Title II, Part A – Teacher and Principal Training and Recruiting**

Funds for increasing student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools.

#### **Title III, Part A – English Language Acquisition and Language Enhancement**

Funds granted to improve the education of limited English proficient children, by assessing in the children to learn English and meet challenging State academic content and student academic achievement standards.

#### **Title IV, Part B – 21<sup>st</sup> Century Community Learning Centers**

Funds granted to provide opportunities for communities to establish or expand activities in community learning centers that provide opportunities for academic enrichment and additional services to students and literary and related educational development for families of students.

#### **Medicaid Administrative Claiming Program – MAC**

Funds allocated for reimbursement of eligible administrative costs for activities attributed to the implementation of the Medicaid state plan.

**Title II, Part D, Subpart 1 – Enhancing Education through Technology – ARRA**

Additional funds granted for the implementation and support of a comprehensive system that effectively uses technology in elementary and secondary schools to improve student academic achievement.

**Smaller Learning Communities**

To promote academic achievement through creation of “Smaller Learning Communities” which are small, safe, and successful learning environments.

**IDEA – Part B, Formula – ARRA**

Additional funds granted to operate educational programs for children with disabilities.

**LEP Summer School**

Funds to provide summer school instruction for LEP students.

**Education Jobs Fund**

Accounts on a project basis for funds granted to retain, recall or rehire school-level employees and to hire new school-level employees in order to provide early childhood, elementary or secondary educational and related services.

**Teacher Incentive Program - ARRA**

Funds to improve student achievement by increasing teacher and principal effectiveness; reform teacher and principal compensation systems so that teachers and principals are rewarded for increases in student achievement; increase the number of effective teachers teaching poor, minority and disadvantaged students; create sustainable performance-based compensation systems.

**SSA – Title II, Part D, Subpart 1 – Enhancing Education through Technology – ARRA**

Additional funds granted for the implementation and support of a comprehensive system that effectively uses technology in elementary and secondary schools to improve student academic achievement through use of advanced technology. Pflugerville ISD is the fiscal agent for this grant and there are 8 member districts participating in this program. Fund 729 is the member district fund for Pflugerville ISD and Fund 361 is the fiscal agent fund operated by Pflugerville ISD. Fund 361 includes expenditures for all school in the SSA purchased by the fiscal agent.

**State Supplemental Visually Impaired (SSVI)**

Funds granted to support the education needs of students who have visual impairments.

**Noneducational Community-Based Support**

Funds granted to provide noneducational community-based support services to students with disabilities who would remain or have to be placed in residential facilities for educational reasons without the provision of these services.

**Advanced Placement Incentives**

Funds intended to reward students, teachers, and campuses for high achievement. Campuses are awarded money for each student who scored three or above on an AP examination or four or above on an IB examination.

**State Textbook Fund**

Funds to be used to account, on a project basis, for funds awarded to school districts under the textbook allotment.

**Technology Allotment**

Funds awarded to school districts to purchase technological software or equipment that contributes to student learning, or to pay for training for education personnel involved in the use of the materials.

**Texas Reading Initiative/Texas Reading, Math and Science Initiative**

Funds granted to improve student achievement in reading, math, and science through the provision of materials, professional development, student instructional programs, and other related activities.

**Read to Succeed (License Plate Program)**

Funds to be used to provide access to quality reading materials in the library and encourage children to visit the school library.

**District Awards for Teacher Excellence**

Funding for improving instructional quality and teacher efficiency to increase student achievement. Allows districts to create or continue a system of awards for educators who demonstrate success in improving achievement. It helps districts to create a local award plan or to implement the Teacher Advancement Program (TAP).

**Texas Teacher Advancement Program**

Research based school improvement program designed to attract, retain and motivate the best talent to the teaching profession.

**Campus Activity Funds**

This fund classification is used to account for transactions related to a principal’s activity fund.

**Cinema Du Cannes Project**

Funds to be used to educate, empower, develop, and celebrate the next generation of emerging artist to be productive citizens, creative individuals and active participants in shaping our communities in the 21<sup>st</sup> century.

**Special Projects**

This fund classification is used to account for special local grants such as the Pflugerville Education Foundation Grant.

**After the Bell Program**

Funds to implement a program with supplemental activities and opportunities for students and their families beyond the regular school day and into the summer at designated campuses. The program will provide a range of high-quality activities relevant to TEKS based courses. In addition it will promote parental involvement, family literacy services, and enrichment through community collaborations.

**STEM Grant and CTE Initiative**

Funds to be used to improve student performance in science, technology, engineering, and math (STEM) and career and technical education (CTE).

**BTIM Math Science Grant**

Funds to increase beginning math and science teacher retention in the district, to improve beginning teacher performance and effectiveness, to support student achievement, and to engage the support of campus principals.

**CHS Culinary Arts/Aramark**

Funds to be used for the Culinary Arts Program and Connally High School for 2012 – 2013 through 2015 – 2016.

**Miscellaneous**

Funds received from other local sources with restricted purposes.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**AUGUST 31, 2012**

<u>Data Control Codes</u>	206	211	224
	<u>ESEA, Title X, Part C - Education for the Homeless Children and Youth</u>	<u>ESEA Title I, Part A - Improving Basic Programs</u>	<u>IDEA - Part B, Formula</u>
<b>ASSETS</b>			
1110 <i>Cash and Cash Equivalents</i>	\$ -	\$ -	\$ -
1120 <i>Current Investments</i>	-	-	-
1240 <i>Due from Other Governments</i>	28,491	273,882	301,091
1260 <i>Due from Other Funds</i>	-	-	-
1290 <i>Other Receivables</i>	-	-	-
1300 <i>Inventories, at Cost</i>	-	-	-
1410 <i>Prepaid Items</i>	-	-	-
1000 <b>Total Assets</b>	<u>\$ 28,491</u>	<u>\$ 273,882</u>	<u>\$ 301,091</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
2110 <i>Accounts Payable</i>	\$ -	\$ 6,470	\$ 13,349
2160 <i>Accrued Wages Payable</i>	673	1,086	3,952
2170 <i>Due to Other Funds</i>	27,818	266,326	283,790
2180 <i>Due to Other Governments</i>	-	-	-
2300 <i>Deferred Revenues</i>	-	-	-
2000 <b>Total Liabilities</b>	<u>28,491</u>	<u>273,882</u>	<u>301,091</u>
Fund Balances:			
Nonspendable:			
3430 <i>Prepaid Items</i>	-	-	-
Committed:			
3545 <i>Other</i>	-	-	-
3000 <b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>
4000 <b>Total Liabilities and Fund Balances</b>	<u>\$ 28,491</u>	<u>\$ 273,882</u>	<u>\$ 301,091</u>



225	240	244	255	263	265
<u>IDEA - Part B, Preschool</u>	<u>National School Breakfast and Lunch Program</u>	<u>Career and Technical - Basic Grant</u>	<u>ESEA, Title II, Part A - Teacher and Principal Training and Recruiting</u>	<u>Title III, Part A - English Language Acquisition and Language Enhancement</u>	<u>Title IV, Part B - 21st Century Community Learning Centers</u>
\$ -	\$ 330,965	\$ -	\$ -	\$ -	\$ -
-	1,160,656	-	-	-	-
4,665	153,070	-	19,611	26,033	83,970
-	25,096	-	-	-	15,401
-	2,325	-	-	-	-
-	75,006	-	-	-	-
-	22,153	-	-	-	-
<u>\$ 4,665</u>	<u>\$ 1,769,271</u>	<u>\$ -</u>	<u>\$ 19,611</u>	<u>\$ 26,033</u>	<u>\$ 99,371</u>
\$ -	\$ 239,161	\$ -	\$ -	\$ 569	\$ 342
-	-	-	-	643	-
4,665	8,219	-	19,611	24,821	99,029
-	-	-	-	-	-
-	75,006	-	-	-	-
<u>4,665</u>	<u>322,386</u>	<u>-</u>	<u>19,611</u>	<u>26,033</u>	<u>99,371</u>
-	22,153	-	-	-	-
-	1,424,732	-	-	-	-
-	<u>1,446,885</u>	-	-	-	-
<u>\$ 4,665</u>	<u>\$ 1,769,271</u>	<u>\$ -</u>	<u>\$ 19,611</u>	<u>\$ 26,033</u>	<u>\$ 99,371</u>

Continued

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**AUGUST 31, 2012**

<u>Data Control Codes</u>	272	279 Title II, Part D, Subpart I - Enhancing Education through Technology- ARRA	282 Smaller Learning Communities
	Medicaid Administrative Claiming Program - MAC		
<b>ASSETS</b>			
1110 <i>Cash and Cash Equivalents</i>	\$ 39,613	\$ -	\$ -
1120 <i>Current Investments</i>	-	-	-
1240 <i>Due from Other Governments</i>	-	-	-
1260 <i>Due from Other Funds</i>	-	-	-
1290 <i>Other Receivables</i>	-	-	-
1300 <i>Inventories, at Cost</i>	-	-	-
1410 <i>Prepaid Items</i>	-	-	-
1000 <b>Total Assets</b>	<u>\$ 39,613</u>	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
2110 <i>Accounts Payable</i>	\$ -	\$ -	\$ -
2160 <i>Accrued Wages Payable</i>	-	-	-
2170 <i>Due to Other Funds</i>	-	-	-
2180 <i>Due to Other Governments</i>	-	-	-
2300 <i>Deferred Revenues</i>	39,613	-	-
2000 <b>Total Liabilities</b>	<u>39,613</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Nonspendable:			
3430 <i>Prepaid Items</i>	-	-	-
Committed:			
3545 <i>Other</i>	-	-	-
3000 <b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>
4000 <b>Total Liabilities and Fund Balances</b>	<u>\$ 39,613</u>	<u>\$ -</u>	<u>\$ -</u>

283	286	287	289	361	385
IDEA - Part B, Formula - ARRA	LEP Summer School	Education Jobs Fund	Teacher Incentive Program - ARRA	SSA - Title II, Part D, Subpart 1 - Enhancing Education Through Technology - ARRA	State Supplemental Visually Impaired (SSVI)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	293,911	382,510	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 293,911</u>	<u>\$ 382,510</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	293,911	382,510	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>293,911</u>	<u>382,510</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 293,911</u>	<u>\$ 382,510</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**AUGUST 31, 2012**

	392	397	410
<u>Data Control Codes</u>	<u>Noneducational Community - Based Support</u>	<u>Advanced Placement Incentives</u>	<u>State Textbook Fund</u>
<b>ASSETS</b>			
1110 <i>Cash and Cash Equivalents</i>	\$ -	\$ 26,221	\$ 23,809
1120 <i>Current Investments</i>	-	-	-
1240 <i>Due from Other Governments</i>	8,059	-	-
1260 <i>Due from Other Funds</i>	-	-	-
1290 <i>Other Receivables</i>	-	-	-
1300 <i>Inventories, at Cost</i>	-	-	-
1410 <i>Prepaid Items</i>	-	-	-
1000 <b>Total Assets</b>	<u>\$ 8,059</u>	<u>\$ 26,221</u>	<u>\$ 23,809</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
2110 <i>Accounts Payable</i>	\$ -	\$ -	\$ -
2160 <i>Accrued Wages Payable</i>	-	-	-
2170 <i>Due to Other Funds</i>	8,059	-	-
2180 <i>Due to Other Governments</i>	-	-	-
2300 <i>Deferred Revenues</i>	-	26,221	23,809
2000 <b>Total Liabilities</b>	<u>8,059</u>	<u>26,221</u>	<u>23,809</u>
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
3430 <i>Prepaid Items</i>	-	-	-
<b>Committed:</b>			
3545 <i>Other</i>	-	-	-
3000 <b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>
4000 <b>Total Liabilities and Fund Balances</b>	<u>\$ 8,059</u>	<u>\$ 26,221</u>	<u>\$ 23,809</u>

411	414	422	425	426	461
Technology Allotment	Texas Reading Initiative/Texas Reading, Math and Science Initiative	Read to Succeed	District Awards for Teacher Excellence	Texas Teacher Advancement Program	Campus Activity Funds
\$ 3,051	\$ -	\$ -	\$ -	\$ -	\$ 1,192,053
-	-	-	-	-	-
825	-	-	1,471	-	35,215
-	-	-	-	-	1,086
-	-	-	-	-	-
-	-	-	-	-	7,779
<u>\$ 3,876</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,471</u>	<u>\$ -</u>	<u>\$ 1,236,133</u>
\$ 3,876	\$ -	\$ -	\$ -	\$ -	\$ 52,422
-	-	-	-	-	2,712
-	-	-	1,471	-	13,797
-	-	-	-	-	2,666
-	-	-	-	-	1,650
<u>3,876</u>	<u>-</u>	<u>-</u>	<u>1,471</u>	<u>-</u>	<u>73,247</u>
-	-	-	-	-	7,779
-	-	-	-	-	1,155,107
-	-	-	-	-	1,162,886
<u>\$ 3,876</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,471</u>	<u>\$ -</u>	<u>\$ 1,236,133</u>

Continued

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**AUGUST 31, 2012**

	480	481	482
<u>Data Control Codes</u>	<u>Cinema Du Cannes Project</u>	<u>Special Projects</u>	<u>After the Bell Program</u>
<b>ASSETS</b>			
1110 <i>Cash and Cash Equivalents</i>	\$ 1,000	\$ 75,047	\$ -
1120 <i>Current Investments</i>	-	10,106	-
1240 <i>Due from Other Governments</i>	-	-	18,502
1260 <i>Due from Other Funds</i>	-	-	-
1290 <i>Other Receivables</i>	-	-	-
1300 <i>Inventories, at Cost</i>	-	-	-
1410 <i>Prepaid Items</i>	-	-	-
1000 <b>Total Assets</b>	<u>\$ 1,000</u>	<u>\$ 85,153</u>	<u>\$ 18,502</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
2110 <i>Accounts Payable</i>	\$ -	\$ -	\$ -
2160 <i>Accrued Wages Payable</i>	-	-	-
2170 <i>Due to Other Funds</i>	-	-	18,489
2180 <i>Due to Other Governments</i>	-	-	-
2300 <i>Deferred Revenues</i>	1,000	26,020	13
2000 <b>Total Liabilities</b>	<u>1,000</u>	<u>26,020</u>	<u>18,502</u>
Fund Balances:			
Nonspendable:			
3430 <i>Prepaid Items</i>	-	-	-
Committed:			
3545 <i>Other</i>	-	59,133	-
3000 <b>Total Fund Balances</b>	<u>-</u>	<u>59,133</u>	<u>-</u>
4000 <b>Total Liabilities and Fund Balances</b>	<u>\$ 1,000</u>	<u>\$ 85,153</u>	<u>\$ 18,502</u>

