

AN EARLY COLLEGE DISTRICT

BROWNSVILLE

INDEPENDENT SCHOOL DISTRICT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2020

Brownsville Independent School District

Brownsville, Texas



Comprehensive Annual Financial Report

For

Fiscal Year Ended June 30, 2020

Prepared by: The Division of Finance

INTRODUCTORY SECTION

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2020

TABLE OF CONTENTS

	<u>Page Number</u>	<u>Exhibit</u>
INTRODUCTORY SECTION		
Table of Contents	i	
Letter of Transmittal	1	
GFOA Certificate of Achievement	11	
ASBO Certificate of Achievement	12	
List of Principal Officials	13	
Administrative Organization Chart.....	14	
Certificate of Board	15	
FINANCIAL SECTION		
Independent Auditors' Report	16	
Management's Discussion and Analysis.....	18	
<i>Basic Financial Statements:</i>		
<i>Government Wide Statements:</i>		
Statement of Net Position	27	A-1
Statement of Activities	28	B-1
<i>Fund Financial Statements</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 Fund 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 Fund Net Position	37	E-2
Notes to the Financial Statements	38	
<i>Required Supplementary Information:</i>		
Budgetary Comparison Schedule – General Fund	67	G-1
Schedule of the District's Proportionate Share of the Net Pension Liability – Teacher Retirement System of Texas	68	G-2
Schedule of District Contributions For Pensions Teacher Retirement System of Texas	70	G-3
Schedule of District's Proportionate Share of the Net OPEB Liability Teacher Retirement System of Texas	72	G-4
Schedule of District Contributions for Post-Employment Benefits Teacher Retirement System of Texas	73	G-5

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2020

TABLE OF CONTENTS

	<u>Page Number</u>	<u>Exhibit</u>
FINANCIAL SECTION		
<i>Combining Statements:</i>		
<i>Nonmajor Governmental Funds:</i>		
Combining Balance Sheet	74	H-1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	80	H-2
<i>Internal Service Funds:</i>		
Combining Statement of Net Position.....	86	H-3
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	87	H-4
Combining Statement of Cash Flows.....	88	H-5
<i>Agency Funds:</i>		
Combining Statement of Changes in Assets and Liabilities	89	H-6
<i>Private Purpose Trust Funds:</i>		
Combining Statement of Net Position.....	90	H-7
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	92	H-8
<i>Texas Education Agency – Required Schedules:</i>		
Schedule of Delinquent Taxes Receivable.....	94	J-1
Budgetary Comparison Schedule – Child Nutrition Program.....	96	J-4
Budgetary Comparison Schedule – Debt Service Fund	97	J-5
STATISTICAL SECTION		
<i>Government-Wide Information:</i>		
Net Position by Component – Last Ten Years.....	98	S-1
Governmental Activities Expenses & Program Revenues – Last Ten Years	100	S-2
General Revenues and Changes in Net Position – Last Ten Years	102	S-3
<i>Fund Information:</i>		
Fund Balances – Governmental Funds – Last Ten Years	104	S-4
Governmental Fund Revenues by Source – Last Ten Years.....	106	S-5
Governmental Fund Expenditures by Function – Last Ten Years	107	S-6
Governmental Funds Other Sources, Uses and Changes in Fund Balances – Last Ten Years.....	109	S-7
Governmental Fund Expenditures by Function Per Average Daily Attendance – Last Ten Years	111	S-8
<i>Revenue Capacity Information:</i>		
Assessed and Estimated Actual Value of Property – Last Ten Years	113	S-9
Property Tax Levies and Collections – Last Ten Years	114	S-10
Allocation of Property Tax Rates and Levies – Last Ten Years	115	S-11
Property Tax Rates – Direct and Overlapping Governments (Per \$100 Assessed Valuation) – Last Ten Years.....	116	S-12
Principal Property Taxpayers – Current Year and Nine Years Prior	117	S-13

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2020

TABLE OF CONTENTS

	<u>Page Number</u>	<u>Exhibit</u>
STATISTICAL SECTION		
<i>Debt Capacity Information:</i>		
Outstanding Debt by Type – Last Ten Years	119	S-14
Direct and Overlapping Debt – General Obligation Bonds.....	121	S-15
Computation of Legal Debt Margin – Last Ten Years.....	122	S-16
Ratio of Net General Obligation Bonded Debt to Estimated Actual Value And Per Average Daily Membership – Last Ten Years.....	124	S-17
Ratio of Annual Debt Service for General Bonded Debt to Total General Fund Expenditures – Last Ten Years	125	S-18
<i>Demographic and Economic Information</i>		
Principal Employers – Current Year and Nine Years Prior	126	S-19
Construction and Property Values – Last Ten Years	127	S-20
Demographic and Economic Statistics – Last Ten Years	128	S-21
<i>Operating Information:</i>		
Work Force Composition by Employee Classification – Last Ten Years.....	129	S-22
Schedule of Teacher Information – Last Ten Years.....	131	S-23
Schedule of Attendance and Membership – Last Ten Years	133	S-24
Operating Statistics – Last Ten Years.....	134	S-25
Schedule of Student Information – Last Ten Years	135	S-26
Schedule of School Buildings	136	S-27
Miscellaneous Statistics	137	
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>	138	
Independent Auditors’ Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance.....	140	
Schedule of Expenditures of Federal Awards.....	142	
Notes to Schedule of Expenditures of Federal Awards.....	145	
Schedule of Findings and Questioned Costs	146	
Summary Schedule of Prior Audit Findings	147	



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

December 15, 2020

Eddie Garcia, President,
Board of Trustees Members, and
Citizens of the Brownsville Independent School District
Brownsville, Texas 78521

Dear Mr. Garcia, 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, 2020.

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 Cascos and Associates, PC, 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, 2020, 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

BOARD OF EDUCATION

Eddie Garcia
President
Dr. Prisci Roca Tipton
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Drue Brown
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Daniella Lopez Valdez
Assistant Secretary
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Member

Dr. René Gutiérrez
Superintendent

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, 2020, 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

Brownsville Independent School District will graduate students who are prepared to excel in higher education and successfully pursue career opportunities in a changing global society by maximizing resources to ensure equitable opportunities for all students.

Strategic Objectives

The Brownsville ISD students will:

- Graduate
- Meet and/or exceed state and national standards of education
- Graduate college ready and prepared to excel in their respective career choices
- Become 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:

- Design and implement an effective and accountable ECE-Post Secondary Model that focuses on STEM/STEAM (Science, Technology, Engineering, Arts and Math) careers and life-long learning opportunities
- Ensure a safe, healthy, caring environment for everyone in our school District
- Provide for the effective, social, emotional, and cognitive development of the learner
- Strengthen partnerships and communication among parents, community and schools
- Provide appropriate facilities to implement and support our current and future instructional program
- Recruit, retain, and provide research based professional development to District personnel

Core Beliefs

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

- Everyone in our community has inherent values, talents and strengths
- High expectations, perseverance, and a strong work ethic are essential in fostering higher achievement and success
- Students are our number one resource
- Academic success nurtures lifelong learning
- Everyone flourishes in a safe and healthy educational environment
- The success of each student, educator, and family is vital for the future growth and sustainability of our community
- The community and families share responsibility for the development and mentoring of our students

Strategic Parameters

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

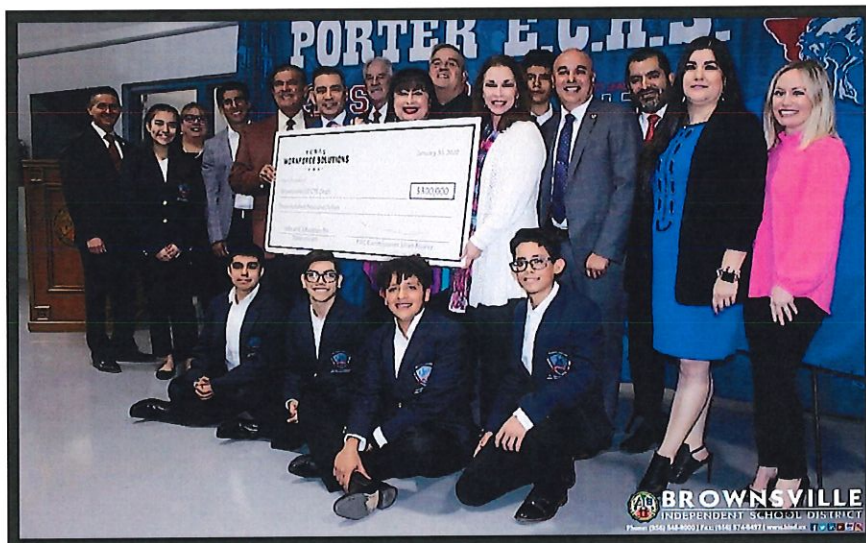
- Will not tolerate educational apathy

- Will not compromise the efficient and effective use of resources
- Will make educational and financial decisions based upon what is best for student success
- Will foster a positive environment that recognizes and celebrates diversity
- Will ensure a safe and healthy learning environment with a commitment to excellence
- Will ensure that the instructional programs from early childhood to post-secondary are our highest priority

The District provides a full range of educational services appropriate to grade levels pre-kindergarten through twelve for its approximate 43,028 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 achievements:

- Ortiz Elementary and Brownsville ECHS were recognized as ERP-Consecutive Texas Honor Roll Campuses.
- The Career & Technical Education Department received the 2020 Jobs and Education for Texans Grant award of \$300,000. The CTE Department also received a second grant of \$191,868 for Dual Credit Career and Technical Education equipment.



- The Grizzly Cheer Squad from Keller Elementary placed 1st in their division in the San Antonio National Cheer Competition.

- Pace ECHS participated in the UIL State Marching Band Contest at the Alamodome in San Antonio, TX.



- Veterans Memorial ECHS competed in the 2020 National History Day virtual competition and earned a second consecutive 3rd place in the Senior Division Group Performance category.
- The Mock Trial team from Porter ECHS competed in the Regional Mock Trial Competition and advanced to the semi-finals.
- The Stillman Middle School chess team were awarded Texas State Grand Champions.



- Destination Imagination teams from Aiken Elementary and Ben Brite Elementary placed 1st and 4th respectively at the South Border Bridge Regional Competition. Teams advanced to State competition, which was unfortunately cancelled due to COVID-19.



- Three seniors at Brownsville ECHS were awarded the Dell Scholarship and received an initial award of \$20,000 each from the Michael and Susan Dell Foundation to assist in earning their bachelor's degrees. The scholarship is renewable each year.
- More than \$95 million in scholarship offers were rewarded for the graduating class of 2020.

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. The city has a population of 182,781 residents and has experienced growth of 32,092 people between the 2000 and 2010 according to the US Census Bureau. The demographics of Brownsville’s population can be summed up as young but condensing over time. The median age is 31.1 years. 30.8% of all persons in the City are younger than 18 years of age. Only 11.7% are 65 years or older.

The breakdown of our student membership as of October 2020 is as follows:

• Early Ed	34
• Pre-K	2,683
• K-5	15,998
• 6-8	8,837
• 9-12	<u>13,239</u>
TOTAL	40,791

The projected average daily attendance (ADA) for 2020-2021 is approximately 37,434.916.

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 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 is currently in testing phases. The Space X Project should have a positive economic impact in Brownsville and other Rio Grande Valley communities, in employment, tourism, and in higher education. The City experienced an increase in the number of building permits between the 2019 and 2020 fiscal years. In addition, the City continues to experience an increase in property values and retail sales tax for the 2020 fiscal year indicating economic stability for the area.

State Economic Outlook – Due to the COVID-19 pandemic and subsequent state lockdown, oil prices, gas prices, and sales revenues are below the State Comptroller’s anticipated projections. The 87th Texas Legislature will reconvene in January 2021, and legislators are planning to preserve funding gains and equity attained from last year’s House Bill 3. The 87th Legislature will also address formulating legislation to help recover from the financial impact of COVID-19.

Bond Funding Update – There were no bond funding updates for the 2019-2020 fiscal year.

Financial Policies – As one of the 25 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 continued with breakfast in the classroom and the supper program in the 2019-2020 school year. During the COVID-19 pandemic, the District continued to provide feeding via curbside at selected campuses and bus routes. Additionally, the District served meals to students who attended Face-to-Face instruction. The District’s remains committed in ensuring that each child receives a healthy breakfast, lunch, and dinner.



Porter ECHS and Rivera ECHS students participating in a food tasting sponsored by the Food & Nutrition Services Department

The District serves breakfast, lunches, and dinner to students through the Texas Department of Agriculture School Nutrition Program and the Child and Adult Care Food 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 2.8% for breakfast, 3.2% for lunch, and 3.0% for supper from the 2018-2019 to the 2019-2020 school year.

Long-term Financial Planning – Growth in the District’s tax base has continued to increase, averaging 2.6% annual growth from fiscal years 2011-20. The District’s fiscal 2019 taxable assessed valuation (TAV) increased marginally to \$6.3 billion. Enrollment for fiscal year 19-20 decreased by 3.09% from fiscal year 18-19, so the District continues to offer open enrollment at all 34 elementary campuses in an effort to stabilize enrollment and continues to reduce staffing through attrition as a cost saving measure. Due to the COVID-19 pandemic, the area’s unemployment rate is higher than past years (8.52% annual) and income levels are low. Projected membership for school year 2020-21 is expected to reach 41,915.

The District's maintenance and operations tax rate for tax year 2019-2020 is \$1.057000 per \$100 valuation and the Debt Service rate is \$0.129706 for a total tax rate of \$1.186706. The District continues to upgrade its facilities such as the Porter ECHS Fine Arts Building and Lucio Middle School 4-lane track.



