



BROWNSVILLE INDEPENDENT SCHOOL DISTRICT

1900 PRICE ROAD • BROWNSVILLE, TEXAS 78520

Believe in **BISD**TM



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2015

Brownsville Independent School District

Brownsville, Texas



Comprehensive Annual Financial Report

For

Fiscal Year Ended June 30, 2015

Prepared by: The Division of Finance

INTRODUCTORY SECTION

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2015

TABLE OF CONTENTS

	<u>Page</u> <u>Number</u>	<u>Exhibit</u>
INTRODUCTORY SECTION		
Table of Contents	i	
Letter of Transmittal	1	
GFOA Certificate of Achievement	9	
ASBO Certificate of Achievement	10	
List of Principal Officials	11	
Administrative Organization Chart	12	
Certificate of Board	13	
FINANCIAL SECTION		
Independent Auditors' Report	14	
Management's Discussion and Analysis	17	
<i>Basic Financial Statements:</i>		
<i>Government Wide Statements:</i>		
Statement of Net Position	27	A-1
Statement of Activities	28	B-1
<i>Government Fund Financial Statement</i>		
Balance Sheet	29	C-1
Reconciliation for C-1	30	C-2
Statement of Revenues, Expenditures and Changes in Fund Balance.....	31	C-3
Reconciliation for C-3	32	C-4
Statement of Net Position	33	D-1
Statement of Revenues, Expenses and Changes in Net Position	34	D-2
Statement of Cash Flows	35	D-3
Statement of Fiduciary Net Position	36	E-1
Statement of Changes in Fiduciary Net Position	37	E-2
Notes to the Financial Statements	38	
<i>Combining Statements:</i>		
<i>Nonmajor Governmental Funds:</i>		
Budgetary Comparison Schedule – General Fund	65	G-1
Schedule of the District's Proportionate Share of the Net Pension Liability – Teacher Retirement System.....	66	G-2
Schedule of District Contributions – Teacher Retirement System	67	G-3

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2015

TABLE OF CONTENTS

	<u>Page Number</u>	<u>Exhibit</u>
FINANCIAL SECTION		
<i>Combining Statements:</i>		
<i>Nonmajor Governmental Funds:</i>		
Combining Balance Sheet	68	H-1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances ...	75	H-2
Combining Statements of Net Position, Internal Service Funds.....	82	H-3
Combining Statements of Revenues, Expenses and Changes in Net Position	83	H-4
Combining Statements of Cash Flows, Internal Service Funds.....	84	H-5
Combining Statements of Changes in Assets and Liabilities, Agency Funds	85	H-6
Combining Statements of Net Position, Private Purpose Trust Funds	86	H-7
Combining Statements of Changes in Fiduciary Net Position	88	H-8
 <i>Texas Education Agency – Required Schedules:</i>		
Schedule of Delinquent Taxes Receivable	90	J-1
Budgetary Comparison Schedule – Child Nutrition Program	92	J-4
Budgetary Comparison Schedule – Debt Service Fund	93	J-5
 STATISTICAL SECTION		
 <i>Government-Wide Information:</i>		
Net Position by Component – Last Ten Years	94	S-1
Governmental Activities Expenses & Program Revenues – Last Ten Years	96	S-2
General Revenues and Changes in Net Position – Last Ten Years	98	S-3
 <i>Fund Information:</i>		
Fund Balances – Governmental Funds – Last Ten Years.....	100	S-4
Governmental Fund Revenues by Source – Last Ten Years	102	S-5
Governmental Fund Expenditures by Function – Last Ten Years.....	103	S-6
Governmental Funds Other Sources, Uses and Changes in Fund Balances – Last Ten Years.....	105	S-7
Governmental Fund Expenditures by Function Per Average Daily Attendance – Last Ten Years.....	107	S-8
 <i>Revenue Capacity Information:</i>		
Assessed and Estimated Actual Value of Property – Last Ten Years	109	S-9
Property Tax Levies and Collections – Last Ten Years	110	S-10
Allocation of Property Tax Rates and Levies – Last Ten Years.....	111	S-11
Property Tax Rates – Direct and Overlapping Governments (Per \$100 Assessed Valuation) – Last Ten Years	112	S-12
Principal Property Taxpayers – Current Year and Nine Years Prior.....	113	S-13

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2015

TABLE OF CONTENTS

	<u>Page Number</u>	<u>Exhibit</u>
STATISTICAL SECTION		
<i>Debt Capacity Information:</i>		
Outstanding Debt by Type – Last Ten Years	115	S-14
Direct and Overlapping Debt – General Obligation Bonds	117	S-15
Computation of Legal Debt – General Obligation Bonds – Last Ten Years	118	S-16
<i>Debt Capacity Information: (Continued)</i>		
Ratio of Net General Obligation Bonded Debt to Estimated Actual Value And Per Average Daily Membership – Last Ten Years	120	S-17
Ratio of Annual Debt Service for General Bonded Debt to Total General Fund Expenditures – Last Ten Years	121	S-18
<i>Demographic and Economic Information</i>		
Principal Employers – Current Year and Nine Years Prior	122	S-19
Construction and Property Values – Last Ten Years	123	S-20
Demographic and Economic Statistics – Last Ten Years	124	S-21
<i>Operating Information:</i>		
Work Force Composition by Employee Classification – Last Ten Years	125	S-22
Schedule of Teacher Information – Last Ten Years	127	S-23
Schedule of Attendance and Membership – Last Ten Years	129	S-24
Operating Statistics – Last Ten Years	130	S-25
Schedule of Student Information – Last Ten Years	131	S-26
Schedule of School Buildings	132	S-27
Miscellaneous Statistics	133	

FEDERAL AWARDS SECTION

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 <i>Government Auditing Standards</i>	134
Independent Auditors’ Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133	136
Schedule of Findings and Questioned Costs	138
Corrective Action Plan	140
Summary Schedule of Prior Audit Findings	141
Schedule of Expenditures of Federal Awards	142
Notes to Schedule of Expenditures of Federal Awards	145



Brownsville Independent School District
1900 E. Price Road · Brownsville, Texas 78521
Telephone: (956) 547-4113 Fax (956) 548-8026

November 12, 2015

Minerva M. Peña, President,
Board of Trustees Members, and
Citizens of the Brownsville Independent School District
Brownsville, Texas 78521

BOARD OF EDUCATION

Minerva M. Peña
President
Jose Hector Chirinos
Vice President
Cesar Lopez
Secretary
Carlos A. Elizondo
Assistant Secretary
Herman Otis Powers, Jr.
Member
Caty Presas-Garcia
Member
Joe A. Rodriguez
Member

Dr. Esperanza Zendejas
Superintendent

Dear Ms. Peña, Board Members and Citizens:

State law requires that all public school districts publish within one-hundred fifty days of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Brownsville Independent School District (District) for the fiscal year ended June 30, 2015.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Pattillo, Brown & Hill, L.L.P., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimated made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special need of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this single audit, including a schedule of federal financial assistance, the independent auditors' reports on the internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in the Single Audit Section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basis financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The District is a political subdivision of the State of Texas and governed and operating as an independent school district under the laws thereof. The District is located entirely in Cameron County, Texas and serves the City of Brownsville, part of the Township of Rancho Viejo and some unincorporated areas of the county. The District, originally chartered by the State in March 1915, now encompasses ninety-five square miles.

The District is governed by a seven-member Board of Trustees (Board) composed of District residents, who are elected by voters of the district. The Board is responsible for managing and governing the schools of the District, including adopting goals and objectives for the District, reviewing and acting on policies, adopting an annual budget, levying and collecting District taxes, hiring school personnel as recommended by the superintendent, approving salary schedules, adopting District policies and setting directions for curriculum, and reporting to the public on the District's progress. The District's Superintendent of Schools and staff assist the Board with financial and administrative matters and oversee the day-to-day operations of the District.

Mission Statement

To produce well-educated graduates who can pursue higher educational opportunities and who will become responsible citizens in a changing global society by utilizing all resources to provide equitable opportunities for students.

The Brownsville ISD graduate will:

- Meet and/or exceed state, national, and international standards of achievement
- Graduate in a timely manner
- Experience ongoing success in their careers
- Be productive, responsible, and contributing members of society

Vision

Our primary purpose of improving lives through a quality education is driven by an unrelenting determination to graduate all of our students and prepare them for success in higher education. Our ideology is reflected in our fundamental beliefs, commitments and core values that guide us in our daily practices.

Core Commitments

The District's commitments to achieve the mission are:

- All children will be taught, will learn, and will perform at or above their academic levels in all core subject areas and the District will provide a high quality curriculum and instructional program to facilitate children reaching their full potential
- Will eliminate student achievement gaps in the areas of: gender, socio-economic levels, ethnicity, and program specific populations in all core subject areas
- Will provide a safe, clean, and orderly learning environment for every child and staff member as a means of optimizing the teaching and learning processes
- Will recruit, hire, value, and retain highly qualified and experienced personnel who will ensure that all students' educational needs are met and that all children achieve on grade level
- Will implement parent, business, and community involvement partnerships essential to enhancing the overall quality of our students' education and fomenting every child's academic success

Core Beliefs

The District's commitment to this mission is driven by nine fundamental beliefs around which the District has built its governing policies and daily practices:

- High expectations are essential in fostering higher achievement
- Academic success nurtures lifelong learning
- Everyone flourishes in a safe and healthy environment
- All persons in our educational community have inherent value, gifts, and strengths
- The success of each student, teacher, staff member, administrator and family is essential for the success of the entire school district community
- The community and families share responsibility for the development and mentoring of our students
- Perseverance and hard work are essential for success

- Sensitivity is essential to understanding the needs of others
- Students are the number one resource for our future

Core Values

The District has adopted six core values that exemplify the nine fundamental beliefs in action. In order to achieve our goals and attain our commitment, we expect the following:

- Will not tolerate educational apathy
- Will not compromise the efficient and effective use of any/all resources
- Educational and financial decisions will be based upon what is best for the future success of our students
- Will foster a positive environment that recognizes and celebrates cultural diversity
- Will ensure a safe and healthy learning environment with a commitment to excellence
- Will insist that the ECE-16 instructional program is the priority

The District provides a full range of educational services appropriate to grade levels pre-kindergarten through twelve for its approximate 48,388 students. These include regular and enriched academic education, special education for students with disabilities, occupational education, bilingual instruction for those with limited English proficiency and specialized instruction for disadvantaged students. These basic programs are supplemented by additional offerings in the fine arts and athletics. In addition, the District provides for community and adult education by offering a wide variety of academic and occupational courses.

District Accomplishments – The District’s accomplishments continue to be recognized by local, state, and national publications. Most recently, the District was recognized for the following achievement:

- Nine campuses were identified by the Texas Education Agency as high-performing and/or high-progress Title I schools for 2014-2015. Benavides, Breedon, Castaneda, Champion, Gonzalez, Ortiz, Pena, and Yturria earned both distinctions and Canales Elementary for earning a high-progress distinction.
- The District’ was the recipient of the 2014 School District of the Year Award by the National Hispanic Institute. The District earned the award for taking the lead in providing special support to young men and women who will play significant future roles as professionals and trained community leaders.
- Ortiz Elementary, Breedon Elementary and Benavides Elementary were chosen as finalists for the National Excellence in Urban Education Award.
- The District celebrated its 100 year anniversary this year. The Centennial Reception was held on Tuesday, March 3, 2015. Former BISD trustees were recognized and a special anniversary video was aired during the regularly scheduled Board Meeting.
- For a second consecutive year, the District was nationally recognized as one of the 2015 Best Communities for Music Education in the United States. The designations are awarded to districts and schools that demonstrate and exceptionally high commitment and greater access to music education.

- Three BISD Early College High Schools (ECHS), Brownsville ECHS, Veterans Memorial ECHS and Hanna ECHS, earned medals in the National U.S. News and World Report 2015 Best High Schools ranking. Brownsville ECHS earned a gold medal, Veterans Memorial ECHS and Hanna ECHS earned silver medals on the Texas list.
- The District equaled or outperformed the State in 3 of 4 Target Indexes and outperformed Region One in 2 of 4 Indexes in the 2015 Texas Accountability System. The District earned a greater percentage of distinction designations than 10 large urban school districts with comparable student enrollment.
- District campuses earned 181 Distinction Designation in the 2015 state accountability system. A total of 14 campuses earned 100% of the 2015 State Distinction and 22 schools met 100% of the State Performance Safeguards. Pace ECHS and Veterans Memorial ECHS earned 7 of 7 distinctions placing them on an elite list of only 153 secondary high schools to achieve this statewide. Another five more elementary schools earned 4 of 5 distinctions and 1 middle school and 2 ECHS earned 6 of 7.
- A total of 100 current and former early college high school students earned Scholar Awards in the College Bound Advanced Placement Program and five BISD students were selected for the 2015 Class of Gates Millennium Scholars.
- More than \$46 million in scholarships offers for the graduating class of 2015. Awards per campus ranged from approximately \$4.1 million to \$9.7 million.

Budgetary Controls - The annual budget serves as the foundation for the District's financial planning and control. The District's fiscal year begins July 1st and ends June 30th. The budget is initially prepared under the direction of the Superintendent. The Board reviews the budget during workshops conducted from January through May. The final budget is required by State law to be adopted by June 30th. The District maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board.

Activities of the general fund, the debt service fund, child nutrition service fund (which is included in the general fund) and designated purpose funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by major functional category.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and the child nutrition service fund, this comparison is presented on Exhibit G-1, as required supplementary information. The TEA required budget versus actual comparison for the child nutrition program can be found on Exhibit J-4 and the debt service fund comparison is presented on Exhibit J-5.

Factors Affecting Financial Conditions

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

Population – Brownsville is the largest city in Cameron County. It has a population of over 175,000 residents and has experienced growth of 35,301 people between the 2000 and 2010 according to the US Census Bureau. The demographics of Brownsville’s population can be summed up as young and fast growing. The median age is 27 years. 37.1% of all persons in the City are younger than 18 years of age. Only 8.6% are older than 65 years.

The breakdown of our student membership as of October 2015 is as follows:

• Early Ed	780
• Pre-K	2,696
• K-5	20,164
• 6-8	10,003
• 9-12	<u>14,159</u>
TOTAL	47,802

The projected average daily attendance (ADA) for 2015-2016 is approximately 43,566.

Local Economy – The District serves the City of Brownsville, a portion of the Township of Rancho Viejo and several unincorporated areas in Cameron County including Cameron Park and San Pedro. Brownsville is the population and economic center of the expanding lower Rio Grande Valley. The area economy is largely driven by manufacturing reflecting its location across from Matamoros, Mexico and extensive transportation network (including the Port of Brownsville).

The city’s low cost of living and doing business support continued economic growth, and a growing healthcare and education sector, including a branch of the University of Texas, contributes to the stability of the region. Space X Exploration broke ground in September 2014 and is expected to complete its commercial launch site within 18 – 24 months. The Space X Project will have a positive economic impact in Brownsville and other Rio Grande Valley communities, in employment, tourism, and in higher education. The City continues to experience an increase in the value of building permits issued, property values and retail sales tax for the 2015 fiscal year indicating continued economic growth in the area.

State Economic Outlook – The 84th legislature increased funding to public education and increased the homestead exemption from \$15,000 to \$25,000 for tax payer relief. The continued decrease in oil prices and sales tax growth will have an effect on the state’s revenues for the 2015-17 biennium. The Supreme Court is expected to release its opinion on the school finance case sometime in spring 2016.

Bond Funding Update – The District issued Unlimited Tax Refunding Bonds, Series 2015 in the amount of \$10,295,000. The proceeds from the sale of the Bonds was used to refund a portion of the outstanding Unlimited Tax Refunding Bonds, Series 2005.

Financial Polices – As one of the 19 largest school districts in the State of Texas, the District is constantly monitoring its financial resources, expenditures and planning for the future. Student enrollment drives the District’s planning process along with management’s commitment to providing the best education available to our students. The District’s strategic planning is an ongoing process. The District continually studies different areas of cost containment as they strategically view the demographics of the District and ongoing economic climate.

Child Nutrition Program – The Child Nutrition Program continues to enhance its operations. As a result of the administrative team’s continued effort to streamline operations, increase meal participation, cut costs and increase revenue, the program experienced a profitable year and was able to maintain a positive fund balance. The District implemented a supper program in the 2014-2015 school year. The District’s top priority is to ensure that each child receives a healthy breakfast, lunch, and dinner.

The District serves breakfast, lunches, and dinner to students through the Texas Department of Agriculture School Nutrition Program. The District is reimbursed based on the number of free, reduced, and paid breakfast and lunches served as well as on the number of after-school dinners served. Each year, the federal reimbursement rates increase. The rates increased by 1.7% for lunch, 2.1% for breakfast, and 2.5% for after-school snacks from the 2013-2014 to the 2014-2015 school year.

Long-term Financial Planning – Growth in the District’s tax base has continued but at a much slower pace, averaging 1% annual growth from fiscal years 2008-14. The District’s fiscal 2014 taxable assessed valuation (TAV) grew marginally to \$5.4 billion. Average daily attendance decreased 2%. The District will implement extended day programs to increase enrollment and reduce staffing through attrition as a cost saving measure. Typical for the border area, the area’s unemployment rate is high (6.6% in September 2015) and income levels are low. Projected membership for school year 2015-16 is expected to reach 47,500.

The District’s maintenance and operations tax rate for tax year 2014-2015 is \$1.040000 per \$100 valuation and the Debt Service rate is \$0.105666 for a total tax rate of \$1.145666. Any increase in property tax revenues are the result of increased property values. State funding for the general fund is about 76.68% of the total general fund revenue and is estimated to increase slightly over the next year. Federal funding is expected to decrease slightly due to decreased availability of federal program funding. Grant funding plays an important role as a resource to supplement regular funding and to expand programs needed for greater academic achievement.

Interest Rates – The steady decline in interest rates continues to adversely affect the interest earnings of the District. To illustrate the decline in rates, the overnight Federal Funds Rate at August 2008 was at 2.00%, after a steady series of rate cuts, on December 16, 2008, this rate

was set at 0.25% and continues to be artificially maintained at this rate to stimulate the economy. The effect to the District has been a noted decrease in investment earnings.

Awards

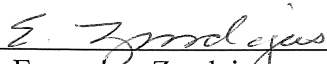
Association of School Business Officials International (ASBO) – At June 30, 2014, the District compiled and submitted a Comprehensive Annual Financial Report (CAFR) for consideration for ASBO’s Certificate of Achievement for Excellence in Financial Reporting. The District was notified that it had been awarded the certificate on March 11, 2015. This was the seventh time the District had submitted its financial statements for this award.

Government Finance Officers Association (GFOA) - At June 30, 2014, the District compiled and submitted a Comprehensive Annual Financial Report (CAFR) for consideration for GFOA’s Certificate of Achievement for Excellence in Financial Reporting. The District was notified that it had been awarded the certificate on March 4, 2015. This was the seventh time the District had submitted its financial statements for this award.

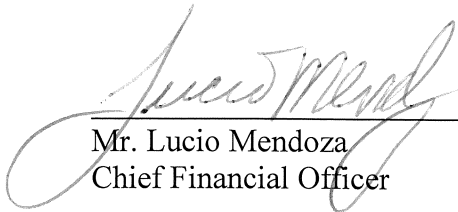
Schools FIRST - Senate Bill 218 of the 77th Legislature (2001) authorized the implementation of a financial accountability rating system for Texas school districts. For the 2013-14 school year, the most recent school year rated, the District achieved the Texas Education Agency’s highest rating of “Pass” in the School FIRST program. The District achieved a perfect score. The purpose of the Schools FIRST (Financial Integrity Rating System of Texas) is to ensure that school districts are held accountable for the quality of their financial management practices. The system is designed to encourage Texas school districts to improve performance in the management of their financial resources in order to provide the maximum allocation possible for direct instructional purposes.

Acknowledgements – The preparations of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the various departments within the Chief Financial Officer’s cluster. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,



Dr. Esperanza Zendejas
Superintendent of Schools



Mr. Lucio Mendoza
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Brownsville Independent School
District, Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

Association of School Business Officials International



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

Brownsville Independent School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2014*

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



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

LIST OF PRINCIPAL OFFICIALS

For The Year Ended June 30, 2015

BOARD OF TRUSTEES

Minerva M. Pena – President

Jose Hector Chirinos – Vice President

Cesar Lopez – Secretary

Carlos A. Elizondo – Assistant Secretary

Herman Otis Powers, Jr. – Member

Caty Presas-Garcia – Member

Joe A. Rodriguez – Member

ADMINISTRATORS

Dr. Esperanza Zendejas, Interim Superintendent

Lucio Mendoza, Chief Financial Officer

Carlos Guerra, Assistant Superintendent of Human Resources/Title IX

Berta Pena, Assistant Superintendent of Curriculum and Instruction

Dr. Sylvia Atkinson, Assistant Superintendent of Support Services

Teri Alarcon, Area Assistant Superintendent

Jimmy Haynes, Area Assistant Superintendent

Dr. Rita Hernandez, Area Assistant Superintendent

Dr. Dora E. Saucedo, Area Assistant Superintendent

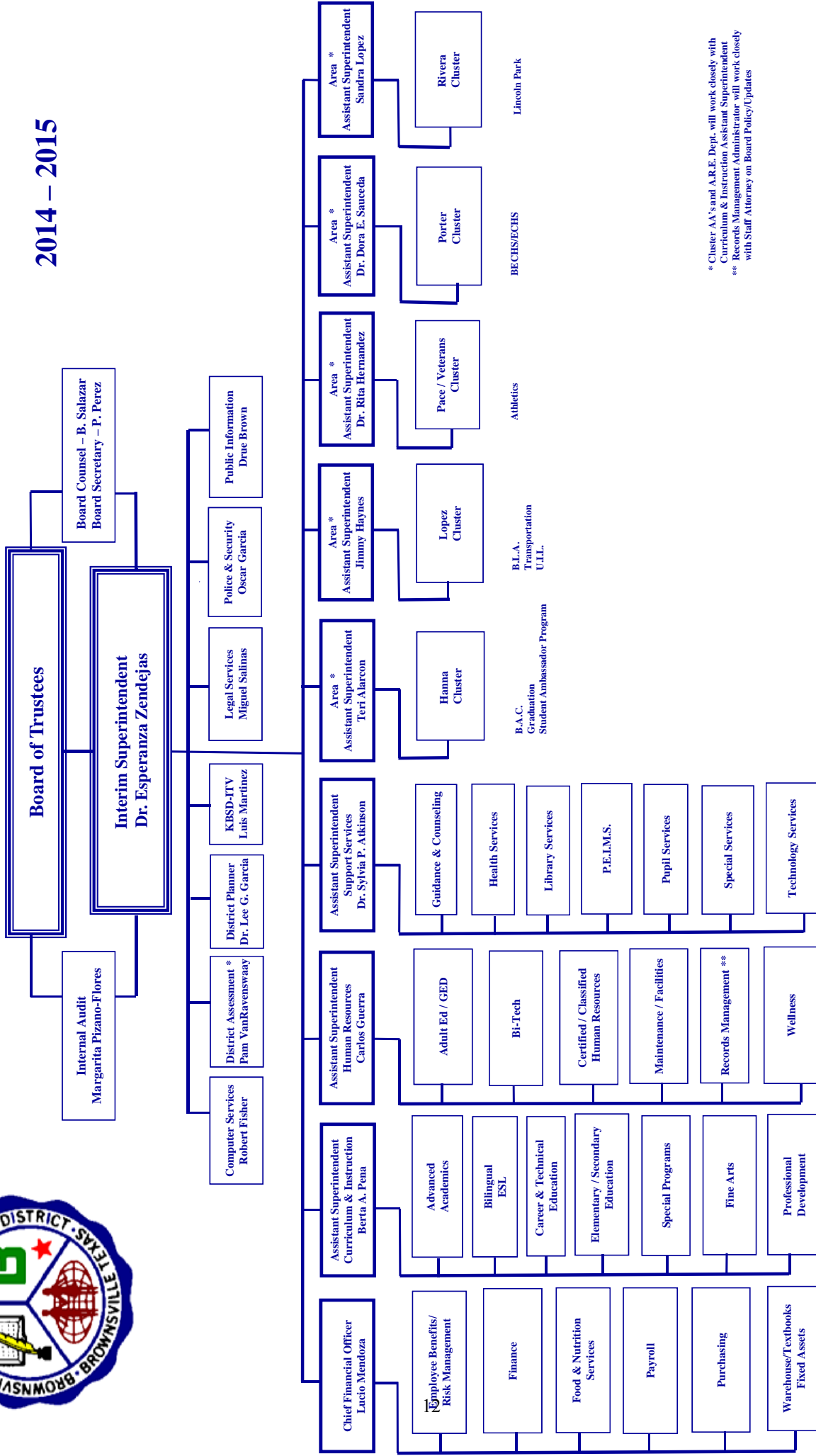
Sandra Lopez, Area Assistant Superintendent

Miguel Salinas, Staff Attorney



Brownsville ISD Organizational Chart

2014 – 2015



Elections
 Tax Collections
 Workers Comp.

DEIC/DIP/CIP
 DCSI
 Dyslexia/504/RTI
 Drop-Out Recovery
 Federal Programs
 Homeless Youth
 I3 Grant
 Migrant Education

Parental Involvement
 STAMP
 State Compensatory
 STEM
 Tango Trends
 Textbook Adoptions
 TLI Grant

504 ADA Issues
 EEOC/The IX
 Employee Grievances/Complaints
 Energy Management
 Grounds

21st CCLC Cycle 6 & 7
 Attendance/Appeals
 Believe in BSD
 Gear-Up 2
 Grants
 Special Olympics
 Student Accounting
 Student Discipline / Code of Conduct
 Student Expulsions

B.L.A.
 Transportation
 U.L.L.