483	484	490	491	Total Nonmajor Other Governmental Funds
<u>STEM Grant and CTE Initiative</u>	<u>BTIM Math Science Grant</u>	<u>CHS Culinary Arts/Aramark</u>	<u>Miscellaneous Local Grants</u>	
\$ 53,113	\$ -	\$ 42,360	\$ 1,700	\$ 1,788,932
-	-	-	-	1,170,762
-	-	-	-	1,595,266
-	-	-	-	76,537
-	-	-	-	3,411
-	-	-	-	75,006
-	-	-	-	29,932
<u>\$ 53,113</u>	<u>\$ -</u>	<u>\$ 42,360</u>	<u>\$ 1,700</u>	<u>\$ 4,739,846</u>
\$ 7,652	\$ -	\$ -	\$ -	\$ 323,841
-	-	-	-	9,066
-	-	-	-	1,452,516
-	-	-	-	2,666
45,461	-	42,360	1,700	282,853
<u>53,113</u>	<u>-</u>	<u>42,360</u>	<u>1,700</u>	<u>2,070,942</u>
-	-	-	-	29,932
-	-	-	-	2,638,972
-	-	-	-	2,668,904
<u>\$ 53,113</u>	<u>\$ -</u>	<u>\$ 42,360</u>	<u>\$ 1,700</u>	<u>\$ 4,739,846</u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

<u>Data Control Codes</u>	206	211	224
	<u>ESEA, Title X, Part C - Education for the Homeless Children and Youth</u>	<u>ESEA Title I, Part A - Improving Basic Programs</u>	<u>IDEA - Part B, Formula</u>
<b>REVENUES</b>			
5700 <i>Local, Intermediate, and Out-of-State</i>	\$ -	\$ -	\$ -
5800 <i>State Programs</i>	-	-	-
5900 <i>Federal Programs</i>	45,020	2,625,287	3,421,637
5020 <b>Total Revenues</b>	<u>45,020</u>	<u>2,625,287</u>	<u>3,421,637</u>
<b>EXPENDITURES</b>			
Current:			
0011 <i>Instruction</i>	8,653	1,814,600	3,356,646
0012 <i>Instructional Resources and Media Services</i>	-	-	-
0013 <i>Curriculum and Instructional Staff Development</i>	-	449,494	-
0021 <i>Instructional Leadership</i>	637	55,532	-
0023 <i>School Leadership</i>	-	95,106	-
0031 <i>Guidance, Counseling, and Evaluation Services</i>	-	14,156	20,810
0032 <i>Social Work Services</i>	35,122	27,443	-
0033 <i>Health Services</i>	-	5,802	44,181
0034 <i>Student Transportation</i>	-	82,375	-
0035 <i>Food Services</i>	-	-	-
0036 <i>Extracurricular Activities</i>	-	-	-
0041 <i>General Administration</i>	-	-	-
0051 <i>Plant Maintenance and Operations</i>	-	199	-
0052 <i>Security and Monitoring Services</i>	-	-	-
0061 <i>Community Services</i>	608	80,580	-
Intergovernmental:			
0093 <i>Payments to Shared Services Arrangements</i>	-	-	-
6030 <b>Total Expenditures</b>	<u>45,020</u>	<u>2,625,287</u>	<u>3,421,637</u>
1200 <b>Net Change in Fund Balances</b>	-	-	-
0100 <b>Fund Balances - Beginning</b>	-	-	-
3000 <b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



225	240	244	255	263	265
IDEA - Part B, Preschool	National School Breakfast and Lunch Program	Career and Technical - Basic Grant	ESEA, Title II, Part A - Teacher and Principal Training and Recruiting	Title III, Part A - English Language Acquisition and Language Enhancement	Title IV, Part B - 21st Century Community Learning Centers
\$ -	\$ 3,966,078	\$ -	\$ -	\$ -	\$ -
-	60,950	-	-	-	-
47,212	7,078,915	174,465	265,975	465,207	1,208,735
<u>47,212</u>	<u>11,105,943</u>	<u>174,465</u>	<u>265,975</u>	<u>465,207</u>	<u>1,208,735</u>
47,212	-	152,779	265,975	59,476	628,935
-	-	-	-	-	-
-	-	19,006	-	394,956	2,935
-	-	705	-	4,099	453,296
-	-	-	-	-	-
-	-	1,975	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,234
-	-	-	-	-	120,180
-	10,388,657	-	-	-	-
-	-	-	-	-	-
-	200,000	-	-	-	-
-	-	-	-	-	-
-	-	-	-	6,676	1,155
-	-	-	-	-	-
<u>47,212</u>	<u>10,588,657</u>	<u>174,465</u>	<u>265,975</u>	<u>465,207</u>	<u>1,208,735</u>
-	517,286	-	-	-	-
-	929,599	-	-	-	-
<u>\$ -</u>	<u>\$ 1,446,885</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

<u>Data Control Codes</u>	272	279	282
	Medicaid Administrative Claiming Program - MAC	Title II, Part D, Subpart I - Enhancing Education through Technology- ARRA	Smaller Learning Communities
<b>REVENUES</b>			
5700 <i>Local, Intermediate, and Out-of-State</i>	\$ -	\$ -	\$ -
5800 <i>State Programs</i>	-	-	-
5900 <i>Federal Programs</i>	64,567	4,048	70,911
5020 <b>Total Revenues</b>	<u>64,567</u>	<u>4,048</u>	<u>70,911</u>
<b>EXPENDITURES</b>			
Current:			
0011 <i>Instruction</i>	-	4,048	3,987
0012 <i>Instructional Resources and Media Services</i>	-	-	-
0013 <i>Curriculum and Instructional Staff Development</i>	-	-	55,993
0021 <i>Instructional Leadership</i>	-	-	1,642
0023 <i>School Leadership</i>	-	-	8,590
0031 <i>Guidance, Counseling, and Evaluation Services</i>	-	-	-
0032 <i>Social Work Services</i>	-	-	-
0033 <i>Health Services</i>	64,567	-	-
0034 <i>Student Transportation</i>	-	-	-
0035 <i>Food Services</i>	-	-	-
0036 <i>Extracurricular Activities</i>	-	-	-
0041 <i>General Administration</i>	-	-	-
0051 <i>Plant Maintenance and Operations</i>	-	-	-
0052 <i>Security and Monitoring Services</i>	-	-	-
0061 <i>Community Services</i>	-	-	699
Intergovernmental:			
0093 <i>Payments to Shared Services Arrangements</i>	-	-	-
6030 <b>Total Expenditures</b>	<u>64,567</u>	<u>4,048</u>	<u>70,911</u>
1200 <b>Net Change in Fund Balances</b>	-	-	-
0100 <b>Fund Balances - Beginning</b>	-	-	-
3000 <b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

283	286	287	289	361	385
IDEA - Part B, Formula - ARRA	LEP Summer School	Education Jobs Fund	Teacher Incentive Program - ARRA	SSA - Title II, Part D, Subpart 1 - Enhancing Education Through Technology - ARRA	State Supplemental Visually Impaired (SSVI)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	7,592
53,750	24,416	3,736,841	830,293	9,036	-
<u>53,750</u>	<u>24,416</u>	<u>3,736,841</u>	<u>830,293</u>	<u>9,036</u>	<u>7,592</u>
50,964	24,416	-	2,955	-	7,592
-	-	-	-	-	-
-	-	-	812,383	-	-
-	-	-	1,313	-	-
-	-	3,736,841	12,541	-	-
2,786	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,101	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	9,036	-
<u>53,750</u>	<u>24,416</u>	<u>3,736,841</u>	<u>830,293</u>	<u>9,036</u>	<u>7,592</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

	392	397	410
<u>Data Control Codes</u>	<u>Noneducational Community - Based Support</u>	<u>Advanced Placement Incentives</u>	<u>State Textbook Fund</u>
<b>REVENUES</b>			
5700 <i>Local, Intermediate, and Out-of-State</i>	\$ -	\$ -	\$ -
5800 <i>State Programs</i>	8,059	23,118	2,450,927
5900 <i>Federal Programs</i>	-	-	-
5020 <b>Total Revenues</b>	<u>8,059</u>	<u>23,118</u>	<u>2,450,927</u>
<b>EXPENDITURES</b>			
Current:			
0011 <i>Instruction</i>	-	2,341	2,450,927
0012 <i>Instructional Resources and Media Services</i>	-	-	-
0013 <i>Curriculum and Instructional Staff Development</i>	-	20,777	-
0021 <i>Instructional Leadership</i>	-	-	-
0023 <i>School Leadership</i>	-	-	-
0031 <i>Guidance, Counseling, and Evaluation Services</i>	-	-	-
0032 <i>Social Work Services</i>	-	-	-
0033 <i>Health Services</i>	-	-	-
0034 <i>Student Transportation</i>	-	-	-
0035 <i>Food Services</i>	-	-	-
0036 <i>Extracurricular Activities</i>	-	-	-
0041 <i>General Administration</i>	-	-	-
0051 <i>Plant Maintenance and Operations</i>	-	-	-
0052 <i>Security and Monitoring Services</i>	-	-	-
0061 <i>Community Services</i>	8,059	-	-
Intergovernmental:			
0093 <i>Payments to Shared Services Arrangements</i>	-	-	-
6030 <b>Total Expenditures</b>	<u>8,059</u>	<u>23,118</u>	<u>2,450,927</u>
1200 <b>Net Change in Fund Balances</b>	-	-	-
0100 <b>Fund Balances - Beginning</b>	-	-	-
3000 <b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

411	414	422	425	426	461
Technology Allotment	Texas Reading Initiative/Texas Reading, Math and Science Initiative	Read to Succeed	District Awards for Teacher Excellence	Texas Teacher Advancement Program	Campus Activity Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,839,084
308,804	8,169	148	857,165	684,925	-
-	-	-	-	-	-
<u>308,804</u>	<u>8,169</u>	<u>148</u>	<u>857,165</u>	<u>684,925</u>	<u>1,839,084</u>
287,066	-	-	679,130	656,786	199,528
17,103	-	148	-	-	87,748
4,635	8,169	-	112,832	-	16,870
-	-	-	1,323	5,171	-
-	-	-	45,707	22,968	170,255
-	-	-	18,173	-	128,671
-	-	-	-	-	-
-	-	-	-	-	2,386
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,137,994
-	-	-	-	-	1,988
-	-	-	-	-	75,275
-	-	-	-	-	5,153
-	-	-	-	-	13,951
-	-	-	-	-	-
<u>308,804</u>	<u>8,169</u>	<u>148</u>	<u>857,165</u>	<u>684,925</u>	<u>1,839,819</u>
-	-	-	-	-	(735)
-	-	-	-	-	1,163,621
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,162,886</u>

Continued

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

	480	481	482
<u>Data Control Codes</u>	<u>Cinema Du Cannes Project</u>	<u>Special Projects</u>	<u>After the Bell Program</u>
<b>REVENUES</b>			
5700 <i>Local, Intermediate, and Out-of-State</i>	\$ 4,000	\$ 19,197	\$ 92,829
5800 <i>State Programs</i>	-	-	-
5900 <i>Federal Programs</i>	-	-	-
5020 <b>Total Revenues</b>	<u>4,000</u>	<u>19,197</u>	<u>92,829</u>
<b>EXPENDITURES</b>			
Current:			
0011 <i>Instruction</i>	-	44,356	82,680
0012 <i>Instructional Resources and Media Services</i>	-	-	-
0013 <i>Curriculum and Instructional Staff Development</i>	-	-	-
0021 <i>Instructional Leadership</i>	-	-	10,149
0023 <i>School Leadership</i>	-	-	-
0031 <i>Guidance, Counseling, and Evaluation Services</i>	-	-	-
0032 <i>Social Work Services</i>	-	-	-
0033 <i>Health Services</i>	-	-	-
0034 <i>Student Transportation</i>	-	-	-
0035 <i>Food Services</i>	-	-	-
0036 <i>Extracurricular Activities</i>	4,000	8,960	-
0041 <i>General Administration</i>	-	-	-
0051 <i>Plant Maintenance and Operations</i>	-	36	-
0052 <i>Security and Monitoring Services</i>	-	-	-
0061 <i>Community Services</i>	-	-	-
Intergovernmental:			
0093 <i>Payments to Shared Services Arrangements</i>	-	-	-
6030 <b>Total Expenditures</b>	<u>4,000</u>	<u>53,352</u>	<u>92,829</u>
1200 <b>Net Change in Fund Balances</b>	-	(34,155)	-
0100 <b>Fund Balances - Beginning</b>	-	93,288	-
3000 <b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ 59,133</u>	<u>\$ -</u>

483	484	490	491	Total Nonmajor Other Governmental Funds
STEM Grant and CTE Initiative	BTIM Math Science Grant	CHS Culinary Arts/Aramark	Miscellaneous Local Grants	
\$ 11,539	\$ 6,321	\$ 7,640	\$ -	\$ 5,946,688
-	-	-	-	4,409,857
-	-	-	-	20,126,315
<u>11,539</u>	<u>6,321</u>	<u>7,640</u>	<u>-</u>	<u>30,482,860</u>
11,539	6,321	7,640	-	10,856,552
-	-	-	-	104,999
-	-	-	-	1,898,050
-	-	-	-	533,867
-	-	-	-	4,092,008
-	-	-	-	186,571
-	-	-	-	62,565
-	-	-	-	119,170
-	-	-	-	202,555
-	-	-	-	10,388,657
-	-	-	-	1,150,954
-	-	-	-	3,089
-	-	-	-	275,510
-	-	-	-	5,153
-	-	-	-	111,728
-	-	-	-	9,036
<u>11,539</u>	<u>6,321</u>	<u>7,640</u>	<u>-</u>	<u>30,000,464</u>
-	-	-	-	482,396
-	-	-	-	2,186,508
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,668,904</u>

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## **Internal Service Funds**

Internal Service Funds are used to account for the operations of the District's self-funded insurance programs.