Porter ECHS completed Fine Arts Building



Lucio MS 4-lane track

State funding for the general fund is about 77% of the total general fund revenue. House Bill 3 increased overall state funding for school districts. 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 decrease in interest rates adversely affected the interest earnings of the District. The federal fund rate continues to decrease and the investment earning is projected to decrease as well.

Awards

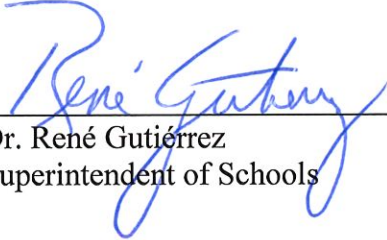
Association of School Business Officials International (ASBO) – At June 30, 2019, the District compiled and submitted a Comprehensive Annual Financial Report (CAFR) for consideration for ASBO's Certificate of Excellence in Financial Reporting. The District was notified that it had been awarded the certificate on February 26, 2020. This was the tenth time the District had submitted its financial statements for this award.

Government Finance Officers Association (GFOA) - At June 30, 2019, 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 August 14, 2020. This was the tenth time the District had submitted its financial statements for this award. The District also received the Outstanding Achievement in Popular Annual Financial Reporting (PAFR), from the Governmental Finance Officers Association. This is the first time the District had submitted its financial statements for this award.

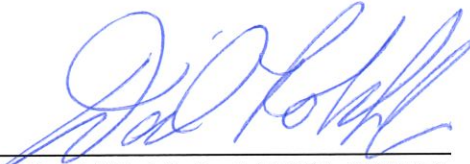
Schools FIRST - Senate Bill 218 of the 77th Legislature (2001) authorized the implementation of a financial accountability rating system for Texas school districts. For the 2018-19 school year, the most recent school year rated, the District achieved the Texas Education Agency's rating of "Superior Achievement" with a score of 100 in the School FIRST program. 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. René Gutiérrez
Superintendent of Schools



Mr. David Robledo, MACC, RTSBA
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, 2019

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Brownsville Independent School District

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz'.

Claire Hertz, SFO
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

LIST OF PRINCIPAL OFFICIALS

BOARD OF TRUSTEES

Minerva M. Peña – President

Drue Brown – Vice-President

Dr. Prisci Roca Tipton – Board Secretary

Philip T. Cowen – Board Assistant Secretary

Dr. Sylvia P. Atkinson – Member

Eddie Garcia – Member

Laura Perez-Reyes – Member

ADMINISTRATORS

Dr. René Gutiérrez, Superintendent

David Robledo, Chief Financial Officer

Dr. Nereida Cantu, Deputy Superintendent for Business & Operations

Dr. Anysia R. Treviño, Deputy Superintendent for Curriculum & Instruction

Carmelita Rodriguez, Assistant Superintendent for HR/Title IX/504

Dr. Dora E. Saucedo, Assistant Superintendent for Curriculum and Instruction

Jimmy Haynes, Assistant Superintendent for Operations

Dr. Timothy Cuff, Assistant Superintendent for Support Services

Alma Cardenas-Rubio, Area Assistant Superintendent

Rose Longoria, Area Assistant Superintendent

Sandra Lopez, Area Assistant Superintendent

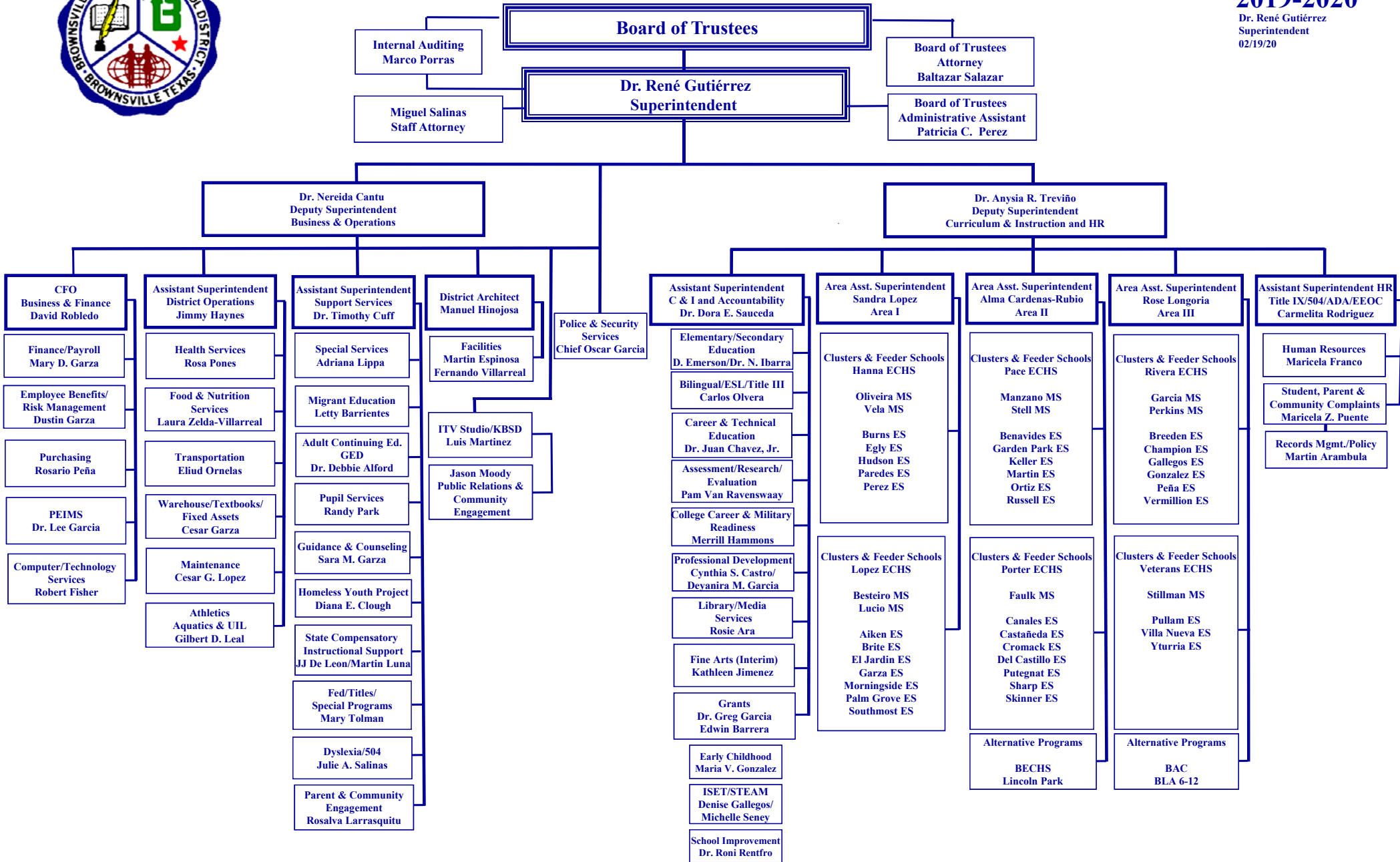
Miguel Salinas, Staff Attorney



Brownsville ISD Organizational Chart

2019-2020

Dr. René Gutiérrez
Superintendent
02/19/20



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, 2020 at a meeting of the Board of Trustees of such school district on the 15th day of December, 2020.


Signature of Board Secretary


Signature of Board President

FINANCIAL SECTION



Cascos & Associates, PC

Certified Public Accountants
Audit/Accounting/Tax/Consulting

INDEPENDENT AUDITORS' REPORT

The Board of Trustees of
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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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 District as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



765 East 7th Street / Brownsville, Texas 78520
Phone (956) 544-7778 Fax (956) 544-8465
Email: ccascos@cascoscpa.com



Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison, pension and OPEB information on pages listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the 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 District's basic financial statements. The introductory section, combining statements, required TEA schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining statements, required TEA schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 statements, required TEA schedules 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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 District's internal control over financial reporting and compliance.



Cascos & Associates, PC
Brownsville, Texas
December 15, 2020

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

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, 2020. 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 \$109,773,809 at June 30, 2020. The Net Position continues to be impacted with the sixth year of GASB Statement No. 68, Accounting and Financial Reporting for Pensions by the net amount of \$140,539,681 and with the third year of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions by the net amount of \$184,854,403. See Exhibit A-1
- The District’s Statement of Activities reflects an increase in Net Position for Governmental Activities in the amount of \$7,329,572. This is a result of expenses being less than the \$578,818,538 generated in taxes, state aid, investment earnings, and other revenues such as charges for services and federal grants. See Exhibit B-1.
- As shown on the Statement of Activities, the property tax revenue decreased \$16,582 or 0.02% from the prior year, even though property values increased by \$431,932,929 from the prior year. This is partly due to a tax compression that resulted in a tax rate decrease of \$0.078. The 2019-2020 total tax rate is \$1.187 per \$100 assessed valuation. See Exhibit B-1
- The General Fund reported a fund balance in the governmental funds financial statements this year of \$185,251,902. Approximately 47% of this total amount, \$ 87,745,136 is available for spending at the District’s discretion (Unassigned Fund Balance). See Exhibit C-1.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The government-wide financial statements include the Statements 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. 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.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

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 as well as deferred outflows and deferred inflows of resources, 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 accrual basis of accounting used by most private sector companies.

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 the assets plus deferred outflows of resources and the liabilities plus deferred inflows of resources), 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 government-wide net position has improved as evidenced by the increase in government-wide net position. However, the average daily attendance (ADA) continues to decline. Enrollment decline in the district has been driven by a combination of an increase charter school presence, declining birth rates and some population loss from new residential development occurring in the city of Brownsville but outside of district boundaries. Due to this decline in attendance, the District has done a consolidation of three elementary schools for fiscal year 2019-2020 and continues to assess facilities and staffing allocations to ensure that the students' needs are best served.

While the District's property tax base had 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. The Instructional Facilities Allotment and the eligible Debt Allotment also decrease with increases in property values.

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.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Reporting the District’s Funds

Fund financial statements

The fund financial statements provide 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 three (3) Internal Service Funds. They are Funds 753 & 754-Self-Funded Insurance (United Health Care for claim runoffs) & (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.

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 Fund 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 and deferred outflows exceeded liabilities and deferred inflows by \$109,773,809 for the year ended June 30, 2020.

The District’s net position is comprised of the following elements as illustrated in Table 1.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

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

	Governmental Activities 2020	Governmental Activities 2019
Current and Other Assets	\$ 301,387,428	\$ 281,425,912
Capital Assets	<u>421,971,127</u>	<u>409,380,616</u>
Total Assets	<u>723,358,555</u>	<u>690,806,528</u>
Deferred Charge for Refunding	8,171,043	9,345,147
Deferred Resource Outflow Related to TRS OPEB	21,768,612	16,277,939
Deferred Outflow Related to TRS	<u>62,076,435</u>	<u>74,943,472</u>
Total Deferred Outflows of Resources	<u>92,016,090</u>	<u>100,566,558</u>
Long-Term Liabilities	491,350,446	542,344,454
Other Liabilities	<u>94,971,732</u>	<u>65,494,867</u>
Total Liabilities	<u>586,322,178</u>	<u>607,839,321</u>
Deferred Resource Inflow Related to TRS OPEB	88,673,244	67,474,371
Deferred Inflow Related to TRS	<u>30,605,414</u>	<u>16,329,231</u>
Total Deferred Inflows of Resources	<u>119,278,658</u>	<u>83,803,602</u>
Net Position:		
Net Investment in Capital Assets	264,940,716	227,936,911
Restricted	22,470,331	28,364,878
Unrestricted	<u>(177,637,238)</u>	<u>(156,571,626)</u>
Total Net Position	<u>\$ 109,773,809</u>	<u>\$ 99,730,163</u>

At approximately 241% of total net position, Net Investment in Capital Assets is the largest portion of the District's net position. 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.

Restricted net position makes up 20.47% of total net position. It represents balances for which external constraints have been placed and includes balances for debt service, capital projects, grants and campus activities.

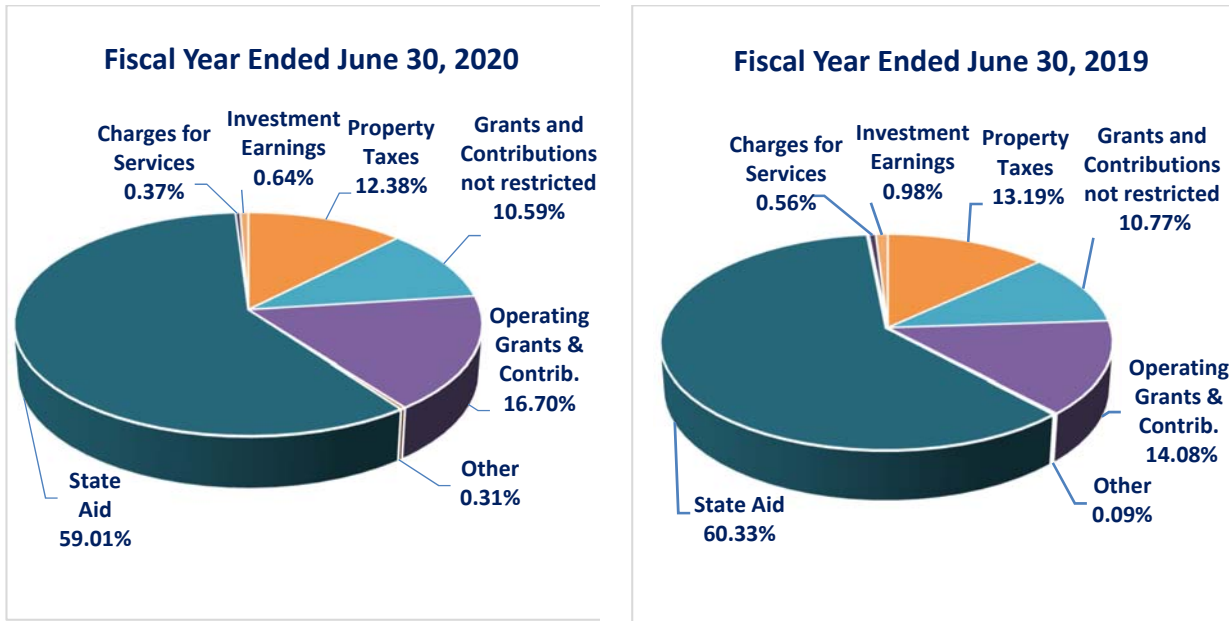
Unrestricted net position is the portion of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements and it represents about -162% of total net position.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Changes in Net Position

The District’s revenue sources for fiscal year 2020 and fiscal year 2019 are illustrated in the Chart below. State Aid made up the largest portion of the revenue, followed by Operating Grants & Contributions, and then by Property Taxes.