B.A.C.
 Graduation
 Student Ambassador Program

Athletics

BECHS/ECHS

* Cluster AA's and A.R.F. Dept. will work closely with Curriculum & Instruction Assistant Superintendent
 ** Records Management Administrator will work closely with Staff Attorney on Board Policy/Updates

BSD does not discriminate on the basis of race, color, national origin, sex, religion, age, disability or genetic information in employment or provision of services, programs or activities
 BSD no discrimina a base de raza, color, origen nacional, sexo, religion, edad, discapacidad o informacion genetica en el empleo o en la provision de servicios, programas o actividades.

February 19, 2015
 Dr. E. Zendejas /c

CERTIFICATE OF BOARD

Brownsville Independent School District
Name of District

Cameron
County

031-901
Co. Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) approved _____ disapproved for the year ended June 30, 2015 at a meeting of the Board of Trustees of such school district on the 17th day of November, 2015.


Signature of Board Secretary


Signature of Board President

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Brownsville Independent School District
Brownsville, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Brownsville Independent School District (the "District"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Brownsville Independent School District as of June 30, 2015, and the respective changes in financial position and, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note I to the financial statements, in 2015, the District adopted new accounting guidance prescribed by GASB Statement No. 68 for its pension plan – a multiple-employer, cost-sharing, defined benefit pension plan that has a special funding situation. Because GASB Statement No. 68 implements new measurement criteria and reporting provisions, significant information has been added to the Government-Wide Statements. Exhibit A-1 discloses the District’s Net Pension Liability and some deferred resource outflows and deferred resource inflows related to the District’s pension plan. Exhibit B-1 discloses the adjustment to the District’s Beginning Net Position. Our opinion is not modified with respect to the matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis on pages 17 through 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Brownsville Independent School District’s basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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 basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2015 on our consideration of the Brownsville Independent School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Brownsville Independent School District's internal control over financial reporting and compliance.

Pattullo, Brian Hill, CFP®

Brownsville, Texas
November 12, 2015

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015**

As management of the Brownsville Independent School District (the "District"), we are providing readers of the District's financial statements this narrative overview and analysis of the District's financial activities for the fiscal year ended June 30, 2015. Please read it in conjunction with the transmittal letter and the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total combined Net Position as reflected in the government-wide Statement of Net Position was \$301,858,379 at June 30, 2015. Of this amount, \$24,425,409 (Unrestricted Net Position) may be used to meet the District's ongoing obligations. See Exhibit A-1.
- The District's Statement of Activities reflects an increase in Net Position for Governmental Activities in the amount of \$11,736,552. This is a result of expenses being less than the \$520,051,250 generated in taxes, state aid, investment earnings, and other revenues such as charges for services and federal grants. See Exhibit B-1.
- The General Fund reported a fund balance in the governmental funds financial statements this year of \$112,456,402. Approximately 59% of this total amount, \$66,871,373, is available for spending at the District's discretion (Unassigned Fund Balance). See Exhibit C-1.
- As shown on the Statement of Activities, the property tax revenue increased \$1,583,509 or 2.65% from the prior year due to a \$128,245,358 increase in property values. The District's tax rate remained unchanged. The District's M&O tax rate is \$1.040000 per \$100 valuation and the I&S rate is \$0.105666.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the District as a whole and present a long-term view of the District's property and obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements report the District's operations with more detail when compared to the government-wide statements by providing information about the District's significant funds. The governmental funds statements show how general government services were funded / financed in the short-term as well as what remains for future expenditures. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. The proprietary funds statements reflect the activity related to services provided to parties within the District for worker's compensation fund and for the self-funded insurance programs. The remaining statements, Fiduciary statements, provide financial information about the activities for which the District acts solely as a trustee or agent for the benefit of those outside the government. The notes to the financial statements provide narrative explanations needed for full disclosure in the government-wide statements or the fund financial statements.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015**

The combining statements for non-major governmental funds and the combining statements for Internal Service Funds contain even more information about the District's individual Special Revenue and Permanent Funds and Internal Service Funds, respectively. The Statement of Changes in Assets and Liabilities for the agency fund is also included. These combining statements are additional supplementary information and not required by the Texas Education Agency (TEA). The sections labeled Required TEA Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using the funds supplied in accordance/compliance with the terms of the grants.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

The primary objective of the analysis is to show whether the District has improved as a result of this year's activities. The Statement of Net Position includes all of the District's assets and liabilities, while the Statement of Activities includes all the revenues and expenses generated by the District's operations during the fiscal year. These financial statements apply the same basis of accounting used by most private sector companies which is the full accrual basis.

All of the current year's revenues and expenses are taken into account regardless of when cash is paid or received. The District's revenues are divided into one of the following categories: (1) those provided by outside parties who share the costs of some programs, such as tuition received from students from outside the District and grants provided by the U.S. Department of Education to assist children with disabilities or children from disadvantaged backgrounds, these revenues are categorized as program revenues. (2) Revenues provided by the taxpayers or by the TEA in equalization funding processes, these are categorized as general revenues. All the District's assets are reported whether they serve the current year or subsequent years. All liabilities are also reported regardless of when they will be paid, current or future years.

These two statements report the District's net position and its changes. The District's Net Position (the difference between assets and liabilities), provides one measure of the District's financial health. Over time, increases or decreases in the District's net position is an indicator of whether its financial health is improving. To fully assess the overall health of the District, nonfinancial factors such as changes in the District's average daily attendance, its property tax base and the condition of the facilities should be considered as well.

The District's financial condition has declined as evidenced by the decrease in government-wide Net Position. The weighted average daily attendance (WADA) also continues to decline. Due to this decline in attendance, the District continues to assess facilities and staffing allocations to ensure that the students' needs are best served.

While the District's property tax base has increased in recent years, the state funding methodology minimizes the benefit of additional increases in taxable property. Foundation School Program state funding, which is the District's largest portion of state funding, is based on property value so as the property value increase the state funding will decrease.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015**

The District's governmental activities are presented in the Statement of Net Position and the Statement of Activities. All of the District's basic services are reported as governmental activities; including instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services and general administration. Property taxes, tuition, fees, and state and federal grants finance these activities.

Reporting the District's Funds

Fund financial statements

The fund financial statements provide more detailed information about the District's most significant *funds*—not the District as a whole. Laws and Contracts require the District to establish funds to account for grants received. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes. The District's Administration establishes many other funds to help it control and monitor activities.

- *Governmental funds*—Most of the District's basic services are included in governmental funds. The funds use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and they report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the governmental fund financial statements. All of the District's activities for its governmental funds are reported in Exhibits C-1 and C-3.
- *Proprietary funds*—Services for which the District charges users/customers a fee. Proprietary funds, like the government-wide statements provide both long-term and short-term financial information. There are two types of Proprietary Funds, Enterprise Funds and Internal Service Funds. Currently, the District does not have any Enterprise Funds. The District, however, does have two (2) Internal Service Funds. They are Fund 754-Self-Funded Insurance (Blue Cross & Blue Shield) and Fund 792-Self Funded Workers Compensation. We use Internal Service funds to report activities that provide supplies and services for the District's other programs and activities. The District's combined activities for its Internal Service Funds are reported in Exhibits D-1, D-2 and D-3. These activities are also reported individually for each Internal Service Fund in Exhibits H-3, H-4 and H-5.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015**

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or *fiduciary*, for certain funds. One example is for money raised by student activities. Money raised by student activities is recorded within the District's Agency Funds. The District is also responsible for other assets that because of a trust arrangement can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in the funds are used for their intended purposes. All of the District's fiduciary activities are reported in Exhibit E-1, Statement of Fiduciary Net Position and Exhibit E-2, Statement of Changes in Fiduciary Net Position. We exclude these resources from the District's government-wide financial statements because the District cannot use the resources to finance its operations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As mentioned earlier, Net Position is one indicator of a government's financial position. In the case of Brownsville ISD, the District's assets exceeded liabilities by \$301,858,379 for the year ended June 30, 2015. Unrestricted Net Position, which can be used to finance the District's day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements represents \$24,425,409 or approximately 8 % of the District's total Net Position.

The largest percentage of Net Position, approximately 80 %, is reflected in its net investment in capital assets. This is where the District reflects land, furniture, equipment and vehicles, net of accumulated depreciation and any related debt. The District uses these Capital Assets to provide services to its students, teachers and staff. These assets are not readily available for spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The following analysis will focus on the District's Statement of Net Position (see Table 1) and the Change in Net Position (see Table 2).

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015**

Net Position of the District's governmental activities decreased from \$355,077,645 to \$301,858,379 primarily due to the implementation of GASB Statement 68 "Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27", the District recognized \$12,583,307 in deferred outflows related to TRS, \$17,877,832 in deferred inflows related to TRS and \$58,442,823 in Long-Term Liabilities.

The District's changes in net position for the fiscal years ended in June 30, 2015 and 2014 are summarized as follows:

**Table 1
Brownsville Independent School District
Net Position**

	Governmental Activities 2015	Governmental Activities 2014
Current and Other Assets	\$ 203,560,828	\$ 195,806,563
Capital Assets	427,828,534	439,235,776
Total Assets	\$ 631,389,362	\$ 635,042,339
Deferred Charge for Refunding	13,898,510	15,056,719
Deferred Outflow Related to TRS	12,583,307	-
Total Deferred Outflows of Resources	26,481,817	15,056,719
Long-Term Liabilities	\$ 259,131,126	\$ 209,812,810
Other Liabilities	79,003,842	85,208,603
Total Liabilities	338,134,968	295,021,413
Deferred Inflow Related to TRS	17,877,832	-
Total Deferred Inflows of Resources	17,877,832	-
Net Position:		
Net Investment in Capital Assets	241,038,741	245,196,911
Restricted	36,394,229	31,502,648
Unrestricted	24,425,409	78,378,086
Total Net Position	\$ 301,858,379	\$ 355,077,645

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015**

**Table 2
Brownsville Independent School District
Changes in Net Position**

	Governmental Activities 2015	Governmental Activities 2014
Revenues:		
Program Revenues:		
Charges for Services	\$ 3,975,065	\$ 3,415,592
Operating Grants & Contributions	112,183,338	123,197,536
General Revenues:		
Maintenance and Operations Taxes	55,754,451	54,502,908
Debt Service Taxes	5,564,404	5,232,438
State Aid	301,400,912	302,120,081
Grants and Contributions (not Restricted)	35,977,053	23,079,786
Investment Earnings	151,314	113,084
Other	5,044,713	1,083,375
Total Revenues	<u>\$ 520,051,250</u>	<u>\$ 512,744,800</u>
Expenses:		
Instruction and Media Services	278,146,619	275,449,612
Curriculum and Instructional Staff Development	16,372,545	16,609,958
Instructional and School Leadership	34,098,085	34,903,543
Student Support Services	38,549,847	40,015,578
Food Services	36,715,450	34,282,243
Extracurricular Activities	16,421,932	16,364,024
General Administration	10,962,498	12,286,474
Maintenance, Security & Data Processing	64,364,689	62,293,755
Community Services	3,403,224	4,084,484
Debt Services	8,559,430	6,682,026
JJAEP	36,656	85,173
Other Intergovernmental Charges	683,723	497,968
Total Expenses	<u>508,314,698</u>	<u>503,554,838</u>
Change in Net Position	11,736,552	9,189,962
Beginning Net Position	355,077,645	353,741,823
Prior Period Adjustment	(64,955,818)	(7,854,140)
Ending Net Position	<u>\$ 301,858,379</u>	<u>\$ 355,077,645</u>

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015**

Changes in Governmental Activities Net Position are presented in Table 2. The District's total Governmental Activities Revenue is \$520,051,250 an increase of \$7,306,450 from the previous year. This net change is primarily due to an increase in Grants and Contributions and Property Tax revenue.

The expenses for governmental activities totaled \$508,314,698 an increase of \$4,759,860 from the prior year. The majority of the increase is in Instructional Resources and Media Services, Food Services, Facilities, Maintenance and Operations while decreases are seen in General Administration and Student Support Services.

THE DISTRICT'S FUNDS

As of the year ended, June 30, 2015, the District reported a combined Fund Balance of \$119,275,524 for its governmental funds (as presented on Exhibit C-1).

Total Revenues in the General Fund increased \$7,561,692 from the prior year, primarily due to the implementation of the supper program and the continuation of the Breakfast in a Bag program. The District also realized two insurance settlements and had an increase in property tax collections.

Total Expenditures in the General Fund increased \$5,349,098 from the prior year. This increase can be attributed to the implementation of the Food Service Supper Program, an increase of the Employer Insurance contribution and also to some construction projects at the High Schools and Middle Schools.

The Fund Balance of the General Fund increased \$10,105,777 from the prior year, primarily due to revenues exceeding expenditures by \$8,953,151 and the issuance of a maintenance tax note of \$ 3.6 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, The School Board of Trustees amended the District's budget several times. All budget amendments are categorized into four areas: (1) Carryover Funding, (2) New/Additional Funding, (3) Categorical Fund Balance, and (4) Reallocation.

The total operating revenue budget was \$447,193,394 and finished the year with a budget of \$452,772,800. The total operating expenditure budget was \$457,253,617 and finished the year with a budget of \$471,934,334. This increase of \$14,680,717 was due to various necessary budget adjustments including Carry-Over Purchase Orders from the prior school year.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015**

Final Budget to actual comparisons in the General Fund reflected a \$7,512,072 negative variance between the anticipated revenues and actual revenues received (See Exhibit G-1). In addition, the General Fund reflected a positive variance of \$27,626,757 when comparing the anticipated expenditure budget and actual expenditures. This variance was in part due to mid-year departmental spending reductions (due to a Purchase Order cut-off), and through payroll cost reductions due to the closing of several full time equivalent staffing positions.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District had investments of \$427,828,534 net of depreciation, in a broad range of capital assets, including land, buildings and improvements, furniture and equipment, and vehicles. This amount represents a net decrease (including additions, deductions, and depreciation) of \$11,407,242 over last year. (See Table 3) Refer to Note E in section IV of the Notes to the Financial Statements for more detailed information on capital assets.

**Table 3
Brownsville Independent School District
Capital Assets
(net of depreciation)**

	Governmental Activities 2015	Governmental Activities 2014
Land	\$ 27,420,235	\$ 27,424,685
Buidlings and Improvements	386,632,776	395,633,624
Furniture, Equipment & Vehicles	12,401,776	11,822,748
Construction In Progress	1,373,747	4,354,719
Net Capital Assets	\$ 427,828,534	\$ 439,235,776

DEBT

As of June 30, 2015, the District had \$173,545,000 in bonds outstanding (the “Bonds”). The Bonds of the District are rated “AAA” by Fitch and “Aa3” by Moody’s.

More detailed information about the District’s Long-Term Debt is presented in Note F: Long-Term Obligations found on page 51 Supplemental Schedules found on pages 115-120;

- Schedule 14: Outstanding Debt by Type
- Schedule 15: Direct & Overlapping Debt (General Obligations Bonds)
- Schedule 16: Computation of Legal Debt Margin
- Schedule 17: Ratio of Net General Obligation Bonded Debt to Estimated Actual Value and Per Average Daily Membership.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015**

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The District’s assessed property tax value for the 2015-2016 fiscal year is \$5,287,358,457 compared to the assessed value in the 2014-2015 fiscal year of \$5,501,477,818, which translates to a property value appreciation of \$214,119,361 or 3.89%.

The budget for the 2015-2016 fiscal year was based on a projected ADA (Average Daily Attendance) of 43,566 a decrease of 1,634 from the prior year . The budget for the 2014-2015 fiscal year was based on a ADA of 45,200.

The District’s Programs and Services included in the General Fund are primarily supported by local and state sources of revenue. The General Fund revenue sources are presented below:

	Budget 2015 - 2016
Local Sources	\$ 61,313,865
State Sources	341,625,357
Federal Sources	47,454,737
Total Operating Fund Revenues	\$ 450,393,959

The District, through its ongoing review process, has continued and will continue to assess all areas of the District’s operations.

The District recognizes and addresses the unique cultural lifestyle of South Texas with a broad selection of activities and programs for all students. These programs range from the Brownsville Early College High School to support programs for students with special needs. Limited English speaking students are served through the Bilingual or English as a Second Language program. Brownsville ISD high schools have aligned eight magnet programs to 21st century career forecasts and student interests. These magnet programs all feather a “school within a school” concept that allows students the opportunity to specialize while experiencing a fully-rounded high school experience.

Brownsville ISD is committed not only to working with students, but also with the community as well. The District supports Campus Care Centers to serve the unmet medical needs of school age children and adolescents. Because no student deserves to go through the school day hungry, BISD features Universal Feeding, Provision Two. This plan provides breakfast and lunch free of charge to all students regardless of income or ability to pay.

There is pride in the progress BISD has made in recent years with regard to state mandated testing. Academically, both the Southern Association of Colleges and Schools and the Texas Education Agency have accredited Brownsville public schools.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This comprehensive financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Chief Financial Officer, at 1900 E. Price Rd-Suite 306, Brownsville, Texas 78521-2417 or by calling (956) 547-4113.

BASIC FINANCIAL STATEMENTS

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2015

EXHIBIT A-1

Data Control Codes	Primary Government
	Governmental Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 20,029,779
1120 Current Investments	131,184,112
1220 Property Taxes Receivable (Delinquent)	10,317,723
1230 Allowance for Uncollectible Taxes	(309,531)
1240 Due from Other Governments	38,485,505
1250 Accrued Interest	773
1267 Due from Fiduciary Funds	651
1290 Other Receivables, net	126,281
1300 Inventories	3,725,535
Capital Assets:	
1510 Land	27,420,235
1520 Buildings, Net	386,632,776
1530 Furniture and Equipment, Net	12,401,776
1580 Construction in Progress	1,373,747
1000 Total Assets	631,389,362
DEFERRED OUTFLOWS OF RESOURCES	
1701 Deferred Charge for Refunding	13,898,510
1705 Deferred Outflow Related to TRS	12,583,307
1700 Total Deferred Outflows of Resources	26,481,817
LIABILITIES	
2110 Accounts Payable	16,801,637
2120 Short Term Debt Payable	22,467
2150 Payroll Deductions & Withholdings	11,909,870
2160 Accrued Wages Payable	37,688,585
2180 Due to Other Governments	10,948,363
2190 Due to Student Groups	880,549
2200 Accrued Expenses	11,419
2300 Unearned Revenue	740,952
Noncurrent Liabilities	
2501 Due Within One Year	14,569,306
2502 Due in More Than One Year	186,118,997
2540 Net Pension Liability (District's Share)	58,442,823
2000 Total Liabilities	338,134,968
DEFERRED INFLOWS OF RESOURCES	
2605 Deferred Inflow Related to TRS	17,877,832
2600 Total Deferred Inflows of Resources	17,877,832
NET POSITION	
3200 Net Investment in Capital Assets	241,038,741
3820 Restricted for Federal and State Programs	24,575,107
3850 Restricted for Debt Service	6,276,013
3860 Restricted for Capital Projects	5,543,109
3900 Unrestricted	24,425,409
3000 Total Net Position	\$ 301,858,379

The notes to the financial statements are an integral part of this statement.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT B-1

Data Control Codes	1	Program Revenues		6
Codes	Expenses	Charges for Services	Operating Grants and Contributions	Primary Gov. Governmental Activities

Primary Government:

GOVERNMENTAL ACTIVITIES:

11 Instruction	\$ 269,621,870	\$ 1,152,958	\$ 48,924,630	\$ (219,544,282)
12 Instructional Resources and Media Services	8,524,749	-	1,725,253	(6,799,496)
13 Curriculum and Staff Development	16,372,545	-	8,319,168	(8,053,377)
21 Instructional Leadership	9,441,697	-	2,317,200	(7,124,497)
23 School Leadership	24,656,388	-	1,494,873	(23,161,515)
31 Guidance, Counseling and Evaluation Services	19,622,388	-	3,744,547	(15,877,841)
32 Social Work Services	888,315	-	17,291	(871,024)
33 Health Services	5,957,244	-	1,820,273	(4,136,971)
34 Student (Pupil) Transportation	12,081,900	-	392,230	(11,689,670)
35 Food Services	36,715,450	1,012,548	38,579,731	2,876,829
36 Extracurricular Activities	16,421,932	457,270	366,831	(15,597,831)
41 General Administration	10,962,498	1,314,255	399,679	(9,248,564)
51 Facilities Maintenance and Operations	51,688,106	-	902,746	(50,785,360)
52 Security and Monitoring Services	6,321,054	-	240,736	(6,080,318)
53 Data Processing Services	6,355,529	-	50,354	(6,305,175)
61 Community Services	3,403,224	38,034	2,887,796	(477,394)
72 Debt Service - Interest on Long Term Debt	8,134,579	-	-	(8,134,579)
73 Debt Service - Bond Issuance Cost and Fees	424,851	-	-	(424,851)
95 Payments to Juvenile Justice Alternative Ed. Prg.	36,656	-	-	(36,656)
99 Other Intergovernmental Charges	683,723	-	-	(683,723)
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 508,314,698	\$ 3,975,065	\$ 112,183,338	(392,156,295)

Data Control Codes	General Revenues:	
	Taxes:	
MT	Property Taxes, Levied for General Purposes	55,754,451
DT	Property Taxes, Levied for Debt Service	5,564,404
SF	State Aid - Formula Grants	301,400,912
GC	Grants and Contributions not Restricted	35,977,053
IE	Investment Earnings	151,314
MI	Miscellaneous Local and Intermediate Revenue	5,044,713
TR	Total General Revenues	403,892,847
CN	Change in Net Position	11,736,552
NB	Net Position - Beginning	355,077,645
PA	Prior Period Adjustment	(64,955,818)
NE	Net Position--Ending	\$ 301,858,379

The notes to the financial statements are an integral part of this statement.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

Data Control Codes	10 General Fund	Other Nonmajor Funds	Total Governmental Funds
ASSETS			
1110 Cash and Cash Equivalents	\$ 16,911,082	\$ 2,689,622	\$ 19,600,704
1120 Investments - Current	118,828,000	5,726,815	124,554,815
1220 Property Taxes - Delinquent	9,473,149	844,574	10,317,723
1230 Allowance for Uncollectible Taxes (Credit)	(284,194)	(25,337)	(309,531)
1240 Receivables from Other Governments	33,852,628	4,632,877	38,485,505
1250 Accrued Interest	773	-	773
1260 Due from Other Funds	5,843,720	7,068,258	12,911,978
1290 Other Receivables	109,873	16,408	126,281
1300 Inventories	3,725,535	-	3,725,535
1000 Total Assets	<u>\$ 188,460,566</u>	<u>\$ 20,953,217</u>	<u>\$ 209,413,783</u>
LIABILITIES			
2110 Accounts Payable	\$ 3,841,117	\$ 354,986	\$ 4,196,103
2120 Short Term Debt Payable - Current	-	22,467	22,467
2150 Payroll Deductions and Withholdings Payable	11,909,870	-	11,909,870
2160 Accrued Wages Payable	33,035,892	4,652,693	37,688,585
2170 Due to Other Funds	8,944,249	5,954,002	14,898,251
2180 Due to Other Governments	9,853,305	1,095,058	10,948,363
2190 Due to Student Groups	135,866	744,683	880,549
2200 Accrued Expenditures	11,419	-	11,419
2300 Unearned Revenues	146,990	593,962	740,952
2000 Total Liabilities	<u>67,878,708</u>	<u>13,417,851</u>	<u>81,296,559</u>
DEFERRED INFLOWS OF RESOURCES			
2601 Unavailable Revenue - Property Taxes	8,125,456	716,244	8,841,700
2600 Total Deferred Inflows of Resources	<u>8,125,456</u>	<u>716,244</u>	<u>8,841,700</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3410 Inventories	3,725,535	-	3,725,535
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	24,575,107	-	24,575,107
3470 Capital Acquisition and Contractual Obligation	-	5,543,109	5,543,109
3480 Retirement of Long-Term Debt	5,000,000	1,276,013	6,276,013
3490 Other Restricted Fund Balance	218,038	-	218,038
Committed Fund Balance:			
3510 Construction	6,392,528	-	6,392,528
3545 Other Committed Fund Balance	2,369,146	-	2,369,146
Assigned Fund Balance:			
3590 Other Assigned Fund Balance	3,304,675	-	3,304,675
3600 Unassigned Fund Balance	66,871,373	-	66,871,373
3000 Total Fund Balances	<u>112,456,402</u>	<u>6,819,122</u>	<u>119,275,524</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 188,460,566</u>	<u>\$ 20,953,217</u>	<u>\$ 209,413,783</u>

The notes to the financial statements are an integral part of this statement.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2015

Total Fund Balances - Governmental Funds	\$ 119,275,524
1 The District uses internal service funds to charge the costs of certain activities, such as self-insurance and workers' compensation, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to (decrease) net position.	(3,560,238)
2 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$683,019,825 and the accumulated depreciation was (\$243,784,049). In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position.	250,975,776
3 Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2015 capital outlays and debt principal payments is to increase net position.	18,940,303
4 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68 in the amount of \$58,442,823, a Deferred Resource Inflow related to TRS in the amount of \$17,877,832 and a Deferred Resource Outflow related to TRS in the amount of \$12,583,307. This amounted to a (decrease) in net position in the amount of \$63,737,348.	(63,737,348)
5 The 2015 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to (decrease) net position.	(18,083,095)
6 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. Also, the loss on refunding of bonds and the premium on issuance of bonds payable are not reported in the funds. The net effect of these reclassifications and recognitions is to (decrease) net position.	(1,952,543)
19 Net Position of Governmental Activities	\$ 301,858,379

The notes to the financial statements are an integral part of this statement.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT C-3