### **Health Insurance Fund**

This fund is used to account for the operations of the District's medical insurance program, which is supported by both employee and employer contributions. Expenses include claims, excess loss insurance premiums, and related administrative costs.

### **Workers' Compensation Fund**

This fund is used to account for the operations of the District's self-funded workers' compensation plan, which is supported by employer contributions. Expenses include benefit payments for employees, excess loss insurance premiums, and related administrative costs.

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**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**AUGUST 31, 2012**

*Exhibit I-1*

<u>Data Control Codes</u>	<u>753 Health Insurance</u>	<u>772 Workers' Compensation</u>	<u>Total Internal Service Funds</u>
<b>ASSETS</b>			
Current Assets:			
1110	\$ 1,155,314	\$ 237,356	\$ 1,392,670
1120	-	326,784	326,784
1250	308	-	308
1290	13,507	-	13,507
1410	141,000	-	141,000
1910	1,500,000	-	1,500,000
	<u>2,810,129</u>	<u>564,140</u>	<u>3,374,269</u>
1000	<u><b>2,810,129</b></u>	<u><b>564,140</b></u>	<u><b>3,374,269</b></u>
<b>LIABILITIES</b>			
Current Liabilities:			
2110	199,938	143,564	343,502
2123	900,000	354,275	1,254,275
2170	160,000	-	160,000
	<u>1,259,938</u>	<u>497,839</u>	<u>1,757,777</u>
2000	<u><b>1,259,938</b></u>	<u><b>497,839</b></u>	<u><b>1,757,777</b></u>
<b>NET ASSETS</b>			
3900	1,550,191	66,301	1,616,492
3000	<u><b>\$ 1,550,191</b></u>	<u><b>\$ 66,301</b></u>	<u><b>\$ 1,616,492</b></u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

*Exhibit I-2*

<u>Data Control Codes</u>	<u>753</u>	<u>772</u>	<u>Total Internal Service Funds</u>
	<u>Health Insurance</u>	<u>Workers' Compensation</u>	
<b>OPERATING REVENUES</b>			
5754 <i>Interfund Services Provided</i>	\$ 11,311,539	\$ 295,104	\$ 11,606,643
5020 <i>Total Revenues</i>	<u>11,311,539</u>	<u>295,104</u>	<u>11,606,643</u>
<b>OPERATING EXPENSES</b>			
6200 <i>Purchased and Contracted Services</i>	1,318,217	465,379	1,783,596
6300 <i>Supplies and Materials</i>	155	-	155
6400 <i>Claims Expense and Other Operating Expenses</i>	10,395,833	58,162	10,453,995
6030 <i>Total Expenses</i>	<u>11,714,205</u>	<u>523,541</u>	<u>12,237,746</u>
<i>Operating Loss</i>	<u>(402,666)</u>	<u>(228,437)</u>	<u>(631,103)</u>
<b>NONOPERATING REVENUES</b>			
7955 <i>Investment Earnings - Deposits and Investments</i>	862	3,397	4,259
8030 <i>Total Nonoperating Revenues</i>	<u>862</u>	<u>3,397</u>	<u>4,259</u>
<i>Loss before Transfers</i>	<u>(401,804)</u>	<u>(225,040)</u>	<u>(626,844)</u>
7915 <i>Transfers In</i>	<u>2,000,000</u>	<u>-</u>	<u>2,000,000</u>
1300 <i>Change in Net Assets</i>	<u>1,598,196</u>	<u>(225,040)</u>	<u>1,373,156</u>
0100 <i>Total Net Assets - Beginning</i>	<u>(48,005)</u>	<u>291,341</u>	<u>243,336</u>
3300 <b>Total Net Assets - Ending</b>	<u><u>\$ 1,550,191</u></u>	<u><u>\$ 66,301</u></u>	<u><u>\$ 1,616,492</u></u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

*Exhibit I-3*

	753	772	Total
	<u>Health</u>	<u>Workers'</u>	<u>Internal</u>
	<u>Insurance</u>	<u>Compensation</u>	<u>Service</u>
			<u>Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Employee and Employer	\$ 11,471,539	\$ 91,908	\$ 11,563,447
Cash Payments for Claims	(9,839,052)	(27,986)	(9,867,038)
Cash Payments for Administrative Services	(1,318,372)	(465,379)	(1,783,751)
Net Cash Provided by (Used for) Operating Activities	<u>314,115</u>	<u>(401,457)</u>	<u>(87,342)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers from Other Funds	<u>2,000,000</u>	-	<u>2,000,000</u>
Net Cash Provided by Noncapital Financing Activities	<u>2,000,000</u>	<u>-</u>	<u>2,000,000</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and Dividends Received on Investments	554	7,131	7,685
Purchase of Investments	(1,500,000)	(286,081)	(1,786,081)
Net Cash Used For Investing Activities	<u>(1,499,446)</u>	<u>(278,950)</u>	<u>(1,778,396)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	814,669	(680,407)	134,262
Cash and Cash Equivalents at Beginning of Year	340,645	917,763	1,258,408
<b>Cash and Cash Equivalents at End of Year</b>	<u>\$ 1,155,314</u>	<u>\$ 237,356</u>	<u>\$ 1,392,670</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:</b>			
Operating Loss	\$ (402,666)	\$ (228,437)	\$ (631,103)
Change in Assets and Liabilities:			
Decrease (Increase) in Other Receivables	(2,475)	813	(1,662)
Increase in Accounts Payable	88,680	116,670	205,350
Increase (Decrease) in Claims Payable	470,576	(87,307)	383,269
Increase (Decrease) in Due to Other Funds	160,000	(203,196)	(43,196)
Net Cash Provided by (Used for) Operating Activities	<u>\$ 314,115</u>	<u>\$ (401,457)</u>	<u>\$ (87,342)</u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF DELINQUENT TAXES RECEIVABLE**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

<u>Year Ended August 31</u>	<u>Tax Rates</u>		<u>Net Assessed/Appraised Value For School Tax Purposes</u>
	<u>Maintenance</u>	<u>Debt Service</u>	
2003 and Prior Years	\$ Various	\$ Various	\$ Various
2004	1.50	0.35	4,574,180,513
2005	1.49	0.34	4,943,934,802
2006	1.50	0.35	5,248,037,564
2007	1.36	0.32	5,878,350,774
2008	1.04	0.43	6,602,774,490
2009	1.04	0.42	7,230,322,945
2010	1.04	0.42	7,460,985,822
2011	1.04	0.42	7,200,603,973
2012	1.04	0.44	7,151,132,095
<b>1000 Totals</b>			

<u>Beginning Balance 9/1/11</u>	<u>Current Year's Total Levy</u>	<u>Maintenance Collections</u>	<u>Debt Service Collections</u>	<u>Entire Year's Adjustments</u>	<u>Ending Balance 8/31/12</u>
\$ 1,341,819	\$ -	\$ 10,436	\$ 2,230	\$ (131)	\$ 1,329,022
254,514	-	12,803	2,987	(1)	238,723
151,795	-	9,897	2,259	-	139,639
148,868	-	(31,862)	(7,435)	(53,326)	134,839
145,381	-	(68,115)	(16,027)	(98,465)	131,058
196,133	-	(76,867)	(31,781)	(143,525)	161,256
333,459	-	(21,268)	(8,589)	(102,452)	260,864
449,897	-	(50,572)	(20,423)	(199,445)	321,447
833,487	-	111,389	44,984	(243,033)	434,081
-	105,836,755	73,454,896	31,077,071	(458,632)	846,156
<u>\$ 3,855,353</u>	<u>\$ 105,836,755</u>	<u>\$ 73,350,737</u>	<u>\$ 31,045,276</u>	<u>\$ (1,299,010)</u>	<u>\$ 3,997,085</u>

**Reconciliation of Ending Balance to Exhibit C-1:**

Ending Balance at 8/31/12	\$ 3,997,085
Less: Uncollectible Taxes	(39,971)
Adjusted Ending Balance	<u>3,957,114</u>
Property Taxes Receivable (Net) per Exhibit C-1	<u>\$ 3,957,114</u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES FOR COMPUTATION OF INDIRECT COSTS FOR 2013-2014**  
**GENERAL AND SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

Exhibit J-2

<u>Account Number</u>	<u>Account Name</u>	<u>School Board</u>	<u>Tax Collection</u>	<u>Superintendent's Office</u>	<u>Indirect Cost</u>	<u>Direct Cost</u>	<u>Miscellaneous</u>	<u>Total</u>
GENERAL ADMINISTRATION								
611X-6146	Payroll Costs	\$ 23,734	\$ -	\$ 282,067	\$ 2,342,740	\$ -	\$ -	\$ 2,648,541
6211	Legal Services	-	-	-	-	98,686	-	98,686
6212	Audit Services	-	-	-	109,023	-	-	109,023
6213	Tax Appraisal and Collection	-	466,306	-	-	-	-	466,306
621X	Other Professional Services	-	39,549	-	5,598	-	-	45,147
6220	Tuition and Transfer Payments	-	-	-	-	-	8,392	8,392
6230	Education Service Centers	50	-	-	221,552	-	-	221,602
6240	Contracted Maint. and Repairs	-	-	-	-	54,865	-	54,865
6260	Rentals	-	-	-	38,745	-	-	38,745
6290	Miscellaneous Contr.	-	-	-	214,892	-	-	214,892
6320	Textbooks and Reading	57	-	501	1,453	-	-	2,011
63XX	Other Supplies, Materials	920	-	3,175	115,087	-	-	119,182
6410	Travel, Subsistence, Stipends	6,247	-	7,491	21,157	-	-	34,895
6490	Miscellaneous Operating	588	-	4,167	168,130	-	-	172,885
6000	<b>Total Expenditures</b>	<b>\$ 31,596</b>	<b>\$ 505,855</b>	<b>\$ 297,401</b>	<b>\$ 3,238,377</b>	<b>\$ 153,551</b>	<b>\$ 8,392</b>	<b>\$ 4,235,172 (1)</b>

Total Expenditures for General and Special Revenue Funds	\$ 180,180,931
LESS: Deductions of Unallowable Costs	
Total Capital Outlay (6600)	\$ 1,623,948
Plant Maintenance (Function 51, 6100-6400)	11,821,252
Column 4 (above) - Total Indirect Cost	<u>3,238,377</u>
Subtotal	<u>16,683,577</u>
<b>Net Allowed Direct Cost</b>	<b>\$ <u>163,497,354</u></b>

CUMULATIVE

Total Cost of Buildings Before Depreciation (1520)	\$ 350,432,596
Historical Cost of Buildings over 50 years old	111,938
Total Cost of Furniture & Equipment Before Depreciation (1530 & 1540)	21,912,412
Historical Cost of Furniture & Equipment over 16 years old	150,502
Amount of Federal Money in Furniture & Equipment (Net of previous row)	\$ 989,000

(1) \$220,052 in Function 53 expenditures are included in this report and  
\$466,306 in Function 99 expenditures are included in this report as administrative costs.



**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**CHILD NUTRITION FUND**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

*Exhibit J-3*

Data Control Codes	1	2	3	Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b>REVENUES</b>				
5700 <i>Local, Intermediate, and Out-of-State</i>	\$ 4,289,693	\$ 4,289,693	\$ 3,966,078	\$ (323,615)
5800 <i>State Programs</i>	60,000	60,000	60,950	950
5900 <i>Federal Programs</i>	7,102,031	7,102,031	7,078,915	(23,116)
5020 <b>Total Revenues</b>	<u>11,451,724</u>	<u>11,451,724</u>	<u>11,105,943</u>	<u>(345,781)</u>
<b>EXPENDITURES</b>				
Current:				
Support Services - Student (Pupil):				
0035 <i>Food Services</i>	10,805,449	10,805,449	10,388,657	416,792
Total Support Services - Student (Pupil)	<u>10,805,449</u>	<u>10,805,449</u>	<u>10,388,657</u>	<u>416,792</u>
Support Services - Nonstudent Based:				
0051 <i>Plant Maintenance and Operations</i>	500,000	500,000	200,000	300,000
Total Support Services - Nonstudent Based:	<u>500,000</u>	<u>500,000</u>	<u>200,000</u>	<u>300,000</u>
6030 <b>Total Expenditures</b>	<u>11,305,449</u>	<u>11,305,449</u>	<u>10,588,657</u>	<u>716,792</u>
1200 <b>Net Change in Fund Balances</b>	146,275	146,275	517,286	371,011
0100 <b>Fund Balances - Beginning</b>	929,599	929,599	929,599	-
3000 <b>Fund Balances - Ending</b>	<u>\$ 1,075,874</u>	<u>\$ 1,075,874</u>	<u>\$ 1,446,885</u>	<u>\$ 371,011</u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**DEBT SERVICE FUND**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

*Exhibit J-4*

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
<b>REVENUES</b>					
5700	<i>Local, Intermediate, and Out-of-State</i>	\$ 34,613,034	\$ 31,090,433	\$ 31,090,743	\$ 310
5800	<i>State Programs</i>	1,521,459	1,521,459	1,483,494	(37,965)
5020	Total Revenues	<u>36,134,493</u>	<u>32,611,892</u>	<u>32,574,237</u>	<u>(37,655)</u>
<b>EXPENDITURES</b>					
Debt Service:					
0071	<i>Principal on Long-term Debt</i>	15,960,000	15,960,000	15,960,000	-
0072	<i>Interest on Long-term Debt</i>	15,572,477	15,572,477	15,572,477	-
0073	<i>Issuance Costs and Fees</i>	4,217,804	901,114	681,314	219,800
	Total Debt Service	<u>35,750,281</u>	<u>32,433,591</u>	<u>32,213,791</u>	<u>219,800</u>
6030	Total Expenditures	<u>35,750,281</u>	<u>32,433,591</u>	<u>32,213,791</u>	<u>219,800</u>
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	<u>384,212</u>	<u>178,301</u>	<u>360,446</u>	<u>182,145</u>
Other Financing Sources (Uses):					
7901	<i>Issuance of Refunding Bonds</i>	-	68,935,000	68,935,000	-
7916	<i>Premium from Issuance of Bonds</i>	-	8,209,802	8,209,802	-
8940	<i>Payment to Bond Refunding Escrow Agent</i>	-	(76,856,865)	(76,856,865)	-
7080	Total Other Financing Sources and (Uses)	<u>-</u>	<u>287,937</u>	<u>287,937</u>	<u>-</u>
1200	Net Change in Fund Balances	384,212	466,238	648,383	182,145
0100	Fund Balances - Beginning	<u>1,643,443</u>	<u>1,643,443</u>	<u>1,643,443</u>	<u>-</u>
3000	<b>Fund Balances - Ending</b>	<u>\$ 2,027,655</u>	<u>\$ 2,109,681</u>	<u>\$ 2,291,826</u>	<u>\$ 182,145</u>

**Statistical Section**  
(Unaudited)

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**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
*STATISTICAL SECTION*

The statistical section of the Pflugerville Independent School District's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's economic condition and overall financial health. To assist financial statement users, the information contained within this section is categorized as follows:

**Financial Trends**

These schedules contain trend information to show how the District's financial performance and position have changed over time

**Revenue Capacity**

These schedules contain information to help assess the factors affecting the District's most significant local revenue source, the property tax.