District Sources of Revenue



The District’s changes in net position for the fiscal years ended in June 30, 2020 and 2019 are summarized on Table 2. As shown on the District’s Statement of Activities, the net position of the District’s governmental activities increased by \$7,329,572 for the fiscal year ended June 30, 2020.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

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

	Governmental Activities 2020	Governmental Activities 2019
Revenues:		
Program Revenues:		
Charges for Services	\$ 2,128,548	\$ 3,050,668
Operating Grants & Contributions	96,636,967	76,466,939
General Revenues:		
Maintenance and Operations Taxes	63,999,050	65,415,281
Debt Service Taxes	7,652,219	6,252,570
State Aid	341,577,353	327,749,035
Grants and Contributions (not Restricted)	61,319,514	58,482,078
Investment Earnings	3,691,478	5,345,300
Other	1,813,409	494,608
Total Revenues	<u>578,818,538</u>	<u>543,256,479</u>
Expenses:		
Instruction and Media Services	327,025,155	290,704,439
Curriculum and Instructional Staff Development	16,667,811	12,950,605
Instructional and School Leadership	38,785,894	33,979,348
Student Support Services	45,105,725	42,600,649
Food Services	38,290,202	39,163,926
Extracurricular Activities	17,244,449	17,250,130
General Administration	6,799,545	25,783,685
Maintenance, Security & Data Processing	68,672,983	64,241,670
Community Services	4,942,845	3,534,234
Debt Services	7,017,649	4,148,764
JJAEP and other intergovernmental charges	23,834	31,144
Other Intergovernmental Charges	912,874	876,102
Total Expenses	<u>571,488,966</u>	<u>535,264,696</u>
Increase/ (Decrease) in Net Position	7,329,572	7,991,783
Beginning Net Position	99,730,163	91,738,380
Prior Period Adjustment	2,714,074	-
Ending Net Position	<u>\$ 109,773,809</u>	<u>\$ 99,730,163</u>

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

The District’s total Governmental Activities Revenues are \$578,818,538, a 6.55% increase of \$35,562,059 from the prior year. The largest increases were in Operating Grants & Contributions, a 26.4% increase, in State Aid – Formula Grants, a 4.2% increase and in Miscellaneous Local and Intermediate Revenue, a 267% increase.

The expenses for governmental activities totaled \$571,488,966 a 6.77% increase of \$36,224,270 from the prior year. The largest increases were in Instruction and Media Services, Instructional and School Leadership, Student Support Services, Maintenance, Security& Data Processing and Student Support Services.

THE DISTRICT’S FUNDS

As the District completed the year ended June 30, 2020, its governmental funds (as presented in the Balance Sheet) reported a combined fund balance of \$196,374,640. Included in this year’s \$15,474,936 total decrease in fund balance is a decrease of \$16,344,135 in the District’s General Fund and an increase of \$869,199 in the Debt Service Fund

Total Revenues in the General Fund decreased \$1,388,111, a 0.29% change from FY 2019 to 2020.

- Total Local and Intermediate Sources Revenue decreased \$2,814,733. This is a result of \$0.93M decrease in charges for services, a \$0.5M decrease in Local revenue, and a \$0.7M decrease in food service revenue.
- State Program Revenues increased \$16,103,420 mainly as a result of HB-3 that changed the funding formula to school districts and provided more money for Texas classrooms and increased teacher compensation.
- Federal Program Revenues decreased \$14,676,798. This is a result of a \$1.9M reduction in the MAC & SHARS program, a \$9.0M decrease in the Food Services lunch and breakfast programs, and \$0.8M decrease in local federal funds.

Total Expenditures in the General Fund increased \$11,959,219 as compared to the previous year. The increase is due mostly to \$3.7M increases in Instruction, \$1.6M increases in Curriculum & Instructional Staff Development, \$2.9M increases in School Leadership and \$4.4M increases in Principal on Long-Term Debt.

The Fund Balance of the General Fund decreased \$ 16,344,135 from the prior year, primarily due to construction funded through committed and assigned fund balance.

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 \$513,178,651 and finished the year with a budget of \$521,646,861. The total operating expenditure budget was \$498,854,851 and finished the year with a budget of \$594,007,779. This increase of \$95,152,928 was due to various necessary budget adjustments including increases due to Carryover Purchase Orders and Acquisition and Construction projects.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District had investments of \$421,971,127 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 increase (including additions, deductions, and depreciation) of \$12,590,511 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 2020	Governmental Activities 2019
Land	\$ 28,526,137	\$ 28,526,137
Buildings and Improvements	326,811,968	334,311,672
Furniture, Equipment & Vehicles	22,504,542	21,477,213
Construction In Progress	44,128,480	25,065,594
Net Capital Assets	\$ 421,971,127	\$ 409,380,616

DEBT

As of June 30, 2020, the District had \$111,060,400 in bonds outstanding (the “Bonds”). The Bonds of the District are rated “AA-” 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 and the following Supplemental Schedules;

- 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.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The District’s assessed property tax value for the 2020-2021 fiscal year is \$6,358,426,031 compared to the assessed value in the 2019-2020 fiscal year of \$6,309,147,101 which translates to a property value appreciation of \$49,278,930 or .78%.

The budget for the 2020-2021 fiscal year was based on a projected ADA (Average Daily Attendance) of 37,435 a decrease of 1,802 from the prior year. The budget for the 2019-2020 fiscal year was based on a projected ADA of 39,237.

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:

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

**Table 4
Brownsville Independent School District
Proposed 2021 General Fund Operating Revenue Budget**

		Proposed Budget 2020 - 2021
Local Sources	\$	76,263,071
State Sources		372,526,159
Federal Sources		48,502,253
Total Operating Fund Revenues	\$	497,291,483

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. The District has become a leader in the state by offering the designated Early College High School program to all seven BISD high schools. The Early College High School Program introduces college level learning to secondary students, with the opportunity to earn not only a high school diploma, but up to 60 college credit hours at no cost to the student or their families. The district implemented remote instruction for the safety of the students and staff due to the Covid 19 pandemic.

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 Community Eligibility Provision. 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. Better scores have translated into more seniors fulfilling degree requirements and graduating career-ready and college-connected. Academically, both the Southern Association of Colleges and Schools and the Texas Education Agency have accredited Brownsville public schools.

CONTACTING THE DISTRICT’S FINANCIAL MANAGEMENT

This comprehensive financial report is intended 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 305, Brownsville, Texas 78521-2417 or by calling (956) 698-0003.

BASIC FINANCIAL STATEMENTS

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

EXHIBIT A-1

Data Control Codes	Primary Government Governmental Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 2,592,675
1120 Current Investments	221,878,515
1220 Property Taxes - Delinquent	10,328,230
1230 Allowance for Uncollectible Taxes	(309,847)
1240 Due from Other Governments	62,104,451
1250 Accrued Interest	604,211
1267 Receivables to External Parties	20
1290 Other Receivables, Net	38,992
1300 Inventories	4,150,181
Capital Assets:	
1510 Land	28,526,137
1520 Buildings, Net	326,811,968
1530 Furniture and Equipment, Net	22,504,542
1580 Construction in Progress	44,128,480
1000 Total Assets	723,358,555
DEFERRED OUTFLOWS OF RESOURCES	
1701 Deferred Charge for Refunding	8,171,043
1705 Deferred Outflow Related to TRS Pension	62,076,435
1706 Deferred Outflow Related to TRS OPEB	21,768,612
1700 Total Deferred Outflows of Resources	92,016,090
LIABILITIES	
2110 Accounts Payable	12,671,863
2120 Short Term Debt Payable	7,590
2150 Payroll Deductions and Withholdings	13,736,962
2160 Accrued Wages Payable	36,607,733
2177 Payable to External Parties	117,984
2180 Due to Other Governments	25,178,802
2190 Due to Student Groups	1,120,757
2200 Accrued Expenses	4,510,757
2300 Unearned Revenue	1,019,284
Noncurrent Liabilities:	
2501 Due Within One Year	26,671,467
2502 Due in More Than One Year	139,284,895
2540 Net Pension Liability (District's Share)	140,539,681
2545 Net OPEB Liability (District's Share)	184,854,403
2000 Total Liabilities	586,322,178
DEFERRED INFLOWS OF RESOURCES	
2605 Deferred Inflow Related to TRS Pension	30,605,414
2606 Deferred Inflow Related to TRS OPEB	88,673,244
2600 Total Deferred Inflows of Resources	119,278,658
NET POSITION	
3200 Net Investment in Capital Assets	264,940,716
3820 Restricted for Federal and State Programs	11,347,593
3850 Restricted for Debt Service	11,122,738
3900 Unrestricted	(177,637,238)
3000 Total Net Position	\$ 109,773,809

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, 2020

EXHIBIT B-1

Data Control Codes	1	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		3	4	6
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Gov. Governmental Activities
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
11 Instruction	\$ 313,169,173	\$ 754,476	\$ 51,587,915	\$ (260,826,782)
12 Instructional Resources and Media Services	13,855,982	-	4,851,808	(9,004,174)
13 Curriculum and Instructional Staff Development	16,667,811	10,805	3,742,112	(12,914,894)
21 Instructional Leadership	8,173,785	-	1,218,388	(6,955,397)
23 School Leadership	30,612,109	-	344,224	(30,267,885)
31 Guidance, Counseling and Evaluation Services	24,574,084	-	2,082,953	(22,491,131)
32 Social Work Services	957,825	-	-	(957,825)
33 Health Services	7,102,036	-	1,614,746	(5,487,290)
34 Student (Pupil) Transportation	12,471,780	10,805	-	(12,460,975)
35 Food Services	38,290,202	620,557	26,951,829	(10,717,816)
36 Extracurricular Activities	17,244,449	229,278	-	(17,015,171)
41 General Administration	6,799,545	108,045	-	(6,691,500)
51 Facilities Maintenance and Operations	52,422,138	183,677	70,570	(52,167,891)
52 Security and Monitoring Services	9,005,516	10,805	208,605	(8,786,106)
53 Data Processing Services	7,245,329	-	-	(7,245,329)
61 Community Services	4,942,845	200,100	3,963,817	(778,928)
72 Debt Service - Interest on Long-Term Debt	7,017,649	-	-	(7,017,649)
95 Payments to Juvenile Justice Alternative Ed. Prg.	23,834	-	-	(23,834)
99 Other Intergovernmental Charges	912,874	-	-	(912,874)
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 571,488,966	\$ 2,128,548	\$ 96,636,967	(472,723,451)

Data Control Codes	General Revenues:	
	Taxes:	
MT	Property Taxes, Levied for General Purposes	63,999,050
DT	Property Taxes, Levied for Debt Service	7,652,219
SF	State Aid - Formula Grants	341,577,353
GC	Grants and Contributions not Restricted	61,319,514
IE	Investment Earnings	3,691,478
MI	Miscellaneous Local and Intermediate Revenue	1,813,409
TR	Total General Revenues	480,053,023
CN	Change in Net Position	7,329,572
NB	Net Position - Beginning	99,730,163
PA	Prior Period Adjustment	2,714,074
NE	Net Position - Ending	\$ 109,773,809