Data Control Codes		10 General Fund	Other Nonmajor Funds	Total Governmental Funds
REVENUES:				
5700	Total Local and Intermediate Sources	\$ 65,852,578	\$ 5,871,198	\$ 71,723,776
5800	State Program Revenues	333,068,866	17,921,268	350,990,134
5900	Federal Program Revenues	46,339,284	52,126,458	98,465,742
5020	Total Revenues	<u>445,260,728</u>	<u>75,918,924</u>	<u>521,179,652</u>
EXPENDITURES:				
Current:				
0011	Instruction	222,066,717	39,922,262	261,988,979
0012	Instructional Resources and Media Services	6,835,997	1,477,540	8,313,537
0013	Curriculum and Instructional Staff Development	8,020,377	8,015,260	16,035,637
0021	Instructional Leadership	7,178,910	2,069,118	9,248,028
0023	School Leadership	23,420,707	509,455	23,930,162
0031	Guidance, Counseling and Evaluation Services	16,093,100	3,064,837	19,157,937
0032	Social Work Services	854,421	3,002	857,423
0033	Health Services	4,167,203	1,652,686	5,819,889
0034	Student (Pupil) Transportation	13,034,984	-	13,034,984
0035	Food Services	36,547,719	6,217	36,553,936
0036	Extracurricular Activities	15,997,007	4,086	16,001,093
0041	General Administration	10,848,462	-	10,848,462
0051	Facilities Maintenance and Operations	50,025,729	25,580	50,051,309
0052	Security and Monitoring Services	6,406,406	2,498	6,408,904
0053	Data Processing Services	7,921,373	-	7,921,373
0061	Community Services	477,497	2,870,740	3,348,237
Debt Service:				
0071	Principal on Long Term Debt	3,010,000	9,250,000	12,260,000
0072	Interest on Long Term Debt	1,522,809	6,636,296	8,159,105
0073	Bond Issuance Cost and Fees	86,849	174,398	261,247
Capital Outlay:				
0081	Facilities Acquisition and Construction	1,070,931	747,075	1,818,006
Intergovernmental:				
0095	Payments to Juvenile Justice Alternative Ed. Prg.	36,656	-	36,656
0099	Other Intergovernmental Charges	683,723	-	683,723
6030	Total Expenditures	<u>436,307,577</u>	<u>76,431,050</u>	<u>512,738,627</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8,953,151</u>	<u>(512,126)</u>	<u>8,441,025</u>
OTHER FINANCING SOURCES (USES):				
7911	Capital Related Debt Issued (Regular Bonds)	3,600,000	10,295,000	13,895,000
7915	Transfers In	-	3,000,000	3,000,000
7916	Premium or Discount on Issuance of Bonds	322,349	552,787	875,136
8911	Transfers Out (Use)	(3,000,000)	-	(3,000,000)
8949	Other (Uses)	-	(10,665,750)	(10,665,750)
7080	Total Other Financing Sources (Uses)	<u>922,349</u>	<u>3,182,037</u>	<u>4,104,386</u>
1200	Net Change in Fund Balances	9,875,500	2,669,911	12,545,411
0100	Fund Balance - July 1 (Beginning)	102,350,625	2,122,396	104,473,021
1300	Increase (Decrease) in Fund Balance	230,277	2,026,815	2,257,092
3000	Fund Balance - June 30 (Ending)	<u>\$ 112,456,402</u>	<u>\$ 6,819,122</u>	<u>\$ 119,275,524</u>

The notes to the financial statements are an integral part of this statement.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2015

Total Net Change in Fund Balances - Governmental Funds	\$	12,545,411
The District uses internal service funds to charge the costs of certain activities, such as self-insurance and workers' compensation, to appropriate functions in other funds. The net income of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase net position.		284,925
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2015 capital outlays and debt principal payments is to increase net position.		18,940,303
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to (decrease) net position.		(18,083,095)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to (decrease) net position.		(5,422,104)
The implementation of GASB 68 required that certain expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of 8/31/2014 caused the change in the ending net position to increase in the amount of \$7,880,662. Contributions made before the measurement but during the 2015 FY were also de-expended and recorded as a reduction in the net pension liability for the District. This also caused a increase in the change in net position in the amount of \$992,497. The District recorded their proportionate share of the pension expense during the measurement period as part of the net pension liability. This caused a net decrease in the change in net position of \$5,402,007. The impact of all of these is to increase the change in net position by \$3,471,112.		3,471,112
Change in Net Position of Governmental Activities	\$	11,736,552

The notes to the financial statements are an integral part of this statement.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	Governmental Activities -
	Total Internal Service Funds
<hr/>	
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 429,075
Investments - Current	6,629,297
Due from Other Funds	<u>5,450,000</u>
Total Assets	<u>12,508,372</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	12,605,534
Due to Other Funds	<u>3,463,076</u>
Total Liabilities	<u>16,068,610</u>
NET POSITION	
Unrestricted Net Position	<u>(3,560,238)</u>
Total Net Position	<u><u>\$ (3,560,238)</u></u>

The notes to the financial statements are an integral part of this statement.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Governmental Activities -
	Total Internal Service Funds
<hr/>	
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 49,039,738
Total Operating Revenues	<u>49,039,738</u>
OPERATING EXPENSES:	
Other Operating Costs	48,754,813
Total Operating Expenses	<u>48,754,813</u>
Operating Income	284,925
Total Net Position - July 1 (Beginning)	(3,845,163)
Prior Period Adjustment	-
Total Net Position - June 30 (Ending)	<u><u>\$ (3,560,238)</u></u>

The notes to the financial statements are an integral part of this statement.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Governmental Activities -
	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>	
Other Operating Cash Receipts (Payments)	\$ (638,280)
Net Decrease in Cash and Cash Equivalents	(638,280)
Cash and Cash Equivalents at Beginning of Year	1,067,355
Cash and Cash Equivalents at End of Year	\$ 429,075
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Used for Operating Activities:</u>	
Operating Income:	\$ 284,925
Adjustments to Reconcile Operating Income to Net Cash Used for Operating Activities:	
Prior Period Adjustment	-
Effect of Increases and Decreases in Current Assets and Liabilities:	
Decrease (increase) in Current Investments	1,042,852
Decrease (increase) in Due From Other Funds	650,000
Decrease (increase) in Other Receivables	599
Increase (decrease) in Accounts Payable	(1,959,176)
Increase (decrease) in Due To Other Funds	(657,480)
Net Cash Used for Operating Activities	\$ (638,280)

The notes to the financial statements are an integral part of this statement.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

EXHIBIT E-1

	Private Purpose Trust Funds	Agency Fund
ASSETS		
Cash and Cash Equivalents	\$ 288,399	\$ 464,971
Total Assets	<u>288,399</u>	<u>\$ 464,971</u>
LIABILITIES		
Accounts Payable	4,465	\$ 75,622
Due to Other Funds	651	-
Due to Student Groups	58,145	389,349
Total Liabilities	<u>63,261</u>	<u>\$ 464,971</u>
NET POSITION		
Unrestricted Net Position	<u>225,138</u>	
Total Net Position	<u>\$ 225,138</u>	

The notes to the financial statements are an integral part of this statement.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Private Purpose Trust Funds
<hr/>	
ADDITIONS:	
Local and Intermediate Sources	\$ 786
Total Additions	<u>786</u>
DEDUCTIONS:	
Other Operating Costs	<u>30,000</u>
Total Deductions	<u>30,000</u>
Change in Net Position	(29,214)
Total Net Position - July 1 (Beginning)	<u>254,352</u>
Total Net Position - June 30 (Ending)	<u><u>\$ 225,138</u></u>

The notes to the financial statements are an integral part of this statement.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Brownsville Independent School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Texas. The Board of Trustees ("Board"), a seven-member group, has governance responsibilities over all activities related to educational services within the jurisdiction of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board and it complies with the requirements of the appropriate version of Texas Education Agency's *Financial Accountability System Resource Guide* (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

A. REPORTING ENTITY

The Board is elected by the public and has the authority to make decisions, appoint administrators and managers, significantly influence operations of the district, and has the primary accountability for fiscal matters. The District is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board ("GASB") and there are no component units included within the reporting entity.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on the entire District with the interfund activities removed. *Governmental activities* include programs supported primarily by grants, state foundation funds and other intergovernmental revenues.

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of the direct costs. The "charges for services" column includes payments made by parties that purchase, use or directly benefit from goods or services provided by a given function or segment of the District. The "grants and contributions" column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants through the Department of Education, Department of Health & Human Services and Texas Education Agency. If revenue is not program revenue, it is general revenue used to support all of the District's functions.

Interfund activities between governmental funds appear as due to/due froms on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position and as other resources and other uses on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance and on the Proprietary Fund Statement of Revenues, Expenses and Changes in Net Position. All interfund transactions between governmental funds and between governmental funds and internal service funds are eliminated on the government-wide statements.

The fund financial statements provide reports on the financial condition and results of operations for three fund categories - governmental, proprietary, and fiduciary. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in the government-wide statements. The District considers some governmental funds major and reports their financial condition and results of operations in a separate column.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are nonoperating.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. 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 use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The District considers all revenues available if they are collectible within 60 days after year end.

Revenues from local sources consist primarily of property tax revenue. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

The Proprietary Fund Types and Fiduciary Funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable.

Agency Funds utilize the accrual basis of accounting but do not have a measurement focus as they report only assets and liabilities.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. BASIS OF PRESENTATION - FUND ACCOUNTING

The District reports the following major governmental fund:

1. **General Fund** - is used to account for financial resources used for general operations. This is a budgeted fund and any fund balances are considered resources available for current operations. All revenues and expenditures not required to be accounted for in other funds, are accounted for in this fund.

Additionally, the District reports the following fund type(s):

Governmental Funds:

1. **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. Normally, unused balances are returned to the grantor at the close of specified project periods.
2. **Debt Service Fund** - is used to account for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund.
3. **Capital Projects Fund** - is used to account for proceeds from long-term debt financing and revenues and expenditures related to authorized construction and other capital asset acquisitions.
4. **Permanent Funds** - is used to account for donations for which the donor has stipulated that the principal may not be expended and where the income may only be used for purposes that support the District's programs. The District has no permanent funds.

Proprietary Funds:

1. **Enterprise Funds** - are used to account for those operations that are financed and operated in a manner similar to private business. The District has no enterprise funds.
2. **Internal Service Funds** - are used to account for revenues and expenses related to self-funded insurance and workers' compensation provided to employees within the District which are accounted for as internal service funds.

Fiduciary Funds:

1. **Private Purpose Trust Funds** - are used to account for scholarships, which have stipulations for the participants awarded; only the income may be used for a specific purpose.
2. **Agency Funds** - are used to account for resources held for others in a custodial capacity in an Agency Fund. The District's Agency Fund is the Student Activity Funds.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E. OTHER ACCOUNTING POLICIES

1. For purposes of the statement of cash flows, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.
2. Inventory is valued at cost (average). The District accounts for school supply and food inventories by using the consumption method whereby expenditures are recognized only when inventory items are used. Maintenance supplies inventory is accounted for by using the purchase method whereby purchases of inventories are recognized as expenditures when the goods are received and the transaction is vouchered. Reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets. Commodity inventory is offset by deferred revenue.
3. Other current assets are prepaid expenses that will benefit periods beyond June 30, 2013. The only prepaid expenses included are for unexpired insurance policy premiums paid by June 30, 2013, and which extend beyond that date. The reported prepaid insurance is equally offset by a fund balance reserve, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets.
4. In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.
5. Capital assets, which include land, buildings, vehicles, furniture & equipment and construction in progress, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the 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, vehicles and furniture & equipment of the District are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings & Improvements	50
Vehicles	10
Furniture & Equipment	3-15

6. Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate, and are subject to elimination upon consolidation. Services provided are treated as revenues or expenditures. Transfers In and Transfers Out are netted and presented as a single “Transfers” line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single “Internal Balances” line of the government-wide statement of net position.
7. When the District incurs an expense for which it may use either restricted or unrestricted assets, it uses the restricted assets first unless unrestricted assets will have to be returned because they were not used.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

8. Accumulated compensatory absences that is expected to be liquidated with expendable available resources is reported as an expenditure and a liability in the Governmental Funds only if they have matured.
9. In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statements element, deferred outflows of resources, presents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District only has one item that qualifies for reporting in this category. It is deferred charged on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statements element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

10. Net position represents the differences between assets, deferred outflows (inflows) of resources and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
11. Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond and grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered applied. It is the District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.
12. Sometimes the District will fund outlays for a particular purpose from both restricted (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

13. The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by board resolution by the Board. The Board's commitment may be modified or rescinded by a majority vote in a scheduled meeting. Board commitments cannot exceed the amount of fund balance that is greater than the sum of nonspendable and restricted fund balances since that practice would commit funds that the District does not have. Board commitments must occur before the end of the reporting period with amounts to be determined subsequently.
- **Assigned:** This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board, the Superintendent, or Superintendent's designee.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

The order of spending and availability shall be to reduce funds from the listed areas in the following order: restricted, committed, assigned, and unassigned.

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

15. Compensated absences for the District consist of vacation days not taken during the year are not accumulated and carried over to subsequent years. Local sick leave is however, accumulated, but only paid to the employee upon retirement up to a maximum of 30 days. The estimated amount of sick leave expected to be paid at retirement during the year ended June 30, 2013, is \$597,408, and an accrual has been made. A liability for these amounts is reported in governmental funds only if they have matured, as a result of employee resignation and/or retirement.

16. During fiscal year 2015, the District adopted GASB Statement No. 68 for Accounting and Reporting for Pensions. With GASB 68, the District must assume their proportionate share of the Net Pension Liability of the Teacher Retirement System of Texas. Adoption of GASB 68 required a prior period adjustment to report the effect of GASB 68 retroactively. The amount of the prior period adjustment is \$67,208,460. The restated beginning net position is \$301,858,379.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

II. RECONCILIATION OF GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS

A. EXPLANATION OF DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

Exhibit C-2 provides the reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the net position for governmental activities as reported in the government-wide statement of net position.

One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including capital leases payable, are not due and payable in the current period and are not reported as liabilities in the funds. The details of capital assets and long-term debt at the beginning of the year were as follows:

Capital Assets at the Beginning of Year	Historic Cost	Accumulated Depreciation	Net Value at the Beginning of Year	Change in Net Position
Land	\$ 27,424,685	\$ -	\$ 27,424,685	
Buildings & Improvements	608,499,356	(212,865,732)	395,633,624	
Vehicles	23,573,230	(13,429,105)	10,144,125	
Furniture & Equipment	19,167,835	(17,489,212)	1,678,623	
Construction in Progress	4,354,719	-	4,354,719	
Change in Net Position				\$ 439,235,776
Long -Term Liabilities at the Beginning of Year			Payable at the Beginning of Year	
Bonds Payable			\$ (185,215,000)	
Notes Payable			(3,045,000)	
Change in Net Position				(188,260,000)
Net Adjustment to Net Position				\$ 250,975,776

B. EXPLANATION OF DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

Exhibit C-4 provides reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures and changes in fund balances and the changes in net position of governmental activities as reported on the government-wide statement of activities. One element of that reconciliation explains that current year capital outlays and debt principal payments are expenditures in the fund financial statements, but should be shown as increases in capital assets and decreases in long-term debt in the government-wide statements. This adjustment affects both the net asset balance and the change in net position. The details of this adjustment are as follows:

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

II. RECONCILIATION OF GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS

Current Year Capital Outlay	Amount	Adjustments to Changes in Net Position	Adjustments in Net Position
Land	\$ -	\$ -	
Buildings & Improvements	883,506	883,506	
Furniture & Equipment	2,586,644	2,586,644	
Vehicles	1,669,470	1,669,470	
Construction in Progress	1,540,683	1,540,683	
Total Capital Outlay	-	-	\$ 6,680,303
Debt Principal Payments			
Note Payable	(720,000)	(720,000)	
Bonds Payable	(11,540,000)	(11,540,000)	
Total Principal Payments	(12,260,000)	(12,260,000)	(12,260,000)
Net Adjustment to Net Position			\$ (5,579,697)

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY DATA

The Board of Trustees adopts an “appropriated budget” on a basis consistent with GAAP for the General Fund, Debt Service Fund and Food Service Fund (which is included in the General Fund). The District is required to present the adopted and final amended budgeted revenues and expenditures for these three funds. The General Fund Budget report is presented in Exhibit C-1 and the Child Nutrition Program Budget and Debt Service Fund Budget report is presented in Exhibit J-4 and J-5.

The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

1. Prior to June 20th the District prepares a budget for the next succeeding fiscal year beginning July 1st. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget. Public notice of the meeting must be given at least ten days prior to the meeting.
3. Prior to July 1st, the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end. During the year, the budget was amended as necessary.
4. Each budget is controlled by the budget coordinator at the revenue and expenditure functions or object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year-end.
5. Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at June 30th, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year’s budget.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the **Depository Contract Law**. The depository bank places approved pledged securities for safekeeping and trust with counterparty's trust department in the District's name 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.

At June 30, 2015, the carrying amount of the District's deposits, excluding agency funds, was \$20,029,779, and the bank balance was \$20,945,974. The District's cash deposits at June 30, 2015 and during the year, except as listed below, were covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name. The District monitors cash flows regularly when TEA funds are received to ensure that the bank pledges sufficient collateral.

In addition, the following is disclosed regarding coverage of combined balances on the date of highest deposit:

- a. Depository: Wells Fargo Bank, N.A.
- b. The market value of securities pledged as of the date of the highest combined balance on deposit was \$22,436,526.
- c. The highest combined balances of cash, savings, and time deposit accounts amounted to \$19,907,905 and occurred during the month of June 2015.
- d. Total amount of FDIC coverage at the time of the highest combined balance was \$250,000.

District Policies and Legal Contractual Provisions Governing Deposits

Custodial Credit Risk for Deposits – State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. Since the District complies with this law, it has no custodial risk for deposits.

Foreign Currency Risk for Deposits – The District limits the risk that changes in exchange rates will adversely affect the fair value of a deposit. At year-end, the District was not exposed to foreign currency risk.

District Policies and Legal Contractual Provisions Governing Investments

The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. The policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

The Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

The District's temporary investments at June 30, 2015, are shown below:

Investment Type	Fair Value	Investment Maturities (in years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
Certificates of Deposit	\$ 6,463,000	\$ -	\$ 6,463,000	\$ -	\$ -
Texas Term Investment Pool *	71,864,793	71,864,793	-	-	-
Lone Star Investment Pool *	43,790,616	43,790,616	-	-	-
TexPool	558,399	558,399	-	-	-
Texas Class/ MBIA *	8,507,304	8,507,304	-	-	-
Total	\$ 131,184,112	\$ 124,721,112	\$ 6,463,000	\$ -	\$ -

* Registered with the U.S. Securities and Exchange Commission

Additional policies and contractual provisions governing deposits and investments for the District are specified below:

Credit Risk – In accordance with state law and the District's investment policy, investments in mutual funds and investment pools must be rated at least AAA or have an equivalent rating, commercial paper must be rated at least A-1, P-1 or have an equivalent rating, and obligations of states, agencies, counties, and cities must be at least A or its equivalent. As of June 30, 2015, the District's investments in Lone Star Investment Pool were rated AA Af/S1+ by Standard and Poor's (S&P), TexPool was rated AA Am by Standard and Poor's (S&P), Texas Term was rated AA Af by Standard and Poor's (S&P), and Texas Class/MBIA was rated AA A/m by Standard and Poor's Ratings Services.

Custodial Risk for Investments – For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investments held by third parties were fully collateralized and held in the District's name.

Concentration of Credit Risk – The investment portfolio is diversified in terms of investment instruments and maturity scheduling to reduce risk of loss resulting from over concentration of assets in specific class of investments, specific maturity or specific issuer. As of June 30, 2015, the District had 5% of its investments in certificates of deposits in BBVA Compass Bank and Wells Fargo Securities. These certificates of deposit were fully covered by eligible pledged securities. The District had 95% of its investments in TASB investment pools rated AAA as noted above.

Interest Rate Risk – In accordance with state law and the District's investment policy, the District does not purchase any investments greater than five (5) years for its operating funds.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

Foreign Currency Risk for Investments – The District limits the risk that changes in exchange rates will adversely affect the fair value of an investment. At year-end, the District was not exposed to foreign currency risk.

B. PROPERTY TAXES

Property taxes are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The District levies its taxes on October 1st in conformity with Subtitle E, Texas Property Tax Code. The assessed value of the property tax roll on July 18, 2014, upon which the levy for the 2014-2015 fiscal year was based, as \$5,501,477,818. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1st of the year following the October 1st levy date. Taxes are delinquent if not paid by June 30th. Delinquent taxes are subject to both penalty and interest charges plus 15% delinquent collection fees for attorney costs.

The tax rates assessed for the year ended June 30, 2015, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$1.040000 and \$0.105666 per \$100 valuation, respectively, for a total of \$1.145666 per \$100 valuation.

Current tax collections for the year ended June 30, 2015 were 94% of the year-end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of June 30, 2015, property taxes receivable of \$9,473,149 and \$844,574, net of estimated uncollectible taxes of \$284,195 and \$25,337, totaled \$9,188,954 and \$819,237 for the General and Debt Service Funds, respectively.

C. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Transfers are indicative of subsidies of various District operations. The following schedule briefly summarizes the District's transfer activities at June 30, 2015:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>	<u>Purpose</u>
Debt Service	General Fund	\$ 3,000,000	IFA Debt Service
		<u>\$ 3,000,000</u>	

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

Interfund balances at June 30, 2015 consisted of the following individual fund balances:

	Due From Other Funds	Due To Other Funds
<u>General Fund</u>		
General Fund	\$ 441,167	\$ 441,167
Special Revenue Funds	1,147,587	1,672,889
Debt Service Fund	5,124	1,380,193
Capital Projects Fund	786,115	-
Internal Service Fund	3,463,076	5,450,000
Trust and Agency Fund	651	-
	5,843,720	8,944,249
<u>Special Revenue Fund</u>		
General Fund	1,672,889	1,147,587
Special Revenue Fund	4,015,176	4,015,176
	5,688,065	5,162,763
<u>Debt Service Fund</u>		
General Fund	1,380,193	5,124
	1,380,193	5,124
<u>Capital Projects Fund</u>		
General Fund	-	786,115
Capital Projects Fund	-	786,115
	-	786,115
<u>Internal Service Fund</u>		
General Fund	5,450,000	3,463,076
	5,450,000	3,463,076
<u>Trust and Agency Fund</u>		
General Fund	-	651
Total Trust and Agency Fund	-	651
	-	651
Total Interfund Receivables and Payables	\$ 18,361,978	\$ 18,361,978

Balances resulted from the time lag between the dates that 1) interfund goods and services are provided and/or reimbursement expenditures occur, and 2) transactions are recorded in the accounting system, and 3) payments between funds are made. Balances also result from interfund payroll transactions and end of year reclasses made between funds.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

D. DUE FROM OTHER GOVERNMENTS AND AGENCIES

Amounts due from other governments and agencies are as follows:

Fund Group	State Entitlements	Federal Grants	Other	Total
General	\$ 32,538,570	\$ 1,226,035	\$ 88,023	\$ 33,852,628
Special Revenue	3,986,319	402,745	243,813	4,632,877
Totals	<u>\$ 36,524,889</u>	<u>\$ 1,628,780</u>	<u>\$ 331,836</u>	<u>\$ 38,485,505</u>

E. CAPITAL ASSET ACTIVITY

Capital asset activity for the District for the year ended June 30, 2015, was as follows:

	Primary Government				
	Balance	Changes During Year			Balance
	<u>7/1/2014</u>	<u>Additions</u>	<u>Deletions</u>		<u>6/30/2015</u>
Governmental activities:					
Capital assets not being depreciated					
Land	\$ 27,424,685	\$ -	\$ (4,450)	\$ 27,420,235	
Construction in progress	4,354,719	1,540,683	-	1,373,747	
Total capital assets not being depreciated	<u>31,779,404</u>	<u>1,540,683</u>	<u>(4,450)</u>	<u>28,793,982</u>	
Capital assets being depreciated					
Buildings and improvements	608,499,356	883,506	-	613,904,517	
Furniture and equipment	19,167,835	2,586,644	(528,917)	21,225,562	
Vehicles	23,573,230	1,669,470	(388,442)	24,854,258	
Total capital assets being depreciated	<u>651,240,421</u>	<u>5,139,620</u>	<u>(917,359)</u>	<u>659,984,337</u>	
Less accumulated depreciation for:					
Building and improvements	(212,865,732)	(14,406,009)	-	(227,271,741)	
Equipment	(13,429,105)	(2,301,755)	528,917	(15,201,943)	
Vehicles	(17,489,212)	(1,375,331)	388,442	(18,476,101)	
Total accumulated depreciation	<u>(243,784,049)</u>	<u>(18,083,095)</u>	<u>917,359</u>	<u>(260,949,785)</u>	
Total capital assets being depreciated	<u>407,456,372</u>	<u>(12,943,475)</u>	<u>-</u>	<u>399,034,552</u>	
Governmental activities capital assets, net	<u>\$ 439,235,776</u>	<u>\$ (11,402,792)</u>	<u>\$ (4,450)</u>	<u>\$ 427,828,534</u>	

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 9,677,996
Instructional Resources and Media Services	307,106
Curriculum and Instructional Staff Development	592,364
Instructional Leadership	341,627
School Leadership	883,991
Guidance, Counseling and Evaluation Services	707,703
Social Work Services	31,674
Health Services	214,989
Student (Pupil) Transportation	481,518
Food Services	1,350,320
Cocurricular/Extracurricular Activities	591,088
General Administration	400,747
Plant Maintenance and Operations	1,848,919
Security and Monitoring Services	236,748
Data Processing Services	292,619
Community Services	<u>123,686</u>
Totals	<u><u>\$ 18,083,095</u></u>

F. LONG-TERM OBLIGATIONS

General Obligation Bonds – The District issued its \$10,295,000 Unlimited Tax Refunding Bonds, Series 2015 for the governmental activities to refund a portion of the outstanding bonds of the District for debt services savings and to pay costs of issuance. General obligation bonds are direct obligations and the full faith and credit of the District. Current principal and interest requirements are payable solely from future revenues of the Debt Service Fund which consists principally of property taxes collected by the District, interest earnings, and State funds. Certain outstanding bonds may be redeemed at their par value prior to their normal maturity dates in accordance with the terms of the related bond indentures.