**Debt Capacity**

These schedules present information to help assess the affordability of the District's current debt burden and its ability to issue additional debt in the future

**Demographic and Economic Information**

These schedules provide demographic and economic indicators to help in understanding the environment in which the District operates and to facilitate in comparisons over time.

**Operating Information**

These schedules provide information about the District's operations and resources to assist in using the financial statement information to better understand and assess the District's economic condition.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**

*NET ASSETS BY COMPONENT*

*LAST TEN FISCAL YEARS*

*(ACCRUAL BASIS OF ACCOUNTING)*

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Governmental Activities:</b>				
Invested in Capital Assets,				
Net of Related Debt	\$ 31,823,815	\$ 31,462,570	\$ 30,170,927	\$ 32,247,876
Restricted	2,553,638	3,014,281	3,955,354	4,766,734
Unrestricted	39,734,667	28,326,217	20,008,756	13,836,085
<b>Total Governmental Activities Net Assets</b>	<b>\$ <u>74,112,120</u></b>	<b>\$ <u>62,803,068</u></b>	<b>\$ <u>54,135,037</u></b>	<b>\$ <u>50,850,695</u></b>
<b>Business-type Activities:</b>				
Invested in Capital Assets,				
Net of Related Debt	\$ 87,808	\$ -	\$ -	\$ -
Unrestricted	(14,204)	(32,578)	-	-
<b>Total Business-type Activities Net Assets</b>	<b>\$ <u>73,604</u></b>	<b>\$ <u>(32,578)</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>
<b>Primary Government:</b>				
Invested in Capital Assets,				
Net of Related Debt	\$ 31,911,623	\$ 31,462,570	\$ 30,170,927	\$ 32,247,876
Restricted	2,553,638	3,014,281	3,955,354	4,766,734
Unrestricted	39,720,463	28,293,639	20,008,756	13,836,085
<b>Total Primary Government Net Assets</b>	<b>\$ <u>74,185,724</u></b>	<b>\$ <u>62,770,490</u></b>	<b>\$ <u>54,135,037</u></b>	<b>\$ <u>50,850,695</u></b>

Table 1

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 31,191,545	\$ 22,719,417	\$ 29,806,066	\$ 21,382,098	\$ 27,207,288	\$ 28,677,231
3,662,850	3,179,559	3,019,023	1,074,704	2,390,721	1,378,302
18,891,768	25,592,424	9,135,897	19,282,881	9,893,995	11,877,546
<u>\$ 53,746,163</u>	<u>\$ 51,491,400</u>	<u>\$ 41,960,986</u>	<u>\$ 41,739,683</u>	<u>\$ 39,492,004</u>	<u>\$ 41,933,079</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 31,191,545	\$ 22,719,417	\$ 29,806,066	\$ 21,382,098	\$ 27,207,288	\$ 28,677,231
3,662,850	3,179,559	3,019,023	1,074,704	2,390,721	1,378,302
18,891,768	25,592,424	9,135,897	19,282,881	9,893,995	11,877,546
<u>\$ 53,746,163</u>	<u>\$ 51,491,400</u>	<u>\$ 41,960,986</u>	<u>\$ 41,739,683</u>	<u>\$ 39,492,004</u>	<u>\$ 41,933,079</u>

# PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT

## CHANGES IN NET ASSETS

### LAST TEN FISCAL YEARS

#### (ACCRUAL BASIS OF ACCOUNTING)

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Expenses</b>				
Governmental Activities:				
Instruction	\$ 109,251,840	\$ 108,337,542	\$ 108,060,717	\$ 103,394,889
Instructional Resources and Media Services	3,279,662	3,196,747	3,188,391	3,705,657
Curriculum and Instructional Staff Development	6,335,867	6,099,548	6,051,164	5,482,628
Instructional Leadership	2,219,164	2,456,580	2,557,375	2,027,673
School Leadership	10,173,649	10,159,941	10,098,502	10,818,210
Guidance, Counseling, and Evaluation Services	6,576,716	6,588,865	6,792,197	6,033,629
Social Work Services	501,903	475,137	441,736	441,932
Health Services	1,899,532	1,828,229	1,594,137	1,597,561
Student Transportation	7,104,168	7,466,658	7,139,172	7,008,750
Food Services	11,264,856	11,457,443	10,620,252	9,830,910
Extracurricular Activities	6,838,249	6,651,685	6,067,801	6,013,120
General Administration	3,643,282	3,840,998	3,709,032	3,764,274
Facilities Maintenance and Operations	12,636,964	13,208,973	15,502,842	15,368,510
Security and Monitoring Services	2,708,046	2,383,226	2,137,943	2,325,743
Data Processing Services	3,394,096	3,767,644	3,851,350	3,246,828
Community Services	134,188	251,683	136,274	125,400
Interest on Long-term Debt & Bond Fees	14,439,419	17,453,765	17,507,086	18,422,579
Facilities Repair and Maintenance	2,277,256	13,136	-	29,257
Payments to Fiscal Agent/Member Districts of SSAs	1,810,439	2,505,714	2,379,337	2,881,565
Payments to Juvenile Justice Alternative Ed. Program	15,319	15,642	-	19,987
Payments to Appraisal District	466,306	564,007	555,974	568,410
<b>Total Governmental Activities Expenses</b>	<u>206,970,921</u>	<u>208,723,163</u>	<u>208,391,282</u>	<u>203,107,512</u>
Business-type Activities:				
Extended Day Program	1,648,334	211,715	-	-
<b>Total Primary Government Expenses</b>	<u>208,619,255</u>	<u>208,934,878</u>	<u>208,391,282</u>	<u>203,107,512</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
Instruction	908,105	1,080,738	886,652	1,056,284
Food Services	3,890,454	3,814,485	3,791,705	3,904,617
Extracurricular Activities	1,537,818	1,441,675	1,319,423	992,532
Other Activities	928,113	877,405	798,091	843,827
Operating Grants and Contributions	33,479,272	34,786,457	34,150,601	22,515,245
<b>Total Primary Government Governmental Activities Program Revenues</b>	<u>40,743,762</u>	<u>42,000,760</u>	<u>40,946,472</u>	<u>29,312,505</u>
Business-type Activities:				
Charges for Services	2,154,516	179,137	-	-
<b>Total Primary Government Program Revenues</b>	<u>42,898,278</u>	<u>42,179,897</u>	<u>40,946,472</u>	<u>29,312,505</u>
<b>Net (Expense)/Revenue</b>				
<b>Total Primary Government Net Expense</b>	<u>\$ (165,720,977)</u>	<u>\$ (166,754,981)</u>	<u>\$ (167,444,810)</u>	<u>\$ (173,795,007)</u>



Table 2  
Page 1 of 2

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	94,650,337	\$ 85,939,489	\$ 77,640,628	\$ 68,800,517	\$ 62,179,295	\$ 64,186,480
	3,471,299	3,820,581	3,514,660	3,143,224	2,728,988	2,580,743
	4,088,992	3,303,276	2,579,484	2,268,760	1,625,188	1,979,548
	1,672,599	1,162,792	1,022,484	849,633	791,120	680,994
	10,110,269	8,464,935	7,576,769	7,001,025	6,292,320	6,323,812
	5,948,106	4,722,770	4,321,876	3,967,392	3,642,550	3,448,082
	423,094	264,432	172,844	198,232	175,078	136,402
	1,479,424	1,440,727	1,166,643	1,109,559	1,113,650	1,003,706
	6,875,115	5,916,371	5,750,299	5,243,935	4,719,206	4,279,843
	9,108,389	7,486,650	7,153,506	6,239,179	5,149,827	4,986,223
	5,559,634	5,081,456	5,003,610	4,391,876	4,271,686	3,935,956
	3,769,737	4,043,427	3,714,824	3,410,368	3,102,273	3,092,437
	16,034,590	14,572,997	13,677,476	12,258,394	12,762,548	11,308,903
	1,202,334	829,415	1,084,024	923,009	302,802	206,181
	3,051,548	3,428,639	3,366,470	3,307,263	2,180,069	1,768,869
	113,423	90,737	114,557	52,110	77,212	41,958
	14,791,698	13,817,715	13,957,491	13,264,035	12,805,720	12,664,175
	4,181,777	453,026	186,230	6,750	31,707	148,689
	-	-	-	-	-	-
	14,141	3,068	3,540	5,192	8,496	3,481
	513,372	-	-	-	-	-
	<u>187,059,878</u>	<u>164,842,503</u>	<u>152,007,415</u>	<u>136,440,453</u>	<u>123,959,735</u>	<u>122,776,482</u>
	-	-	-	-	-	-
	<u>187,059,878</u>	<u>164,842,503</u>	<u>152,007,415</u>	<u>136,440,453</u>	<u>123,959,735</u>	<u>122,776,482</u>
	892,791	643,611	653,310	274,933	249,088	206,992
	3,568,350	3,211,394	3,133,213	3,073,719	2,731,637	2,659,658
	980,685	874,388	957,687	349,648	244,352	244,305
	950,666	733,246	868,231	289,166	190,562	106,637
	20,132,811	15,463,959	16,062,555	13,955,970	12,253,965	13,170,029
	<u>26,525,303</u>	<u>20,926,598</u>	<u>21,674,996</u>	<u>17,943,436</u>	<u>15,669,604</u>	<u>16,387,621</u>
	-	-	-	-	-	-
	<u>26,525,303</u>	<u>20,926,598</u>	<u>21,674,996</u>	<u>17,943,436</u>	<u>15,669,604</u>	<u>16,387,621</u>
\$	<u><u>(160,534,575)</u></u>	<u><u>(143,915,905)</u></u>	<u><u>(130,332,419)</u></u>	<u><u>(118,497,017)</u></u>	<u><u>(108,290,131)</u></u>	<u><u>(106,388,861)</u></u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**

*CHANGES IN NET ASSETS*

*LAST TEN FISCAL YEARS*

*(ACCRUAL BASIS OF ACCOUNTING)*

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental Activities:				
Property Taxes, Levied for General Purposes	\$ 74,620,548	\$ 74,151,360	\$ 77,282,606	\$ 74,503,421
Property Taxes, Levied for Debt Service	31,339,637	29,893,334	31,230,001	30,245,042
Grants and Contributions Not Restricted to Specific Prog.	74,534,585	70,295,035	61,748,632	63,570,162
Investment Earnings	475,331	493,138	417,602	2,409,191
Miscellaneous	272,522	557,567	50,311	171,723
Transfers	400,000	-	-	-
Special Item - Gain on Sale of Asset	-	-	-	-
<b>Total Governmental Activities General Revenues</b>	<u>181,642,623</u>	<u>175,390,434</u>	<u>170,729,152</u>	<u>170,899,539</u>
Business-type Activities:				
Transfers	(400,000)	-	-	-
<b>Total Business-type Activities General Revenues</b>	<u>(400,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Primary Government General Revenues</b>	<u>\$ 181,242,623</u>	<u>\$ 175,390,434</u>	<u>\$ 170,729,152</u>	<u>\$ 170,899,539</u>
<b>Change in Net Assets</b>				
Governmental Activities	15,415,464	8,668,031	3,284,342	(2,895,468)
Business-type Activities	106,182	(32,578)	-	-
<b>Total Change in Net Assets</b>	<u>\$ 15,521,646</u>	<u>\$ 8,635,453</u>	<u>\$ 3,284,342</u>	<u>\$ (2,895,468)</u>

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	67,412,374	\$ 82,211,619	\$ 78,954,378	\$ 73,138,632	\$ 67,363,426	\$ 64,255,195
	27,692,617	19,516,637	18,340,815	17,114,748	15,763,326	13,739,980
	64,369,942	44,600,806	30,395,557	28,131,476	21,875,032	22,395,650
	3,154,609	3,162,914	2,221,687	2,171,642	578,440	907,667
	159,794	135,298	641,285	188,198	268,832	564,637
	-	-	-	-	-	-
	-	3,819,045	-	-	-	-
	<u>162,789,336</u>	<u>153,446,319</u>	<u>130,553,722</u>	<u>120,744,696</u>	<u>105,849,056</u>	<u>101,863,129</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	<u><u>162,789,336</u></u>	<u><u>153,446,319</u></u>	<u><u>130,553,722</u></u>	<u><u>120,744,696</u></u>	<u><u>105,849,056</u></u>	<u><u>101,863,129</u></u>
	2,254,761	9,530,414	221,303	2,247,679	(2,441,075)	(4,525,732)
	-	-	-	-	-	-
\$	<u><u>2,254,761</u></u>	<u><u>9,530,414</u></u>	<u><u>221,303</u></u>	<u><u>2,247,679</u></u>	<u><u>(2,441,075)</u></u>	<u><u>(4,525,732)</u></u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>General Fund</b>				
Nonspendable:				
Investment in Inventories	\$ 379,652	\$ 268,198	\$ 279,763	\$ 118,398
Prepaid Items	145,746	788,398	777,320	618,129
Assigned:				
Other Purposes	3,500,000	10,548	-	-
Unassigned:	26,586,007	24,206,347	16,625,462	12,685,986
<b>Total General Fund</b>	<u>\$ 30,611,405</u>	<u>\$ 25,273,491</u>	<u>\$ 17,682,545</u>	<u>\$ 13,422,513</u>
<b>All Other Governmental Funds</b>				
Nonspendable:				
Investment in Inventories	\$ -	\$ 108,093	\$ -	\$ -
Prepaid Items	125,537	167,593	13,398	-
Restricted:				
Grant Funds	-	808,623	1,899,183	1,677,007
Land Acquisitions and Construction Projects	44,268,455	77,757,689	86,530,605	106,398,420
Debt Service	2,291,476	1,643,443	3,096,937	4,116,832
Committed:				
Other	2,638,972	1,210,069	985,576	878,098
Assigned:				
Other	-	-	-	-
Unassigned:	-	-	-	(56)
<b>Total All Other Governmental Funds</b>	<u>\$ 49,324,440</u>	<u>\$ 81,695,510</u>	<u>\$ 92,525,699</u>	<u>\$ 113,070,301</u>

Source: District Financial Statements

Fund balance classifications for fiscal years prior to 2011 have been recast to reflect GASB Statement No. 54 classifications for comparative purposes.