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

Data Control Codes	10 General Fund	266 CARES Grant	Other Funds	Total Governmental Funds
ASSETS				
1110 Cash and Cash Equivalents	\$ 1,395,781	\$ -	\$ 1,191,229	\$ 2,587,010
1120 Investments - Current	192,034,602	-	11,098,653	203,133,255
1220 Property Taxes - Delinquent	9,458,205	-	870,025	10,328,230
1230 Allowance for Uncollectible Taxes	(283,746)	-	(26,101)	(309,847)
1240 Due from Other Governments	37,055,550	13,788,718	11,260,183	62,104,451
1250 Accrued Interest	530,741	-	56,255	586,996
1260 Due from Other Funds	33,880,917	-	7,581,299	41,462,216
1290 Other Receivables	38,992	-	-	38,992
1300 Inventories	4,150,181	-	-	4,150,181
1000 Total Assets	<u>\$ 278,261,223</u>	<u>\$ 13,788,718</u>	<u>\$ 32,031,543</u>	<u>\$ 324,081,484</u>
LIABILITIES				
2110 Accounts Payable	\$ 8,043,788	\$ 288,626	\$ 2,959,388	\$ 11,291,802
2120 Short Term Debt Payable - Current	-	-	7,590	7,590
2150 Payroll Deductions and Withholdings Payable	13,736,962	-	-	13,736,962
2160 Accrued Wages Payable	33,398,813	-	3,208,920	36,607,733
2170 Due to Other Funds	4,620,065	13,500,092	11,872,177	29,992,334
2180 Due to Other Governments	24,930,608	-	248,194	25,178,802
2190 Due to Student Groups	28,062	-	1,092,695	1,120,757
2200 Accrued Expenditures	87,102	-	-	87,102
2300 Unearned Revenue	209,015	-	810,269	1,019,284
2000 Total Liabilities	<u>85,054,415</u>	<u>13,788,718</u>	<u>20,199,233</u>	<u>119,042,366</u>
DEFERRED INFLOWS OF RESOURCES				
2601 Unavailable Revenue - Property Taxes	7,954,906	-	709,572	8,664,478
2600 Total Deferred Inflows of Resources	<u>7,954,906</u>	<u>-</u>	<u>709,572</u>	<u>8,664,478</u>
FUND BALANCES				
Nonspendable Fund Balance:				
3410 Inventories	4,150,181	-	-	4,150,181
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	11,347,593	-	-	11,347,593
3480 Retirement of Long-Term Debt	-	-	11,122,738	11,122,738
3490 Regional School for the Deaf	221,822	-	-	221,822
Committed Fund Balance:				
3510 Construction	19,338,622	-	-	19,338,622
3545 Capital Outlay, Supplies, Travel and Contr Serv	5,708,959	-	-	5,708,959
Assigned Fund Balance:				
3550 Construction	33,452,290	-	-	33,452,290
3590 Repair, Maintenance and Other	23,287,298	-	-	23,287,298
3600 Unassigned Fund Balance	87,745,137	-	-	87,745,137
3000 Total Fund Balances	<u>185,251,902</u>	<u>-</u>	<u>11,122,738</u>	<u>196,374,640</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 278,261,223</u>	<u>\$ 13,788,718</u>	<u>\$ 32,031,543</u>	<u>\$ 324,081,484</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, 2020

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$	196,374,640
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 increase net position.		1,376,578
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 \$751,933,401 and the accumulated depreciation was (\$342,552,785). 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.		227,170,641
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 2020 capital outlays and debt principal payments is to increase net position.		58,772,443
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. The net position related to TRS included a Deferred Resource Outflow in the amount of \$62,076,435, a Deferred Resource Inflow in the amount of \$30,605,414 and a net pension liability in the amount of \$140,539,681. This resulted in a (decrease) in net position.		(109,068,660)
5 Included in the items related to debt is the recognition of the District's proportionate share of the net OPEB liability required by GASB 75. The net position related to TRS included a Deferred Resource Outflow in the amount of \$21,768,612, a Deferred Resource Inflow in the amount of \$88,673,244 and a net OPEB liability in the amount of \$184,854,403. This resulted in a (decrease) in net position.		(251,759,035)
6 The 2020 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to (decrease) net position.		(21,757,276)
7 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. The net effect of these reclassifications and recognitions is to increase net position.		8,664,478
19 Net Position of Governmental Activities	\$	109,773,809

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 BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

Data Control Codes	10 General Fund	266 CARES Grant	Other Funds	Total Governmental Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 71,097,456	\$ -	\$ 8,080,774	\$ 79,178,230
5800 State Program Revenues	364,012,400	-	20,010,657	384,023,057
5900 Federal Program Revenues	37,317,083	13,788,718	44,836,805	95,942,606
5020 Total Revenues	<u>472,426,939</u>	<u>13,788,718</u>	<u>72,928,236</u>	<u>559,143,893</u>
EXPENDITURES:				
Current:				
0011 Instruction	229,980,052	13,786,093	37,801,754	281,567,899
0012 Instructional Resources and Media Services	7,488,029	-	5,143,532	12,631,561
0013 Curriculum and Instructional Staff Development	11,016,086	-	3,749,328	14,765,414
0021 Instructional Leadership	5,902,501	-	1,219,977	7,122,478
0023 School Leadership	26,918,098	-	344,224	27,262,322
0031 Guidance, Counseling, and Evaluation Services	19,653,387	-	2,082,953	21,736,340
0032 Social Work Services	911,610	-	-	911,610
0033 Health Services	4,601,880	-	1,614,746	6,216,626
0034 Student (Pupil) Transportation	11,432,229	-	-	11,432,229
0035 Food Services	34,149,312	-	-	34,149,312
0036 Extracurricular Activities	15,775,318	-	-	15,775,318
0041 General Administration	11,444,301	-	-	11,444,301
0051 Facilities Maintenance and Operations	48,825,078	2,625	73,025	48,900,728
0052 Security and Monitoring Services	8,131,635	-	219,474	8,351,109
0053 Data Processing Services	8,177,895	-	-	8,177,895
0061 Community Services	545,426	-	3,963,893	4,509,319
Debt Service:				
0071 Principal on Long-Term Debt	12,390,874	-	11,220,000	23,610,874
0072 Interest on Long-Term Debt	3,196,188	-	4,623,880	7,820,068
0073 Bond Issuance Cost and Fees	9,025	-	2,251	11,276
Capital Outlay:				
0081 Facilities Acquisition and Construction	27,285,442	-	-	27,285,442
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	23,834	-	-	23,834
0099 Other Intergovernmental Charges	912,874	-	-	912,874
6030 Total Expenditures	<u>488,771,074</u>	<u>13,788,718</u>	<u>72,059,037</u>	<u>574,618,829</u>
1200 Net Change in Fund Balances	(16,344,135)	-	869,199	(15,474,936)
0100 Fund Balance - July 1 (Beginning)	<u>201,596,037</u>	<u>-</u>	<u>10,253,539</u>	<u>211,849,576</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ 185,251,902</u>	<u>\$ -</u>	<u>\$ 11,122,738</u>	<u>\$ 196,374,640</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, 2020

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$ (15,474,936)
The District uses internal service funds to charge the costs of certain activities, such as self-insurance and worker's compensation, to appropriate functions in other funds. The net income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase net position.	5,824,841
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 2020 capital outlays and debt principal payments is to increase net position.	56,058,369
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.	(21,757,276)
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 increase net position.	134,746
GASB 68 required that certain plan expenditures be de-expended and recorded as Deferred Resource Outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$8,906,584. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability. This caused a decrease in the change in net position totaling \$7,938,881. Finally, the proportionate share of the TRS pension expense on the plan as a whole had to be recorded. The net pension expense decreased the change in net position by \$17,436,248. The net result is a (decrease) in the change in net position.	(16,468,545)
GASB 75 required that certain plan expenditures be de-expended and recorded as Deferred Resource Outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$2,412,168. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net OPEB liability. This caused a decrease in the change in net position totaling \$2,321,259. Finally, the proportionate share of the TRS OPEB expense on the plan as a whole had to be recorded. The net OPEB expense decreased the change in net position by \$1,078,536. The net result is a (decrease) in the change in net position.	(987,627)
Change in Net Position of Governmental Activities	\$ 7,329,572

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, 2020

	Governmental Activities -
	Total Internal Service Funds
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 5,665
Investments - Current	18,745,260
Accrued Interest	17,215
Due from Other Funds	14,200,700
Total Assets	<u>32,968,840</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	1,380,061
Due to Other Funds	25,788,546
Accrued Expenses	4,423,655
Total Liabilities	<u>31,592,262</u>
NET POSITION	
Unrestricted Net Position	<u>1,376,578</u>
Total Net Position	<u><u>\$ 1,376,578</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, 2020

	Governmental Activities -
	Total Internal Service Funds
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 57,074,648
Total Operating Revenues	<u>57,074,648</u>
OPERATING EXPENSES:	
Other Operating Costs	51,249,807
Total Operating Expenses	<u>51,249,807</u>
Operating Income	5,824,841
Total Net Position - July 1 (Beginning)	<u>(4,448,263)</u>
Total Net Position - June 30 (Ending)	<u>\$ 1,376,578</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, 2020

	Governmental Activities -
	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Payments for Services	\$ 57,448,273
Cash Payments for Insurance Claims	(57,442,608)
Net Cash Provided by Operating Activities	<u>5,665</u>
Net Increase in Cash and Cash Equivalents	5,665
Cash and Cash Equivalents at Beginning of Year	<u>-</u>
Cash and Cash Equivalents at End of Year	<u>\$ 5,665</u>
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Income:	\$ 5,824,841
Effect of Increases and Decreases in Current Assets and Liabilities:	
Decrease (increase) in Current Investments	(12,407,649)
Decrease (increase) in Due from Other Funds	(11,350,700)
Decrease (increase) in Other Receivables	8,644
Increase (decrease) in Accounts Payable	108,847
Increase (decrease) in Due to Other Funds	17,204,621
Increase (decrease) in Accrued Expenses	<u>617,061</u>
Net Cash Provided by Operating Activities	<u>\$ 5,665</u>

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, 2020

EXHIBIT E-1

	Private Purpose Trust Funds	Agency Funds
ASSETS		
Cash and Cash Equivalents	\$ 137,421	\$ 644,435
Due from Other Funds	-	117,984
Other Receivables	1	-
Total Assets	137,422	\$ 762,419
LIABILITIES		
Accounts Payable	491	\$ 118,984
Due to Other Funds	20	-
Due to Student Groups	-	643,435
Total Liabilities	511	\$ 762,419
NET POSITION		
Unrestricted Net Position	136,911	
Total Net Position	\$ 136,911	

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, 2020

	Private Purpose Trust Funds
ADDITIONS:	
Earnings from Temporary Deposits	\$ 264
Miscellaneous Additions	60,400
Total Additions	60,664
DEDUCTIONS:	
Supplies and Materials	377
Other Deductions	44,658
Total Deductions	45,035
Change in Fiduciary Net Position	15,629
Total Net Position - July 1 (Beginning)	121,282
Total Net Position - June 30 (Ending)	\$ 136,911

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

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.

Pensions. The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS’s fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits. The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TRS Care’s fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account.

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’s nonfiduciary activities 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 include 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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Interfund activities between governmental funds appear as due to/due from 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 not 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.

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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

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.

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.
2. **Cares Stimulus Grant**- is used to account for federal stimulus Elementary and Secondary School Emergency Relief (ESSER) funds granted to the District through the CARES Act to support the District's ability to operate and instruct their students during the COVID-19 pandemic.

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

Governmental Funds:

1. **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.
2. **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.
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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2020

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.

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, 2020. The only prepaid expenses included are for unexpired insurance policy premiums paid by June 30, 2020, 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 acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

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.
8. Accumulated compensatory absences that are expected to be liquidated with expendable available resources are 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 statement 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 statement 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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

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.
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 non-spendable 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, 2020, is \$754,908, 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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN 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 bonds 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	\$ 28,526,137	\$ -	\$ 28,526,137	
Buildings & Improvements	637,072,527	(302,760,855)	334,311,672	
Furniture & Equipment	28,418,871	(19,744,752)	8,674,119	
Vehicles	32,850,272	(20,047,178)	12,803,094	
Construction in Progress	25,065,594	-	25,065,594	
Change in Net Position				<u>\$ 409,380,616</u>
Long -Term Liabilities at the Beginning of Year			Payable at the Beginning of Year	
Bonds Payable			\$ (124,779,200)	
Less Deferred Charges			9,345,147	
Premiums/Discounts			(13,910,260)	
Notes Payable			(48,440,000)	
Capital Leases Payable			(3,659,391)	
Compensated Absences			(766,271)	
Change in Net Position				<u>(182,209,975)</u>
Net Adjustment to Net Position				<u>\$ 227,170,641</u>

Another element of the reconciliation on Exhibit C-2 is described as various other reclassifications and eliminations necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. This adjustment is the result of several items. The details for this element are as follows:

	Amount	Adjustments to Changes in Net Position	Change in Net Position
<u>Adjustments to Deferred Revenue</u>			
FY 6/30/2020 Unearned Revenue - Property Taxes	<u>\$ 8,664,478</u>	<u>\$ 8,664,478</u>	
Total Capital Outlay			<u>\$ 8,664,478</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

B. EXPLANATION OF CERTAIN 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 a 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:

Current Year Capital Outlay	Amount	Adjustments to Changes in Net Position	Adjustments to Net Position
Land	\$ -	\$ -	
Buildings & Improvements	31,500	31,500	
Furniture & Equipment	3,594,693	3,594,693	
Vehicles	753,578	753,578	
Construction in Progress	27,253,942	27,253,942	
Total Capital Outlay			<u>\$ 31,633,713</u>
Debt Principal Payments			
Bond Principal	13,718,800	13,718,800	
Less Deferred Charges	(1,174,104)	(1,174,104)	
Premium Amortization	1,976,523	1,976,523	
Note Principal	8,785,000	8,785,000	
Capital Lease Payments	1,107,074	1,107,074	
Other	11,363	11,363	
Total Principal Payments	<u>24,424,656</u>	<u>24,424,656</u>	<u>24,424,656</u>
Net Adjustment to Net Position			<u><u>\$ 56,058,369</u></u>

Another element of the reconciliation on Exhibit C-4 is described as various other reclassifications and eliminations necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. This adjustment is the result of several items. The details for this element are as follows:

	Amount	Adjustments to Changes in Net Position	Adjustments to Net Position
<u>Adjustments to Property Tax Revenue</u>			
FY 6/30/2019 Unearned Revenue - Property Taxes	\$ (8,529,734)	\$ (8,529,734)	
FY 6/30/2020 Unearned Revenue - Property Taxes	8,664,478	8,664,478	
Rounding Adjustment	2	2	
Total			<u><u>\$ 134,746</u></u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

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 G-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.