Date of Issue	Description	Interest Rate Payable	Final Maturity	Amounts Original Issue	Amounts Outstanding July 1, 2014	Issued	Retired	Amounts Outstanding June 30, 2015	Due Within One Year
08/15/05	Unlimited Tax Refunding Bonds, Series 2005	5.00%	2016	\$ 65,435,000	\$ 16,620,000	-	\$ 12,745,000	\$ 3,875,000	\$ 3,875,000
09/28/06	Unlimited Tax School Building Bonds, Series 2006	5.00%	2016	10,725,000	10,725,000	-	5,235,000	5,490,000	5,490,000
03/10/09	Unlimited Tax Refunding Bonds, Series 2009	4.00%	2024	5,405,000	5,405,000	-	-	5,405,000	-
12/22/09	PFC Lease Revenue QS Construction Bonds, Series 2009	1.48%	2025	15,400,000	11,280,000	-	1,000,000	10,280,000	1,000,000
12/01/10	Qualified School Construction Bonds, Series 2010A-E	0.37%	2028	25,770,000	20,605,000	-	1,290,000	19,315,000	1,535,000
06/05/13	Unlimited Tax Refunding Bonds, Series 2013A	1.00%	2027	80,410,000	79,140,000	-	1,285,000	77,875,000	-
06/05/13	Unlimited Tax Refunding Bonds, Series 2013B	6.00%	2027	42,300,000	41,440,000	-	430,000	41,010,000	430,000
06/01/15	Unlimited Tax Refunding Bonds, Series 2015	2.00%	2030	10,295,000	-	10,295,000	-	10,295,000	-
Totals				<u>\$ 185,215,000</u>	<u>\$ 10,295,000</u>	<u>\$ 21,985,000</u>	<u>\$ 173,545,000</u>	<u>\$ 12,330,000</u>	

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

The District has never defaulted on any principal and interest payments. There are a number of limitations and restrictions contained in the general obligation bond indentures. Management has indicated that the District is in compliance with all significant limitation and restrictions at June 30, 2015.

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

Year Ending June 30,	Bonds Payable		Total Requirements
	Principal	Interest	
2016	\$ 12,330,000	\$ 7,310,484	\$ 19,640,484
2017	12,575,000	6,953,502	19,528,502
2018	11,615,000	7,949,679	19,564,679
2019	11,790,000	7,825,382	19,615,382
2020	13,750,000	5,864,332	19,614,332
2021-2025	75,050,000	21,139,566	96,189,566
2026-2030	36,435,000	5,507,400	41,942,400
Totals	\$ 173,545,000	\$ 62,550,345	\$ 236,095,345

Note Payable – The District issued the note payable for the governmental activities to provide funds for the renovations to existing facilities. The note is being issued pursuant to the Constitution and general laws of the State of Texas, including Sections 45.108 and the Texas Education Code, as amended. The Note is a direct obligation of the District, payable from and secured by ad valorem taxes levied by the District for maintenance purposes, within the limits prescribed by law, against all taxable property located within the District.

Description	Interest Rate Payable	Final Maturity	Amounts Original Issue	Amounts Outstanding July 1, 2014	Issued	Retired	Amounts Outstanding June 30, 2015	Due Within One Year
Limited Tax Refunding Notes, Series 2009	3.80%	2018	\$ 6,250,000	\$ 3,045,000	\$ -	\$ 720,000	\$ 2,325,000	\$ 745,000
Maintenance Tax Notes, Series 2015	4.00%	2022	3,600,000	-	3,600,000	-	3,600,000	-
Totals				\$ 3,045,000	\$ 3,600,000	\$ 720,000	\$ 5,925,000	\$ 745,000

Annual debt service requirements to maturity for the note payable are as follows:

Year Ending June 30,	Note Payable		Total Requirements
	Principal	Interest	
2016	\$ 745,000	\$ 180,750	\$ 925,750
2017	775,000	204,040	979,040
2018	805,000	174,590	979,590
2019	850,000	144,000	994,000
2020	880,000	110,000	990,000
2021-2022	1,870,000	113,000	1,983,000
Totals	\$ 5,925,000	\$ 926,380	\$ 6,851,380

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

G. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term debt:

Description	Balance 7/01/14	Issued	Retired	Balance 06/30/15	Due Within One Year
Bonds Payable	\$ 185,215,000	\$ 10,295,000	\$ (21,965,000)	\$ 173,545,000	\$ 12,330,000
Note Payable	3,045,000	3,600,000	(720,000)	5,925,000	745,000
Compensated Absences	596,182	111,308	(61,070)	646,420	161,605
Premium (Discount) on Bonds					
Bonds Payable 2006	352,986	-	(22,062)	330,924	22,062
Bonds Payable 2009	3,834,649	-	(319,554)	3,515,095	319,554
Bonds Payable 2010	(2,258,667)	-	205,333	(2,053,334)	(205,333)
Bonds Payable 2013	14,550,546	-	(1,119,272)	13,431,274	1,119,272
Bonds Payable 2015	-	552,787	(36,852)	515,935	36,852
Note Payable 2015	-	322,349	(40,294)	282,055	40,294
Accreted Interest	4,477,114	72,820	-	4,549,934	-
Deferred (Loss) on Refunding Bonds	(15,056,719)	-	1,158,209	(13,898,510)	-
Totals	\$ 194,756,091	\$ 14,954,264	\$ (22,920,562)	\$ 186,789,793	\$ 14,569,306

H. COMMITMENTS UNDER OPERATING LEASES

Commitments under operating (noncapitalized) leases agreements for facilities and equipment provide for minimum future rental payments as of June 30, 2015, as follows:

Year Ending June 30,	Total Requirements
2015	\$ 1,877,262
2016	1,714,533
2017	1,350,045
2018	558,038
2019	13,491
Total Minimum Rentals	\$ 5,513,369
Rental Expenditures in Fiscal Year 2015	\$ 1,636,951

I. CONTINGENT LIABILITIES

The District participates in a number of grant programs funded by State and Federal Agencies. These programs are subject to compliance audits by the grantor agencies or their representatives.

Audits of all of these programs for the year ended June 30, 2015 have not been conducted. Accordingly, the District's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

The District is involved in various legal proceedings arising from its operations, including investigations into alleged misconduct by certain employees. The ultimate resolution of these matters is pending. Management, in consultation with its attorneys, believes that the outcome of these pending matters will not have a material adverse effect on the District's financial statements or compliance.

J. DEFINED BENEFIT PENSION PLAN

Plan Description. The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

Pension Plan Fiduciary Net Position. Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.state.tx.us/about/documents/cafr.pdf#CAFR>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Benefits Provided. TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description in (A) above.

Contributions. Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code section 821.006 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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 thru 2017. It also added a 1.5% contribution for employers not paying Old Age Survivor and Disability Insurance (OASDI) on certain employees effective for fiscal year 2015 as discussed in Note 1 of the TRS 2014 CAFR. The 83rd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2014 and 2015.

	Contribution Rates	
	<u>2014</u>	<u>2015</u>
Member	6.4%	6.7%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers	6.8%	6.8%
2014 Employer Contributions		\$ 5,547,028
2014 Member Contributions		\$ 19,227,857
2014 NECE On-Behalf Contributions		\$ 15,274,004

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

In addition to the employer contributions listed above, when employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions. The total pension liability in the August 31, 2014, actuarial valuation was determined using the following actuarial assumptions:

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

Valuation Date	8/31/2014
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level Percentage of Payroll, Open
Remaining Amortization Period	30 years
Asset Valuation Method	5 years Market Value
Discount Rate	8.00%
Long-term expected Investment Rate of Return*	8.00%
Salary Increases*	4.25% to 7.25%
Weighted-Average at Valuation Date	5.55%
Payroll Growth Rate	3.50%

*Includes Inflation of 3%

DEFINED BENEFIT PENSION PLAN

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 2010 and adopted on April 8, 2011. With the exception of the post-retirement mortality rates for healthy lives and a minor change to the expected retirement age for inactive vested members stemming from the actuarial audit performed in the Summer of 2014, the assumptions and methods are the same as used in the prior valuation. When the mortality assumptions were adopted in 2011 they contained a significant margin for possible future mortality improvement. As of the date of the valuation there has been a significant erosion of this margin to the point that the margin has been eliminated. Therefore, the post-retirement mortality rates for current and future retirees was decreased to add additional margin for future improvement in mortality in accordance with the Actuarial Standards of Practice No. 35.

Discount Rate. The discount rate used to measure the total pension liability was 8.0%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 8%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2014 are summarized below:

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Real Return Geometric Basis</u>	<u>Long-Term Expected Portfolio Real Rate of Return*</u>
Global Equity			
U.S.	18%	7.0%	1.4%
Non-U.S. Developed	13%	7.3%	1.1%
Emerging Markets	9%	8.1%	0.9%
Directional Hedge Funds	4%	5.4%	0.2%
Private Equity	13%	9.2%	1.4%
Stable Value			
U.S. Treasuries	11%	2.9%	0.3%
Absolute Return	0%	4.0%	0.0%
Stable Value Hedge Funds	4%	5.2%	0.2%
Cash	1%	2.0%	0.0%
Real Return			
Global Inflation Linked Bonds	3%	3.1%	0.0%
Real Assets	16%	7.3%	1.5%
Energy and Natural Resources	3%	8.8%	0.3%
Commodities	0%	3.4%	0.0%
Risk Parity			
Risk Parity	5%	8.9%	0.4%
Alpha			1%
Total	<u>100%</u>		<u>9%</u>

* The Expected Contribution to Returns incorporates the volatility drag resulting from the conversion between Arithmetic and Geometric mean returns.

DEFINED BENEFIT PENSION PLAN

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (8%) in measuring the 2014 Net Pension Liability.

	1% Decrease in Discount Rate (7.0%)	Discount Rate (8.0%)	1% Increase in Discount Rate (9.0%)
Proportionate share of the net pension liability:	\$ 104,433,782	\$ 58,442,823	\$ 24,050,152

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At August 31, 2014, the District reported a liability of \$58,442,823 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 58,442,823
State's proportionate share that is associated with the District	<u>161,268,352</u>
Total	<u>\$ 219,711,175</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

The net pension liability was measured as of August 31, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2013 thru August 31, 2014.

At August 31, 2014 the employer's proportion of the collective net pension liability was 0.2187937%. Since this is the first year of implementation, the District does not have the proportion measured as of August 31, 2013. The change in proportion was immaterial and therefore disregarded this year.

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

There was a change in employer contribution requirements that occurred after the measurement date of the net pension liability and the employer's reporting date. A 1.5% contribution for employers not paying Old Age Survivor and Disability Insurance (OASDI) on certain employees went into law effective September 1, 2013. The amount of the expected resultant change in the employer's proportion cannot be determined at this time.

For the year ended August 31, 2014, the District recognized pension expense of \$14,908,959 and revenue of \$14,908,959 for support provided by the State.

At August 31, 2014, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experiences	\$ 67,788	\$ -
Changes in actuarial assumptions	284,913	-
Differences between projected and actual investment earnings	-	1,339,686
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	-	1,149
Total	\$ 352,701	\$ 1,340,835

The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended August 31,</u>	<u>Pension Expense Amount</u>
2015	\$ (3,674,871)
2016	(3,674,871)
2017	(3,674,871)
2018	(3,674,871)
2019	790,757
Thereafter	733,580

At August 31, 2015, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Total net amounts per August 31, 2014 measurement date	\$ 4,702,685	\$ 17,877,832
Contributions paid to TRS subsequent to measurement date	7,880,622	-
Total	\$ 12,583,307	\$ 17,877,832

Health Care Coverage

Medicare Part D. Federal legislation enacted in January 2006 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. As a result this provision allows for the Texas Public School Retired Employee Group Program (TRS-Care) to receive drug subsidy payments from the federal government to offset pharmacy claims paid by TRS-Care on behalf of plan participants. GASB Statement No. 24 requires recognition of these on-behalf payments in the financial statements. Medicare Part D payments made on behalf of the District’s participants for the years ended June 30, 2015, 2014 and 2013 were \$896,521, \$810,781, and \$784,875, respectively.

K. RISK MANAGEMENT

During the fiscal year ended June 30, 2015, the District sponsored a self-funded insurance plan to provide health care benefits to employees and their dependents. The District paid premiums of \$410 per month per employee to the fund. Total employee contributions are required for coverage of dependents.

The contract between the District and the licensed insurer is renewable, and terms of coverage and premium costs are included in the contractual provisions. The latest financial statements available for Blue Cross Blue Shield (BCBS) are filed with the Texas State Board of Insurance, Austin, Texas, and are public records.

The following is a summary of the changes in the balances of claims liabilities for the year ended June 30, 2014:

	2014	2013
Unpaid claims, beginning of the year	\$ 4,198,883	\$ 5,827,635
Incurred claims (including IBNRs)	42,469,451	35,898,698
Claim payments	(44,658,064)	(37,527,450)
Unpaid claims, end of the year	\$ 2,010,270	\$ 4,198,883

Worker’s Compensation Coverage

For the year ended June 30, 2015, the District met its statutory worker’s compensation obligations through participation in a Self-Funded Worker’s Compensation Plan with TRISTAR Risk Management as the TPA (Third Party Administrator). This plan is authorized by Article 8309, Vernon’s Annotated Texas Statutes. The District provides statutory worker’s compensation benefits to its employees.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

The District's and TRISTAR Risk Management are protected against higher than expected claims costs through the purchase of stop loss coverage for any claim in excess of the self-insured retention of \$1 million. For the year ended June 30, 2015, the fund purchased excess coverage from Montalvo Insurance Agency. The fund uses an independent actuary to determine reserve adequacy and fully funds those reserves.

As of June 30, 2015, the District has reserved for estimated claims incurred, but not reported that do not exceed the required reserves. The liability reported at June 30, 2015 is based on the requirements of Governmental Accounting Standards Board No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred as of the date of the financial statements, and the amount of loss can be reasonably estimated. Because actual claim liabilities depend on complex factors such as inflation, changes in legal doctrines, and damage awards, the process used in computing the liability does not necessarily result in an exact amount.

L. CONSTRUCTION COMMITMENTS

At June 30, 2015, the District had the following construction commitments:

<u>Local Funded Projects</u>	<u>Estimated Project Cost</u>	<u>Expended Through June 30,</u>	<u>Amount Committed</u>
District Wide Projects	\$ 113,973	\$ 54,639	\$ 59,334
Faulk Middle School Weight Room	494,420	252,056	242,364
Besteiro Middle School - Restrooms & Storage	130,170	25,680	104,490
Lopez High School - HVAC Upgrade	506,955	13,572	493,383
Rivera High School - Roof Project	1,430,755	1,027,800	402,955
Total Construction In Progress	<u>\$ 2,676,273</u>	<u>\$ 1,373,747</u>	<u>\$ 1,302,526</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

M. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

Description	General Fund	Special Revenue	Total
BISD - GED Testing	\$ 2,236	\$ -	\$ 2,236
BISD - Athletics	1,280	-	1,280
BISD - Other	40,498	-	40,498
BISD - Rendition Fees	15,966	-	15,966
BISD - CCED Taxes	58,898	-	58,898
Food service receipts	28,113	-	28,113
Special revenue grants	-	593,962	593,962
Total unearned revenue	<u>\$ 146,990</u>	<u>\$ 593,962</u>	<u>\$ 740,952</u>

N. REVENUE FROM LOCAL AND INTERMEDIATE SOURCES

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

Description	General Fund	Other Governmental Funds	Internal Service Funds	Total
Property Taxes	\$ 55,452,992	\$ 5,578,496	\$ -	\$ 61,031,488
Penalties, Interest & Other Tax-Related Income	2,037,516	176,038	-	2,213,554
Tuition and Fees	422,740	-	-	422,740
Food Sales	861,732	-	-	861,732
Investment Income	140,077	11,236	11,247	162,560
Co-curricular Student Act.	455,603	-	-	455,603
CCED	63,808	-	-	63,808
Other	6,418,110	105,428	49,028,491	55,552,029
Totals	<u>\$ 65,852,578</u>	<u>\$ 5,871,198</u>	<u>\$ 49,039,738</u>	<u>\$ 120,763,514</u>

O. USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and/or disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

P. MAINTENANCE OF EFFORT

The District sponsors a modified self-insurance plan to provide health care benefits to staff members and their dependents.

A. Total District premium paid for health care for 2014-2015:		\$ 36,096,756
B. Subtract any non-medical expenditures:		
Life insurance	\$ 175,709	
Dental insurance	-	
Vision insurance	-	
Long-term disability	-	
Short-term disability	-	
Alternate plans	-	
COBRA expense	-	
Retiree expense	-	
		175,709
C. 2014-2015 Maintenance of Effort:		\$ 35,921,047

Q. SHARED SERVICES AGREEMENTS

The District is the fiscal agent for a Shared Service Arrangement (“SSA”), which provides special education services to the member districts listed below. The fiscal agent provides all services. The member districts provide the funds to the fiscal agent, who provides all services. According to guidance provided in TEA’s Resource Guide, the District has accounted for fiscal agent’s activities of the SSA in a special revenue fund and will be accounted for using Model 3 in the SSA section of the Resource Guide. Expenditures of the SSA are summarized below:

Member Districts	Expenditures
Harlingen CISD	\$ 143,750
Los Fresnos CISD	65,000
Point Isabel ISD	22,500
Raymondville ISD	86,250
San Benito CISD	98,750
IDEA Public Schools	5,000
Total	\$ 421,250

R. GENERAL FUND FEDERAL SOURCE REVENUES

Federally financed programs are generally accounted for in the Special Revenue funds of the District, except for indirect costs charged to federal programs which are accounted for in the General Fund as prescribed by TEA and certain direct revenues. The District recognized in the General Fund such revenues for the year ended June 30, 2015 from various federal sources as follows:

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

Program or Source	CFDA Number	Amount
U.S. Department of Treasury (Fed Share of QSCB)	N/A	\$ 1,019,588
Child & Adult Care Food Program	10.588	2,367,646
R.O.T.C.	12.000	435,055
Child Nutrition Direct Certification Performance Award	10.589	584
National School Lunch Program	10.555	21,066,987
School Breakfast Program	10.553	14,138,228
Food Distribution (USDA Commodities)	10.55	243,929
School Health Related Services	N/A	6,276,713
Medicaid Administrative Claims	93.778	176,797
Total Programs		<u>45,725,527</u>
<i>Indirect Costs:</i>		
Federal Adult Ed English Literacy & Civics Ed	84.002A	12,152
ESEA Title III Subtitle B	84.196A	1,130
ESEA Title I - Part A	84.010A	299,396
ESEA Title I Part C	84.011A	19,214
IDEA B - Formula	84.027A	113,926
IDEA B - Formula (DEAF)	84.027A	557
Carl Perkins Grant for Career & Technology Ed	84.048A	4,058
IDEA B - Preschool	84.173A	1,155
IDEA B - Preschool (DEAF)	84.173A	65
21st Century Com Learning Center, Cycle 7 Year 4	84.287C	30,844
ESEA Title III - Part A - L.E.P.	84.365A	18,187
ESEA Title II - Part A - TPTR	84.367A	35,570
Texas Literacy Initiative	84.371C	60,584
Texas Title I Priority Schools	84.377A	14,501
Family Support Act AFDC Jobs 2015	93.558	2,418
Total Indirect Costs		<u>613,757</u>
Total General Fund		<u>\$ 46,339,284</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2015

IV. DETAILED NOTES ON ALL FUNDS

S. PRIOR PERIOD ADJUSTMENTS

Adjustments to the fund balance and net position during the 2014-2015 school year consisted of the following:

Description	General Fund	Other Nonmajor Funds	Total
Adjustments for Summary of Finances	\$ 230,277	\$ 2,026,815	\$ 2,257,092
Total per Exhibit C-3 and D-2	<u>\$ 230,277</u>	<u>\$ 2,026,815</u>	<u>2,257,092</u>
Adjustments to capital assets			(4,450)
To record net pension liability			(67,208,460)
Total per Exhibit B-1			<u>\$ (64,955,818)</u>

REQUIRED SUPPLEMENTARY INFORMATION

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT G-1

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP Basis - See Note III A)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 59,244,427	\$ 64,595,944	\$ 65,852,578	\$ 1,256,634
5800	State Program Revenues	342,908,214	343,136,103	333,068,866	(10,067,237)
5900	Federal Program Revenues	45,040,753	45,040,753	46,339,284	1,298,531
5020	Total Revenues	447,193,394	452,772,800	445,260,728	(7,512,072)
EXPENDITURES:					
Current:					
0011	Instruction	224,935,480	227,483,078	222,066,717	5,416,361
0012	Instructional Resources and Media Services	7,531,892	7,593,464	6,835,997	757,467
0013	Curriculum and Instructional Staff Development	8,219,237	8,851,631	8,020,377	831,254
0021	Instructional Leadership	6,373,352	7,756,878	7,178,910	577,968
0023	School Leadership	25,054,792	24,934,131	23,420,707	1,513,424
0031	Guidance, Counseling and Evaluation Services	16,058,718	16,452,583	16,093,100	359,483
0032	Social Work Services	1,029,383	1,015,068	854,421	160,647
0033	Health Services	4,368,097	4,281,394	4,167,203	114,191
0034	Student (Pupil) Transportation	15,191,821	15,331,943	13,034,984	2,296,959
0035	Food Services	36,556,734	37,309,876	36,547,719	762,157
0036	Extracurricular Activities	16,675,239	17,322,401	15,997,007	1,325,394
0041	General Administration	13,990,954	13,278,087	10,848,462	2,429,625
0051	Facilities Maintenance and Operations	53,275,714	55,148,619	50,025,729	5,122,890
0052	Security and Monitoring Services	6,702,190	7,021,290	6,406,406	614,884
0053	Data Processing Services	8,454,001	8,513,813	7,921,373	592,440
0061	Community Services	682,777	731,098	477,497	253,601
Debt Service:					
0071	Principal on Long Term Debt	3,010,000	3,010,000	3,010,000	-
0072	Interest on Long Term Debt	1,541,101	1,541,101	1,522,809	18,292
0073	Bond Issuance Cost and Fees	11,000	96,300	86,849	9,451
Capital Outlay:					
0081	Facilities Acquisition and Construction	3,566,135	5,236,579	1,070,931	4,165,648
Intergovernmental:					
0095	Payments to Juvenile Justice Alternative Ed. Prg.	225,000	225,000	36,656	188,344
0099	Other Intergovernmental Charges	800,000	800,000	683,723	116,277
6030	Total Expenditures	454,253,617	463,934,334	436,307,577	27,626,757
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,060,223)	(11,161,534)	8,953,151	20,114,685
OTHER FINANCING SOURCES (USES):					
7911	Capital Related Debt Issued (Regular Bonds)	-	-	3,600,000	3,600,000
7916	Premium or Discount on Issuance of Bonds	-	-	322,349	322,349
8911	Transfers Out (Use)	(3,000,000)	(8,000,000)	(3,000,000)	5,000,000
7080	Total Other Financing Sources (Uses)	(3,000,000)	(8,000,000)	922,349	8,922,349
1200	Net Change in Fund Balances	(10,060,223)	(19,161,534)	9,875,500	29,037,034
0100	Fund Balance - July 1 (Beginning)	102,350,625	102,350,625	102,350,625	-
1300	Increase (Decrease) in Fund Balance	-	-	230,277	230,277
3000	Fund Balance - June 30 (Ending)	\$ 92,290,402	\$ 83,189,091	\$ 112,456,402	\$ 29,267,311

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT G-2

	2015
District's Proportion of the Net Pension Liability (Asset)	0.2187937%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 58,442,823
State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	161,268,352
Total	\$ 219,711,175
District's Covered-Employee Payroll	\$ 300,405,258
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	19.34%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.25%

Note: GASB 68, Paragraph 81 requires that the information on this schedule be data from the period corresponding with the period covered as of the measurement date of August 31, 2014 - the period from September 1, 2013 - August 31, 2014.

Note: Only one year of data is presented in accordance with GASB 68, Paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2015

EXHIBIT G-3

	2015
Contractually Required Contribution	\$ 8,873,119
Contribution in Relation to the Contractually Required Contribution	(8,873,119)
	\$ -0-
	\$ -0-
District's Covered-Employee Payroll	\$ 303,007,890
Contributions as a Percentage of Covered-Employee Payroll	2.93%

Note: GASB 68, Paragraph 81 requires that the data in this schedule be presented as of the District's current fiscal year as opposed to the time period covered by the measurement date of September 1, 2013 - August 31, 2014.

Note: Only one year of data is presented in accordance with GASB 68, Paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

COMBINING STATEMENTS

SPECIAL REVENUE FUNDS

The Special Revenue Funds generally account for state and federally financed programs where unused balances are returned to the grantors at the close of specified project periods. Project accounting is employed to maintain integrity for the various sources of funds. Funds included in the Special Revenue Funds are described in the following pages.

ESEA, TITLE II-SUBTITLE B-EDUCATION FOR THE HOMELESS CHILDREN (206)

To account for funds granted for a variety of staff development and supplemental services, including in-service training, counseling, psychological services and tutoring.

ESEA TITLE I PART A-IMPROVING BASIC PROGRAMS (211)

To account for funds allocated to local educational agencies to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children.

ESEA, TITLE I PART C-EDUCATION OF MIGRATORY CHILDREN (212)

To account for funds granted for programs benefiting children of migrant agriculture-related workers and children of migrant fishermen.

ADULT EDUCATION ENGLISH LITERANCE AND CIVICS (220)

To account for funds granted to assist adults who are parents to obtain the educational skills necessary to become full partners in the educational development of their children. This fund also is to assist adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency.

IDEA-PART B, FORMULA (224)

To account for funds granted to operate educational programs for handicapped children with disabilities.

IDEA PART B, PRESCHOOL (225)

To account for funds granted for preschool handicapped children.

CARL D. PERKINS, TITLE I PART C (244)

To account for funds granted to provide career and technology education to develop new and/or improve career and technology education programs for paid and unpaid employment. Full participation in the basic grant is from individuals who are members of special populations, at (1) a limited number of campuses or (2) a limited number of program areas.