Table 3

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	162,937	\$ 181,528	\$ 230,335	\$ 112,175	\$ 71,819	\$ 90,643
	161,630	145,240	-	52,209	70,019	563,541
	-	-	-	-	-	-
	16,177,531	18,805,325	11,612,955	8,066,264	4,944,088	6,945,856
\$	<u>16,502,098</u>	<u>19,132,093</u>	<u>11,843,290</u>	<u>8,230,648</u>	<u>5,085,926</u>	<u>7,600,040</u>
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-
	2,455,148	3,124,536	2,402,284	1,064,459	638,912	414,549
	135,301,946	18,789,413	-	27,925,290	25,441,721	10,481,108
	3,696,794	1,845,631	2,489,505	2,096,576	1,999,718	1,675,442
	783,375	771,607	757,850	1,734,984	1,755,625	1,909,393
	-	-	-	-	-	-
	(183,955)	(116,314)	(6,712,267)	(88,613)	-	(135,785)
\$	<u>142,053,308</u>	<u>24,414,873</u>	<u>(1,062,628)</u>	<u>32,732,696</u>	<u>29,835,976</u>	<u>14,344,707</u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**

*CHANGES IN FUND BALANCES*

*GOVERNMENTAL FUNDS*

*LAST TEN FISCAL YEARS*

*(MODIFIED ACCRUAL BASIS OF ACCOUNTING)*

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>REVENUES</b>				
Local, Intermediate, and Out-of-State	\$ 112,740,450	\$ 112,980,468	\$ 116,404,455	\$ 113,426,921
State Programs	85,904,547	80,241,196	70,435,028	73,381,316
Federal Programs	21,840,457	24,618,084	25,303,610	12,669,277
Total Revenues	<u>220,485,454</u>	<u>217,839,748</u>	<u>212,143,093</u>	<u>199,477,514</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	105,862,543	104,586,009	104,374,052	99,246,993
Instructional Resources and Media Services	2,938,099	2,888,856	2,877,675	3,390,660
Curriculum and Instructional Staff Development	6,347,636	6,118,963	6,056,306	5,472,684
Instructional Leadership	2,227,204	2,455,813	2,563,892	2,016,242
School Leadership	9,931,249	9,941,114	9,863,547	10,576,334
Guidance, Counseling, and Evaluation Services	6,361,976	6,373,232	6,633,242	5,969,339
Social Work Services	502,321	473,573	441,668	441,284
Health Services	1,903,195	1,832,548	1,596,312	1,585,411
Student Transportation	7,059,718	7,421,508	7,094,022	6,963,600
Food Services	10,564,654	10,533,520	9,723,969	9,222,653
Extracurricular Activities	5,559,113	5,712,394	5,661,053	4,852,312
General Administration	3,548,814	3,780,020	3,631,310	3,692,732
Plant Maintenance and Operations	12,498,011	12,974,345	15,314,846	14,900,930
Security and Monitoring Services	2,300,852	3,818,430	2,752,632	2,260,900
Data Processing Services	5,342,106	3,557,499	4,069,284	2,268,351
Community Services	136,429	251,683	136,274	125,400
Debt Service:				
Principal on Long-term Debt	15,960,000	11,784,934	14,870,000	12,140,000
Interest on Long-term Debt	15,572,477	19,789,263	17,624,815	19,528,347
Issuance Costs and Fees	681,314	276,591	210,049	4,450
Capital Outlay:				
Facilities Acquisition and Construction	28,613,772	3,679,392	10,102,907	23,460,093
Intergovernmental:				
Payments Related to Shared Services Arrange.	1,810,439	2,505,714	2,379,337	-
Payments to Juvenile Justice Alt. Ed. Prgm.	15,319	15,642	-	19,987
Payments to Appraisal District	466,306	564,007	555,974	3,449,975
Total Expenditures	<u>246,203,547</u>	<u>221,335,050</u>	<u>228,533,166</u>	<u>231,588,677</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(25,718,093)</u>	<u>(3,495,302)</u>	<u>(16,390,073)</u>	<u>(32,111,163)</u>

Table 4  
Page 1 of 2

	2008	2007	2006	2005	2004	2003
\$	107,933,585	\$ 107,849,751	\$ 106,355,368	\$ 98,199,466	\$ 88,588,856	\$ 82,986,724
	73,095,749	50,877,181	36,262,538	33,038,480	26,870,932	31,492,650
	11,233,950	8,995,786	9,598,405	7,816,368	5,645,983	4,927,806
	<u>192,263,284</u>	<u>167,722,718</u>	<u>152,216,311</u>	<u>139,054,314</u>	<u>121,105,771</u>	<u>119,407,180</u>
	91,042,438	82,344,130	74,274,567	65,614,093	59,918,270	62,181,147
	3,161,886	3,524,940	3,241,542	2,877,924	2,518,545	2,388,229
	4,085,028	3,298,576	2,576,041	2,265,606	1,625,403	1,982,018
	1,671,651	1,161,885	1,020,874	881,600	790,986	682,074
	9,894,351	8,220,585	7,355,922	6,810,296	6,160,037	6,205,979
	5,918,195	4,685,561	4,283,200	3,934,529	3,620,811	3,434,237
	422,553	265,076	172,198	197,332	174,691	136,427
	1,478,116	1,438,394	1,164,311	1,108,736	1,113,034	1,005,511
	6,862,075	5,871,150	5,698,488	5,190,783	4,726,043	4,246,125
	8,603,027	7,092,533	6,725,532	5,739,430	4,880,059	4,638,974
	4,413,903	4,037,054	4,073,224	3,621,513	3,650,957	3,409,359
	3,686,453	3,951,122	3,577,837	3,319,737	2,854,169	2,509,975
	15,590,266	14,139,174	13,627,565	12,516,801	12,750,846	11,448,132
	1,125,442	960,688	1,079,581	1,075,320	362,873	203,591
	1,768,997	1,599,842	1,482,856	963,767	856,635	802,467
	113,423	62,456	96,539	51,930	77,047	41,968
	17,565,319	9,950,000	8,956,835	9,215,278	6,144,703	4,762,689
	13,436,105	14,321,841	13,830,485	12,847,738	12,754,534	12,714,356
	6,900	5,616	11,642	-	-	-
	11,881,210	12,134,341	29,500,286	26,032,431	9,161,594	20,338,305
	-	-	-	-	-	-
	14,141	3,068	3,540	5,192	8,496	3,481
	513,372	-	-	-	-	-
	<u>203,254,851</u>	<u>179,068,032</u>	<u>182,753,065</u>	<u>164,270,036</u>	<u>134,149,733</u>	<u>143,135,044</u>
	<u>(10,991,567)</u>	<u>(11,345,314)</u>	<u>(30,536,754)</u>	<u>(25,215,722)</u>	<u>(13,043,962)</u>	<u>(23,727,864)</u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Refunding Bonds Issued	\$ 68,935,000	\$ 23,655,000	\$ 20,420,000	\$ -
Issuance of Capital Related Debt (Regular Bonds)	-	-	-	-
Premium/Discount from Issuance of Bonds	8,209,802	1,467,626	2,413,495	-
Sale of Real and Personal Property	-	5,478	-	43,440
Other Sources (Uses)	(3,000)	-	(63,245)	5,138
Transfers In	400,000	1,073,910	-	56,650
Transfers Out	(2,000,000)	(1,073,910)	-	(56,650)
Payment to Refunded Bond Escrow Agent	(76,856,865)	(24,859,196)	(22,625,843)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(1,315,063)</u>	<u>268,908</u>	<u>144,407</u>	<u>48,578</u>
Special Items (Uses)	<u>-</u>	<u>(12,850)</u>	<u>(38,904)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<b>\$ <u>(27,033,156)</u></b>	<b>\$ <u>(3,239,244)</u></b>	<b>\$ <u>(16,284,570)</u></b>	<b>\$ <u>(32,062,585)</u></b>
<b>Debt Service (Principal and Interest) Expenditures</b>				
<b>as a Percentage of Noncapital Expenditures</b>	14.80%	14.69%	15.06%	15.24%



	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	-	\$ -	\$ -	\$ 101,253,912	\$ -	\$ -
	121,715,000	40,000,000	-	30,281,476	25,915,000	20,013,053
	4,220,319	1,867	-	-	80,000	-
	55,912	4,106,574	100	2,394	15,741	214,809
	8,774	3,177	-	111,836	10,376	23,800
	-	-	78,378	35,062	-	-
	-	-	(78,378)	(35,062)	-	-
	-	-	-	(100,392,454)	-	-
	<u>126,000,005</u>	<u>44,111,618</u>	<u>100</u>	<u>31,257,164</u>	<u>26,021,117</u>	<u>20,251,662</u>
	-	-	-	-	-	-
\$	<u><u>115,008,438</u></u>	<u><u>32,766,304</u></u>	<u><u>(30,536,654)</u></u>	<u><u>6,041,442</u></u>	<u><u>12,977,155</u></u>	<u><u>(3,476,202)</u></u>
	15.89%	14.55%	14.94%	16.05%	15.21%	14.26%

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**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

*Table 5*

Fiscal Year Ended August 31,	Appraised Value			Taxable Assessed Value	Total Direct Rate (2)
	Real Property Value Travis & Williamson (1)	Personal Property Value Travis	Less Exemptions Travis		
2012	\$ 6,927,223,361	\$ 927,076,504	\$ 1,227,911,047	\$ 6,626,388,818	\$ 1.4800
2011	6,990,955,971	928,000,481	1,128,460,284	6,790,496,168	1.4600
2010	7,001,868,479	1,168,252,825	1,236,404,902	6,933,716,402	1.4600
2009	6,975,643,971	1,498,765,369	1,439,680,945	7,034,728,395	1.4600
2008	6,060,160,682	1,640,470,968	1,548,427,041	6,152,204,609	1.4700
2007	5,474,463,029	1,547,238,633	1,278,540,063	5,743,161,599	1.6800
2006	4,988,896,471	1,103,365,959	1,136,709,701	4,955,552,729	1.8500
2005	4,705,279,643	835,499,798	714,074,051	4,826,705,390	1.8300
2004	4,496,587,755	728,564,993	701,900,663	4,523,252,085	1.8500
2003	4,396,745,239	709,269,679	710,394,309	4,395,620,609	1.6900

Sources: Travis Central Appraisal District and Williamson Central Appraisal District

(1) Williamson County values are before freeze. Prior to fiscal year 2008, Williamson appraisal information maintained by and included in Travis Central Appraisal totals.

(2) Tax Rates are per \$100 of taxable assessed value.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**(PER \$100 OF ASSESSED VALUE)**  
**LAST TEN FISCAL YEARS**

<u>Taxing Authority</u>	<u>2012</u>	<u>2011 (4)</u>	<u>2010</u>	<u>2009</u>
<b><i>Overlapping Rates:</i></b>				
Austin, City of	\$ 0.4811	\$ 0.4571	\$ 0.4209	\$ 0.4012
Kelly Lane WCID #1	0.9500	0.9500	0.9500	0.9500
Lakeside MUD #3	0.9000	0.9000	0.9000	0.9000
Lakeside WCID #2D	0.9700	0.9700	0.9700	0.9700
Lakeside WCID #1	0.9000	0.9000	0.8500	0.8500
Lakeside WCID #2B	0.9700	0.9700	0.9700	0.9700
Lakeside WCID #2C	0.9700	0.9700	0.9400	0.9000
Northeast Travis County UD	0.8993	0.8993	0.8993	0.8993
Northtown MUD	0.7500	0.7500	0.7500	0.7500
Pflugerville, City of	0.5990	0.6040	0.6090	0.6140
Travis County	0.4855	0.4215	0.4215	0.4122
Travis County Emergency Service #2	0.1000	0.1000	0.0997	0.1000
Travis County MUD #15	0.3325	0.3325	0.3325	0.2925
Wells Branch MUD	0.4700	0.4700	0.4700	0.4700
Williamson County	0.4600	0.4600	-	-
Williamson Co. Water, Sewer, Irrigation and DD #3	0.8150	0.8150	0.7999	0.7730
<b>Total Overlapping Rates</b>	<b>\$ <u>11.0524</u></b>	<b>\$ <u>10.9694</u></b>	<b>\$ <u>10.3828</u></b>	<b>\$ <u>10.2522</u></b>
<b><i>District Direct Rates:</i></b>				
Pflugerville ISD				
Maintenance and Operations	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400
Debt Service	0.4400	0.4200	0.4200	0.4200
<b>Total District Direct Rates</b>	<b>\$ <u>1.4800</u></b>	<b>\$ <u>1.4600</u></b>	<b>\$ <u>1.4600</u></b>	<b>\$ <u>1.4600</u></b>