B. DEFICIT FUND EQUITY

At June 30, 2020, fund 753 and 754 had a deficit fund balance of \$1,786,569 and \$3,121,111 respectively. The District will be looking on making plan design changes to reduce costs, increase funding through a combination of employee/employer contributions and an infusion of funds. The District is and will continue monitoring its progress to ensure it maintains an acceptable or positive balance or complete elimination of this deficit.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

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, 2020, the carrying amount of the District's deposits, excluding agency funds, was \$2,592,675 and the bank balance was \$2,867,697. The District's cash deposits at June 30, 2020 and during the year 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.

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.

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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

The District's temporary investments at June 30, 2020, are shown below:

Investment Type	Investment Maturities (in years)					Weighted Average Maturity Days
	Fair Value	Less Than 1	1 to 5	6 to 10	More Than 10	
Certificates of Deposit	\$ 3,516,059	\$ 3,516,059	\$ -	\$ -	\$ -	100
Texas Term Investment Pool	56,031,091	56,031,091	-	-	-	1
Lone Star Investment Pool	71,733,989	71,733,989	-	-	-	1
TexPool	591,198	591,198	-	-	-	1
Texas Class/ MBIA	90,006,178	90,006,178	-	-	-	1
Total	<u>\$ 221,878,515</u>	<u>\$ 221,878,515</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>1</u>

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, 2020, 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, 2020, the District had 2% 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 98% 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.

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 9, 2019, upon which the levy for the 2019-2020 fiscal year was based, as \$6,309,147,101. 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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

The tax rates assessed for the year ended June 30, 2020 to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$1.057000 and \$0.129706 per \$100 valuation, respectively, for a total of \$1.186706 per \$100 valuation.

Current tax collections for the year ended June 30, 2020 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, 2020, property taxes receivable of \$9,458,205 and \$870,025, net of estimated uncollectible taxes of \$283,746 and \$26,101, totaled \$9,174,459 and \$843,924 for the General and Debt Service Funds, respectively.

C. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund balances at June 30, 2020 consisted of the following individual fund balances:

	Due from Other Funds	Due to Other Funds
General Fund		
General Fund	\$ 872,491	\$ (872,491)
CARES Stimulus Grant Fund	12,919,860	-
Non-Major Funds	6,300,700	(1,429,590)
Internal Service Fund	13,787,846	(2,200,000)
Trust and Agency Fund	20	(117,984)
	33,880,917	(4,620,065)
CARES Stimulus Grant Fund		
General Fund	-	(12,919,860)
Non-Major Funds	-	(580,232)
	-	(13,500,092)
Non-Major Funds		
General Fund	1,429,590	(6,300,700)
CARES Stimulus Grant Fund	580,232	-
Non-Major Funds	5,571,477	(5,571,477)
	7,581,299	(11,872,177)
Internal Service Fund		
General Fund	2,200,000	(13,787,846)
Internal Service Fund	12,000,700	(12,000,700)
	14,200,700	(25,788,546)
Trust and Agency Fund		
General Fund	117,984	(20)
	117,984	(20)
	\$ 55,780,900	\$ (55,780,900)

Balances resulted from the time lag between the dates that 1) interfund goods and services are provided and/or reimbursable 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
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

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	\$ 36,620,137	\$ 435,413	\$ -	\$ 37,055,550
CARES Stimulus Grant	13,788,718	-	-	13,788,718
Special Revenue	<u>10,364,731</u>	<u>549,849</u>	<u>345,603</u>	<u>11,260,183</u>
Totals	<u>\$ 60,773,586</u>	<u>\$ 985,262</u>	<u>\$ 345,603</u>	<u>\$ 62,104,451</u>

E. CAPITAL ASSET ACTIVITY

Capital asset activity for the District for the year ended June 30, 2020, was as follows:

	Primary Government					Balance 6/30/2020
	Balance 7/1/2019	Changes During Year				
		Additions	Deletions	Adjustments	Reclassifications	
Governmental activities:						
Capital assets not being depreciated						
Land	\$ 28,526,137	\$ -	\$ -	\$ -	\$ -	\$ 28,526,137
Construction in progress	<u>25,065,594</u>	<u>27,253,942</u>	<u>-</u>	<u>-</u>	<u>(8,191,056)</u>	<u>44,128,480</u>
Total capital assets not being depreciated	<u>53,591,731</u>	<u>27,253,942</u>	<u>-</u>	<u>-</u>	<u>(8,191,056)</u>	<u>72,654,617</u>
Capital assets being depreciated						
Buildings and improvements	637,072,527	31,500	(284,195)	1,475,529	8,191,056	646,486,417
Furniture and equipment	28,418,871	3,594,693	(353,785)	1,251,133	-	32,910,912
Vehicles	<u>32,850,272</u>	<u>753,578</u>	<u>(15,100)</u>	<u>(12,588)</u>	<u>-</u>	<u>33,576,162</u>
Total capital assets being depreciated	<u>698,341,670</u>	<u>4,379,771</u>	<u>(653,080)</u>	<u>2,714,074</u>	<u>8,191,056</u>	<u>712,973,491</u>
Less accumulated depreciation for:						
Building and improvements	(302,760,855)	(17,197,789)	284,195	-	-	(319,674,449)
Equipment	(19,744,752)	(2,522,272)	353,785	-	-	(21,913,239)
Vehicles	<u>(20,047,178)</u>	<u>(2,037,215)</u>	<u>15,100</u>	<u>-</u>	<u>-</u>	<u>(22,069,293)</u>
Total accumulated depreciation	<u>(342,552,785)</u>	<u>(21,757,276)</u>	<u>653,080</u>	<u>-</u>	<u>-</u>	<u>(363,656,981)</u>
Total capital assets being depreciated, net	<u>355,788,885</u>	<u>(17,377,505)</u>	<u>-</u>	<u>2,714,074</u>	<u>8,191,056</u>	<u>349,316,510</u>
Governmental activities capital assets, net	<u>\$ 409,380,616</u>	<u>\$ 9,876,437</u>	<u>\$ -</u>	<u>\$ 2,714,074</u>	<u>\$ -</u>	<u>\$ 421,971,127</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 11,404,796
Instructional Resources and Media Services	440,957
Curriculum and Instructional Staff Development	748,692
Instructional Leadership	389,638
School Leadership	1,048,191
Guidance, Counseling and Evaluation Services	844,416
Social Work Services	24,909
Health Services	256,338
Student (Pupil) Transportation	547,847
Food Services	1,725,390
Extracurricular Activities	696,217
General Administration	520,650
Facilities Maintenance and Operations	2,285,901
Security and Monitoring Services	285,142
Data Processing Services	417,042
Community Services	<u>121,150</u>
Totals	<u>\$ 21,757,276</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

F. LONG-TERM OBLIGATIONS

General Obligation Bonds – The District issues general obligations bonds 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, 2019	Amounts Retired	Amounts Outstanding June 30, 2020	Due Within One Year
12/22/2009	PFC Lease Revenue QS Construction Bonds, Series 2009	1.48%	2025	\$ 15,400,000	\$ 6,240,000	\$ 1,040,000	\$ 5,200,000	\$ 1,040,000
12/1/2010	Qualified School Construction Bonds, Series 2010A-E	0.37%	2028	25,770,000	13,129,200	1,458,800	11,670,400	1,458,800
6/5/2013	Unlimited Tax Refunding Bonds, Series 2013A	5.00%	2027	80,410,000	60,430,000	6,330,000	54,100,000	6,645,000
6/5/2013	Unlimited Tax Refunding Bonds, Series 2013B	4.00%	2027	42,300,000	33,550,000	4,890,000	28,660,000	5,090,000
6/1/2015	Unlimited Tax Refunding Bonds, Series 2015	2.00%	2030	10,295,000	6,200,000	-	6,200,000	-
6/28/2018	Unlimited Tax Refunding Bonds, Series 2018	4.00%	2024	5,230,000	5,230,000	-	5,230,000	-
Totals					<u>\$ 124,779,200</u>	<u>\$ 13,718,800</u>	<u>\$ 111,060,400</u>	<u>\$ 14,233,800</u>

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, 2020.

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

Year Ending June 30,	Bonds Payable		Total Requirements
	Principal	Interest	
2021	\$ 14,233,800	\$ 5,323,167	\$ 19,556,967
2022	14,723,800	4,784,117	19,507,917
2023	15,293,800	4,220,967	19,514,767
2024	15,888,800	3,631,417	19,520,217
2025	14,578,800	3,071,871	17,650,671
2026-2030	<u>36,341,400</u>	<u>5,453,200</u>	<u>41,794,600</u>
Totals	<u>\$ 111,060,400</u>	<u>\$ 26,484,739</u>	<u>\$ 137,545,139</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Note Payable – The District issues 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.

Date of Issue	Description	Interest Rate Payable	Final Maturity	Amounts Original Issue	Amounts Outstanding July 1, 2019	Amounts Retired	Amounts Outstanding June 30, 2020	Due Within One Year
06/1/2015	Maintenance Tax Notes, Series 2015	4.00%	2022	\$ 3,600,000	\$ 2,750,000	\$ 880,000	\$ 1,870,000	\$ 915,000
12/12/2017	Maintenance Tax Notes, Series 2017	3.00%-5.00%	2024	49,140,000	45,690,000	7,905,000	37,785,000	8,225,000
	Totals				<u>\$ 48,440,000</u>	<u>\$ 8,785,000</u>	<u>\$ 39,655,000</u>	<u>\$ 9,140,000</u>

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

Year Ending June 30,	Note Payable		Total Requirements
	Principal	Interest	
2021	\$ 9,140,000	\$ 1,522,400	\$ 10,662,400
2022	10,510,000	1,130,200	11,640,200
2023	9,935,000	702,200	10,637,200
2024	10,070,000	251,750	10,321,750
Totals	<u>\$ 39,655,000</u>	<u>\$ 3,606,550</u>	<u>\$ 43,261,550</u>

G. CHANGES IN LONG-TERM LIABILITIES

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

Description	Balance 07/01/19	Issued	Retired	Balance 06/30/20	Due Within One Year
Bonds Payable	\$ 124,779,200	\$ -	\$ (13,718,800)	\$ 111,060,400	\$ 14,233,800
Note Payable	48,440,000	-	(8,785,000)	39,655,000	9,140,000
Capital Leases	3,659,391	-	(1,107,074)	2,552,317	1,132,417
Compensated Absences	766,271	206,851	(218,214)	754,908	188,727
Premium (Discount) on Bonds					
Bonds Payable 2006	242,676	-	(22,062)	220,614	22,062
Bonds Payable 2009	2,236,879	-	(319,554)	1,917,325	319,554
Bonds Payable 2010	(1,232,002)	-	205,333	(1,026,669)	(205,333)
Bonds Payable 2013	8,954,186	-	(1,119,272)	7,834,914	1,119,272
Bonds Payable 2015	368,527	-	(36,852)	331,675	36,852
Bonds Payable 2018	334,482	-	(66,896)	267,586	66,896
Note Payable 2015	120,879	-	(40,294)	80,585	40,294
Note Payable 2017	2,884,633	-	(576,926)	2,307,707	576,926
Totals	<u>\$ 191,555,122</u>	<u>\$ 206,851</u>	<u>\$ (25,805,611)</u>	<u>\$ 165,956,362</u>	<u>\$ 26,671,467</u>

The net pension and OPEB liabilities and compensated absences are generally paid from the General Fund and appropriate Special Revenue Funds.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

H. COMMITMENTS UNDER LEASES

Capital Leases

The District has entered into capital leases to acquire school buses for a combined original cost of \$2,249,419 and \$3,485,908. The interest rates for the lease is 2.18% and 3.45%. The leases were authorized under section 271.005 of the Local Government Code.

The minimum annual lease payments, which are paid from the general fund, are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 1,132,417	\$ 82,364	\$ 1,214,781
2022	698,355	49,018	747,373
2023	<u>721,545</u>	<u>24,927</u>	<u>746,472</u>
Totals	<u>\$ 2,552,317</u>	<u>\$ 156,309</u>	<u>\$ 2,708,626</u>

Operating Leases

Commitments under operating (noncapitalized) leases agreements for facilities and equipment provide for minimum future rental payments as of June 30, 2020, as follows:

Year Ending June 30,	Total Requirements
2021	\$ 1,782,413
2022	1,074,945
2023	501,582
2024	263,871
2025	<u>109,672</u>
Total Minimum Rentals	<u>\$ 3,732,483</u>
Rental Expenditures in Fiscal Year 2020	<u>\$ 1,732,604</u>

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, 2020 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.

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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

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). It is a defined benefit pension plan 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.

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.texas.gov>; 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 benefits are established or amended under the authority of the Texas Constitution, Article XVI, Section 67 and by the Legislature in the Texas Government Code, Title 8, Subtitle C. The Board of Trustees does not have the authority to establish or amend benefits. State law requires the plan to be actuarially sound in order for the legislature to consider a benefit enhancement, such as supplemental payment to the retirees. In May 2019, the 86th Texas legislature approved the TRS Pension Reform Bill (SB12) that provides for gradual contribution increases from the state, participating employers, and active employees to make the pension fund actuarially sound. These increases immediately made the pension fund actuarially sound and the legislature approved funding for a 13th check. All eligible members retired as of December 31, 2018 received an extra annuity check in September 2019 in either the matching amount of their monthly annuity payment of \$2,000, whichever was less.

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.