ESEA TITLE II PART A TEACHER AND PRINCIPAL TRAINING AND RECRUITING (255)

To provide financial assistance to LEAs to increase 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, also, to hold local education agencies and schools accountable for improving student academic achievement.

TITLE III, ENGLISH LANGUAGE ACQUISITION AND LANGUAGE ENHANCEMENT (263)

To account for funds granted to improve the education of limited English proficient children, by assisting them to learn English and meet challenging State academic content and student academic achievement standards.

21ST CENTURY COMMUNITY LEARNING CENTERS (265)

This fund classification is to be used to account, on a project basis, for 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.

GAINING EARLY AWARENESS FOR COLLEGE READINESS: GEAR UP (274)

To account for funds granted to provide services and support to low-income minority school districts to ensure that students are academically prepared for higher education, graduate from high school, and have access to higher education opportunities.

TEXAS TITLE I PRIORITY SCHOOLS PROGRAM (276)

This fund is to be used for campuses identified for improvement, corrective action, or restructuring. These funds will be used to provide adequate resources in order to substantially raise the achievement of students as to enable the schools to make adequate yearly progress and exit improvement status.

TEXAS TITLE I PRIORITY SCHOOLS PROGRAM (ARRA T-TIPS 286)

This fund is to be used for campuses identified for improvement, corrective action, or restructuring. These funds will be used to provide adequate resources in order to substantially raise the achievement of students as to enable the schools to make adequate yearly progress and exit improvement status.

EDUCATION JOBS FUND (287)

This fund is to be used for compensation and benefits that are not prohibited by Texas law or statute, and other expenses, such as support services, necessary to retain existing school-level employees, to recall or rehire former school-level employees, and to hire new school-level employees in order to provide early childhood, elementary, or secondary educational and related services .

FEDERALLY FUNDED SPECIAL REVENUE FUNDS (289)

This fund classification is to be used to account, on a project basis, for federally funded special revenue funds that have not been specified above.

ADULT BASIC EDUCATION-FEDERAL (309)

To account for funds granted to provide or support programs for educational services to adults who are beyond compulsory school attendance age, are not enrolled in school and function at less than secondary completion level.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) (312)

To account for funds granted to provide education services to undereducated adult recipients of cash assistance under TANF.

IDEA PART B, DISCRETIONARY (315)

To account for funds used to support an Education Service Center (ESC) special education component and also: targeted support to LEAs, private residential placements, priority projects, and other emerging needs.

IDEA PART B DEAF (316)

To account for funds granted to operate educational programs for children with disabilities.

IDEA PART B, PRESCHOOL DEAF (317)

To account for funds granted for preschool children with disabilities.

IDEA PART C, DEAF, EARLY INTERVENTION (340)

To account for funds granted to assist local Regional Day School for the Deaf programs and the Texas School for the Deaf in providing direct services to hearing impaired infants and toddlers.

ADVANCED PLACEMENT (397)

To account for funds used to promote pre-AP and AP programs thus increasing the number of student and teachers enrolled and teaching pre – AP and AP courses at each participating school. This grant also supports activities to increase the participation of low income students in pre advanced placement and advanced placement courses.

STUDENT SUCCESS INITIATIVE (404)

To account for funds used to provide support for the training of teachers and the implementation of scientific, research-based programs to support students in their reading development in the early grades of school.

STATE TEXTBOOK FUND (410)

This fund classification is to be used to account, on a project basis, for funds awarded to school districts under the textbook allotment.

STATE FUNDED SPECIAL REVENUE FUNDS (429)

State funded special revenue funds not listed above are to be accounted for in this fund.

ADULT BASIC EDUCATION STATE (431)

To account for funds granted to provide adult education, literacy services and instruction below the college level for undereducated adults who are beyond the age of compulsory attendance.

SHARED SERVICES ARRANGEMENTS - TANF (432)

To account, on a project basis, for funds granted to provide education services to undereducated adult recipients of cash assistance under Temporary Assistance for Needy Families (TANF).

STATE DEAF (435)

To account for funds granted to account, on a project basis for funds allocated for staff and activities of the Regional Day School Program for the Deaf (RDSPD).

LOCALLY FUNDED SPECIAL REVENUE FUNDS – LOCALLY DEFINED (498)

These fund classifications are used, at the option of the school district to classify locally funded special revenue funds such as grants by corporations to specific campuses not define elsewhere.

LOCALLY FUNDED SPECIAL REVENUE FUNDS (499)

Locally funded special revenue funds not listed above are to be accounted for in this fund.

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for activities where the District charges fees to internal users for goods or services.

SELF FUNDED INSURANCE (753)

This fund is used to account for the operations of the District's old self-funded insurance program, which ended September 2011.

SELF FUNDED INSURANCE: Blue Cross/Blue Shield (754)

This fund is used to account for the operations of the District's self-funded insurance program which started in October 2011.

SELF FUNDED WORKERS COMPENSATION (792)

This fund is used to account for the operations of the District's self-funded insurance program, which meets the state mandate that all District employees are covered by worker's compensation insurance. Premiums are collected from the various campuses and departments based on predetermined experience rates. Claim costs, administrative costs, and stop loss insurance premiums are paid from the premiums collected. Excess claims are covered by a stop loss carrier.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2015

Data Control Codes	206 ESEA Title X, Pt.C Homeless	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	220 Adult Education Federal	
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ 474,487	\$ -	\$ -
1120	Investments - Current	-	1	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes (Credit)	-	-	-	-
1240	Receivables from Other Governments	45,627	926,504	46,123	27,237
1260	Due from Other Funds	-	2,531,310	170,742	9,455
1290	Other Receivables	-	-	-	-
1000	Total Assets	<u>\$ 45,627</u>	<u>\$ 3,932,302</u>	<u>\$ 216,865</u>	<u>\$ 36,692</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ 135,025	\$ 3,026	\$ -
2120	Short Term Debt Payable - Current	-	-	-	-
2160	Accrued Wages Payable	4,803	1,892,394	144,128	4,500
2170	Due to Other Funds	40,824	1,904,883	69,551	32,192
2180	Due to Other Governments	-	-	-	-
2190	Due to Student Groups	-	-	160	-
2300	Unearned Revenues	-	-	-	-
2000	Total Liabilities	<u>45,627</u>	<u>3,932,302</u>	<u>216,865</u>	<u>36,692</u>
DEFERRED INFLOWS OF RESOURCES					
2601	Unavailable Revenue - Property Taxes	-	-	-	-
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted Fund Balance:					
3470	Capital Acquisition and Contractual Obligation	-	-	-	-
3480	Retirement of Long-Term Debt	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 45,627</u>	<u>\$ 3,932,302</u>	<u>\$ 216,865</u>	<u>\$ 36,692</u>

224	225	244	255	261	263	265	274
IDEA - Part B Formula	IDEA - Part B Preschool	Career and Technical - Basic Grant	ESEA II,A Training and Recruiting	Reading First	Title III, A English Lang Acquisition	Title IV, B Community Learning	Gear Up
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
310,682	4,150	23,303	81,067	-	143,072	795,714	184,091
1,121,344	10,928	72,684	355,215	117	109,159	-	33,236
-	-	-	-	-	-	-	-
<u>\$ 1,432,026</u>	<u>\$ 15,078</u>	<u>\$ 95,987</u>	<u>\$ 436,282</u>	<u>\$ 117</u>	<u>\$ 252,231</u>	<u>\$ 795,714</u>	<u>\$ 217,327</u>
\$ -	\$ -	\$ 6,212	\$ 1,770	\$ -	\$ 53,322	\$ 19,122	\$ 520
-	-	-	-	-	-	-	-
1,319,938	12,032	16,114	432,597	-	43,750	78,148	14,961
112,088	3,046	73,661	1,915	117	155,159	698,444	201,846
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,432,026</u>	<u>15,078</u>	<u>95,987</u>	<u>436,282</u>	<u>117</u>	<u>252,231</u>	<u>795,714</u>	<u>217,327</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,432,026</u>	<u>\$ 15,078</u>	<u>\$ 95,987</u>	<u>\$ 436,282</u>	<u>\$ 117</u>	<u>\$ 252,231</u>	<u>\$ 795,714</u>	<u>\$ 217,327</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2015

Data Control Codes	276 Title I - SIP Academy Grant	286 Title I SIP Academy Grant ARRA	287 Education Jobs Fund	289 Other Federal Special Revenue Funds
ASSETS				
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -
1120	Investments - Current	-	-	-
1220	Property Taxes - Delinquent	-	-	-
1230	Allowance for Uncollectible Taxes (Credit)	-	-	-
1240	Receivables from Other Governments	76,787	114,303	416,765
1260	Due from Other Funds	29,491	61	855,719
1290	Other Receivables	-	-	163,206
		-	-	394
1000	Total Assets	<u>\$ 106,278</u>	<u>\$ 114,364</u>	<u>\$ 416,765</u>
				<u>\$ 1,019,319</u>
LIABILITIES				
2110	Accounts Payable	\$ 8,501	\$ -	\$ 18,021
2120	Short Term Debt Payable - Current	-	-	-
2160	Accrued Wages Payable	1,177	23,154	28,065
2170	Due to Other Funds	96,600	91,210	370,679
2180	Due to Other Governments	-	-	-
2190	Due to Student Groups	-	-	-
2300	Unearned Revenues	-	-	81,255
2000	Total Liabilities	<u>106,278</u>	<u>114,364</u>	<u>416,765</u>
				<u>1,019,319</u>
DEFERRED INFLOWS OF RESOURCES				
2601	Unavailable Revenue - Property Taxes	-	-	-
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted Fund Balance:				
3470	Capital Acquisition and Contractual Obligation	-	-	-
3480	Retirement of Long-Term Debt	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 106,278</u>	<u>\$ 114,364</u>	<u>\$ 416,765</u>
				<u>\$ 1,019,319</u>

309 SSA - Adult Basic Education	312 SSA - TANF Family Assistance	315 SSA - IDEA, Part B Discretionary	316 SSA - IDEA, Part B Deaf	317 SSA - IDEA, B Preschool Deaf	340 SSA - IDEA C Deaf - Early Intervention	397 Advanced Placement Incentives	404 Student Success Initiative
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
330,755	63,419	4,167	2,313	-	-	5,989	71,336
51,669	19,124	358,513	4,322	65	60	191,545	2,316
-	-	-	-	-	-	-	-
<u>\$ 382,424</u>	<u>\$ 82,543</u>	<u>\$ 362,680</u>	<u>\$ 6,635</u>	<u>\$ 65</u>	<u>\$ 60</u>	<u>\$ 197,534</u>	<u>\$ 73,652</u>
\$ 16,895	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,989	\$ -
22,467	-	-	-	-	-	-	-
39,085	22,101	8,370	5,862	-	-	-	-
303,977	60,442	352,862	773	65	-	-	73,652
-	-	-	-	-	60	-	-
-	-	-	-	-	-	-	-
-	-	1,448	-	-	-	191,545	-
<u>382,424</u>	<u>82,543</u>	<u>362,680</u>	<u>6,635</u>	<u>65</u>	<u>60</u>	<u>197,534</u>	<u>73,652</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 382,424</u>	<u>\$ 82,543</u>	<u>\$ 362,680</u>	<u>\$ 6,635</u>	<u>\$ 65</u>	<u>\$ 60</u>	<u>\$ 197,534</u>	<u>\$ 73,652</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2015

Data Control Codes	410 State Textbook Fund	411 Technology Allotment	415 Kindergarten and Pre-K Grants	429 Other State Special Revenue Funds	
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1120	Investments - Current	-	-	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes (Credit)	-	-	-	-
1240	Receivables from Other Governments	-	-	-	5,021
1260	Due from Other Funds	25,880	-	971	230,638
1290	Other Receivables	-	-	-	-
1000	Total Assets	<u>\$ 25,880</u>	<u>\$ -</u>	<u>\$ 971</u>	<u>\$ 235,659</u>
LIABILITIES					
2110	Accounts Payable	\$ 1,833	\$ -	\$ -	\$ 2,596
2120	Short Term Debt Payable - Current	-	-	-	-
2160	Accrued Wages Payable	-	-	-	-
2170	Due to Other Funds	-	-	971	-
2180	Due to Other Governments	-	-	-	-
2190	Due to Student Groups	-	-	-	-
2300	Unearned Revenues	24,047	-	-	233,063
2000	Total Liabilities	<u>25,880</u>	<u>-</u>	<u>971</u>	<u>235,659</u>
DEFERRED INFLOWS OF RESOURCES					
2601	Unavailable Revenue - Property Taxes	-	-	-	-
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted Fund Balance:					
3470	Capital Acquisition and Contractual Obligation	-	-	-	-
3480	Retirement of Long-Term Debt	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 25,880</u>	<u>\$ -</u>	<u>\$ 971</u>	<u>\$ 235,659</u>

431 SSA - ABE Educational Technology	432 SSA - TANF Temporary Assistance	435 SSA - Regional Day School - Deaf	461 Campus Activity Funds	498 Other Local Special Rev Funds	499 Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds	511 Debt Service Fund
\$ -	\$ -	\$ -	\$ 743,523	\$ -	\$ -	\$ 1,218,010	\$ 673
-	-	-	-	-	-	1	56,825
-	-	-	-	-	-	-	844,574
-	-	-	-	-	-	-	(25,337)
45,802	6,789	44,070	-	1,996	76	4,632,877	-
28,845	-	106,338	-	15,004	45,827	5,688,065	1,380,193
-	-	-	-	-	-	394	16,014
<u>\$ 74,647</u>	<u>\$ 6,789</u>	<u>\$ 150,408</u>	<u>\$ 743,523</u>	<u>\$ 17,000</u>	<u>\$ 45,903</u>	<u>\$ 11,539,347</u>	<u>\$ 2,272,942</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15	\$ 354,986	\$ -
-	-	-	-	-	-	22,467	-
508	-	104,595	-	-	-	4,652,693	-
65,406	6,789	45,813	-	-	284	5,162,763	5,124
8,733	-	-	-	-	-	8,793	274,561
-	-	-	743,523	-	-	743,683	1,000
-	-	-	-	17,000	45,604	593,962	-
<u>74,647</u>	<u>6,789</u>	<u>150,408</u>	<u>743,523</u>	<u>17,000</u>	<u>45,903</u>	<u>11,539,347</u>	<u>280,685</u>
-	-	-	-	-	-	-	716,244
-	-	-	-	-	-	-	716,244
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,276,013
-	-	-	-	-	-	-	1,276,013
<u>\$ 74,647</u>	<u>\$ 6,789</u>	<u>\$ 150,408</u>	<u>\$ 743,523</u>	<u>\$ 17,000</u>	<u>\$ 45,903</u>	<u>\$ 11,539,347</u>	<u>\$ 2,272,942</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2015

Data Control Codes	634 Capital Projects Fund	Total Nonmajor Governmental Funds	
ASSETS			
1110	Cash and Cash Equivalents	\$ 1,470,939	\$ 2,689,622
1120	Investments - Current	5,669,989	5,726,815
1220	Property Taxes - Delinquent	-	844,574
1230	Allowance for Uncollectible Taxes (Credit)	-	(25,337)
1240	Receivables from Other Governments	-	4,632,877
1260	Due from Other Funds	-	7,068,258
1290	Other Receivables	-	16,408
1000	Total Assets	<u>\$ 7,140,928</u>	<u>\$ 20,953,217</u>
LIABILITIES			
2110	Accounts Payable	\$ -	\$ 354,986
2120	Short Term Debt Payable - Current	-	22,467
2160	Accrued Wages Payable	-	4,652,693
2170	Due to Other Funds	786,115	5,954,002
2180	Due to Other Governments	811,704	1,095,058
2190	Due to Student Groups	-	744,683
2300	Unearned Revenues	-	593,962
2000	Total Liabilities	<u>1,597,819</u>	<u>13,417,851</u>
DEFERRED INFLOWS OF RESOURCES			
2601	Unavailable Revenue - Property Taxes	-	716,244
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>716,244</u>
FUND BALANCES			
Restricted Fund Balance:			
3470	Capital Acquisition and Contractual Obligation	5,543,109	5,543,109
3480	Retirement of Long-Term Debt	-	1,276,013
3000	Total Fund Balances	<u>5,543,109</u>	<u>6,819,122</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 7,140,928</u>	<u>\$ 20,953,217</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

Data Control Codes	206 ESEA Title X, Pt.C Homeless	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	220 Adult Education Federal
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	88,929	24,215,698	1,606,630	132,529
5020 Total Revenues	<u>88,929</u>	<u>24,215,698</u>	<u>1,606,630</u>	<u>132,529</u>
EXPENDITURES:				
Current:				
0011 Instruction	-	16,748,809	831,161	85,571
0012 Instructional Resources and Media Services	-	1,334,598	-	-
0013 Curriculum and Instructional Staff Development	-	1,843,979	2,600	-
0021 Instructional Leadership	-	575,542	117,855	-
0023 School Leadership	-	231,310	3,968	-
0031 Guidance, Counseling and Evaluation Services	-	153,053	75,035	-
0032 Social Work Services	-	-	-	-
0033 Health Services	-	1,643,906	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0051 Facilities Maintenance and Operations	-	16,100	-	-
0052 Security and Monitoring Services	-	-	-	-
0061 Community Services	88,929	1,668,401	576,011	46,958
Debt Service:				
0071 Principal on Long Term Debt	-	-	-	-
0072 Interest on Long Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	<u>88,929</u>	<u>24,215,698</u>	<u>1,606,630</u>	<u>132,529</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
7911 Capital Related Debt Issued (Regular Bonds)	-	-	-	-
7915 Transfers In	-	-	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	-	-
8949 Other (Uses)	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
1300 Increase (Decrease) in Fund Balance	-	-	-	-
3000 Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

224	225	244	255	261	263	265	274
IDEA - Part B Formula	IDEA - Part B Preschool	Career and Technical - Basic Grant	ESEA II,A Training and Recruiting	Reading First	Title III, A English Lang Acquisition	Title IV, B Community Learning	Gear Up
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
9,082,589	101,111	919,806	2,800,765	-	1,542,765	2,765,696	169,580
<u>9,082,589</u>	<u>101,111</u>	<u>919,806</u>	<u>2,800,765</u>	<u>-</u>	<u>1,542,765</u>	<u>2,765,696</u>	<u>169,580</u>
6,791,469	101,111	919,806	2,780,566	-	1,029,073	1,448,638	25,490
-	-	-	-	-	21,321	-	-
-	-	-	12,964	-	377,908	215,900	2,833
-	-	-	7,235	-	105,283	1,012,544	-
-	-	-	-	-	-	74,571	-
2,291,120	-	-	-	-	1,707	-	139,150
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	7,473	14,043	2,107
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>9,082,589</u>	<u>101,111</u>	<u>919,806</u>	<u>2,800,765</u>	<u>-</u>	<u>1,542,765</u>	<u>2,765,696</u>	<u>169,580</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

Data Control Codes	276 Title I - SIP Academy Grant	286 Title I SIP Academy Grant ARRA	287 Education Jobs Fund	289 Other Federal Special Revenue Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ 77,191	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	1,159,764	-	380,750	5,980,081
5020 Total Revenues	<u>1,159,764</u>	<u>-</u>	<u>457,941</u>	<u>5,980,081</u>
EXPENDITURES:				
Current:				
0011 Instruction	825,949	-	75,449	349,966
0012 Instructional Resources and Media Services	13,361	-	-	85,819
0013 Curriculum and Instructional Staff Development	91,839	-	179,967	5,197,740
0021 Instructional Leadership	345	-	-	198,518
0023 School Leadership	111,541	-	-	88,065
0031 Guidance, Counseling and Evaluation Services	73,457	-	202,525	59,973
0032 Social Work Services	3,002	-	-	-
0033 Health Services	8,780	-	-	-
0035 Food Services	6,217	-	-	-
0036 Extracurricular Activities	3,025	-	-	-
0051 Facilities Maintenance and Operations	9,480	-	-	-
0052 Security and Monitoring Services	2,498	-	-	-
0061 Community Services	10,270	-	-	-
Debt Service:				
0071 Principal on Long Term Debt	-	-	-	-
0072 Interest on Long Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	<u>1,159,764</u>	<u>-</u>	<u>457,941</u>	<u>5,980,081</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
7911 Capital Related Debt Issued (Regular Bonds)	-	-	-	-
7915 Transfers In	-	-	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	-	-
8949 Other (Uses)	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
1300 Increase (Decrease) in Fund Balance	-	-	-	-
3000 Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

309 SSA - Adult Basic Education	312 SSA - TANF Family Assistance	315 SSA - IDEA, Part B Discretionary	316 SSA - IDEA, Part B Deaf	317 SSA - IDEA, B Preschool Deaf	340 SSA - IDEA C Deaf - Early Intervention	397 Advanced Placement Incentives	404 Student Success Initiative
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	5,989	-
872,572	193,502	61,601	46,793	5,147	150	-	-
872,572	193,502	61,601	46,793	5,147	150	5,989	-
388,192	177,884	61,601	46,793	5,147	150	-	-
-	-	-	-	-	-	-	-
83,541	-	-	-	-	-	5,989	-
35,473	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
365,366	15,618	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
872,572	193,502	61,601	46,793	5,147	150	5,989	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

Data Control Codes	410 State Textbook Fund	411 Technology Allotment	415 Kindergarten and Pre-K Grants	429 Other State Special Revenue Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 6,049
5800 State Program Revenues	6,507,431	-	-	6,071
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	<u>6,507,431</u>	<u>-</u>	<u>-</u>	<u>12,120</u>
EXPENDITURES:				
Current:				
0011 Instruction	6,507,431	-	-	8,141
0012 Instructional Resources and Media Services	-	-	-	2,918
0013 Curriculum and Instructional Staff Development	-	-	-	-
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling and Evaluation Services	-	-	-	-
0032 Social Work Services	-	-	-	-
0033 Health Services	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	1,061
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	-
0061 Community Services	-	-	-	-
Debt Service:				
0071 Principal on Long Term Debt	-	-	-	-
0072 Interest on Long Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	<u>6,507,431</u>	<u>-</u>	<u>-</u>	<u>12,120</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
7911 Capital Related Debt Issued (Regular Bonds)	-	-	-	-
7915 Transfers In	-	-	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	-	-
8949 Other (Uses)	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
1300 Increase (Decrease) in Fund Balance	-	-	-	-
3000 Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

431 SSA - ABE Educational Technology	432 SSA - TANF Temporary Assistance	435 SSA - Regional Day School - Deaf	461 Campus Activity Funds	498 Other Local Special Rev Funds	499 Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds	511 Debt Service Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,187	\$ 105,427	\$ 5,756,652
225,919	-	645,986	-	-	-	7,391,396	10,529,872
-	-	-	-	-	-	52,126,458	-
<u>225,919</u>	<u>-</u>	<u>645,986</u>	<u>-</u>	<u>-</u>	<u>22,187</u>	<u>59,623,281</u>	<u>16,286,524</u>
136,696	-	577,169	-	-	-	39,922,262	-
-	-	-	-	-	19,523	1,477,540	-
-	-	-	-	-	-	8,015,260	-
16,323	-	-	-	-	-	2,069,118	-
-	-	-	-	-	-	509,455	-
-	-	68,817	-	-	-	3,064,837	-
-	-	-	-	-	-	3,002	-
-	-	-	-	-	-	1,652,686	-
-	-	-	-	-	-	6,217	-
-	-	-	-	-	-	4,086	-
-	-	-	-	-	-	25,580	-
-	-	-	-	-	-	2,498	-
72,900	-	-	-	-	2,664	2,870,740	-
-	-	-	-	-	-	-	9,250,000
-	-	-	-	-	-	-	6,636,296
-	-	-	-	-	-	-	174,398
-	-	-	-	-	-	-	-
<u>225,919</u>	<u>-</u>	<u>645,986</u>	<u>-</u>	<u>-</u>	<u>22,187</u>	<u>59,623,281</u>	<u>16,060,694</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,830</u>
-	-	-	-	-	-	-	10,295,000
-	-	-	-	-	-	-	3,000,000
-	-	-	-	-	-	-	552,787
-	-	-	-	-	-	-	(10,665,750)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,182,037</u>
-	-	-	-	-	-	-	3,407,867
-	-	-	-	-	-	-	(4,158,669)
-	-	-	-	-	-	-	2,026,815
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,276,013</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

Data Control Codes	634 Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES:		
5700 Total Local and Intermediate Sources	\$ 9,119	\$ 5,871,198
5800 State Program Revenues	-	17,921,268
5900 Federal Program Revenues	-	52,126,458
5020 Total Revenues	<u>9,119</u>	<u>75,918,924</u>
EXPENDITURES:		
Current:		
0011 Instruction	-	39,922,262
0012 Instructional Resources and Media Services	-	1,477,540
0013 Curriculum and Instructional Staff Development	-	8,015,260
0021 Instructional Leadership	-	2,069,118
0023 School Leadership	-	509,455
0031 Guidance, Counseling and Evaluation Services	-	3,064,837
0032 Social Work Services	-	3,002
0033 Health Services	-	1,652,686
0035 Food Services	-	6,217
0036 Extracurricular Activities	-	4,086
0051 Facilities Maintenance and Operations	-	25,580
0052 Security and Monitoring Services	-	2,498
0061 Community Services	-	2,870,740
Debt Service:		
0071 Principal on Long Term Debt	-	9,250,000
0072 Interest on Long Term Debt	-	6,636,296
0073 Bond Issuance Cost and Fees	-	174,398
Capital Outlay:		
0081 Facilities Acquisition and Construction	<u>747,075</u>	<u>747,075</u>
6030 Total Expenditures	<u>747,075</u>	<u>76,431,050</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(737,956)</u>	<u>(512,126)</u>
OTHER FINANCING SOURCES (USES):		
7911 Capital Related Debt Issued (Regular Bonds)	-	10,295,000
7915 Transfers In	-	3,000,000
7916 Premium or Discount on Issuance of Bonds	-	552,787
8949 Other (Uses)	-	(10,665,750)
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>3,182,037</u>
1200 Net Change in Fund Balance	(737,956)	2,669,911
0100 Fund Balance - July 1 (Beginning)	6,281,065	2,122,396
1300 Increase (Decrease) in Fund Balance	-	2,026,815
3000 Fund Balance - June 30 (Ending)	<u>\$ 5,543,109</u>	<u>\$ 6,819,122</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 JUNE 30, 2015