Source: The Municipal Advisory Council of Texas

- 1) Data for Kelly Lane WCID #1, Lakeside MUD #3, and Lakeside WCID #2D not available prior to 2008
- 2) Data for Lakeside WCID #2C not available prior to 2005
- 3) Data for Northeast Travis County UD not available prior to 2004
- 4) Data for Williamson County not available prior to 2011
- 5) Data for Williamson Co. Water, Sewer, Irrigation and DD #3 not available prior to 2006

Table 6

<u>2008 (1)</u>	<u>2007</u>	<u>2006 (5)</u>	<u>2005 (2)</u>	<u>2004 (3)</u>	<u>2003</u>
\$ 0.4034	\$ 0.4126	\$ 0.4430	\$ 0.4430	\$ 0.4928	\$ 0.4597
0.9500	-	-	-	-	-
0.9000	-	-	-	-	-
0.9700	-	-	-	-	-
0.8500	0.8700	0.8700	0.8700	0.8700	0.8700
0.9700	0.8700	0.8700	0.8700	0.8700	0.8700
0.9000	0.8200	0.8700	0.8700	-	-
0.8993	0.9300	0.9300	0.9300	0.9300	-
0.7500	0.7500	0.7500	0.7500	0.7500	0.6500
0.6190	0.6240	0.6350	0.6400	0.6417	0.6299
0.4216	0.4499	0.4993	0.4872	0.4918	0.4660
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.2500	0.2500	0.2300	0.4940	0.6500	0.6500
0.4800	0.4800	0.4800	0.4800	0.5000	0.5050
-	-	-	-	-	-
0.7730	0.8500	0.8500	-	-	-
<u>\$ 10.2363</u>	<u>\$ 7.4065</u>	<u>\$ 7.5273</u>	<u>\$ 6.9342</u>	<u>\$ 6.2963</u>	<u>\$ 5.2006</u>
\$ 1.0400	\$ 1.3600	\$ 1.5000	\$ 1.4900	\$ 1.5000	\$ 1.3925
0.4300	0.3200	0.3500	0.3400	0.3500	0.2975
<u>\$ 1.4700</u>	<u>\$ 1.6800</u>	<u>\$ 1.8500</u>	<u>\$ 1.8300</u>	<u>\$ 1.8500</u>	<u>\$ 1.6900</u>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**PRINCIPAL TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

*Table 7*

Taxpayer	2012			2003		
	Assessed Value	Rank	Percentage of Total Assessed Value	Assessed Value	Rank	Percentage of Total Assessed Value
Dell USA LP	\$134,064,254	1	2.02%	160,695,931	2	3.66%
Oracle USA Inc	91,558,540	2	1.38%			
A-S 93 SH 130-SH 45 LP	59,383,432	3	0.90%			
Parmer Tech Ridge LLC	50,557,727	4	0.76%			
Realty Associated Fund XI LP The	45,964,415	5	0.69%			
Dell Inc.	44,886,867	6	0.68%			
Avaya Inc	39,050,747	7	0.59%			
Target Corporation	38,352,660	8	0.58%			
San Paloma Apartments 100 LP	36,000,000	9	0.54%			
Oncor Electric Delivery Co	35,289,271	10	0.53%	31,190,180	4	0.71%
Applied Materials				165,572,155	1	3.77%
State Street Bank & Trust Comp				114,260,255	3	2.60%
Zavala Properties II, Inc.				27,514,500	5	0.63%
Societe Generale Financial Corp				26,533,206	6	0.60%
AMB/TR Three 2000 Ltd				25,263,503	7	0.57%
Southwestern Bell Tel Co				23,774,449	8	0.54%
H E Butt Grocery Company				21,689,038	9	0.49%
Simpson Parmer Ridge Limited				20,400,000	10	0.46%
<b>TOTALS</b>	<b>\$ 575,107,913</b>		<b>8.68%</b>	<b>\$ 616,893,217</b>		<b>14.03%</b>
<b>TOTAL ASSESSED VALUE</b>	<b>\$ 6,626,388,818</b>			<b>\$ 4,395,620,609</b>		

Source: Travis Central Appraisal District.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

*Table 8*

Fiscal Year	Tax Levy For The Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date (Including 60 Day Accrual)	
		Amount	Percentage of Net Tax Levy		Amount	Percent of Total Tax Collections To Net Tax Levy
2012	\$ 105,378,123	\$ 104,531,967	99.20%	-	\$ 104,531,967	99.20%
2011	104,299,773	103,466,286	99.20%	399,406	103,865,692	99.58%
2010	108,187,522	107,041,100	98.94%	824,975	107,866,075	99.70%
2009	104,331,449	103,367,737	99.08%	702,848	104,070,585	99.75%
2008	95,788,497	95,563,864	99.77%	63,377	95,627,241	99.83%
2007	98,058,936	97,306,560	99.23%	621,318	97,927,878	99.87%
2006	96,866,139	95,756,426	98.85%	974,874	96,731,300	99.86%
2005	89,623,503	88,400,947	98.64%	1,082,917	89,483,864	99.84%
2004	84,213,265	82,763,360	98.28%	1,211,182	83,974,542	99.72%
2003	76,213,874	75,813,609	99.47%	(928,757)	74,884,852	98.26%

(1) Appraised value less exemptions equals taxable assessed value. The beginning taxable value net of adjustments times the tax rate set by the District's Board of Trustees each fall less any subsequent adjustments equals the total net tax levy. The net tax levy for prior years reflects ongoing adjustments applied to that year's tax levy.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
*RATIOS OF OUTSTANDING DEBT BY TYPE*  
*LAST TEN FISCAL YEARS*

*Table 9*

<u>Fiscal Year</u>	<u>Governmental Activities</u>		<u>Ratio of Debt to Assessed Value (1)</u>	<u>Debt Per Student (2)</u>
	<u>General Obligation Bonds</u>	<u>Total Primary Government</u>		
2012	\$ 329,690,000	\$ 329,690,000	4.98%	\$ 15,144
2011	346,240,000	346,240,000	5.10%	16,179
2010	358,634,934	358,634,934	5.17%	17,311
2009	375,344,934	375,344,934	5.34%	18,457
2008	387,484,934	387,484,934	6.30%	19,891
2007	282,399,934	282,399,934	4.92%	15,193
2006	252,349,934	252,349,934	5.09%	14,323
2005	261,306,769	261,306,769	5.41%	15,743
2004	242,642,079	242,642,079	5.36%	15,450
2003	222,871,782	222,871,782	5.07%	14,881

(1) See Table 5 for assessed value data.

(2) See Table 16 for student enrollment data.



**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

*Table 10*

<u>Fiscal Year</u>	<u>Gross Bonded Debt</u>	<u>Less Amount Available in Debt Service Fund</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt To Assessed Value (1)</u>	<u>Net Bonded Debt Per Student (2)</u>
2012	\$ 329,690,000	\$ 2,291,826	\$ 327,398,174	4.94%	\$ 15,038
2011	346,240,000	1,643,443	344,596,557	5.07%	16,103
2010	358,634,934	3,096,937	355,537,997	5.13%	17,162
2009	375,344,934	4,116,832	371,228,102	5.28%	18,255
2008	387,484,934	3,696,794	383,788,140	6.24%	19,702
2007	282,399,934	1,845,631	280,554,303	4.89%	15,093
2006	252,349,934	2,489,505	249,860,429	5.04%	14,182
2005	261,306,769	2,096,576	259,210,193	5.37%	15,617
2004	242,642,079	1,999,718	240,642,361	5.32%	15,323
2003	222,871,782	1,675,442	221,196,340	5.03%	14,769

(1) See Table 5 for assessed value data.

(2) See Table 16 for student attendance data.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT**  
**AUGUST 31, 2012**

*Table 11*

<u>Taxing Body</u>	<u>Gross Debt Amount</u>	<u>Outstanding As of</u>	<u>Percent Overlapping</u>	<u>Share of Debt</u>
<b>Overlapping:</b>				
City of Austin	\$ 1,239,604,994	08/31/12	3.42%	\$ 42,394,491
Austin Community College District	89,903,659	08/31/12	2.36%	2,121,726
Kelly Lane WCID #1	3,960,000	08/31/12	100.00%	3,960,000
Lakeside MUD #3	4,640,000	08/31/12	100.00%	4,640,000
Lakeside WCID #1	5,325,000	08/31/12	100.00%	5,325,000
Lakeside WCID #2-B	6,115,000	08/31/12	100.00%	6,115,000
Lakeside WCID #2-C	5,335,000	08/31/12	100.00%	5,335,000
Lakeside WCID #2D	4,040,000	08/31/12	100.00%	4,040,000
Northeast Travis County UD	17,480,000	08/31/12	100.00%	17,480,000
Northtown MUD	27,235,000	08/31/12	100.00%	27,235,000
City of Pflugerville	151,080,000	08/31/12	100.00%	151,080,000
Travis County	640,674,987	08/31/12	6.78%	43,437,764
Travis County Emergency Service #2	1,520,000	08/31/12	100.00%	1,520,000
Travis County MUD #15	6,615,000	08/31/12	100.00%	6,615,000
Wells Branch MUD	1,330,000	08/31/12	37.93%	504,469
Williamson County	789,719,942	08/31/12	0.02%	157,944
Williamson Co. Water, Sewer, Irrigation and DD #3	24,610,000	08/31/12	26.68%	6,565,948
<b>Total Net Overlapping Debt</b>				<u>328,527,343</u>
<b>Direct</b>				
<b>Pflugerville ISD</b>	329,690,000	08/31/12	100.0%	<u>329,690,000</u>
<b>TOTAL NET OVERLAPPING AND DIRECT DEBT</b>				<u>\$ 658,217,343</u>

Source: Specialized Public Finance

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Pflugerville Independent School District. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for paying the debt of the overlapping government.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

*Table 12*

<b>Fiscal Year</b>	<b>Residential Units (1)</b>	<b>Total Assessed Value of Residential Units (2)</b>	<b>Average Assessed Value Per Residential Unit</b>	<b>Average Daily Attendance (3)</b>	<b>Unemployment Rate (4)</b>
2011-12	34,069	\$ 5,419,191,612	\$ 159,065	21,771	6.4%
2010-11	33,455	5,416,319,648	161,899	21,400	7.6%
2009-10	32,846	5,528,542,649	168,317	20,717	7.3%
2008-09	32,166	5,193,604,881	161,463	20,336	7.3%
2007-08	30,925	4,670,793,854	151,036	19,480	4.4%
2006-07	29,630	4,192,599,530	141,498	18,588	4.0%
2005-06	28,359	3,891,915,270	137,237	17,618	4.4%
2004-05	27,088	3,643,127,874	134,492	16,598	4.4%
2003-04	25,942	3,431,402,512	132,272	15,705	4.7%
2002-03	24,748	3,439,277,796	138,972	14,977	6.2%

(1) Source: Travis County Appraisal District Certified Totals, October supplement Residential Units include: Single Family Residences, Multifamily Residences and Mobile Homes.

(2) Source: Travis Central Appraisal District

(3) Source: Texas Education Agency

(4) Source: U.S. Bureau of Labor Statistics, July, Not Seasonally Adjusted

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**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

*Table 13*

Employer	2012			2003		
	Employees	Rank	Percentage of Top Ten Employers	Employees	Rank	Percentage of Top Ten Employers
Pflugerville Independent School District	2,574	1	61.92%	1,500	1	42.41%
City of Pflugerville	312	2	7.51%	-		0.00%
Wal-Mart	279	3	6.71%	-		0.00%
HEB Grocery	200	4	4.81%	225	5	6.36%
Target (1)	192	5	4.62%	-		0.00%
Avant Technologies	150	6	3.61%	-		0.00%
Flextronics (1)	150	7	3.61%	-		0.00%
Austin Foam Plastics	115	8	2.77%	-		0.00%
Home Depot	105	9	2.53%	-		0.00%
Advanced Integration Technologies	80	10	1.92%	-		0.00%
Tandem computers	-		0.00%	600	2	16.96%
Radian Corporation	-		0.00%	420	3	11.87%
Rohm Industries	-		0.00%	300	4	8.48%
Tremetrics	-		0.00%	150	6	4.24%
Albertson's	-		0.00%	116	7	3.28%
Pflugerville Care Center	-		0.00%	85	8	2.40%
Austron	-		0.00%	71	9	2.01%
Syntec Corporation	-		0.00%	70	10	1.98%
<b>Total Employed</b>	<b>4,157</b>		<b>100.0%</b>	<b>3,537</b>		<b>100.0%</b>

Sources: Pflugerville Community Development Corp and PISD Business Office

1) Updated data for 2012 unavailable for these employers. Number of employees from 2011 used.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**DEMOGRAPHIC STATISTICS**  
**LAST TEN YEARS**

<b>Fiscal Year</b>	<b>(A) Estimated School District Population</b>	<b>(B) Area Population</b>	<b>(B) Personal Income</b>	<b>(C) Per Capita Personal Income</b>	<b>(D) Labor Force</b>	<b>(D) Employment</b>
2012	-	-	\$ -	\$ -	943,997	882,739
2011	116,118	1,783,519	-	30,093	904,067	838,282
2010	109,722	1,728,307	66,936,889,000	38,730	902,915	834,432
2009	103,039	1,682,338	64,014,645,000	38,051	869,525	813,212
2008	107,298	1,633,870	64,411,889,000	39,423	853,810	818,843
2007	94,978	1,577,856	59,924,200,000	37,978	831,964	798,734
2006	97,288	1,515,485	56,105,865,000	37,022	803,219	766,878
2005	N/A	1,453,358	51,047,445,000	35,124	787,187	747,924
2004	N/A	1,410,058	46,455,572,000	32,946	770,615	726,194
2003	N/A	1,376,030	43,263,603,000	31,441	759,133	710,993

(A) 2011 data provided by USA.com. 2003 - 2010 data from U.S. Census Bureau, American Community Survey. Data for 2012 unavailable.

(B) 2011 data from American Community Survey, Austin-Round Rock-San Marcos Metropolitan Statistical Area. Area population and personal income Data for 2012 unavailable for 11-12 audit. Personal Income data unavailable for 2011. Data for 2003-2010 provided by Bureau of Economic Analysis.

(C) 2011 Per Capita Personal Income data provided by American FactFinder. 2003 - 2010 data from Bureau of Economic Analysis. Data for 2012 unavailable.