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. The 85th Texas Legislature, General Appropriations Act (GAA) affirmed that the employer contribution rates for fiscal years 2018 and 2019 would remain the same. SB12 in the 86th Legislature set higher contribution rates for fiscal year 2020 and fiscal year 2021. Beginning September 1, 2019, all employers are required to pay the Public Education Employer contribution of 1.5%. This "surcharge" was previously only charged to employers not participating in social security. Contribution Rates can be found in the TRS 2019 CAFR, Note 11, on page 76.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2020

	Contribution Rates	
	<u>2019</u>	<u>2020</u>
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	6.8%	7.5%
Employers	6.8%	7.5%
Current fiscal year employer contributions	\$	10,413,124
Current fiscal year member contributions	\$	24,060,861
2019 measurement year NECE on-behalf contributions	\$	14,626,883

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. 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 (including public 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.

In addition to the employer contributions listed above, there are two additional surcharges an employer is subject to.

- 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.
- Employers must contribute 1.5% of the member's salary ("Public Education Employer Surcharge").

Actuarial Assumptions.

Roll Forward - A change was made in the measurement date of the total pension liability for the 2019 measurement year. The actuarial valuation was performed as of August 31, 2018. Update procedures were used to roll forward the total pension liability to August 31, 2019.

The total pension liability is determined by an annual actuarial valuation. The actuarial methods and assumptions were selected by the Board of Trustees based upon analysis and recommendations by the System's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the Plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the three-year period ending August 31, 2018 and were adopted in July 2018.

The active mortality rates were based on 90 percent of the RP 2014 Employee Mortality Tables for males and females. The post-retirement mortality rates were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

The following table discloses the assumptions that were applied to this measurement period.

Valuation Date	August 31, 2018 rolled forward to August 31, 2019
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-term Expected Rate	7.25%
	2.63% - Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity index's "20-Year Municipal GO AA Index."
Municipal Bond Rate as of August 2019	
Last year ending August 31 in Projection Period (100 years)	2116
Inflation	2.30%
Salary Increases	3.05% to 9.05% including inflation
Ad hoc Post-Employment Benefit Changes	None

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2018. For a full description of these assumptions please see the TRS actuarial valuation report date November 9, 2018.

Discount Rate. The single discount rate used to measure the total pension liability was 7.25%. The single discount rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the statutorily required rates set by the Legislature during the 2019 legislative session. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payment of current plan members.

Asset Class	Target Allocation*	New Target Allocation**	Long-Term Expected Geometric Real Rate of Returns***
Global Equity			
U.S.	18.00%	18.00%	6.40%
Non-U.S. Developed	13.00%	13.00%	6.30%
Emerging Markets	9.00%	9.00%	7.30%
Directional Hedge Funds	4.00%	0.00%	0.00%
Private Equity	13.00%	14.00%	8.40%
Stable Value			
U.S. Treasuries****	11.00%	16.00%	3.10%
Stable Value Hedge Funds	4.00%	5.00%	4.50%
Real Return			
Global Inflation Linked Bonds****	3.00%	0.00%	0.00%
Real Assets	14.00%	15.00%	8.50%
Energy and Natural Resources and Infrastructure	5.00%	6.00%	7.30%
Risk Parity			
Risk Parity	5.00%	8.00%	5.8%/6.5*****
Asset Allocation Leverage Cash	1%	2.0%	2.50%
Asset Allocation Leverage	0%	-6.0%	2.70%
Expected Return			7.23%

* FY 2019 Target Allocations are based on the Strategic Asset Allocation dated 10/01/2018

** New target allocation based on the Strategic Asset Allocation dated 10/1/2019

*** 10-Year annualized geometric nominal returns include the real rate of return and inflation of 2.1%

**** New Target Allocation groups Government Bonds within the stable value allocation. This includes global sovereign nominal and inflation-linked bonds

***** 5.8% (6.5%) return expectation corresponds to Risk Parity with a 10% (12%) target volatility

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 (7.25%) in measuring the Net Pension Liability. The discount rate can be found in the 2019 TRS CAFR, Note 11, page 77.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2020

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Proportionate share of the net pension liability:	\$216,029,906	\$140,539,681	\$79,378,028

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the District reported a liability of \$140,539,681 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	\$ 140,539,681
State's proportionate share that is associated with the District	<u>217,244,877</u>
Total	<u>\$ 357,784,558</u>

The net pension liability was measured as of August 31, 2019 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, 2018 through August 31, 2019.

At August 31, 2019 the employer's proportion of the collective net pension liability was 0.2703563474%, which was a decrease of 0.0043669244% from its proportion measured as of August 31, 2018.

Changes Since the Prior Actuarial Valuation. Assumptions, methods, and plan changes which are specific to the Pension Trust Fund were updated from the prior year's report. The Net Pension Liability increased significantly since the prior measurement date due to a change in the following actuarial assumptions:

- The total pension liability as of August 31, 2019 was developed using a roll-forward method from the August 31, 2018 valuation.
- The single discount rate as of August 31, 2018 was a blended rate of 6.907 percent and that has changed to the long-term rate of return of 7.25 percent as of August 31, 2019.
- With the enactment of SB 3 by the 2019 Texas Legislature, an assumption has been made about how this would impact future salaries. It is assumed that eligible active members will each receive a \$2,700 increase in fiscal year 2020. This is in addition to the salary increase expected based on the actuarial assumptions.

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

For the year ended June 30, 2020, the District recognized pension expense of \$59,501,238 and revenue of \$34,126,109 for support provided by the State in the Government Wide Statement of Activities.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

At June 30, 2020 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 actuarial experiences	\$ 590,392	\$ 4,879,761
Changes in actuarial assumptions	43,602,311	18,018,538
Differences between projected and actual investment earnings	1,411,181	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	7,565,967	7,707,115
Contributions paid to TRS subsequent to the measurement date	8,906,584	-
Total as of fiscal year-end	\$ 62,076,435	\$ 30,605,414

The net amounts of the employer's balances of deferred outflows and inflows (not including the deferred contribution paid subsequent to the measurement date) of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ended June 30,	Pension Expense Amount
2021	\$ 6,180,621
2022	4,484,653
2023	5,558,766
2024	5,848,850
2025	1,880,087
Thereafter	(1,388,540)

K. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

Plan Description. The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The plan is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575.

OPEB Plan Fiduciary Net Position. Detail information about the TRS-Care's fiduciary net position is available in the separately-issued TRS Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.texas.gov>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Benefits Provided. TRS-Care provides health insurance coverage to retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension system. Eligible non-Medicare retirees and their dependents may pay premiums to participate in the high-deductible health plans. Eligible Non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2020

The General Appropriations Act passed by the 86th Legislature included funding to maintain TRS Care premiums at their current level through 2021. The 86th legislature also passed SB 1682 which requires TRS to establish a contingency reserve in the TRS-Care fund equal to 60 days of expenditures.

The premium rates for retirees are presented in the following table:

TRS-Care Monthly Premium Rates		
	<u>Medicare</u>	<u>Non-Medicare</u>
Retiree or Surviving Spouse	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree or Surviving Spouse and Children	468	408
Retiree and Family	1,020	999

Contributions. Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and participating employers based on active employee compensation. The TRS Board of Trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, Section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65% of salary. Section 1575.204 establishes a public school contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the employer. The actual public school contribution rate is prescribed by the Legislature in the General Appropriations Act which is 0.75% of each active employee's pay for fiscal year 2019. The following table shows contributions to the TRS-Care plan by type of contributor.

	Contribution Rates	
	<u>2019</u>	<u>2020</u>
Member	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding Remitted by Employers	1.25%	1.25%
Current fiscal year employer contributions	\$	2,862,264
Current fiscal year member contributions	\$	2,031,115
2019 measurement year NECE on-behalf contributions	\$	3,686,073

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (regardless of whether or not they participate in the TRS Care OPEB program). When employers hire a TRS retiree, they are required to pay to TRS-Care, a monthly surcharge of \$535 per retiree.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$73.6 million in fiscal year 2019.

Actuarial Assumptions. The total OPEB liability in the August 31, 2018 actuarial valuation was rolled forward to August 31, 2019. The actuarial valuation was determined using the following actuarial assumptions:

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2020

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2018 TRS pension actuarial valuation that was rolled forward to August 31, 2019:

Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Expected Payroll Growth
Rates of Disability	

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2018 Rolled Forward to August 31, 2019
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	2.63% as of August 31, 2019
Aging Factors	Based on Plan Specific Experience
Election Rates	Normal Retirement: 65% participation prior to age 65 and 50% after age 65. 25% of pre-65 retirees are assumed to discontinue coverage at age 65.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Projected Salary Increases	3.05% - 9.05%
Ad-hoc Post Employment Benefit Changes	None

The impact of the Cadillac Tax that is returning in fiscal year 2023, has been calculated as a portion of the trend assumption. Assumptions and methods used to determine the impact of the Cadillac Tax include:

- 2018 thresholds of \$850/\$2,292 were indexed annually by 2.50 percent.
- Premium data submitted was not adjusted for permissible exclusions to the Cadillac Tax.
- There were no special adjustments to the dollar limit other than those permissible for non-Medicare retirees over 55.

Results indicate that the value of the excise tax would be reasonably represented by a 25-basis point addition to the long-term trend rate assumption.

Discount Rate. A single discount rate of 2.63% was used to measure the total OPEB liability. There was a decrease of 1.06 percent in the discount rate since the previous year. The Discount Rate can be found in the 2019 TRS CAFR on page 70. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active 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 OPEB plan's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2.63%) in measuring the Net OPEB Liability.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

	1% Decrease in Discount Rate (1.63%)	Discount Rate (2.63%)	1% Increase in Discount Rate (3.63%)
Proportionate share of the Net OPEB liability	\$ 223,178,581	\$ 184,854,403	\$ 154,873,367

Healthcare Cost Trend Rates Sensitivity Analysis. The following presents the Net OPEB Liability of the plan using the assumed healthcare cost trend rate, as well as what the Net OPEB Liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the assumed healthcare cost trend rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Proportionate share of Net OPEB liability	\$ 150,797,739	\$ 184,854,403	\$ 230,474,699

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At June 30, 2020, the District reported a liability of \$184,854,403 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the Net OPEB liability, the related State support, and the total portion of the Net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective Net OPEB liability	\$ 184,854,403
State's proportionate share that is associated with the District	<u>245,630,156</u>
Total	<u>\$ 430,484,559</u>

The Net OPEB Liability was measured as of August 31, 2019 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2018 thru August 31, 2019.

At August 31, 2019 the employer's proportion of the collective Net OPEB liability was 0.3908852122% which was a decrease of 0.0088170055% from its proportion measured as of August 31, 2018.

Changes in Actuarial Assumptions Since the Prior Actuarial Valuation – The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability since the prior measurement period.

- The discount rate changed from 3.69% as of August 31, 2018 to 2.63% as of August 31, 2019. This change increased the Total OPEB liability (TOL).
- The health care trend rates were reset to better reflect the plan's anticipated experience. This change increased the TOL.
- The participation rate for pre-65 retirees was lowered from 70 percent to 65 percent. The participation rate for post-65 retirees was lowered from 75 percent to 50 percent. 25 percent of pre-65 retirees are assumed to discontinue their coverage at age 65. There was no lapse assumption in the prior valuation. These changes decreased the TOL.
- The percentage of retirees who are assumed to have two-person coverage was lowered from 20 percent to 15 percent. In addition, the participation assumption for the surviving spouses of employees that die while actively employed was lowered from 20 percent to 10 percent. These changes decreased the TOL.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Changes in Benefit Terms: There were no changes in benefit terms since the prior measurement date.

For the year ended June 30, 2020, the District recognized OPEB expense of \$9,873,598 and revenue of \$6,473,803 for support provided by the State.

At June 30, 2020 the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows or resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experiences	\$ 9,068,680	\$ 30,249,463
Changes in actuarial assumptions	10,267,221	49,721,298
Differences between projected and actual investment earnings	19,943	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	600	8,702,483
Contributions paid to TRS subsequent to the measurement date	2,412,168	-
Total as of fiscal year-end	<u>\$ 21,768,612</u>	<u>\$ 88,673,244</u>

The net amounts of the employer's balances of deferred outflows and inflows (not including the deferred contribution paid subsequent to the measurement date) of resources related to OPEBs will be recognized in OPEB expense as follows:

Fiscal year ended June 30,	OPEB Expense Amount
2021	\$ (11,349,829)
2022	(11,349,829)
2023	(11,356,285)
2024	(11,359,976)
2025	(11,358,966)
Thereafter	(12,541,915)

L. RISK MANAGEMENT

Health Care Coverage

During the fiscal year ended June 30, 2020 the District sponsored a self-funded insurance plan to provide health care benefits to employees and their dependents. The District paid premiums of \$615.00 per month per employee to the Fund. Total employee contributions are required for coverage of dependents.

In accordance with state statute, the District was protected against unanticipated catastrophic individual stop-loss coverage carried through HM Life, a commercial insurer licensed or eligible to do business in Texas in accordance with the Texas Insurance Code. The District's current stop-loss policy is in effect from October 1, 2019 to September 30, 2020. Stop-loss coverage was in effect for individual claims exceeding \$350,000.

The contract between the Brownsville Independent School 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 Health Care Service Corporation 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, 2020.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

	2020	2019
Unpaid claims, beginning of the year	\$ 2,404,923	\$ 1,891,781
Incurred claims (including IBNRs)	33,890,961	36,870,972
Claim payments	(32,160,046)	(36,357,830)
Unpaid claims, end of the year	\$ 4,135,838	\$ 2,404,923

Worker's Compensation Coverage

For the year ended June 30, 2020, 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.

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 \$450,000. For the year ended June 30, 2020, the fund purchased excess stop loss coverage from Midwest Employers Casualty Company. The fund uses an independent actuary to determine reserve adequacy and fully funds those reserves.

As of June 30, 2020, the District has reserved for estimated claims incurred, but not reported that do not exceed the required reserves. The liability reported at June 30, 2020 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. These liabilities include an amount for claims that have been incurred but not reported. 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.