EXHIBIT H-3

	753	754	792	
	Insurance	Self Funded Blue Cross Blue Shield	Self Funded Workers' Compensation	Total Internal Service Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ -	\$ 73,147	\$ 355,928	\$ 429,075
Investments - Current	-	-	6,629,297	6,629,297
Due from Other Funds	-	-	5,450,000	5,450,000
Total Assets	<u>-</u>	<u>73,147</u>	<u>12,435,225</u>	<u>12,508,372</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	-	197,427	12,408,107	12,605,534
Due to Other Funds	-	3,463,076	-	3,463,076
Total Liabilities	<u>-</u>	<u>3,660,503</u>	<u>12,408,107</u>	<u>16,068,610</u>
NET POSITION				
Unrestricted Net Position	<u>-</u>	<u>(3,587,356)</u>	<u>27,118</u>	<u>(3,560,238)</u>
Total Net Position	<u>\$ -</u>	<u>\$ (3,587,356)</u>	<u>\$ 27,118</u>	<u>\$ (3,560,238)</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	753	754	792	Total
	Insurance	Self Funded Blue Cross Blue Shield	Self Funded Workers' Compensation	Internal Service Funds
OPERATING REVENUES:				
Local and Intermediate Sources	\$ 3,873,148	\$ 45,157,789	\$ 8,801	\$ 49,039,738
Total Operating Revenues	<u>3,873,148</u>	<u>45,157,789</u>	<u>8,801</u>	<u>49,039,738</u>
OPERATING EXPENSES:				
Other Operating Costs	-	48,754,813	-	48,754,813
Total Operating Expenses	<u>-</u>	<u>48,754,813</u>	<u>-</u>	<u>48,754,813</u>
Operating Income (Loss)	3,873,148	(3,597,024)	8,801	284,925
Total Net Position - July 1 (Beginning)	(3,872,457)	8,977	18,317	(3,845,163)
Prior Period Adjustment	(691)	691	-	-
Total Net Position June 30 (Ending)	<u>\$ -</u>	<u>\$ (3,587,356)</u>	<u>\$ 27,118</u>	<u>\$ (3,560,238)</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	753	754	792	
	Insurance	Self Funded Blue Cross Blue Shield	Self Funded Workers' Compensation	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>				
Other Operating Cash Receipts (Payments)	\$ (691)	\$ (409,892)	\$ (227,697)	\$ (638,280)
Net Decrease in Cash and Cash Equivalents	(691)	(409,892)	(227,697)	(638,280)
Cash and Cash Equivalents at Beginning of Year	691	483,039	583,625	1,067,355
Cash and Cash Equivalents at End of Year	<u>\$ -</u>	<u>\$ 73,147</u>	<u>\$ 355,928</u>	<u>\$ 429,075</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>				
<u>Used for Operating Activities:</u>				
Operating Income (Loss):	\$ 3,873,148	\$ (3,597,024)	\$ 8,801	\$ 284,925
Adjustments to Reconcile Operating Income				
to Net Cash Used for Operating Activities:				
Prior Period Adjustment	(691)	691	-	-
Effect of Increases and Decreases in Current				
Assets and Liabilities:				
Decrease (increase) in Current Investments	-	-	1,042,852	1,042,852
Decrease (increase) in Due From Other Funds	-	-	650,000	650,000
Decrease (increase) in Other Receivables	-	599	-	599
Increase (decrease) in Accounts Payable	-	(29,826)	(1,929,350)	(1,959,176)
Increase (decrease) in Due To Other Funds	(3,873,148)	3,215,668	-	(657,480)
Net Cash Used for Operating	<u>\$ (691)</u>	<u>\$ (409,892)</u>	<u>\$ (227,697)</u>	<u>\$ (638,280)</u>
Activities				

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED JUNE 30, 2015

	BALANCE JULY 1 2014	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30 2015
STUDENT ACTIVITY FUNDS				
Assets:				
Cash and Temporary Investments	\$ 1,243,245	\$ 5,279,854	\$ 6,058,128	\$ 464,971
Liabilities:				
Accounts Payable	\$ 67,041	\$ 8,581	\$ -	\$ 75,622
Due to Student Groups	1,176,204	5,271,273	6,058,128	389,349
Total Liabilities	<u>\$ 1,243,245</u>	<u>\$ 5,279,854</u>	<u>\$ 6,058,128</u>	<u>\$ 464,971</u>
TOTAL AGENCY FUNDS				
Assets:				
Cash and Temporary Investments	\$ 1,243,245	\$ 5,279,854	\$ 6,058,128	\$ 464,971
Liabilities:				
Accounts Payable	\$ 67,041	\$ 8,581	\$ -	\$ 75,622
Due to Student Groups	1,176,204	5,271,273	6,058,128	389,349
Total Liabilities	<u>\$ 1,243,245</u>	<u>\$ 5,279,854</u>	<u>\$ 6,058,128</u>	<u>\$ 464,971</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF NET POSITION
 PRIVATE PURPOSE TRUST FUNDS
 JUNE 30, 2015

	810	816	820	821
	Crime Stoppers	Johnny & Nena Cavazos Athletic Fund	Believe in BISD	Regional Tournaments
ASSETS				
Cash and Cash Equivalents	\$ 978	\$ 201,356	\$ 39,428	\$ 2,367
Total Assets	<u>978</u>	<u>201,356</u>	<u>39,428</u>	<u>2,367</u>
LIABILITIES				
Accounts Payable	975	-	3,400	-
Due to Other Funds	-	-	-	-
Due to Student Groups	-	-	36,028	2,367
Total Liabilities	<u>975</u>	<u>-</u>	<u>39,428</u>	<u>2,367</u>
NET POSITION				
Unrestricted Net Position	3	201,356	-	-
Total Net Position	<u>\$ 3</u>	<u>\$ 201,356</u>	<u>\$ -</u>	<u>\$ -</u>

827 Student Ambassador Program	828 Filemon Vela Memorial Scholarship	829 Supt Scholarship	Total Private Purpose Trust Funds
\$ 1,141	\$ 23,676	\$ 19,453	\$ 288,399
<u>1,141</u>	<u>23,676</u>	<u>19,453</u>	<u>288,399</u>
90	-	-	4,465
651	-	-	651
399	-	19,351	58,145
<u>1,140</u>	<u>-</u>	<u>19,351</u>	<u>63,261</u>
1	23,676	102	225,138
<u>\$ 1</u>	<u>\$ 23,676</u>	<u>\$ 102</u>	<u>\$ 225,138</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 PRIVATE PURPOSE TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	810	816	820	821
	Crime Stoppers	Johnny & Nena Cavazos Athletic Fund	Believe in BISD	Regional Tournaments
ADDITIONS:				
Local and Intermediate Sources	\$ 1	\$ 680	\$ -	\$ -
Total Additions	<u>1</u>	<u>680</u>	<u>-</u>	<u>-</u>
DEDUCTIONS:				
Other Operating Costs	-	30,000	-	-
Total Deductions	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>-</u>
Change in Net Position	1	(29,320)	-	-
Total Net Position - July 1 (Beginning)	<u>2</u>	<u>230,676</u>	<u>-</u>	<u>-</u>
Total Net Position - June 30 (Ending)	<u>\$ 3</u>	<u>\$ 201,356</u>	<u>\$ -</u>	<u>\$ -</u>

827 Student Ambassador Program	828 Filemon Vela Memorial Scholarship	829 Supt Scholarship	Total Private Purpose Trust Funds
\$ -	\$ 69	\$ 36	\$ 786
-	69	36	786
-	-	-	30,000
-	-	-	30,000
-	69	36	(29,214)
1	23,607	66	254,352
<u>\$ 1</u>	<u>\$ 23,676</u>	<u>\$ 102</u>	<u>\$ 225,138</u>

**TEXAS EDUCATION AGENCY
REQUIRED SCHEDULES**

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FISCAL YEAR ENDED JUNE 30, 2015

Last 10 Years	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2006 and prior years	Various	Various	\$ Various
2007	1.315600	0.089800	4,218,109,323
2008	1.019100	0.073200	4,773,440,004
2009	1.019100	0.073200	4,909,923,402
2010	1.012273	0.080027	4,993,708,059
2011	1.019100	0.073200	5,009,567,679
2012	1.019100	0.073200	5,051,924,932
2013	1.019100	0.073200	5,209,962,063
2014	1.040000	0.102155	5,373,232,460
2015 (School year under audit)	1.040000	0.105666	5,501,477,818
1000 TOTALS			

(10) Beginning Balance 7/1/2014	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2015
\$ 2,092,098	\$ -	\$ 132,656	\$ 6,940	\$ (30,350)	\$ 1,922,152
383,058	-	51,622	3,524	(7,460)	320,452
350,619	-	51,805	3,721	(6,142)	288,951
445,599	-	80,555	5,786	(6,560)	352,698
524,285	-	147,923	11,694	6,555	371,223
696,372	-	231,334	16,616	(13,599)	434,823
912,405	-	347,682	24,973	21,572	561,322
1,909,990	-	875,590	62,892	(162,726)	808,782
4,360,933	-	2,426,442	238,340	(274,510)	1,421,641
-	61,793,473	52,402,922	5,324,240	(230,632)	3,835,679
<u>\$ 11,675,359</u>	<u>\$ 61,793,473</u>	<u>\$ 56,748,531</u>	<u>\$ 5,698,726</u>	<u>\$ (703,852)</u>	<u>\$ 10,317,723</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2015

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP Basis - See Note III A)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 1,402,000	\$ 1,402,000	\$ 966,014	\$ (435,986)
5800 State Program Revenues	200,000	200,000	192,407	(7,593)
5900 Federal Program Revenues	36,727,000	36,727,000	37,817,373	1,090,373
5020 Total Revenues	38,329,000	38,329,000	38,975,794	646,794
EXPENDITURES:				
0035 Food Services	36,499,003	37,252,145	35,973,256	1,278,889
0051 Facilities Maintenance and Operations	1,829,997	1,829,997	1,735,961	94,036
6030 Total Expenditures	38,329,000	39,082,142	37,709,217	1,372,925
1200 Net Change in Fund Balances	-	(753,142)	1,266,577	2,019,719
0100 Fund Balance - July 1 (Beginning)	11,465,874	11,465,874	11,465,874	-
3000 Fund Balance - June 30 (Ending)	\$ 11,465,874	\$ 10,712,732	\$ 12,732,451	\$ 2,019,719

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2015

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP Basis - See Note III A)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 5,485,164	\$ 5,485,164	\$ 5,756,652	\$ 271,488
5800	State Program Revenues	10,500,000	10,500,000	10,529,872	29,872
5020	Total Revenues	15,985,164	15,985,164	16,286,524	301,360
EXPENDITURES:					
Debt Service:					
0071	Principal on Long Term Debt	9,756,200	9,250,000	9,250,000	-
0072	Interest on Long Term Debt	6,227,464	6,636,296	6,636,296	-
0073	Bond Issuance Cost and Fees	3,001,500	8,280,906	174,398	8,106,508
6030	Total Expenditures	18,985,164	24,167,202	16,060,694	8,106,508
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,000,000)	(8,182,038)	225,830	8,407,868
OTHER FINANCING SOURCES (USES):					
7911	Capital Related Debt Issued (Regular Bonds)	3,000,000	10,295,000	10,295,000	-
7915	Transfers In	-	8,000,000	3,000,000	(5,000,000)
7916	Premium or Discount on Issuance of Bonds	-	552,788	552,787	(1)
8949	Other (Uses)	-	(10,665,750)	(10,665,750)	-
7080	Total Other Financing Sources (Uses)	3,000,000	8,182,038	3,182,037	(5,000,001)
1200	Net Change in Fund Balances	-	-	3,407,867	3,407,867
0100	Fund Balance - July 1 (Beginning)	(4,158,669)	(4,158,669)	(4,158,669)	-
1300	Increase (Decrease) in Fund Balance	-	-	2,026,815	2,026,815
3000	Fund Balance - June 30 (Ending)	\$ (4,158,669)	\$ (4,158,669)	\$ 1,276,013	\$ 5,434,682

STATISTICAL SECTION

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT

STATISTICAL SECTION OVERVIEW

This part of the District's comprehensive annual financial report presents detailed information to provide the readers of the District's financial information with a background for a better understanding of the information in the financial statements, note disclosures, and required supplementary information.

The statistical section is organized in the following sections:

Government-Wide Information – This section contains schedules that reflect current year and past years amounts on the District's government-wide financial statements.

Fund Information – This section contains schedules that reflect current year and past years amounts on the District's fund financial statements.

Revenue Capacity Information – This section contains schedules that provide information about the District's most significant major own-source revenue, which is property taxes, and the factors that impact the District's ability to generate such revenue.

Debt Capacity Information – This section contains schedules that provide information on the District's current levels of outstanding debt, the District's ability to repay the debt, and to issue additional debt in the future.

Demographic and Economic Information – This section contains schedule that provide an understanding of the environment within which the District's financial activities take place.

Operating Information – This section contains schedules that provide information about the services the District provides and the activities it performs; such as, employees and facilities of the District.

SCHEDULE 1
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NET POSITION BY COMPONENT

LAST TEN YEARS

(Unaudited)

	2006	2007	2008	2009	2010
Governmental Activities					
Investment in Capital Assets	\$ 171,184,508	\$ 61,006,564	\$ 95,604,744	\$ 239,579,610	\$ 238,605,572
Restricted	81,665,840	229,355,987	232,989,218	17,636,587	59,471,394
Unrestricted	110,748,123	106,255,875	91,899,884	153,762,955	86,283,358
Total Net Assets	<u>\$ 363,598,471</u>	<u>\$ 396,618,426</u>	<u>\$ 420,493,846</u>	<u>\$ 410,979,152</u>	<u>\$ 384,360,324</u>

Source: The District's Statement of Net Position (Exhibit A-1)

	2011	2012	2013	2014	2015
\$	239,341,909	\$ 249,760,978	\$ 265,298,588	\$ 245,196,911	\$ 241,038,741
	50,582,763	47,257,800	33,977,469	31,502,648	36,394,229
	73,922,111	65,775,797	54,465,766	78,378,086	24,425,409
\$	363,846,783	\$ 362,794,575	\$ 353,741,823	\$ 355,077,645	\$ 301,858,379

SCHEDULE 2
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 GOVERNMENTAL ACTIVITIES EXPENSES & PROGRAM REVENUES

LAST TEN YEARS

(Unaudited)

	2006	2007	2008	2009	2010
Expenses					
Governmental Activities:					
Instruction	\$ 225,127,661	\$ 235,656,199	\$ 251,458,965	\$ 263,214,508	\$ 280,044,296
Instructional Resources & Media Services	8,298,444	7,082,218	7,429,329	8,386,006	9,091,704
Curriculum & Staff Development	12,710,160	13,073,733	12,468,934	14,793,150	15,554,587
Instructional Leadership	5,481,316	6,191,546	6,731,053	7,059,359	8,002,797
School Leadership	19,982,255	21,261,506	22,234,884	23,438,655	24,551,960
Guidance, Counseling & Evaluation Services	14,261,105	15,708,534	16,262,550	17,738,872	18,234,605
Social Work Services	514,318	520,648	500,457	711,711	764,709
Health Services	3,774,733	4,452,657	4,874,905	5,405,783	5,427,344
Student (Pupil) Transportation	11,877,527	13,088,226	13,386,936	13,147,513	14,715,541
Food Services	26,407,131	28,341,364	28,453,632	27,575,534	30,062,988
Cocurricular/Extracurricular Activities	12,121,352	13,405,545	14,333,394	13,531,209	10,084,446
General Administration	10,310,051	11,121,851	11,628,184	12,319,564	12,138,098
Plant Maintenance & Operations	39,631,342	43,270,873	47,109,642	48,055,290	50,388,704
Security & Monitoring Services	3,566,191	3,909,690	4,784,350	5,538,612	5,904,597
Data Processing Services	1,897,662	2,240,079	2,440,008	3,038,063	2,908,275
Community Services	3,815,334	4,165,693	4,226,094	4,941,913	5,270,769
Debt Service - Interest on Long Term Debt	4,999,747	7,866,188	10,209,593	9,864,827	9,800,715
Debt Service - Bond Issuance Cost & Fees	304,446	735,785	19,442	96,332	31,947
Payments to Juvenile Justice Alternative Ed. Prg.	34,886	103,152	97,558	148,558	227,879
Other Intergovernmental Charges	-	-	-	-	-
Total Governmental Activities	405,115,661	432,195,487	458,649,910	479,005,459	503,205,961
Program Revenues					
Charges for Services					
Instruction	975,830	841,225	1,010,092	1,164,731	1,606,651
Instructional Resources and Media Services	-	-	-	-	-
Curriculum and Instructional Staff Development	-	-	-	-	-
Instructional Leadership	-	-	-	-	-
School Leadership	-	-	-	-	-
Guidance, Counseling and Evaluation Services	-	-	-	-	-
Social Work Services	-	-	-	-	-
Health Services	-	-	-	-	-
Student (Pupil) Transportation	-	-	-	-	-
Food Services	1,306,641	1,371,261	1,528,468	1,419,206	1,238,788
Extracurricular Activities	321,630	357,281	344,025	343,771	367,206
General Administration	-	-	-	-	-
Plant Maintenance and Operations	-	-	-	-	-
Security and Monitoring Services	-	-	-	-	-
Data Processing Services	-	-	-	-	-
Community Services	55,553	87,070	88,226	479,153	117,487
Debt Service - Interest on Long Term Debt	-	-	-	-	-
Debt Service - Bond Issuance Cost & Fees	-	-	-	-	-
Facilities Acquisition & Construction	-	-	-	-	-
Operating Grants and Contributions	70,078,445	73,063,663	75,268,303	82,140,558	98,592,857
Total Governmental Activities	72,738,099	75,720,500	78,239,114	85,547,419	101,922,989
Net Governmental Activities					
Revenue/(Expense)	\$ (332,377,562)	\$ (356,474,987)	\$ (380,410,796)	\$ (393,458,040)	\$ (401,282,972)

Source: The District's Statement of Activities (Exhibit B-1)

	2011	2012	2013	2014	2015
\$	283,753,243	\$ 265,301,523	\$ 269,902,260	\$ 266,811,175	\$ 269,621,870
	9,145,005	8,150,501	8,990,567	8,638,437	8,524,749
	19,505,830	13,284,303	15,764,951	16,609,958	16,372,545
	7,834,698	8,226,349	8,593,985	8,628,654	9,441,697
	25,044,466	24,028,022	26,014,428	26,274,889	24,656,388
	18,254,355	16,840,314	18,886,458	19,030,826	19,622,388
	765,569	621,835	1,091,761	1,077,700	888,315
	5,705,521	5,781,101	5,853,598	5,735,067	5,957,244
	13,509,625	12,927,507	12,463,068	14,171,985	12,081,900
	29,764,725	31,627,859	32,839,664	34,282,243	36,715,450
	16,653,137	14,485,042	15,765,298	16,364,024	16,421,932
	12,670,295	17,182,090	17,589,088	12,286,474	10,962,498
	51,408,170	46,452,947	46,463,990	48,694,091	51,688,106
	6,350,712	6,400,024	6,005,965	6,813,018	6,321,054
	3,661,103	4,036,884	4,319,976	6,786,646	6,355,529
	5,750,327	5,111,489	5,096,028	4,084,484	3,403,224
	10,357,075	10,552,122	10,779,656	6,672,801	8,134,579
	686,668	-	988,081	9,225	424,851
	209,466	183,264	106,194	85,173	36,656
	-	-	-	497,968	683,723
	521,029,990	491,193,176	507,515,016	503,554,838	508,314,698
	1,884,347	2,748,811	3,888,758	1,462,492	1,152,958
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	1,422,678	1,270,219	1,304,284	1,378,468	1,012,548
	452,862	443,271	479,685	452,846	457,270
	-	-	-	-	1,314,255
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	105,954	118,182	101,226	121,786	38,034
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	137,170,598	130,857,311	120,198,708	123,197,536	112,183,338
	141,036,439	135,437,794	125,972,661	126,613,128	116,158,403
\$	(379,993,551)	\$ (355,755,382)	\$ (381,542,355)	\$ (376,941,710)	\$ (392,156,295)

SCHEDULE 3
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 GENERAL REVENUES AND CHANGES IN NET POSITION

LAST TEN YEARS

(Unaudited)

	2006	2007	2008	2009
Net Governmental Activities				
Revenue /(Expense)	\$ (332,377,562)	\$ (356,474,987)	\$ (380,410,796)	\$ (393,458,040)
General Revenues:				
Property Taxes - M&O	54,900,026	57,100,739	47,622,425	50,698,836
Property Taxes - Debt Service	2,672,946	4,777,354	4,866,150	3,608,402
State Aid	252,078,847	256,856,481	273,801,373	279,184,838
Grants & Contributions				
not Restricted	27,912,159	53,491,917	48,965,278	46,407,489
Investment Earnings	9,262,177	17,281,072	17,368,044	6,867,205
Miscellaneous Local and Intermediate Revenue	-	-	-	-
Total General Revenues	346,826,155	389,507,563	392,623,270	386,766,770
Special and Extraordinary Items:				
Special Item	1,179,641	187,043	3,157,272	222,344
Special - (Use)	(973,775)	(1,608,033)	(1,669,850)	-
Extraordinary Item - resource	-	1,794,147	-	-
Total Special Items	205,866	373,157	1,487,422	222,344
Change in Net Position	\$ 14,654,459	\$ 33,405,733	\$ 13,699,896	\$ (6,468,926)

Source: The District's Statement of Activities (Exhibit B-1)

2010	2011	2012	2013	2014	2015
\$ (401,282,972)	\$ (379,993,551)	\$ (355,755,382)	\$ (381,542,355)	\$ (376,941,710)	\$ (392,156,295)
49,108,507	49,247,771	50,847,039	51,667,559	54,502,908	55,754,451
5,713,455	3,480,992	3,541,802	3,628,836	5,232,438	5,564,404
273,485,573	280,086,312	276,148,038	274,519,456	302,120,081	301,400,912
47,456,785	29,720,120	29,414,332	41,819,943	23,079,786	35,977,053
576,057	327,543	424,833	255,274	113,084	151,314
-	606,897	1,083,845	1,256,425	1,083,375	5,044,713
376,340,377	363,469,635	361,459,889	373,147,493	386,131,672	403,892,847
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ (24,942,595)	\$ (16,523,916)	\$ 5,704,507	\$ (8,394,862)	\$ 9,189,962	\$ 11,736,552

SCHEDULE 4
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 FUND BALANCES
 GOVERNMENTAL FUNDS

LAST TEN YEARS

(Unaudited)

	2006	2007	2008	2009	2010
General Fund					
<i>Reserved Fund Balances:</i>					
Investments in Inventory	\$ 3,952,630	\$ 5,073,314	\$ 4,440,512	\$ 4,980,783	\$ 4,893,251
Retirement of Long-Term Debt	172,868	172,868	165,895	3,920	3,919
Outstanding Encumbrances	11,816,841	15,417,596	13,535,457	10,855,448	25,960,333
Food Service	7,063,466	7,238,318	5,550,630	1,693,073	2,613
Other Purposes	15,921,314	16,711,053	17,129,854	11,216,238	4,806,460
<i>Unreserved Designated For:</i>					
Construction	26,884,570	33,779,582	50,393,914	31,953,995	5,803,488
<i>Unreserved and Undesignated:</i>					
Reported in the General Fund	99,630,833	94,599,727	84,885,826	88,167,972	76,111,051
<i>Nonspendable Fund Balances:</i>					
Inventories	-	-	-	-	-
<i>Restricted Fund Balances:</i>					
Federal or State Funds Grant Restriction	-	-	-	-	-
Retirement of Long Term Debt	-	-	-	-	-
Other Restricted Fund Balance	-	-	-	-	-
<i>Committed Fund Balances:</i>					
Construction	-	-	-	-	-
Other Committed Fund Balance	-	-	-	-	-
<i>Assigned Fund Balance:</i>					
Other Assigned Fund Balance	-	-	-	-	-
<i>Unassigned Fund Balance</i>					
	-	-	-	-	-
Total General Fund Balance	\$ 165,442,522	\$ 172,992,458	\$ 176,102,088	\$ 148,871,429	\$ 117,581,115
All Other Governmental Funds					
<i>Special Revenues</i>					
Outstanding Encumbrances	126,247	52,238	57,921	56,608	2,129,059
Other Reserves	1,463,554	1,246,819	1,230,326	451,609	451,609
<i>Debt Service</i>					
Retirement of Long Term Debt	9,579,439	8,488,045	7,527,191	7,415,666	6,340,788
<i>Capital Projects</i>					
Outstanding Encumbrances	6,515	3,763,740	65,678,823	20,471,549	3,099,866
Other Purposes	5,074,658	5,074,658	5,074,658	5,074,657	5,074,657
<i>Unreserved and Undesignated:</i>					
Reported in the Capital Projects funds	-	132,276,179	64,199,140	14,656,385	4,552,631
Reported in Special Revenue funds	(396,262)	61,577	103,641	71,825	(2,046,805)
<i>Restricted Fund Balances:</i>					
Capital Acquisition and Contractual Obligation	-	-	-	-	-
Retirement of Long Term Debt	-	-	-	-	-
Other Restricted Fund Balance	-	-	-	-	-
<i>Committed Fund Balances:</i>					
Construction	-	-	-	-	-
<i>Unassigned Fund Balance</i>					
	-	-	-	-	-
Total All Other Governmental Fund Balance	15,854,151	150,963,256	143,871,700	48,198,299	19,601,805
Total Government Funds -- Fund Balance	\$ 181,296,673	\$ 323,955,714	\$ 319,973,788	\$ 197,069,728	\$ 137,182,920
Governmental Funds					
Beginning Fund Balance	\$ 183,155,308	\$ 181,296,673	\$ 323,955,714	\$ 319,973,788	\$ 197,069,728
Net Change in Fund Balance	(1,858,635)	142,659,041	(3,981,926)	(122,904,060)	(59,886,808)
Ending Balance	\$ 181,296,673	\$ 323,955,714	\$ 319,973,788	\$ 197,069,728	\$ 137,182,920

Source: The District's Governmental Funds Balance Sheets and Combined Statements of Revenues, Expenditures and Changes in Fund Balances. The District implemented GASB 54 in fiscal year 2011.