(D) Texas Workforce Commission, Austin-Round Rock-San Marcos Metropolitan Statistical Area

Table 14

<u>(D)</u> <u>Unemployment</u>	<u>(D)</u> <u>Percent</u> <u>Unemployment</u>	<u>(D)</u> <u>Construction</u>	<u>(D)</u> <u>Manufacturing</u>	<u>(D)</u> <u>Trades</u>	<u>(D)</u> <u>Government</u>
61,258	6.4%	40,700	50,800	139,800	166,700
65,785	7.3%	40,200	49,100	138,300	163,800
68,483	7.6%	39,500	46,500	129,800	166,300
56,313	6.5%	42,400	50,700	136,900	164,600
34,967	4.1%	48,000	58,800	138,400	160,000
33,230	4.0%	45,700	59,200	131,900	154,000
36,341	4.5%	41,200	57,300	123,200	149,400
39,263	5.0%	37,800	57,300	117,800	146,900
44,421	5.8%	35,900	56,500	113,500	143,700
48,140	6.3%	36,600	59,400	110,900	146,600

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY POSITION**  
**LAST TEN FISCAL YEARS**

<b>POSITION</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Teachers:</b>			
Teacher/Special Duty Teacher	1,511.6	1,508.2	1,450.2
Substitute Teacher	0.2	0.1	-
<b>Teacher Totals</b>	<b>1,511.8</b>	<b>1,508.3</b>	<b>1,450.2</b>
<b>Professional Support:</b>			
Counselor	49.4	49.5	40.4
Educational diagnostician	9.0	8.0	8.9
Librarian	21.0	25.0	24.4
Occupational Therapist	4.6	5.2	4.6
Orientation and Mobility Specialist	1.0	1.0	1.0
Physical Therapist	2.0	2.0	4.0
Nurse	26.9	27.0	25.4
LSSP/Psychologist	18.0	19.0	18.1
Social Worker	7.0	7.0	5.5
Speech Language Pathologist	24.0	24.6	20.8
Truant Officer	3.6	1.0	-
Teacher Facilitator	42.0	51.7	28.0
Athletic Trainer	2.5	4.9	4.8
Campus Professional Personnel	10.5	10.6	11.0
Non Campus Professional Personnel	56.3	56.6	37.0
<b>Professional Support Totals</b>	<b>277.8</b>	<b>293.1</b>	<b>233.9</b>
<b>Campus Administration:</b>			
Assistant Principal	49.1	47.0	47.0
Executive Director/Program Director	8.0	6.0	-
Principal	25.9	25.9	24.4
Teacher Supervisor	25.0	20.6	-
Athletic Director	5.5	5.8	-
<b>Campus Administration Totals</b>	<b>113.5</b>	<b>105.3</b>	<b>71.4</b>
<b>Central Administration:</b>			
Assistant/Deputy Supt	3.0	4.0	1.0
Instructional Officer	22.6	27.0	23.0
Superintendent	1.0	1.0	1.0
Teacher Supervisor	5.0	3.0	4.5
Business Manager	1.0	1.0	-
Director of HR	1.0	-	1.0
<b>Central Administration Totals</b>	<b>33.6</b>	<b>36.0</b>	<b>30.5</b>
<b>Educational Aides:</b>			
Aides	299.7	318.7	275.6
<b>Educational Aides Totals</b>	<b>299.7</b>	<b>318.7</b>	<b>275.6</b>
<b>Auxiliary Support:</b>			
Includes: Clerical, Secretarial, Grounds, Custodial, Maintenance	337.9	369.6	456.4
<b>Auxiliary Support Totals</b>	<b>337.9</b>	<b>369.6</b>	<b>456.4</b>
<b>Total Employees</b>	<b>2,574.3</b>	<b>2,631.0</b>	<b>2,518.0</b>

Source: PEIMS



Table 15

2009	2008	2007	2006	2005	2004	2003
1,458.0	1,379.3	1,256.0	1,174.9	1,082.1	1,028.7	1,019.0
-	-	-	-	-	-	-
<b>1,458.0</b>	<b>1,379.3</b>	<b>1,256.0</b>	<b>1,174.9</b>	<b>1,082.1</b>	<b>1,028.7</b>	<b>1,019.0</b>
45.1	49.6	36.2	35.1	32.5	32.5	32.1
8.0	7.0	5.0	7.0	7.5	4.5	5.5
25.7	24.0	24.0	22.0	20.0	19.8	18.0
4.4	3.7	4.5	4.3	4.3	4.3	4.5
1.0	1.0	-	0.8	0.5	-	-
4.0	3.5	3.0	2.8	2.5	2.0	2.0
24.9	24.7	24.6	22.9	20.7	21.0	20.0
20.0	20.0	20.0	17.9	14.9	17.0	14.9
6.5	6.5	4.0	4.0	6.8	3.0	2.9
22.4	20.2	20.8	19.9	17.4	15.8	15.9
-	-	-	-	-	-	-
41.1	24.1	30.1	21.5	13.5	9.3	5.2
3.9	1.0	1.0	-	-	-	-
12.0	8.0	3.0	3.0	1.8	1.0	1.0
34.0	26.0	22.0	20.0	20.0	18.3	17.3
<b>253.0</b>	<b>219.3</b>	<b>198.2</b>	<b>181.2</b>	<b>162.4</b>	<b>148.5</b>	<b>139.3</b>
53.0	45.0	41.0	36.4	32.6	31.0	32.0
-	-	-	-	-	-	-
27.0	27.0	24.9	22.0	22.0	22.0	21.0
-	-	-	-	-	-	-
-	-	-	-	0.3	-	0.3
<b>80.0</b>	<b>72.0</b>	<b>65.9</b>	<b>58.4</b>	<b>54.9</b>	<b>53.0</b>	<b>53.3</b>
4.0	1.0	1.0	1.0	1.3	1.3	1.3
26.9	14.4	14.0	16.8	15.4	17.3	12.0
1.0	1.0	1.6	1.0	-	1.0	1.0
5.0	5.0	6.0	-	-	-	7.5
-	-	-	-	-	-	-
1.0	2.0	1.0	1.0	1.0	-	-
<b>37.9</b>	<b>23.4</b>	<b>23.6</b>	<b>19.8</b>	<b>17.7</b>	<b>19.6</b>	<b>21.8</b>
269.6	207.1	199.5	144.9	156.3	134.1	138.0
<b>269.6</b>	<b>207.1</b>	<b>199.5</b>	<b>144.9</b>	<b>156.3</b>	<b>134.1</b>	<b>138.0</b>
376.2	435.2	357.6	387.8	353.0	345.0	306.4
<b>376.2</b>	<b>435.2</b>	<b>357.6</b>	<b>387.8</b>	<b>353.0</b>	<b>345.0</b>	<b>306.4</b>
<b>2,474.7</b>	<b>2,336.3</b>	<b>2,100.8</b>	<b>1,967.0</b>	<b>1,826.4</b>	<b>1,728.9</b>	<b>1,677.8</b>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
*OPERATING STATISTICS*  
*LAST TEN FISCAL YEARS*

<u>Fiscal Year</u>	<u>Average Daily Attendance</u>	<u>Operating Expenditures</u>	<u>Cost Per Student</u>	<u>Percentage Change</u>
2012	21,771	\$ 180,912,541	\$ 8,310	-2.87%
2011	21,400	183,079,098	8,555	-4.57%
2010	20,717	185,725,395	8,965	3.32%
2009	20,336	176,455,787	8,677	5.40%
2008	19,480	160,365,317	8,232	7.27%
2007	18,588	142,656,234	7,675	3.65%
2006	17,618	130,453,817	7,405	5.79%
2005	16,598	116,174,589	6,999	3.62%
2004	15,705	106,088,902	6,755	-3.94%
2003	14,977	105,319,694	7,032	

- (1) Operating expenditures are total expenditures less debt service principal, interest, debt service fees, and capital expenditures (to the extent capitalized for the government-wide statement of net assets)
- (2) Teaching Staff includes Teachers and Teacher Assistants.
- (3) Source: District documents.

*Table 16*

	<u>Government Wide Expenses</u>	<u>Cost Per Student</u>	<u>Percentage Change</u>	<u>Teaching Staff (1)</u>	<u>Student to Teacher Ratio</u>	<u>Percentage of Students in Free/Reduced Lunch Program</u>
\$	206,970,921	\$ 9,507	-2.63%	1,512	14.40	53.92%
	208,934,878	9,763	-2.94%	1,502	14.25	52.59%
	208,391,282	10,059	0.71%	1,475	14.05	50.40%
	203,107,512	9,988	4.01%	1,458	13.95	42.31%
	187,059,878	9,603	8.28%	1,382	14.10	44.30%
	164,842,503	8,868	2.78%	1,256	14.80	41.71%
	152,007,415	8,628	4.96%	1,175	14.99	40.21%
	136,440,453	8,220	4.15%	1,082	15.34	36.86%
	123,959,735	7,893	-3.72%	1,029	15.26	33.76%
	122,776,482	8,198		1,019	14.70	29.34%

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**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**TEACHER BASE SALARIES**  
**LAST TEN FISCAL YEARS**

*Table 17*

<u>Fiscal Year</u>	<u>Minimum Salary (1)</u>	<u>Maximum Salary (1)</u>	<u>Region Average Salary (2)</u>	<u>Statewide Average Salary (2)</u>
2012	\$ 41,000	\$ 57,350	\$ 46,930	\$ 48,375
2011	41,000	57,350	47,158	48,638
2010	41,000	57,350	46,979	48,263
2009	40,950	57,350	45,604	47,159
2008	40,000	56,400	44,752	46,179
2007	38,000	53,500	43,781	44,897
2006	35,200	51,000	40,170	41,744
2005	34,500	50,500	39,856	41,011
2004	34,000	50,000	39,390	40,478
2003	33,000	47,500	39,047	39,974

(1) Source: District records.

(2) Source: Texas Education Agency website, AEIS report.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**

<b>Building:</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>HIGH SCHOOLS</b>				
<b>Pflugerville High School</b>				
Square Footage	335,550	335,550	310,448	285,346
Capacity	2,625	2,550	2,475	2,400
Enrollment	2,221	2,237	2,244	2,290
<b>Hendrickson High School</b>				
Square Footage	380,130	380,130	380,130	380,130
Capacity	2,500	2,500	2,500	2,500
Enrollment	2,213	2,108	1,911	1,947
<b>Connally High School</b>				
Square Footage	314,876	314,876	298,333	281,790
Capacity	2,175	2,250	2,325	2,400
Enrollment	1,935	1,946	2,044	2,084
<b>Opportunity Center</b>				
Square Footage	19,691	19,691	19,691	19,691
Capacity	256	256	256	256
Enrollment	-	-	-	-
<b>MIDDLE SCHOOLS</b>				
<b>Pflugerville Middle School</b>				
Square Footage	111,036	111,036	111,036	111,036
Capacity	1,375	1,375	1,375	1,375
Enrollment	1,039	1,028	1,069	1,074
<b>Westview Middle School</b>				
Square Footage	112,245	112,245	112,245	112,245
Capacity	1,100	1,100	1,100	1,100
Enrollment	851	955	896	858
<b>Park Crest Middle School</b>				
Square Footage	116,800	116,800	116,800	116,800
Capacity	1,300	1,300	1,300	1,300
Enrollment	1,017	942	874	862
<b>Dessau Middle School</b>				
Square Footage	121,200	121,200	121,200	121,200
Capacity	1,300	1,300	1,300	1,300
Enrollment	1,016	995	1,007	1,029
<b>Kelly Lane Middle School</b>				
Square Footage	139,000	139,000	139,000	139,000
Capacity	1,250	1,250	1,250	1,250
Enrollment	1,176	1,106	1,029	1,022
<b>Opportunity Center</b>				
Square Footage	-	-	-	-
Capacity	-	-	-	-
Enrollment	-	-	-	-

Source: District Records

2008	2007	2006	2005	2004	2003
285,346	285,346	285,346	285,346	285,346	285,346
2,400	2,400	2,400	2,400	2,400	2,400
2,219	2,110	2,029	2,065	2,180	2,474
380,130	380,130	380,130	380,130	380,130	380,130
2,500	2,500	2,500	2,500	2,500	2,500
1,810	1,436	1,277	853	494	-
281,790	281,790	281,790	281,790	281,790	281,790
2,400	2,400	2,400	2,400	2,400	2,400
2,006	1,969	1,852	1,850	1,876	1,858
19,691	19,691	-	-	-	-
256	256	-	-	-	-
183	167	129	128	85	61
111,036	111,036	111,036	111,036	111,036	111,036
1,375	1,375	1,375	1,375	1,375	1,375
1,153	1,063	1,080	1,031	1,031	1,048
112,245	112,245	112,245	112,245	112,245	112,245
1,100	1,100	1,100	1,100	1,100	1,100
821	843	848	842	841	810
116,800	116,800	116,800	116,800	116,800	116,800
1,300	1,300	1,300	1,300	1,300	1,300
921	903	1,371	1,253	1,081	1,018
121,200	121,200	121,200	121,200	121,200	121,200
1,300	1,300	1,300	1,300	1,300	1,300
1,033	990	962	893	873	838
139,000	139,000	139,000	-	-	-
1,250	1,250	1,250	-	-	-
861	655	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
21	13	18	23	7	12