	2020	2019
Beginning claims liability	\$ 409,234	\$ 645,036
Current year claims & changes in estimates	453,180	1,112,013
Claim payments	(574,594)	(1,347,815)
Ending claims liability	\$ 287,820	\$ 409,234

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

M. CONSTRUCTION COMMITMENTS

At June 30, 2020, the District had the following construction commitments:

<u>Projects</u>	Estimated Project Cost	Expended Through June 30,	Amount Committed
Hanna High School - Athletic Facility & Gym/Band Practice Field	\$ 9,750,000	\$ 7,219,920	\$ 2,521,023
Hanna High School - HVAC Upgrade	6,864,000	6,780,699	82,932
Hann High School - Paint Booth	23,000	4,699	18,000
Porter High School - Design/Build Lighting	449,000	426,331	22,132
Porter High School - HVAC/Controls Upgrade	626,000	587,375	36,355
Pace High School - HVAC/Controls Upgrade	1,547,000	1,446,841	100,173
Pace High School - Chilled Water/Boiler Upgrade	1,345,000	1,251,821	93,247
Rivera High School - HVAC/LED Lighting Upgrades	3,686,000	2,265,821	1,420,509
Lopez High School - HVAC/Controls Upgrade	1,043,000	964,896	39,944
Lopez High School - Chilled Water/Boiler Upgrade	3,003,000	2,861,996	140,511
Veterans High School - Visitors Restroom Facilities	893,000	296,056	619,414
Faulk Middle School - New Canopies	454,000	26,188	426,976
Stell Middle School - New Canopies	389,000	25,275	363,046
Stell Middle School - Chiller Replacement	227,000	191,329	34,845
Oliveira Middle School - HVAC/Controls Upgrade	2,269,000	2,123,401	145,182
Vela Middle School - Four Lane Track Project	672,000	616,683	55,188
Besteiro Middle School - Design/Build Lighting	227,000	215,463	11,332
Besteiro Middle School - HVAC/Controls Upgrade	2,260,000	2,051,160	201,161
Lucio Middle School - Design/Build Lighting	180,000	170,711	8,862
Lucio Middle School - HVAC/Controls Upgrade	1,423,000	1,333,107	84,435
Garcia Middle School - Design/Build Lighting (Design Stage)	166,000	157,555	8,179
Garcia Middle School - HVAC/Controls Upgrade	1,416,000	1,029,234	216,062
Stillman Middle School - Chilled Wate/Boiler Upgrade	1,350,000	1,296,292	53,114
CTE Renovations	1,960,000	1,781,507	171,771
Brownsville Learning Academy - HVAC/Controls Upgrade	899,000	851,847	47,328
Canales Elementary -New Canopies	388,456	11,544	13,456
Canales Elementary - Roofing Project	92,000	65,140	26,100
Canales Elementary - Parking Lot Expansion	324,350	130,917	6,400
Cromack Elementary - New Canopies	13,000	9,167	3,833
Longoria Elementary - New Canopies	25,000	14,577	10,423
Martin Elementary - New Canopies	434,000	107,194	326,739
El Jardin Elementary - New Canopies	294,536	5,465	13,535
El Jardin Elementary - Roof Replacement	368,070	243,599	124,471
Russell Elementary - Roof Replacement	172,000	30,351	140,744
Sharp Elementary - Roof Replacement	277,000	189,443	87,308
Victoria Height Elementary - New Canopies	25,000	17,589	7,411
Villa Nueva Elementary - New Canopies	357,605	118,671	238,934
Del Castillo Elementary - New Canopies	294,672	5,328	13,672
Del Castillo Elementary - Parking Lot Improvements	14,300	8,550	5,750
Del Castillo Elementary - Roof Replacement	745,000	673,484	73,461
Garza Elementary - Roof Replacement	92,000	68,740	22,500
Gonzalez Elementary - Parking Lot Improvements	19,000	14,044	700
Southmost Elementary - Roof Replacement	948,000	870,937	9,090
Southmost Elementary - Design/Build Lighting	114,000	99,841	5,183
Southmost Elementary - HVAC/Controls Upgrade	558,000	525,506	32,526
Yturria Elementary - Roof Replacement	876,000	454,304	420,983
Aiken Elementary - Design/Build Lighting	101,600	100,622	5,224
Aiken Elementary - New Canopies	189,230	10,770	2,230
Benavides Elementary - HVAC/Controls Upgrade	619,000	599,541	7,313
Paredes Elementary - Design/Build Lighting	156,000	148,384	7,703
Paredes Elementary - HVAC/Controls Upgrade	1,368,000	1,250,595	113,154
Ortiz Elementary - Chiller/RTU Replacement	504,000	447,751	55,411
Keller Elementary - Chiller Replacement	408,000	381,204	26,021
Sams Stadium - Renovation Improvement Projects	443,000	60,644	381,850
Aquatic Center - Design/Build Lighting	58,600	50,184	8,471
Aquatic Center - Movable Floor Upgrade	6,000	54,750	1,200
Aquatic Center - HVAC/Controls Upgrade	1,277,000	1,104,156	172,820
Aquatic Center - Roofing project	50,000	26,250	23,750
Food And Nutrition Department - Roof Replacement	32,000	244,593	147,946
Records Management - Shredder Dust Collection System	13,650	8,438	5,213
Total Construction In Progress	<u>\$ 54,779,069</u>	<u>\$ 44,128,480</u>	<u>\$ 9,463,246</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2020

N. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

Description	General Fund	Special Revenue Fund	Total
BISD-Other	\$ 300	\$ -	\$ 300
BISD-Rendition Fees	8,161	-	8,161
BISD-CCED Taxes	11,969	-	11,969
Food Service Receipts	188,585	-	188,585
Special Revenue Grants	-	810,269	810,269
Total Unearned Revenue	\$ 209,015	\$ 810,269	\$ 1,019,284

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.

P. 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	\$ 91,250
IDEA Public Schools	17,500
La Feria ISD	21,250
Los Fresnos CISD	30,000
Lyford CISD	17,500
Point Isabel ISD	11,250
Raymondville ISD	41,250
Rio Hondo ISD	7,500
San Benito CISD	63,750
South Texas Education Technologies, Inc.	2,500
Southwest Winners Foundation, Inc.	7,500
Totals	\$ 311,250

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Q. 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, 2020 from various federal sources as follows:

Program or Source	CFDA Number	Amount
U.S. Department of Treasury (Fed Share of QSCB)	N/A	\$ 432,958
R.O.T.C.	12.000	430,368
Child & Adult Care Food Program	10.558	3,051,068
National School Lunch Program	10.555	14,602,639
School Breakfast Program	10.553	8,525,065
Food Distribution (USDA Commodities)	10.555	618,096
School Health Related Services	N/A	5,722,055
Medicaid Administrative Claims Program	93.778	<u>206,381</u>
Total Programs		<u>33,588,630</u>
<i>Indirect Costs:</i>		
McKinney Vento Homeless Youth Program - 2019	84.196A	847
McKinney Vento Homeless Youth Program - 2020	84.196A	5,981
ESEA Title I - Part A - 2019	84.010A	153,645
ESEA Title I - Part A - 2020	84.010A	888,631
ESEA Title I - Part C - 2019	84.011A	2,493
ESEA Title I - Part C - 2020	84.011A	49,507
MEP AIIMS - 2020	84.011A	312
IDEA B - Formula	84.027A	369,795
IDEA B - Discretionary (DEAF)	84.027A	7,094
Carl Perkins Grant for Career & Technology Ed	84.048A	2,887
IDEA B - Preschool	84.173A	5,707
ESEA Title III - Part A-L.E.P.	84.365A	60,829
ESEA Title II - Part A-Supporting Effective Instruction - 2019	84.367A	91,124
Title IV, Part A, Subpart 1	84.424A	49,904
Project Rise (Region One Incentive Strategies for Educators)	84.374A	67,543
National School Lunch Program	10.555	1,920,424
Texas Hurricane Homeless Youth	84.938B	1,401
Project Literacy Innovations for Book Reading Opportunities (LIBRO)	84.215G	166,201
Total Indirect Costs		<u>3,844,325</u>
Total General Fund		<u>\$ 37,432,955</u>

R. PRIOR PERIOD ADJUSTMENT

The District's prior period adjustment of \$2,714,074 is to adjust the beginning balances for capital assets due to an understatement in prior year. The net effect of this adjustment is to increase the District's net position.

**REQUIRED SUPPLEMENTARY
INFORMATION**

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2020

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 74,242,795	\$ 74,257,194	\$ 71,097,456	\$ (3,159,738)
5800 State Program Revenues	389,137,874	397,591,685	364,012,400	(33,579,285)
5900 Federal Program Revenues	49,797,982	49,797,982	37,317,083	(12,480,899)
5020 Total Revenues	513,178,651	521,646,861	472,426,939	(49,219,922)
EXPENDITURES:				
Current:				
0011 Instruction	246,620,032	255,160,247	229,980,052	25,180,195
0012 Instructional Resources and Media Services	7,921,132	8,498,669	7,488,029	1,010,640
0013 Curriculum and Instructional Staff Development	11,166,694	14,372,396	11,016,086	3,356,310
0021 Instructional Leadership	6,727,985	6,820,210	5,902,501	917,709
0023 School Leadership	28,787,635	28,525,264	26,918,098	1,607,166
0031 Guidance, Counseling, and Evaluation Services	21,020,838	21,378,617	19,653,387	1,725,230
0032 Social Work Services	867,633	1,009,276	911,610	97,666
0033 Health Services	4,711,994	5,211,733	4,601,880	609,853
0034 Student (Pupil) Transportation	12,156,470	13,885,921	11,432,229	2,453,692
0035 Food Services	40,920,613	43,432,113	34,149,312	9,282,801
0036 Extracurricular Activities	20,209,275	19,302,505	15,775,318	3,527,187
0041 General Administration	13,305,818	12,969,888	11,444,301	1,525,587
0051 Facilities Maintenance and Operations	49,847,871	54,408,382	48,825,078	5,583,304
0052 Security and Monitoring Services	8,180,620	8,782,241	8,131,635	650,606
0053 Data Processing Services	9,459,068	9,922,195	8,177,895	1,744,300
0061 Community Services	630,785	694,383	545,426	148,957
Debt Service:				
0071 Principal on Long-Term Debt	14,890,388	12,390,876	12,390,874	2
0072 Interest on Long-Term Debt	-	3,206,248	3,196,188	10,060
0073 Bond Issuance Cost and Fees	-	11,000	9,025	1,975
Capital Outlay:				
0081 Facilities Acquisition and Construction	290,000	72,885,615	27,285,442	45,600,173
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	225,000	225,000	23,834	201,166
0099 Other Intergovernmental Charges	915,000	915,000	912,874	2,126
6030 Total Expenditures	498,854,851	594,007,779	488,771,074	105,236,705
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	14,323,800	(72,360,918)	(16,344,135)	56,016,783
OTHER FINANCING SOURCES (USES):				
8911 Transfers Out (Use)	(14,323,800)	(14,323,800)	-	14,323,800
1200 Net Change in Fund Balances	-	(86,684,718)	(16,344,135)	70,340,583
0100 Fund Balance - July 1 (Beginning)	201,596,037	201,596,037	201,596,037	-
3000 Fund Balance - June 30 (Ending)	\$ 201,596,037	\$ 114,911,319	\$ 185,251,902	\$ 70,340,583

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, 2020

	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportion of the Net Pension Liability (Asset)	0.270356347%	0.274723272%	0.279606459%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 140,539,681	\$ 151,214,356	\$ 89,403,082
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	217,244,877	238,028,862	149,248,658
Total	<u>\$ 357,784,558</u>	<u>\$ 389,243,218</u>	<u>\$ 238,651,740</u>
District's Covered Payroll	\$ 299,897,314	\$ 294,068,154	\$ 297,005,183
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	46.86%	51.42%	30.10%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.24%	73.74%	82.17%

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, August 31, 2015 for year 2016 and August 31, 2014 for year 2015.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

<u>FY 2017</u> <u>Plan Year 2016</u>	<u>FY 2016</u> <u>Plan Year 2015</u>	<u>FY 2015</u> <u>Plan Year 2014</u>
0.299623747%	0.3215798%	0.2187937%
\$ 113,223,359	\$ 113,674,179	\$ 58,442,823
189,314,526	185,685,560	161,268,352
<u>\$ 302,537,885</u>	<u>\$ 299,359,739</u>	<u>\$ 219,711,175</u>
\$ 306,121,247	\$ 303,523,981	\$ 300,405,258
36.99%	37.45%	19.45%
78.00%	78.43%	83.25%

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2020

	2020	2019	2018
Contractually Required Contribution	\$ 10,413,124	\$ 9,336,919	\$ 9,354,668
Contribution in Relation to the Contractually Required Contribution	10,413,124	9,336,919	9,354,668
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 311,906,275	\$ 297,341,313	\$ 294,632,402
Contributions as a Percentage of Covered Payroll	3.34%	3.14%	3.18%

Note: GASB Codification, Vol. 2, P20.183 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

	2017	2016	2015
\$	9,276,701	\$ 9,555,513	\$ 8,873,119
	9,276,701	9,555,513	8,873,119
\$	-	\$ -	\$ -
\$	299,915,515	\$ 306,661,990	\$ 303,007,890
	3.09%	3.12%	2.93%

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2020

	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.390885212%	0.399702218%	0.407646941%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 184,854,403	\$ 199,574,976	\$ 177,270,362
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	245,630,156	233,931,132	214,270,036
Total	<u>\$ 430,484,559</u>	<u>\$ 433,506,108</u>	<u>\$ 391,540,398</u>
District's Covered Payroll	\$ 299,897,314	\$ 294,068,154	\$ 297,005,183
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	61.64%	67.87%	59.69%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	2.66%	1.57%	0.91%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. Therefore the amounts reported for FY 2020 are for the measurement date of August 31, 2019. The amounts for FY 2019 are for the measurement date August 31, 2018. The amounts for FY 2018 are based on the August 31, 2017 measurement date.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
 TEACHER RETIREMENT SYSTEM OF TEXAS
 FOR FISCAL YEAR 2020

	2020	2019	2018
Contractually Required Contribution	\$ 2,862,264	\$ 2,749,026	\$ 2,669,480
Contribution in Relation to the Contractually Required Contribution	2,862,264	2,749,026	2,669,480
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 311,905,275	\$ 297,341,313	\$ 294,632,892
Contributions as a Percentage of Covered Payroll	0.92%	0.92%	0.91%

Note: GASB Codification, Vol. 2, P50.238 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

Information in this schedule should be provided only for the years where data is available. Eventually 10 years of data should be presented.