Note: Prior to 2005 fiscal year began September 1st and ended August 31st. In 2005 instead of ending August 31st, the District ended their fiscal year June 30, 2006 and on the District's fiscal year starts July 1st and ends June 30th.

2011	2012	2013	2014	2015
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
4,422,662	3,580,179	3,621,302	3,834,039	3,725,535
11,326,313	18,914,624	24,422,165	24,380,252	24,575,107
-	-	-	-	-
222,229	354,719	361,540	246,734	218,038
22,364,837	2,285,678	1,245,498	1,170,648	6,392,528
541,141	2,142,090	2,231,900	1,659,405	2,369,146
-	6,311,320	6,311,320	3,283,320	3,304,675
60,435,774	58,087,083	60,430,454	62,776,227	66,871,373
\$ 99,312,956	\$ 91,675,693	\$ 98,624,179	\$ 97,350,625	\$ 107,456,402
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	9,590,034	8,507,993	6,281,065	5,543,109
5,027,732	4,079,156	1,047,311	841,331	1,276,013
5,516,459	-	-	-	-
1,161,390	-	-	-	-
4,927,512	-	-	-	-
16,633,093	13,669,190	9,555,304	7,122,396	6,819,122
\$ 115,946,049	\$ 105,344,883	\$ 108,179,483	\$ 104,473,021	\$ 114,275,524
\$ 137,182,920	\$ 115,946,049	\$ 105,344,883	\$ 108,179,483	\$ 104,473,021
(21,236,871)	(10,601,166)	2,834,600	(3,706,462)	14,802,503
\$ 115,946,049	\$ 105,344,883	\$ 108,179,483	\$ 104,473,021	\$ 119,275,524

SCHEDULE 5
BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUND REVENUES BY SOURCE

LAST TEN YEARS

(Unaudited)

Fiscal Year	Local and Intermediate Sources			State Programs			Federal Programs	Total
	Property Tax	Tuition	Other	Per Capita and Foundation	On-behalf TRS Payments	Other		
2006	\$ 59,488,916	\$ 567,931	\$ 11,392,644	\$ 252,776,852	\$ 11,660,390	\$ 7,280,359	\$ 78,313,105	\$ 421,480,197
2007	61,252,617	495,935	19,482,159	274,395,670	12,855,417	16,933,015	79,187,774	464,602,587
2008	52,642,945	578,524	19,760,410	286,258,776	13,254,419	19,469,958	79,555,189	471,520,221
2009	53,389,684	588,449	11,096,985	290,732,408	13,646,577	20,831,992	82,428,653	472,714,748
2010	53,895,159	593,297	3,969,433	282,771,446	14,192,422	16,337,762	106,233,585	477,993,104
2011	53,675,683	590,133	3,606,080	309,960,900	14,611,309	3,767,198	118,637,623	504,848,926
2012	55,593,851	531,514	4,475,483	287,696,627	15,503,634	19,497,233	113,720,690	497,019,032
2013	56,749,224	407,491	5,631,672	295,951,155	15,058,467	14,101,730	111,416,620	499,316,359
2014	60,692,413	491,150	3,214,341	313,983,308	17,721,025	16,008,349	100,640,073	512,750,659
2015	63,245,041	422,740	8,055,993	313,364,195	14,605,756	23,020,183	98,465,742	521,179,651

Source: The District's Governmental Funds Statements of Revenues, Expenditures, and Changes in Fund Balances; Exhibits J-1; and Notes to Financial Statements.

SCHEDULE 6
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 GOVERNMENTAL FUND EXPENDITURES BY FUNCTION

LAST TEN YEARS

(Unaudited)

Fiscal Year	Instruction and Instructional Related Services	Instructional and School Leadership	Support Services Student (Pupil)	Administrative Support Services	Support Services Nonstudent Based	Ancillary Services
2006	\$ 239,325,970	\$ 24,635,601	\$ 69,124,621	\$ 9,949,899	\$ 44,197,890	\$ 3,800,770
2007	248,787,841	26,672,500	74,944,973	10,805,892	48,559,983	4,044,827
2008	264,756,508	28,197,129	77,081,715	11,317,309	53,207,299	4,208,853
2009	277,097,188	29,517,110	75,512,179	11,911,112	55,004,482	4,774,257
2010	296,935,894	31,721,644	79,251,845	11,742,923	58,180,291	5,113,327
2011	299,253,743	31,400,841	81,062,008	12,060,545	58,972,563	5,491,028
2012	274,860,076	30,971,427	79,014,692	12,189,912	54,785,063	4,899,149
2013	282,773,835	33,216,052	83,561,653	13,069,858	54,821,958	4,882,569
2014	281,731,329	33,530,581	90,438,173	12,256,430	61,794,211	4,054,267
2015	286,338,153	33,178,190	91,425,262	10,848,462	64,381,586	3,348,237

Source: The District's Annual Financial Report - Governmental Funds Statements of Revenues, Fund Expenditures, and Changes in Fund Balances.

Note: Operating expenditures excludes capital outlay (Function 81)

* Denotes change in fiscal year. Prior to 2005 fiscal year began September 1st and ended August 31st. Beginning in fiscal year 2005, the District changed their fiscal year to end June 30th.

Debt Service Principal	Debt Service Interest and Other	Capital Outlay	Inter-Governmental Charges	Total Governmental Fund Expenditures	Ratio of Debt Service to Non-Capital Expenditures
\$ 2,880,000	\$ 5,594,039	\$ 24,819,146	\$ 34,886	\$ 424,362,822	2.12%
9,950,000	9,200,003	25,664,640	103,152	458,733,811	4.42%
6,990,000	10,554,188	30,651,788	97,558	487,062,347	3.84%
7,310,000	10,413,098	121,189,943	148,558	592,877,927	3.76%
7,095,000	10,752,816	47,440,171	227,879	548,461,790	3.56%
10,930,000	11,163,563	37,181,977	209,467	547,725,735	4.33%
10,530,000	10,697,044	19,224,060	183,265	497,354,688	4.44%
10,950,000	11,342,447	1,619,259	106,194	496,343,825	4.51%
13,385,000	6,707,718	4,561,151	583,141	509,042,001	3.99%
12,260,000	8,420,352	1,818,006	720,379	512,738,627	4.05%

SCHEDULE 7
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 GOVERNMENTAL FUNDS OTHER SOURCES, USES
 AND CHANGES IN FUND BALANCES

LAST TEN YEARS

(Unaudited)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Excess of Revenues Over (Under) Expenditures	\$ (2,882,625)	\$ 5,868,776	\$ (15,542,126)	\$ (120,163,179)
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Capital-Related Debt Issued	65,435,000	129,985,000	-	7,320,000
Sale of Real and Personal Property	49,803	17,645	24,496	23,657
Non-Current Loans	-	-	-	6,250,000
Transfers In	11,455,350	12,898,480	13,867,904	13,005,391
Premium or Discount on Issuance of Bonds	4,336,541	6,391,081	-	187,074
Other Resources	1,129,838	169,398	3,132,776	1,411
Transfers Out	(11,455,350)	(12,898,480)	(13,867,904)	(13,147,872)
Other Uses	(70,488,772)	(1,608,033)	(1,669,850)	(13,650,287)
Total Other Financing Sources (Uses)	<u>462,410</u>	<u>134,955,091</u>	<u>1,487,422</u>	<u>(10,626)</u>
Special Items	-	1,794,147	-	197,276
Net Change in Fund Balances	<u>\$ (2,420,215)</u>	<u>\$ 142,618,014</u>	<u>\$ (14,054,704)</u>	<u>\$ (119,976,529)</u>

Source: The District's Governmental Funds Balance Sheets and Combined Statements of Revenues, Expenditures and Changes in Fund Balances.

2010	2011	2012	2013	2014	2015
\$ (70,468,683)	\$ (42,876,175)	\$ (310,543)	\$ 2,973,684	\$ 3,708,654	\$ 8,441,025
15,400,000	25,770,000	-	-	-	-
-	-	-	122,710,000	-	13,895,000
-	-	-	-	-	-
-	-	-	-	-	-
7,386,260	7,563,785	12,088,180	11,692,351	3,000,000	3,000,000
(3,080,000)	-	-	20,075,278	-	875,136
-	-	-	-	-	-
(7,386,260)	(7,563,785)	(12,088,180)	(11,692,351)	(3,000,000)	(3,000,000)
-	-	-	(141,659,928)	-	(10,665,750)
12,320,000	25,770,000	-	1,125,350	-	4,104,386
-	-	-	-	-	-
\$ (58,148,683)	\$ (17,106,175)	\$ (310,543)	\$ 4,099,034	\$ 3,708,654	\$ 12,545,411

SCHEDULE 8
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 GOVERNMENTAL FUND EXPENDITURES BY FUNCTION
 PER AVERAGE DAILY ATTENDANCE

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Attendance *	Instruction and Instructional Related Services	Instructional and School Leadership	Support Services Student (Pupil)	Administrative Support Services	Support Services Nonstudent Based
2006	44,516	5,376	553	1,553	224	993
2007	44,491	5,592	600	1,685	243	1,091
2008	44,758	6,191	659	1,687	266	1,229
2009	44,665	6,204	661	1,691	267	1,231
2010	45,097	6,584	703	1,757	260	1,290
2011	45,869	6,524	685	1,767	263	1,286
2012	45,672	6,018	678	1,730	267	1,200
2013	45,393	6,189	733	1,827	287	1,208
2014	45,385	6,208	739	1,993	270	1,362
2015	44,451	6,442	746	2,057	244	1,448

Source: Average Daily Attendance provided by the District's PEIMS and A.E.I.S. reports

Note: * Average Daily Attendance - the average daily attendance of eligible enrollees, district-wide, over the official number of instructional days.

Ancillary Services	Debt Service Principal	Debt Service Interest and Other	Capital Outlay	Inter-Governmental Charges	Total
85	65	126	558	1	9,534
91	224	207	577	2	10,312
107	163	233	2,708	3	13,246
107	164	233	2,713	3	13,274
113	157	238	1,052	5	12,159
120	238	243	811	5	11,942
107	231	234	421	4	10,890
108	241	250	36	2	10,881
89	295	148	100	13	11,217
75	276	189	41	16	11,534

SCHEDULE 9
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY

LAST TEN YEARS

(Unaudited)

Fiscal Year	Assessed Value			Estimated Actual Value	Ratio of Total Assessed To Total Estimated Actual Value	*Total Direct Tax Rate
	Real Property	Personal Property	Total			
2006	\$ 3,392,670,047	\$ 502,526,828	\$3,895,196,875	\$4,840,839,426	80.47%	\$ 1.485600
2007	3,925,182,022	540,347,922	4,465,529,944	5,548,457,738	80.48%	1.405400
2008	4,166,206,596	607,233,408	4,773,440,004	5,871,154,152	81.30%	1.092300
2009	4,279,472,153	630,451,249	4,909,923,402	6,053,536,586	81.11%	1.092300
2010	4,338,417,565	655,290,494	4,993,708,059	6,135,315,186	81.39%	1.092300
2011	4,377,167,600	632,400,079	5,009,567,679	6,113,416,912	81.94%	1.092300
2012	4,433,212,093	618,712,839	5,051,924,932	6,214,354,595	81.29%	1.092300
2013	4,573,692,652	636,269,411	5,209,962,063	6,343,330,587	82.13%	1.092300
2014	4,659,456,875	713,775,585	5,373,232,460	6,543,041,297	82.12%	1.142155
2015	4,788,620,905	712,856,913	5,501,477,818	6,711,375,439	81.97%	1.145666

Source: Cameron County Appraisal District
 * Per \$100 of assessed value

SCHEDULE 10
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN YEARS

(Unaudited)

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Susequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 56,893,668	\$ 51,372,178	90.30%	\$ 4,648,322	\$ 56,020,500	98.47%
2007	61,639,120	55,207,914	89.57%	5,448,882	60,656,796	98.41%
2008	51,069,707	46,597,854	91.24%	3,989,788	50,587,642	99.06%
2009	52,931,405	48,397,765	91.43%	4,081,609	52,479,373	99.15%
2010	53,382,448	48,693,877	91.22%	4,286,475	52,980,351	99.25%
2011	53,617,610	48,836,611	91.08%	4,092,895	52,929,506	98.72%
2012	54,109,128	49,935,751	92.29%	3,549,343	53,485,094	98.85%
2013	55,837,551	51,176,905	91.65%	3,267,125	54,444,031	97.50%
2014	60,188,474	55,499,749	92.21%	2,664,781	58,164,531	96.64%
2015	61,793,473	57,727,162	93.42%	-	57,727,162	93.42%

Source: Brownsville Independent School District Annual Financial and Compliance Reports

SCHEDULE 11
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 ALLOCATION OF PROPERTY TAX RATES AND LEVIES

LAST TEN YEARS

(Unaudited)

Fiscal Year	Tax Rates (Per \$100 of Assessed Value)			Tax Levies		
	General Fund	Debt Service Fund	Total	General Fund	Debt Service Fund	Original Levy Total
2006	\$ 1.438700	\$ 0.046900	\$ 1.485600	\$ 55,095,828	\$ 1,797,840	\$ 56,893,668
2007	1.315600	0.089800	1.405400	57,700,380	3,938,740	61,639,120
2008	1.019100	0.073200	1.092300	47,647,291	3,422,416	51,069,707
2009	1.019100	0.073200	1.092300	49,384,228	3,547,177	52,931,405
2010	1.012273	0.080027	1.092300	49,471,399	3,911,049	53,382,448
2011	1.019100	0.073200	1.092300	50,024,447	3,593,163	53,617,610
2012	1.019100	0.073200	1.092300	50,483,026	3,626,102	54,109,128
2013	1.019100	0.073200	1.092300	52,095,620	3,741,931	55,837,551
2014	1.040000	0.102155	1.142155	54,805,181	5,383,293	60,188,474
2015	1.040000	0.105666	1.145666	56,094,193	5,699,280	61,793,473

Source: Brownsville Independent School District Annual Financial and Compliance Reports

Note: The basis for the property tax rate is \$100 assessed valuation.

SCHEDULE 12
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 (PER \$100 ASSESSED VALUATION)

LAST TEN YEARS

(Unaudited)

Fiscal Year	Tax Year	Direct Tax Rate	Overlapping Tax Rates						Total Direct and Overlapping Tax Rate
		Brownsville Independent School District	South Texas ISD	City of Brownsville	Brownsville Navigation District	Cameron County	Drainage District #1	Texas Southmost College	
2006	2005	\$ 1.485600	\$ 0.039200	\$ 0.680000	\$ 0.067300	\$ 0.358191	\$ 0.044523	\$ 0.162772	\$ 2.837586
2007	2006	1.405400	0.039200	0.650235	0.057240	0.348191	0.039172	0.161089	2.700527
2008	2007	1.092300	0.049200	0.650517	0.053609	0.343191	0.036671	0.161089	2.386577
2009	2008	1.092300	0.049200	0.650517	0.048497	0.353191	0.031714	0.161089	2.386508
2010	2009	1.092300	0.049200	0.654189	0.048253	0.363191	0.031535	0.161924	2.400592
2011	2010	1.092300	0.049200	0.657556	0.047828	0.364291	0.031400	0.162423	2.404998
2012	2011	1.092300	0.049200	0.700613	0.046830	0.384291	0.031100	0.164026	2.468360
2013	2012	1.092300	0.049200	0.700613	0.045200	0.384291	0.306000	0.162935	2.740539
2014	2013	1.142155	0.049200	0.700613	0.043000	0.384291	0.029700	0.162935	2.511894
2015	2014	1.145666	0.049200	0.700613	0.042000	0.399291	0.029500	0.164094	2.530364

Source: Tony Yzaguirre, Jr., Tax Assessor-Collector and City of Brownsville, Texas

SCHEDULE 13
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS PRIOR

(Unaudited)

Taxpayer	Type of Business	Fiscal Year 2015	
		Tax Year 2014 Assessed Valuation	Percentage of Total Assessed Valuation
CBL/Sunrise Commons LP	Real Estate/Shopping Mall	\$ 40,643,073	0.74%
TRICO Products Corp.	Manufacturer	16,251,557	0.30%
Columbia Valley Healthcare Systems LP	Hospital	29,394,827	0.53%
Southwestern Bell Telephone	Telephone Utility	-	-
Rich-Seapak Co	Retail Store	-	-
KIMCO Brownsville LP	Land/ Improvements	16,630,425	0.30%
Wal-Mart Real Estate Business TR	Real Estate/Retail Store	20,316,235	0.37%
Wal-Mart Stores Inc.	Retail Store	16,906,850	0.31%
H E Butt Grocery Co	Grocery	17,480,435	0.32%
Wal-Mart Stores EAST Inc.	Retail Store	-	-
Valley Baptist Medical Center - Bro	Medical	-	-
TX & Kansas City Cable PTRS LP	Information	-	-
AEP Texas Central Co.	Utilities	17,831,971	0.32%
VHS Brownsville Hospital Company LLC	Hospital	28,578,010	0.52%
COMCAST Corp	Media + Technology	46,784,056	0.85%
Totals		<u>\$ 250,817,439</u>	<u>4.56%</u>

Source: Cameron County Appraisal District

Fiscal Year 2006

Tax Year	2005	Percentage of
Assessed	Assessed	Total Assessed
Valuation	Valuation	Valuation
\$	36,468,106	0.94%
	19,107,247	0.49%
	35,077,650	0.90%
	25,325,069	0.65%
	19,962,822	0.51%
	-	-
	-	-
	14,680,634	0.38%
	15,245,973	0.39%
	15,840,584	0.41%
	18,183,579	0.47%
	11,991,040	0.31%
	-	-
	-	-
	-	-
\$	211,882,704	5.44%

SCHEDULE 14
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 OUTSTANDING DEBT BY TYPE

LAST TEN YEARS

(Unaudited)

Fiscal Year	General Obligation Bonds	Refunding Bonds	Notes Payable	Capital Appreciation Bonds	Total Debt
2006	\$ 24,300,000	\$ 65,435,000	\$ 7,860,000	\$ -	\$ 97,595,000
2007	145,095,000	65,195,000	7,340,000	-	217,630,000
2008	138,640,000	65,195,000	6,805,000	-	210,640,000
2009	124,545,000	72,515,000	6,250,000	-	203,310,000
2010	118,395,000	71,570,000	5,655,000	15,400,000	211,020,000
2011	111,985,000	70,600,000	5,040,000	38,235,000	225,860,000
2012	106,200,000	68,620,000	4,400,000	36,110,000	215,330,000
2013	17,030,000	146,940,000	3,735,000	33,940,000	201,645,000
2014	10,725,000	142,605,000	3,045,000	31,885,000	188,260,000
2015	5,490,000	138,460,000	5,925,000	29,595,000	179,470,000

Source: Brownsville Independent School District Annual Financial and Compliance Reports

<u>Ratio of Total Debt to Estimated Actual Property Value</u>	<u>Total Debt Per Average Daily Membership</u>
2.02%	2022
3.92%	4497
3.59%	4311
3.36%	4181
3.44%	4292
3.69%	4518
3.47%	4332
3.18%	4085
2.88%	3813
2.67%	3709

SCHEDULE 15
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 DIRECT AND OVERLAPPING DEBT
 GENERAL OBLIGATION BONDS

As of June 30, 2015

(Unaudited)

Political Subdivision	Net Debt Amounts		As of	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Brownsville Navigation District	\$ 8,280,000	* A	9/30/2015	78.86%	\$ 6,529,608
City of Brownsville	146,940,000	* A	9/30/2015	88.63%	130,232,922
Cameron County	130,820,000	* A	9/30/2015	35.83%	46,872,806
Paseo De La Resaca MUD #1	2,448,930	* A	9/30/2015	100.00%	2,448,930
Paseo De La Resaca MUD #2	3,835,820	* A	9/30/2015	100.00%	3,835,820
Paseo De La Resaca MUD #3	4,175,250	* A	9/30/2015	100.00%	4,175,250
Paseo De La Resaca MUD #3 (Master District - Contract Tax)		* A			
Rancho Viejo, Town of	482,000	* A	9/30/2015	61.21%	295,032
Texas Southmost College	56,250,000	* A	9/30/2015	54.12%	30,442,500
Valley MUD #2	4,860,000	* A	9/30/2015	65.83%	3,199,338
					<u>228,032,206</u>
Brownsville ISD		B	6/30/2015	100.00%	<u>179,470,000</u>
Total Direct and Overlapping Debt					<u>\$ 407,502,206</u>

* Gross Debt

Source:

A - Municipal Advisory Council of Texas

B - Brownsville Independent School District - Finance Department

The method used to determine the percentage of overlapping debt is estimated using property market values. These percentages are estimated by the portion of the overlapping taxing authority's market value contained within the District's boundaries and dividing it by the overlapping taxing authority's total market value.

SCHEDULE 16
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMPUTATION OF LEGAL DEBT MARGIN

LAST TEN YEARS

(Unaudited)

	2006	2007	2008	2009	2010
Assessed Valuation	\$ 3,895,196,875	\$ 4,465,529,944	\$ 4,773,440,004	\$ 4,909,923,402	\$ 4,993,708,059
Debt Limit - 10% of Assessed Valuation	\$ 389,519,688	\$ 446,552,994	\$ 477,344,000	\$ 490,992,340	\$ 499,370,806
General Obligation Bonds Deduct Amount Available in Debt Service Fund	89,735,000	210,290,000	203,835,000	197,060,000	205,365,000
	9,579,439	8,488,045	7,527,191	7,415,666	6,340,788
Applicable Debt	80,155,561	201,801,955	196,307,809	189,644,334	199,024,212
Legal Debt Margin	\$ 309,364,127	\$ 244,751,039	\$ 281,036,191	\$ 301,348,006	\$ 300,346,594
Debt Margin as a Percentage of the Debt Limit	79.42%	54.81%	58.87%	61.38%	60.15%

Source: Brownsville Independent School District Annual Financial and Compliance Reports

	2011	2012	2013	2014	2015
	\$ 5,009,567,679	\$ 5,051,924,932	\$ 5,209,962,063	\$ 5,373,232,460	\$ 5,501,477,818
	\$ 500,956,768	\$ 505,192,493	\$ 520,996,206	\$ 537,323,246	\$ 550,147,782
	220,820,000	210,930,000	197,910,000	185,215,000	173,545,000
	5,027,732	4,079,156	1,047,311	(4,158,669)	1,276,013
	215,792,268	206,850,844	196,862,689	189,373,669	172,268,987
	\$ 285,164,500	\$ 298,341,649	\$ 324,133,517	\$ 347,949,577	\$ 377,878,795
	56.92%	59.06%	62.21%	64.76%	68.69%

SCHEDULE 17
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 RATIO OF NET GENERAL OBLIGATION BONDED DEBT
 TO ESTIMATED ACTUAL VALUE AND
 PER AVERAGE DAILY MEMBERSHIP

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Membership	Estimated Actual Value	Total Bonded Debt	Debt Service Fund Balance	Net Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt Per Average Daily Membership
2006	\$ 48,261	\$ 4,840,839,426	\$ 97,595,000	\$ 9,579,439	\$ 88,015,561	1.82%	\$ 1,823.74
2007	48,391	5,548,457,738	217,630,000	8,488,045	209,141,955	3.77%	4,321.92
2008	48,858	5,871,154,152	210,640,000	7,527,191	203,112,809	3.46%	4,157.21
2009	48,617	6,053,536,586	203,310,000	7,415,666	195,894,334	3.24%	4,029.34
2010	49,155	6,135,315,186	211,020,000	6,340,788	204,679,212	3.34%	4,163.96
2011	49,991	6,113,416,912	225,860,000	5,027,732	220,832,268	3.61%	4,417.44
2012	49,703	6,214,354,595	215,330,000	4,079,156	211,250,844	3.40%	4,250.26
2013	49,361	6,343,330,587	201,645,000	1,047,311	200,597,689	3.16%	4,063.89
2014	49,370	6,543,041,297	188,260,000	(4,158,669)	192,418,669	2.94%	3,897.48
2015	48,388	6,711,375,439	179,470,000	1,276,013	178,193,987	2.66%	3,682.61

Note: Average Daily Membership represents the average daily enrollment of students, district-wide, over the official number of instructional days.