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
*SCHOOL BUILDING INFORMATION*  
*LAST TEN FISCAL YEARS*

<b>Building:</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>ELEMENTARY SCHOOLS</b>				
<b>Parmer Lane Elementary School</b>				
Square Footage	63,634	63,634	63,634	63,634
Capacity	650	650	650	650
Enrollment	519	543	613	619
<b>Timmerman Elementary School</b>				
Square Footage	58,792	58,792	58,792	58,792
Capacity	550	550	550	550
Enrollment	550	574	530	524
<b>Pflugerville Elementary School</b>				
Square Footage	77,922	77,922	77,922	77,922
Capacity	600	600	600	600
Enrollment	531	520	519	530
<b>Northwest Elementary School</b>				
Square Footage	62,000	62,000	62,000	62,000
Capacity	600	600	600	600
Enrollment	614	623	599	584
<b>Dessau Elementary School</b>				
Square Footage	64,150	64,150	64,150	64,150
Capacity	650	650	650	650
Enrollment	602	623	588	586
<b>Windermere Elementary School</b>				
Square Footage	66,272	66,272	66,272	66,272
Capacity	750	750	750	750
Enrollment	525	488	477	481
<b>River Oaks Elementary School</b>				
Square Footage	66,512	66,512	66,512	66,512
Capacity	750	750	750	750
Enrollment	536	526	475	476
<b>Brookhollow Elementary School</b>				
Square Footage	66,512	66,512	66,512	66,512
Capacity	750	750	750	750
Enrollment	501	549	577	572
<b>Spring Hill Elementary School</b>				
Square Footage	68,600	68,600	68,600	68,600
Capacity	750	750	750	750
Enrollment	719	741	746	743
<b>Windermere Primary School</b>				
Square Footage	68,752	68,752	68,752	68,752
Capacity	750	750	750	750
Enrollment	558	612	642	650

Source: District Records



2008	2007	2006	2005	2004	2003
63,634	63,634	63,634	63,634	63,634	63,634
650	650	650	650	650	650
615	674	677	661	646	604
58,792	58,792	58,792	58,792	58,792	58,792
550	550	550	550	550	550
516	478	497	488	480	500
77,922	77,922	77,922	77,922	77,922	77,922
600	600	600	600	600	600
538	540	523	507	528	534
62,000	62,000	62,000	62,000	62,000	62,000
600	600	600	600	600	600
528	498	533	515	497	467
64,150	64,150	64,150	64,150	64,150	64,150
650	650	650	650	650	650
525	539	524	477	437	392
66,272	66,272	66,272	66,272	66,272	66,272
750	750	750	750	750	750
492	513	570	562	538	473
66,512	66,512	66,512	66,512	66,512	66,512
750	750	750	750	750	750
473	528	529	559	568	632
66,512	66,512	66,512	66,512	66,512	66,512
750	750	750	750	750	750
611	645	793	702	555	546
68,600	68,600	68,600	68,600	68,600	68,600
750	750	750	750	750	750
706	637	579	557	619	636
68,752	68,752	68,752	68,752	68,752	68,752
750	750	750	750	750	750
565	614	683	668	624	542

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
*SCHOOL BUILDING INFORMATION*  
*LAST TEN FISCAL YEARS*

<b>Building:</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Copperfield Elementary School</b>				
Square Footage	77,922	77,922	77,922	77,922
Capacity	850	850	850	850
Enrollment	586	600	621	613
<b>Murchison Elementary School</b>				
Square Footage	77,922	77,922	77,922	77,922
Capacity	850	850	850	850
Enrollment	852	834	861	860
<b>Delco Primary School</b>				
Square Footage	68,752	68,752	68,752	68,752
Capacity	750	750	750	750
Enrollment	748	701	649	630
<b>Caldwell Elementary School</b>				
Square Footage	73,007	73,007	73,007	73,007
Capacity	800	800	800	800
Enrollment	739	760	729	750
<b>Rowe Lane Elementary School</b>				
Square Footage	75,007	75,007	75,007	75,007
Capacity	750	750	750	750
Enrollment	793	728	726	698
<b>Highland Park Elementary School</b>				
Square Footage	75,007	75,007	75,007	75,007
Capacity	750	750	750	750
Enrollment	732	692	849	845
<b>Wieland Elementary School</b>				
Square Footage	75,490	75,490	75,490	75,490
Capacity	750	750	750	750
Enrollment	741	766	676	680
<b>Riojas Elementary School</b>				
Square Footage	71,624	71,624	71,624	-
Capacity	700	700	700	-
Enrollment	540	453	-	-

Source: District Records

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
77,922	77,922	77,922	77,922	77,922	77,922
850	850	850	850	850	850
630	783	742	705	746	682
77,922	77,922	77,922	77,922	77,922	77,922
850	850	850	850	850	850
798	598	557	874	784	725
68,752	68,752	68,752	68,752	68,752	68,752
750	750	750	750	750	750
625	648	635	539	458	435
73,007	73,007	73,007	73,007	73,007	73,007
800	800	800	800	800	800
734	664	808	773	587	519
75,007	75,007	75,007	-	-	-
750	750	750	-	-	-
681	550	488	-	-	-
75,007	75,007	75,007	-	-	-
750	750	750	-	-	-
858	666	-	-	-	-
75,490	75,490	-	-	-	-
750	750	-	-	-	-
648	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

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**Federal Awards Section**

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# HLSK

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

To the Board of Trustees  
Pflugerville Independent School District  
1401 West Pecan  
Pflugerville, Texas 78660

Members of the Board of Trustees:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Pflugerville Independent School District (the "District") as of and for the year ended August 31, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 4, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control over Financial Reporting

Management of the District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, Board of Trustees, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Hereford, Lynch, Sellars & Kirkham, P.C.*

**HEREFORD, LYNCH, SELLARS & KIRKHAM, P.C.**  
Certified Public Accountants

Conroe, Texas  
January 4, 2013



# HLSK

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE  
A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133**

To the Board of Trustees  
Pflugerville Independent School District  
1401 West Pecan  
Pflugerville, Texas 78660

Members of the Board of Trustees:

Compliance

We have audited Pflugerville Independent School District's (the "District") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2012. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year end August 31, 2012.

Internal Control over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over

compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, Board of Trustees, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Hereford, Lynch, Sellars & Kirkham, P.C.*

**HEREFORD, LYNCH, SELLARS & KIRKHAM, P.C.**  
Certified Public Accountants

Conroe, Texas  
January 4, 2013

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
*SCHEDULE OF FINDINGS AND QUESTIONED COSTS*  
*FOR THE YEAR ENDED AUGUST 31, 2012*

**I. Summary Of Auditors' Results**

**Financial Statements**

Type of auditors' report issued	Unqualified
Internal control over financial reporting: Material weakness (es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to the financial statements noted?	None noted

**Federal Awards**

Internal controls over major programs:  Material weakness (es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section .510(a) 2-7 of OMB Circular A-133?	None

Identification of Major Programs:

<b>CFDA Numbers</b>	<b>Name of Federal Program or Cluster:</b>
84.287C	21 <sup>st</sup> Century Community Learning Centers
84.385A	ARRA Teacher Incentive Fund
84.410A	Education Jobs Fund

Dollar threshold used to distinguish between type A and type B federal programs	\$610,159
Auditee qualified as a low-risk auditee?	Yes

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
*SCHEDULE OF FINDINGS AND QUESTIONED COSTS*  
*FOR THE YEAR ENDED AUGUST 31, 2012*

**II. Financial Statement Findings**

None noted

**II. Federal Awards Findings and Questioned Costs**

None noted

**IV. Status of Prior Year Findings**

None noted

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED AUGUST 31, 2012**

*Exhibit K-1*

(1) Federal Grantor/ Pass-Through Grantor/ Program Title	(2) Federal CFDA Number	(2A) Pass-Through Entity Identifying Number	(3) Total Federal Expenditures
<b><u>U.S. DEPARTMENT OF EDUCATION:</u></b>			
<b>Direct:</b>			
Smaller Learning Communities	84.215L	S215L060191	\$ 72,226
<b>Passed Through State Department of Education:</b>			
ESEA Title I, Part A - School Improvement Program	84.010A	12610104227904042	18,000
ESEA Title I, Part A - School Improvement Effective Strategies	84.010A	12610110227904042	99,609
ESEA Title I, Part A - Improving Basic Programs	84.010A	12610101227904	2,326,290
ESEA Title I, Part A - Improving Basic Programs	84.010A	13610101227904	228,262
<b>Total Program 84.010A</b>			<b>2,672,161</b>
<b>Special Education Cluster (IDEA):</b>			
IDEA - Part B, Formula	84.027A	116600012279046600	1,948
IDEA - Part B, Formula	84.027A	126600012279046600	3,232,154
IDEA - Part B, Formula	84.027A	136600012279046600	250,758
IDEA - Part B, Preschool	84.173A	126610012279046610	43,336
IDEA - Part B, Preschool	84.173A	136610012279046610	4,750
ARRA IDEA - Part B, Formula	84.391A	10554001227904	54,747
<b>Total Special Education Cluster (IDEA)</b>			<b>3,587,693</b>
Career and Technical - Basic Grant	84.048A	12420006227904	177,701
Title IV, Part B - 21st Century Community Learning Centers	84.287C	126950177110044	1,198,901
Title IV, Part B - 21st Century Community Learning Centers	84.287C	126950147110044	32,134
<b>Total Program 84.287C</b>			<b>1,231,035</b>
Title III, Part A - English Language Acquisition and Language Enhancement	84.365A	12671001227904	450,677
Title III, Part A - English Language Acquisition and Language Enhancement	84.365A	13671001227904	23,125
<b>Total Program 84.365A</b>			<b>473,802</b>
ESEA Title II, Part A - Teacher and Principal Training and Recruiting	84.367A	12694501227904	250,929
ESEA Title II, Part A - Teacher and Principal Training and Recruiting	84.367A	13694501227904	19,966
<b>Total Program 84.367A</b>			<b>270,895</b>
LEP Summer School Program	84.369A	69551102	24,416
ARRA Title II, Part D - Enhancing Education Through Technology	84.386A	10553001227904	4,123
ARRA SSA Title II, Part D, Subpart 1 - Enhancing Education Through Technology	84.386A	105530027110022	9,203
<b>Total Program 84.386A</b>			<b>13,326</b>
Education Jobs Fund	84.410A	11550101227904	3,736,841
<b>Passed Through Education Service Center Region X:</b>			
ESEA Title X, Part C - Education for the Homeless Children and Youth	84.196A	00-028	42,280
<b>Passed Through Region XIII Education Service Center:</b>			
ESEA Title X, Part C - Education for the Homeless Children and Youth	84.196A	00-006	3,500
<b>Total Program 84.196A</b>			<b>45,780</b>
<b>Passed Through Education Service Center Region XVIII:</b>			
ARRA Teacher Incentive Fund	84.385A	S385A100176	830,293
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<b>13,136,169</b>
<b><u>U.S. DEPARTMENT OF DEFENSE:</u></b>			
Reserve Officer Training Corps (ROTC)	12.000	N/A	58,980
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u></b>			
<b>Passed Through Texas Department of Health:</b>			
Medicaid Administrative Claiming Program (MAC)	93.778	529-07-0157-00121	64,567
<b><u>U.S. DEPARTMENT OF AGRICULTURE:</u></b>			
<b>Child Nutrition Cluster:</b>			
<b>Passed Through Texas Department of Agriculture:</b>			
<b>Non-Cash Assistance (Commodities):</b>			
National School Lunch Program	10.555	227009A	587,446
<b>Passed Through State Department of Education:</b>			
<b>Cash Assistance:</b>			
School Breakfast Program	10.553	71401201	1,667,496
National School Lunch Program	10.555	71301201	4,823,973
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b>7,078,915</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 20,338,631</b>

The accompanying notes are an integral part of this statement.

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

*Exhibit K-2*

**Note 1 - Basis of Accounting**

The District accounts for all awards under federal programs in the General and Certain Special Revenue Funds in accordance with the Texas Education Agency's *Financial Accountability System Resource Guide*. These programs are accounted for using a current financial resources measurement focus.

The modified accrual basis of accounting is used for these funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the liability is incurred, if measurable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and accordingly, when such funds are received, they are recorded as deferred revenues until earned. Generally, unused balances are returned to the grantor at the close of specified project periods.

**Note 2 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the District under programs of the federal government for the year ended August 31, 2012. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets or cash flows of the District.

**Note 3 - Reconciliation of Basic Financial Statements**

Total Expenditures of Federal Awards per Exhibit K-1	\$ 20,338,631
General Fund - Federal Revenue Excluded:	
SHARS Revenue	<u>1,501,826</u>
Total Federal Revenues per Exhibit C-3	<u>\$ 21,840,457</u>

**Note 4 - Subrecipients**

Of the federal expenditures presented in the schedule, the District provided federal awards to subrecipients as follows:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Amount Provided to Subrecipients</u>
84.386A	ESEA Title II, Part D - Enhancing Education through Technology (ARRA) SSA	\$ 181,436

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

*Exhibit K-2*  
*(Continued)*

**Note 4 - General Fund Federal Program Revenues**

For purposes of regulatory requirements of the Texas Education Agency, a summary of federal program revenues received in the general fund for the year ended August 31, 2012, are as follows:

<u>Program Source</u>	<u>CFDA Number</u>	<u>Amount</u>
SHARS		\$ 1,501,826
Reserve Officer Training Corps (ROTC)		58,980
Indirect Costs:		
ESEA Title I - Improving Basic Programs	84.010A	45,904
ESEA Title I - School Improvement Effective Strategies	84.010A	971
IDEA Part B - Formula	84.027A	63,223
IDEA Part B - Formula ARRA	84.391A	997
IDEA Part B - Preschool	84.173A	874
Career and Technical - Basic Grant	84.048A	3,236
ESEA Title II, Part A - Teacher and Principal Training and Recruiting	84.367A	4,919
ESEA Title III, Part A - English Language Acquisition and Language Enhancement	84.365A	8,595
ESEA Title II, Part D - Enhancing Education through Technology, ARRA - SSA	84.386A	75
Texas Support for Homeless Education Program (TEXSHEP)	84.196	760
Smaller Learning Communities	84.215L	1,315
Texas 21st Community Learning Centers	84.287C	22,300
Title II, Part D, Discretionary	84.386A	167
<b>Total</b>		<b>\$ <u>1,714,142</u></b>

**PFLUGERVILLE INDEPENDENT SCHOOL DISTRICT**  
*SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS*  
*AS OF AUGUST 31, 2012*

*EXHIBIT K-2*

Data Control Codes		<u>Responses</u>
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning default on bonded indebtedness obligations?	No
SF4	Did the district receive a clean audit? - Was there an unqualified opinion in the Annual Financial Report?	Yes
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls?	No
SF9	Was there any disclosure in the Annual Financial Report of material noncompliance?	No
SF10	What was the total accumulated accretion on capital appreciation bonds included in the government-wide financial statements at fiscal year-end?	\$ -