Note: Estimated actual property value and average daily membership are used because they are more relevant to the school district than personal income and population

SCHEDULE 18
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT
 TO TOTAL GENERAL FUND EXPENDITURES

LAST TEN YEARS

(Unaudited)

Fiscal Year	Principal	Interest*	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service To General Fund Expenditures
2006	\$ 2,880,000	\$ 4,999,747	\$ 7,879,747	\$ 356,050,995	2.21%
2007	9,950,000	7,866,188	17,816,188	374,918,220	4.75%
2008	6,990,000	10,551,209	17,541,209	395,409,215	4.44%
2009	7,310,000	10,206,443	17,516,443	411,258,259	4.26%
2010	7,690,000	9,832,436	17,522,436	418,646,603	4.19%
2011	10,930,000	10,357,263	21,287,263	436,446,846	4.88%
2012	10,530,000	10,664,565	21,194,565	399,397,970	5.31%
2013	10,950,000	10,234,547	21,184,547	406,605,978	5.21%
2014	13,385,000	6,698,494	20,083,494	430,958,479	4.66%
2015	12,260,000	8,159,105	20,419,105	436,307,577	4.68%

Source: Brownsville Independent School District Annual Financial and Compliance Reports

Note: * Excludes Other Fees

SCHEDULE 19
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS PRIOR

(Unaudited)

Employer	2015 *			2006		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Brownsville ISD	7,670	1	5.50%	7,080	1	5.83%
UT Rio Grande Valley	1,734	3	1.24%	2,077	3	1.71%
Cameron County	1,950	2	1.40%	1,608	4	1.32%
Keppel Amfels	1,650	4	1.18%	2,273	2	1.87%
City of Brownsville	1,227	7	0.88%	1,114	6	0.92%
Wal-mart	1,413	5	1.01%	1,174	5	0.97%
Caring For You Home Health	1,200	8	0.86%	-	-	0.00%
HEB Food Stores	975	9	0.70%	760	8	0.63%
Valley Baptist Medical Center	-	-	0.00%	717	10	0.59%
Valley Regional Medical Center	-	-	0.00%	757	9	0.62%
Abudant Life Home Health	1,300	6	0.93%	-	-	0.00%
Convergys Corp	-	-	0.00%	1,000	7	0.82%
Maximus	950	10	0.68%	-	-	0.00%
Total	20,069		14.39%	18,560		15.28%

Source:

* Brownsville Economic Development Council
www.deptofnumbers.com/employment/texas/brownsville

SCHEDULE 20
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 CONSTRUCTION AND PROPERTY VALUES

LAST TEN YEARS

(Unaudited)

Fiscal Year	Number of Permits	Construction Value	Total Property Value
2006	3,422	\$ 134,980,422	\$ 5,541,181,044
2007	2,555	181,840,584	5,877,752,406
2008	2,240	166,418,482	6,116,283,173
2009	2,993	103,987,896	6,174,353,951
2010	2,458	74,048,534	6,113,416,912
2011	1,949	75,141,255	6,214,354,595
2012	2,199	99,224,922	6,346,048,820
2013	2,253	102,828,701	6,545,060,836
2014	2,250	127,653,569	6,718,176,451
2015	2,126	135,824,830	6,880,163,964

Source: Cameron Appraisal District Certified Entity Totals Report

SCHEDULE 21
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN YEARS

Year	Population *	Personal Income ** (thousands of dollars)	Per Capita Personal Income	Median Age	Education Level In Years of Formal Schooling	Public School Enrollment	Unemployment Rate
2006	172,437	\$ 1,924,569	\$ 11,161	26.7	60.0% - High School 16.2%-Bachelor's Degree	48,123	6.50%
2007	172,437	1,924,569	11,161	26.9	57.9% - High School 15.2%-Bachelor's Degree	48,799	5.90%
2008	172,806	2,019,238	11,685	26.9	57.9% - High School 15.2%-Bachelor's Degree	49,082	7.50%
2009	176,859	2,055,632	11,623	27.6	58.5% - High School 15.8%-Bachelor's Degree	49,605	10.90%
2010	175,023	2,069,472	11,824	27.0	59.5% - High School 15.2%-Bachelor's Degree	49,835	11.60%
2011	175,023	2,260,772	12,917	29.5	60.2% - High School 15.6%-Bachelor's Degree	49,587	12.40%
2012	175,023	2,257,797	12,900	29.5	60.3% - High School 15.0%-Bachelor's Degree	49,271	10.50%
2013	180,097	2,441,395	13,556	29.5	61.8% - High School 15.7%-Bachelor's Degree	49,274	10.30%
2014	181,860	2,576,411	14,167	29.3	64.3% - High School 18.4%-Bachelor's Degree	48,248	8.10%
2015	181,860	2,576,411	14,167	29.3	64.3% - High School 18.4%-Bachelor's Degree	48,248	8.10%

* Population Estimates - US Census Bureau

SOURCES:

City of Brownsville, Texas
 Texas Workforce Commission
 U.S. Census Bureau
 U.S. Bureau of Economic Analysis

Information not available for 2015.

SCHEDULE 22
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 WORK FORCE COMPOSITION BY EMPLOYEE CLASSIFICATION

LAST TEN YEARS

(Unaudited)

Classification	2006	2007	2008	2009	2010
Number of Employees					
Teachers	3,093	3,166	3,273	3,322	3,365
Professional Support	518	537	582	606	639
Campus Administration	189	194	195	200	197
Central Administration	28	31	18	12	8
Educational Aides	814	873	841	809	910
Auxiliary Staff	2,166	2,229	2,415	2,487	2,425
Total Employees	6,808	7,030	7,324	7,436	7,544
Percent of Total					
Teachers	45.4%	45.0%	44.7%	44.7%	44.6%
Professional Support	7.6%	7.6%	7.9%	8.1%	8.5%
Campus Administration	2.8%	2.8%	2.7%	2.7%	2.6%
Central Administration	0.4%	0.4%	0.2%	0.2%	0.1%
Educational Aides	11.9%	12.4%	11.5%	10.9%	12.1%
Auxiliary Staff	31.8%	31.7%	33.0%	33.4%	32.1%
	100.00%	100.00%	100.00%	100.00%	100.00%

Source: The District's Human Resources Department and the Academic Excellence Indicator System (AEIS).

2011	2012	2013	2014	2015
3,425	3,303	3,199	3,157	3,251
665	619	648	654	683
203	191	195	192	205
9	12	9	10	11
875	840	784	763	788
2,536	2,459	2,419	2,407	2,503
7,713	7,424	7,254	7,183	7,441
44.4%	44.5%	44.1%	44.0%	44.00%
8.6%	8.3%	8.9%	9.1%	9.10%
2.6%	2.6%	2.7%	2.7%	2.70%
0.1%	0.2%	0.1%	0.1%	0.10%
11.3%	11.3%	10.8%	10.6%	10.60%
32.9%	33.1%	33.3%	33.5%	33.50%
100.00%	100.00%	100.00%	100.00%	100.00%

SCHEDULE 23
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF TEACHER INFORMATION

LAST TEN YEARS

(Unaudited)

Fiscal Year	Bachelor's Degree		Master's Degree		Doctorate		Average Teacher Salary
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	
2006	\$ 33,000	\$ 52,092	\$ 36,000	\$ 54,592	\$ 36,750	\$ 55,342	\$ 41,725
2007	36,500	55,906	39,500	58,406	40,250	59,156	45,501
2008	38,000	57,220	41,000	59,720	41,750	60,470	46,909
2009	39,000	58,534	42,000	61,034	42,750	61,784	48,369
2010	40,350	59,638	43,350	62,138	44,100	62,888	48,412
2011	40,350	59,638	43,350	62,138	44,100	62,888	49,629
2012	40,350	58,952	43,350	61,452	44,100	62,202	49,104
2013	40,350	58,266	43,350	60,766	44,100	61,516	49,104
2014	41,056	58,086	44,056	61,086	44,806	61,836	50,331
2015	41,056	58,586	44,056	61,086	44,806	61,836	49,537

Source: Academic Excellence Indicator System (AEIS) & School District's Hiring Schedule
 2015 Data taken from 2014-2015 Hiring Schedule and AEIS from 2013-2014 TAPR.

Note: Min & Max salaries are based on the BISD Hiring Schedule from each applicable year.
 Bachelor's minimum and maximum is with +15 Hours of Graduate Work.
 Minimum and maximum are based on zero years of experience to 27 + years.

Avg. Teacher Salary, Avg. Years of Experience, % of Bachelor Education and
 % of Master's Education are based on AEIS reports.
 Minimum and maximum are based on zero years of experience to 27 + years.

Average Years of Experience	Bachelor's Education	Master's Education
11.7	84.5%	14.6%
11.6	85.3%	14.0%
11.8	84.6%	13.8%
12.0	81.8%	15.2%
11.9	82.6%	12.1%
11.9	87.4%	11.9%
12.5	86.4%	12.7%
12.5	86.4%	12.7%
13.4	81.8%	16.7%
13.1	82.0%	16.3%

SCHEDULE 24
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF ATTENDANCE AND MEMBERSHIP

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Attendance *	Average Daily Membership	Percent of Attendance
2006	44,516	48,261	92.24%
2007	44,491	48,391	91.94%
2008	44,758	48,858	91.61%
2009	44,665	48,617	91.87%
2010	45,097	49,155	91.75%
2011	45,869	49,991	91.75%
2012	45,676	49,703	91.90%
2013	45,393	49,361	91.96%
2014	45,385	49,370	91.93%
2015	44,451	48,388	91.86%

Percentage of Attendance was calculated by dividing Average Daily Attendance by Average Daily Membership

Average Daily Membership is our Peak Number of Students annually

SCHEDULE 25
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 OPERATING STATISTICS

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Attendance	Operating Expenditures	Cost per Pupil	Percent Change	Operating Expenses	Cost per Pupil	Percent Change
2006	44,516	\$ 332,629,044	\$ 7,472	20.36%	\$ 399,776,582	\$ 8,981	17.25%
2007	44,491	353,645,889	7,949	6.38%	423,490,362	9,519	5.99%
2008	44,758	376,792,487	8,418	5.91%	448,323,317	10,017	5.23%
2009	44,666	385,289,218	8,626	2.47%	468,895,742	10,498	4.80%
2010	45,097	398,542,579	8,837	2.45%	493,145,420	10,935	4.16%
2011	45,869	400,333,335	8,728	-1.24%	509,776,781	11,114	1.64%
2012	45,676	379,025,453	8,298	-4.92%	480,457,790	10,519	-5.35%
2013	45,393	401,453,099	8,846	6.60%	495,641,085	10,919	2.83%
2014	45,385	423,742,859	9,337	5.55%	496,289,671	10,935	0.15%
2015	44,451	429,896,609	9,671	3.58%	499,034,889	11,227	2.67%

Source: Average Daily Attendance provided by the District's PEIMS and A.E.I.S. reports.

SCHEDULE 26
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF STUDENT INFORMATION

LAST TEN YEARS

(Unaudited)

Fiscal Year	Teacher / Student Ratio	Percentage of Free and Reduced Lunch	No. of Economically Disadvantaged Students	Percentage of Economically Disadvantaged Students
2006	15.6	90%	45,651	94.7%
2007	15.2	90%	45,656	94.6%
2008	14.9	90%	46,116	94.4%
2009	14.6	90%	46,077	94.9%
2010	14.6	90%	46,909	95.6%
2011	14.5	90%	47,499	95.4%
2012	14.5	90%	47,499	95.4%
2013	15.0	90%	47,633	96.0%
2014	15.4	90%	47,152	96.0%
2015	15.6	90%	47,403	96.1%

Source: Academic Excellence Indicator System (AEIS) & PEIMS.

%age of Free and Reduce Lunch is based on our Food Services Dept. This is en estimate. Actual %'s still pending

SCHEDULE 27
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF SCHOOL BUILDINGS

(Unaudited)

	Estimated Square	Recommended		Estimated Square	Recommended
	Footage	Capacity		Footage	Capacity
HIGH SCHOOLS			ELEMENTARY SCHOOLS		
HANNA	380,776	3,015	AIKEN	92,371	860
LOPEZ	325,628	1,881	BENAVIDES	80,417	660
PACE	283,286	1,965	BRITE	88,586	740
PORTER	327,069	2,537	BREEDEN	74,279	814
RIVERA	328,860	1,896	BURNS	97,236	1,000
VETERANS MEMORIAL	314,358	1,926	CANALES	107,910	1,240
TOTAL	<u>1,959,977</u>	<u>13,220</u>	CASTAÑEDA	71,908	500
			CHAMPION	82,658	780
			CROMACK	78,088	840
			DEL CASTILLO	47,421	520
			EGLY	80,022	1,060
MIDDLE SCHOOLS			EL JARDIN	79,595	760
BESTEIRO	153,232	989	GALLEGOS	82,657	720
CUMMINGS	94,467	736	GARDEN PARK	73,775	820
FAULK	101,357	920	GARZA	65,661	760
GARCIA	120,927	828	GONZALEZ	80,216	900
LUCIO	127,022	851	HUDSON	85,145	880
MANZANO	137,237	805	KELLER	88,598	680
OLIVEIRA	124,443	1,035	LONGORIA	44,917	320
PERKINS	140,105	1,288	MARTIN	69,363	740
STELL	114,316	828	MORNINGSIDE	74,095	820
STILLMAN	131,860	851	ORTIZ	82,752	620
VELA	132,346	966	PALM GROVE	61,565	580
TOTAL	<u>1,377,312</u>	<u>10,097</u>	PAREDES	82,644	760
			PENA	89,996	740
			PEREZ	65,896	700
SPECIAL CAMPUSES			PULLAM	91,722	640
Brownsville Academic Center	64,563	713	PUTEGNAT	61,563	560
Brownsville Learning Academy	40,944	805	RESACA	30,722	260
Lincoln Park	45,892	322	RUSSELL	90,074	960
Early College High School	39,380	322	SHARP	53,804	520
TOTAL	<u>190,779</u>	<u>2,162</u>	SKINNER	71,622	540
			SOUTHMOST	66,140	640
			VERMILLION	84,477	1,000
			VICTORIA	45,303	440
			VILLA NUEVA	63,291	560
			YTURRIA	65,307	560
			TOTAL	<u>2,751,796</u>	<u>26,494</u>

Source: BISD Facilities Studies October 2012

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT

MISCELLANEOUS STATISTICS

The Brownsville Independent School District has, as part of its efforts to serve all of its students, expanded its educational off campus to serve specific student needs. Some off campus educational programs are staffed with District teachers and teacher assistants.

As of June 30, 2015, it included such programs as follows:

Adult Continuing Education

BISD Adult Education is a department of Brownsville Independent School District and the fiscal agent for Cameron County Co-op, which includes Los Fresnos, Port Isabel, Rio Hondo, San Benito, Santa Rosa and Santa Maria. BISD Adult Education provides services to a multicultural population who are educationally and economically and educationally disadvantaged adults, 17 years and older.

Brownsville Academic Center (BAC)

The BISD Brownsville Academic Center is an alternative education program which has as its goal to provide a meaningful educational experience for assigned students in grades sixth to twelfth in a well disciplined environment that provides consistency, structure, intense academics, and supportive related services so that each student will grow intellectually, socially, emotionally, and psychologically. Upon exiting the program, BISD BAC students will be effective communicators, competent problem solvers, self-directed learners, and responsible citizens.

Brownsville Learning Academy (BLA)

The BISD Brownsville Learning Academy is an alternative educational program that offers academic options for students who want to complete the necessary requirements for obtaining a high school diploma. The BLA is a competency-based learning system with flexible scheduling for young adults who are not successfully completing a traditional high school program. The student's commitment and desire to earn a high school diploma, combined with a caring, positive learning climate, determines the student's degree of success.

Juvenile Justice Alternative Education Programs (JJAEP)

Cameron County Juvenile Probation is required by state law to provide a Juvenile Justice Alternative Education Program (J.J.A.E.P.) to those students who have been expelled by one of the schools in Cameron County and who have been adjudicated, or are pending adjudication, as a delinquent by a juvenile court. In addition, the school districts may, in its discretion, order or, by agreement, refer students who continue to have serious and persistent misbehavior.

Lincoln Park School

Lincoln Park School is a "school of choice" alternative high school. The school serves sixth to twelfth grade students from all middle and high schools in BISD. A variety of programs are offered that meet the individual needs of students in the Teen Parenting Accelerated Program (TPAP). Lincoln Park School has a day care center for birth – 17 month old babies for the enrolled teen parents. The primary goal is to provide an opportunity for teen-aged parents to obtain a high school diploma and develop work skills in their area of interest. The school operates differently from traditional high schools, because of the individualized, self-paced, performance based, accelerated curriculum.

FEDERAL AWARDS SECTION

**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**

Board of Trustees
The Brownsville Independent School District
Brownsville, Texas

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Brownsville Independent School District (the "District") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 12, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the Brownsville Independent School District's internal control.

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 District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Patullo, Bron. & Hill, C.P.

Brownsville, Texas
November 12, 2015



PATTILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Trustees
Brownsville Independent School District
Brownsville, Texas

Report on Compliance for Each Major Federal Program

We have audited the Brownsville 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 June 30, 2015. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Brownsville, Texas
November 12, 2015

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2015

SECTION I – SUMMARY OF AUDITORS’ RESULTS

<i>Financial Statements</i>			
	Type of auditors’ report issued:	Unmodified	
	Internal control over financial reporting: • Material weakness(es) identified?	___ Yes	___ <u>X</u> No
	• Significant deficiency(ies) identified not considered to be material weaknesses?	___ Yes	___ <u>X</u> None Reported
	Noncompliance material to financial statements noted?	___ Yes	___ <u>X</u> No

<i>Federal Awards</i>			
	Internal control over major programs: • Material weakness(es) identified?	___ Yes	___ <u>X</u> No
	• Significant deficiency(ies) identified not considered to be material weaknesses?	___ Yes	___ <u>X</u> None Reported
	Type of auditors’ report issued on compliance for major programs	Unmodified	
	Any audit findings disclosed that are required to be reported accordance with Circular A-133, Section. 510(a)?	___ Yes	___ <u>X</u> No

<i>Identification of Major Programs</i>			
	CFDA Number(s)	Name of Federal Program or Cluster	
	10.553 10.555 10.558	Child Nutrition Cluster	
	84.027A 84.173A	Special Education Cluster	
	84.367A	ESEA Title II Part A	
	Dollar threshold used to distinguish between Type A and Type B programs:	\$3,000,000	
	Auditee qualified as low-risk auditee?	___ <u>X</u> Yes	___ No

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2015

SECTION II – FINANCIAL STATEMENT FINDINGS

<u>Program</u>	<u>Findings/Noncompliance</u>
None Noted	

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

<u>Program</u>	<u>Findings/Noncompliance</u>
None Noted	

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

CORRECTIVE ACTION PLAN

For the Year Ended June 30, 2015

Program

Not Applicable

Findings/Noncompliance

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended June 30, 2015

Program

Findings/Noncompliance

Not Applicable

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF DEFENSE			
<i>Direct Programs:</i>			
R.O.T.C.	12.000	N/A	\$ 435,055
Total U.S. Department of Defense			<u>435,055</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Texas Workforce Commission:</i>			
Family Support Act AFDC Jobs 2014	93.558	2414ABE000	3,122
Family Support Act AFDC Jobs 2015	93.558	2414AEL000	192,797
Total U.S. Department of Health and Human Services			<u>195,920</u>
U.S. DEPARTMENT OF EDUCATION			
<i>Pass Through Texas Workforce Commission:</i>			
Federal Adult Education English Literacy & Civics Education	84.002A	2414ELC002	3,162
Federal Adult Education English Literacy & Civics Education	84.002A	2414AEL000	131,010
Federal Adult Education & Family Literacy - 2014	84.002A	2414ABE000	9,896
Federal Adult Education & Family Literacy - 2015	84.002A	2414AEL000	873,185
Total Pass Through Texas Workforce Commission			<u>1,017,253</u>
ESEA Title I, Part A 2014	84.010A	14610101031901	3,221,504
ESEA Title I, Part A 2015	84.010A	15610101031901	21,053,995
Title I - 1003(A) Priority and Focus School Grant - Cummings	84.010A	14610112031901042	4,168
Title I - 1003(A) Priority and Focus School Grant - Oliveira	84.010A	14610112031901045	6,326
Title I - 1003(A) Priority and Focus School Grant - Perkins	84.010A	14610112031901046	19,839
Title I - 1003(A) Priority and Focus School Grant - Cromack	84.010A	14610112031901102	16,013
Title I - 1003(A) Priority and Focus School Grant - El Jardin	84.010A	14610112031901105	17,586
Title I - 1003(A) Priority and Focus School Grant - Garza	84.010A	14610112031901124	9,000
Title I - 1003(A) Priority and Focus School Grant - Aiken	84.010A	14610112031901133	9,135
Title I - 1003(A) Priority and Focus School Grant - Stell	84.010A	15610112031901044	11,811
Title I - 1003(A) Priority and Focus School Grant - Cummings	84.010A	15610112031901042	15,073
Title I - 1003(A) Priority and Focus School Grant - Stell	84.010A	15610112031901000	18,066
Title I - 1003(A) Priority and Focus School Grant - Oliveira	84.010A	15610112031901045	12,594
Title I - 1003(A) Priority and Focus School Grant - Perkins	84.010A	15610112031901046	9,261
Title I - 1003(A) Priority and Focus School Grant - Besteiro	84.010A	15610112031901048	12,389
Title I - 1003(A) Priority and Focus School Grant - Cromack	84.010A	15610112031901102	17,307
Title I - 1003(A) Priority and Focus School Grant - El Jardin	84.010A	15610112031901105	27,926
Title I - 1003(A) Priority and Focus School Grant - Garza	84.010A	15610112031901124	17,929
Title I - 1003(A) Priority and Focus School Grant - Aiken	84.010A	15610112031901133	15,172
Total CFDA Number 84.010A			<u>24,515,094</u>
ESEA Title I, Ed. For Migrant Child 2014	84.011A	14615001031901	78,808
ESEA Title I, Ed. For Migrant Child 2015	84.011A	15615001031901	1,547,036
Total CFDA Number 84.011A			<u>1,625,844</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
IDEA B - Formula 2015	84.027A	156600010319016600	9,196,515
IDEA B - Discretionary (DEAF) 2014	84.027A	146600110319016673	2,645
IDEA B - Discretionary (DEAF) 2015	84.027A	156600110319016673	58,956
IDEA B- Formula (DEAF) 2014	84.027A	146600010319016601	2,901
IDEA B- Formula (DEAF) 2015	84.027A	156600010319016601	44,449
Total CFDA Number 84.027A			<u>9,305,466</u>
Carl Perkins Grant for Career & Technology Education 2015	84.048A	15420006031901	923,864
Total CFDA Number 84.048A			<u>923,864</u>
IDEA B - Preschool 2014	84.173A	146610010319016610	10,173
IDEA B - Preschool 2015	84.173A	156610010319016610	92,093
IDEA B - Preschool (DEAF) 2015	84.173A	156610010319016611	5,212
Total CFDA Number 84.173A			<u>107,478</u>
IDEA C - Early Intervention 2014	84.181A	143911010319013911	150
Total CFDA Number 84.181A			<u>150</u>
21ST Century Community Learning Center, Cycle 6 Year 5	84.287C	136950177110013	13,780
20th Century Community Learning Center, Cycle 7 Year 4	84.287C	156950167110011	2,640,122
21ST Century Community Learning Center, Cycle 7 Year 3	84.287C	146950167110011	142,638
Total CFDA Number 84.287C			<u>2,796,540</u>
ESEA Title III-Limited English Proficiency (LEP)	84.365A	15671001031901	1,560,952
Total CFDA Number 84.365A			<u>1,560,952</u>
ESEA Title II, Part A - TPTR 2014	84.367A	14694501031901	1,367
ESEA Title II, Part A - TPTR 2015	84.367A	1569450031901	2,834,968
Total CFDA Number 84.367A			<u>2,836,335</u>
Summer School LEP	84.369A	-	70,820
Total CFDA Number 84.369A			<u>70,820</u>
Texas Literacy Initiative	84.371C	136460037110007	943,838
Texas Literacy Initiative	84.371C	146460037110007	4,948,596
Texas Literacy Initiative	84.371C	156460037110007	77,411
Total CFDA Number 84.371C			<u>5,969,845</u>
Title I-Texas Title I Priority Schools 2013-2014-Faulk	84.377A	136107047110004	419,059
Title I-Texas Title I Priority Schools 2014-2015-Faulk	84.377A	116107117110004	129,442
Title I-Texas Title I Priority Schools 2013-2014-Porter	84.377A	136107047110005	425,290
Title I-Texas Title I Priority Schools 2014-2015-Porter	84.377A	116107117110005	200,474
Total CFDA Number 84.377A			<u>1,174,265</u>
Total Passed Through Texas Education Agency			<u>50,886,653</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
<i>Pass Through Jobs for the Future, Inc.</i>			
Early College Expansion Partnership Agreement	84.411B	U411B120049	380,750
Total Passed Through Jobs for the Future, Inc.			<u>380,750</u>
<i>Pass Through Education Service Center Region 10:</i>			
ESEA Title III Subtitle B - Ed. for the Homeless Children & Youth	84.196A	13-062	9,317
ESEA Title III Subtitle B - Ed. for the Homeless Children & Youth	84.196A	13-062	80,742
Total Passed Through Education Service Center Region 10			<u>90,059</u>
<i>Pass Through Education Service Center Region One</i>			
GEAR UP 2014	84.334A	P334A050122	30,809
GEAR UP 2015	84.334A	-	138,771
Total CFDA Education Service Center Region One			<u>169,580</u>
Total Department of Education			<u>52,544,295</u>
UNITED STATES DEPARTMENT OF AGRICULTURE			
<i>Passed Through Texas Education Agency:</i>			
Food Distribution * (Note A)	10.555	-	243,929
School Breakfast Program * (Note A)	10.553	71401501	14,138,228
National School Lunch Program * (Note A)	10.555	71301501	21,066,987
Child and Adult Care Food Program * (Note A)	10.558	-	2,367,646
Total Passed Through Texas Education Agency			<u>37,816,790</u>
Total United States Department of Agriculture			<u>37,816,790</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 90,992,060</u>

* Clustered programs

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2015

1. For all Federal programs, the District uses the fund types specified in Texas Education Agency's *Financial Accountability System Resource Guide*. 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.
2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All Federal grant funds, with the exception of funds for the R.O.T.C, the National School Lunch and Breakfast programs, School Health and Related Services (SHARS), Medicaid Administrative Claims (MAC) and the indirect cost revenues, were accounted for in a Special Revenue Fund which is a Governmental Fund type. The revenues received for the previously mentioned program were accounted for in the General Fund, which is also a component of the Governmental Fund type. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

The modified accrual basis of accounting is used for the Governmental Fund types and the Agency 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 fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when due, and 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.

3. The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Availability of Federal Funds, Part 3, OMB Circular A-133 Compliance Statement.
4. In accordance with TEA instructions, federal funds for the School Health and Related Services (SHARS) have been excluded from the Schedule of Expenditures of Federal Awards.