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 X, PART C-EDUCATION FOR THE HOMELESS CHILDREN AND YOUTH (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 or agriculture-related workers and children of migrant fishermen.

ADULT EDUCATION (ABE) - FEDERAL (220)

To account for funds granted to provide or support programs for adult education and literacy services to adults who are beyond compulsory school age attendance, and do not have a high school diploma, or lack sufficient mastery of basic educational skills to function effectively in society, or are unable to speak, read or write the English language; and are not enrolled in school.

IDEA-PART B, FORMULA (224)

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

IDEA PART B, PRESCHOOL (225)

To account for funds granted for preschool children with disabilities.

IDEA PART B, DISCRETIONARY (226)

To account for funds used to support a regional education service center (ESC) special education and also: targeted support to districts, regional day school programs for the deaf, private residential placements, priority projects, and other emerging needs.

CAREER AND TECHNICAL – BASIC GRANT (244)

To account for funds granted to provide Career and Technical education to develop new and/or improve Career and Technical 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 (sites) 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 (1) 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, and (2) 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.

TITLE IV, PART B - 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.

ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF (ESSER) GRANT (266)

This fund is a Coronavirus Aid, Relief and Economic Security (CARES) Act education funding, to prevent, prepare for and respond to the coronavirus.

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.

TITLE I SIP ACADEMY GRANT (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.

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 FUND – LOCALLY DEFINED (288)

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

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.

SHARED SERVICES ARRANGEMENTS-ADULT BASIC EDUCATION (ABE)-FEDERAL (309)

To account for funds granted to provide or support programs for adult education and literacy services to adults age 16 and above, who do not have a high school diploma and are not enrolled in school.

SHARED SERVICES ARRANGEMENTS-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.

SHARED SERVICES ARRANGEMENTS-IDEA PART B, DISCRETIONARY (315)

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

SHARED SERVICES ARRANGEMENTS IDEA PART C, EARLY INTERVENTION (DEAF)(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 to toddlers.

ADVANCED PLACEMENT INCENTIVES (397)

To account for funds awarded to school districts under the Texas Advanced Placement Award Incentive Program, Chapter 28, Subchapter C, TEC.

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.

SHARED SERVICES ARRANGEMENTS-ADULT EDUCATION-STATE/EDUCATIONAL TECHNOLOGY (ED TECH) PILOT (431)

To account for funds granted to provide or support programs for adult education and literacy services to adults age 16 and above who do not have a high school diploma and are out of school.

SHARED SERVICES ARRANGEMENTS- REGIONAL DAY SCHOOL FOR THE 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).

CAMPUS ACTIVITY FUNDS (461)

This fund classification is to be used to account for transactions related to a principal's activity fund if the monies generated are not subject to recall by the school district's board of trustees into the General Fund.

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.

DEBT SERVICE FUND (511)

To account for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

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 self-funded insurance program, which started in October 2015. Plan ended September 2019 with pending run off claims.

SELF FUNDED INSURANCE (754)

This fund is used to account for the operations of the District's self-funded insurance program, which started in October 2019.

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, 2020

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	\$ -	\$ 98,436	\$ -	\$ -
1120 Investments - Current	-	-	-	-
1220 Property Taxes - Delinquent	-	-	-	-
1230 Allowance for Uncollectible Taxes	-	-	-	-
1240 Due from Other Governments	21,190	4,040,047	77,344	17,347
1250 Accrued Interest	-	-	-	-
1260 Due from Other Funds	13,532	2,937,398	9,840	-
1000 Total Assets	<u>\$ 34,722</u>	<u>\$ 7,075,881</u>	<u>\$ 87,184</u>	<u>\$ 17,347</u>
LIABILITIES				
2110 Accounts Payable	\$ 1,290	\$ 296,726	\$ 401	\$ 952
2120 Short Term Debt Payable - Current	-	-	-	-
2160 Accrued Wages Payable	6,278	1,168,115	36,431	1,706
2170 Due to Other Funds	27,154	5,611,040	50,352	14,689
2180 Due to Other Governments	-	-	-	-
2190 Due to Student Groups	-	-	-	-
2300 Unearned Revenue	-	-	-	-
2000 Total Liabilities	<u>34,722</u>	<u>7,075,881</u>	<u>87,184</u>	<u>17,347</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:				
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>\$ 34,722</u>	<u>\$ 7,075,881</u>	<u>\$ 87,184</u>	<u>\$ 17,347</u>

224 IDEA - Part B Formula	225 IDEA - Part B Preschool	226 IDEA - Part B Discretionary	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	265 Title IV, B Community Learning	274 GEAR UP
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,399,303	18,674	-	251,092	325,425	199,757	-	30,464
-	-	-	-	-	-	-	-
1,853,012	19,010	1	62,032	377,975	90	8,482	259,329
<u>\$ 3,252,315</u>	<u>\$ 37,684</u>	<u>\$ 1</u>	<u>\$ 313,124</u>	<u>\$ 703,400</u>	<u>\$ 199,847</u>	<u>\$ 8,482</u>	<u>\$ 289,793</u>
\$ -	\$ -	\$ -	\$ 9,978	\$ 4,651	\$ 7,318	\$ -	\$ 2,392
-	-	-	-	-	-	-	96
1,090,361	37,684	-	14,072	275,714	86,302	-	22,430
2,161,954	-	-	289,074	423,035	106,227	-	264,875
-	-	1	-	-	-	8,482	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>3,252,315</u>	<u>37,684</u>	<u>1</u>	<u>313,124</u>	<u>703,400</u>	<u>199,847</u>	<u>8,482</u>	<u>289,793</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 3,252,315</u>	<u>\$ 37,684</u>	<u>\$ 1</u>	<u>\$ 313,124</u>	<u>\$ 703,400</u>	<u>\$ 199,847</u>	<u>\$ 8,482</u>	<u>\$ 289,793</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2020

Data Control Codes	283 IDEA B ARRA	287 Education Jobs Fund	288 Federal Fund Special Rev. Loc. Define	289 Other Federal Special Revenue Funds	
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1120	Investments - Current	-	-	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-	-
1240	Due from Other Governments	-	315,138	640,172	314,593
1250	Accrued Interest	-	-	-	-
1260	Due from Other Funds	54	767,482	74	410,408
1000	Total Assets	<u>\$ 54</u>	<u>\$ 1,082,620</u>	<u>\$ 640,246</u>	<u>\$ 725,001</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ 1,980	\$ 84,084	\$ 12,258
2120	Short Term Debt Payable - Current	-	-	-	-
2160	Accrued Wages Payable	-	11,003	525	155,794
2170	Due to Other Funds	-	1,069,637	555,637	359,409
2180	Due to Other Governments	54	-	-	219
2190	Due to Student Groups	-	-	-	-
2300	Unearned Revenue	-	-	-	197,321
2000	Total Liabilities	<u>54</u>	<u>1,082,620</u>	<u>640,246</u>	<u>725,001</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:					
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>\$ 54</u>	<u>\$ 1,082,620</u>	<u>\$ 640,246</u>	<u>\$ 725,001</u>

309 SSA Adult Basic Education	312 SSA - TANF Family Assistance	315 SSA IDEA, Part B Discretionary	340 SSA - IDEA C Deaf - Early Intervention	397 Advanced Placement Incentives	410 State Instructional Materials	429 Other State Special Revenue Funds	431 SSA - ABE Educational Technology
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
441,123	29,053	26,482	-	4,769	2,498,416	457,683	52,613
-	-	-	-	-	-	-	-
-	8,605	34,390	-	170,750	368,968	34	-
<u>\$ 441,123</u>	<u>\$ 37,658</u>	<u>\$ 60,872</u>	<u>\$ -</u>	<u>\$ 175,519</u>	<u>\$ 2,867,384</u>	<u>\$ 457,717</u>	<u>\$ 52,613</u>
\$ 11,126	\$ -	\$ -	\$ -	\$ -	\$ 2,517,564	\$ 7,100	\$ -
7,494	-	-	-	-	-	-	-
60,383	-	48,154	-	-	-	1,064	10,802
362,120	37,658	11,270	-	-	-	368,585	33,079
-	-	-	-	-	-	26	8,732
-	-	-	-	-	-	-	-
-	-	1,448	-	175,519	349,820	80,942	-
<u>441,123</u>	<u>37,658</u>	<u>60,872</u>	<u>-</u>	<u>175,519</u>	<u>2,867,384</u>	<u>457,717</u>	<u>52,613</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 441,123</u>	<u>\$ 37,658</u>	<u>\$ 60,872</u>	<u>\$ -</u>	<u>\$ 175,519</u>	<u>\$ 2,867,384</u>	<u>\$ 457,717</u>	<u>\$ 52,613</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2020

Data Control Codes	435 SSA Regional Day School - Deaf	461 Campus Activity Funds	498 Other Local Special Revenue Funds	499 Locally Funded Special Rev.	
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ 1,092,695	\$ -	\$ -
1120	Investments - Current	-	-	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-	-
1240	Due from Other Governments	99,498	-	-	-
1250	Accrued Interest	-	-	-	-
1260	Due from Other Funds	183,530	-	15,004	17,189
1000	Total Assets	<u>\$ 283,028</u>	<u>\$ 1,092,695</u>	<u>\$ 15,004</u>	<u>\$ 17,189</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ 1,568
2120	Short Term Debt Payable - Current	-	-	-	-
2160	Accrued Wages Payable	182,102	-	-	-
2170	Due to Other Funds	100,926	-	15,004	10,402
2180	Due to Other Governments	-	-	-	-
2190	Due to Student Groups	-	1,092,695	-	-
2300	Unearned Revenue	-	-	-	5,219
2000	Total Liabilities	<u>283,028</u>	<u>1,092,695</u>	<u>15,004</u>	<u>17,189</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:					
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>\$ 283,028</u>	<u>\$ 1,092,695</u>	<u>\$ 15,004</u>	<u>\$ 17,189</u>

Total Nonmajor Special Revenue Funds	511 Debt Service Fund	635 TRI Projects	Total Nonmajor Governmental Funds
\$ 1,191,131	\$ 48	\$ 50	\$ 1,191,229
-	11,098,653	-	11,098,653
-	870,025	-	870,025
-	(26,101)	-	(26,101)
11,260,183	-	-	11,260,183
-	56,255	-	56,255
7,517,189	64,110	-	7,581,299
<u>\$ 19,968,503</u>	<u>\$ 12,062,990</u>	<u>\$ 50</u>	<u>\$ 32,031,543</u>
\$ 2,959,388	\$ -	\$ -	\$ 2,959,388
7,590	-	-	7,590
3,208,920	-	-	3,208,920
11,872,127	-	50	11,872,177
17,514	230,680	-	248,194
1,092,695	-	-	1,092,695
810,269	-	-	810,269
<u>19,968,503</u>	<u>230,680</u>	<u>50</u>	<u>20,199,233</u>
-	709,572	-	709,572
-	709,572	-	709,572
-	11,122,738	-	11,122,738
-	11,122,738	-	11,122,738
<u>\$ 19,968,503</u>	<u>\$ 12,062,990</u>	<u>\$ 50</u>	<u>\$ 32,031,543</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020

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	142,835	22,545,420	1,123,537	140,912
5020 Total Revenues	142,835	22,545,420	1,123,537	140,912
EXPENDITURES:				
Current:				
0011 Instruction	-	12,774,263	385,783	113,973
0012 Instructional Resources and Media Services	-	1,572,382	-	-
0013 Curriculum and Instructional Staff Development	-	2,372,189	1,168	-
0021 Instructional Leadership	-	748,650	313,856	1,899
0023 School Leadership	-	226,139	-	-
0031 Guidance, Counseling, and Evaluation Services	-	154,172	91,593	-
0033 Health Services	-	1,578,248	-	-
0051 Facilities Maintenance and Operations	-	13,215	-	-
0052 Security and Monitoring Services	-	-	-	-
0061 Community Services	142,835	3,106,162	331,137	25,040
Debt Service:				
0071 Principal on Long-Term Debt	-	-	-	-
0072 Interest on Long-Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
6030 Total Expenditures	142,835	22,545,420	1,123,537	140,912
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

224 IDEA - Part B Formula	225 IDEA - Part B Preschool	226 IDEA - Part B Discretionary	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	265 Title IV, B Community Learning	274 GEAR UP
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
7,942,333	122,564	670	604,485	1,957,141	1,306,464	513,664	274,407
7,942,333	122,564	670	604,485	1,957,141	1,306,464	513,664	274,407
6,505,215	122,564	670	541,124	1,902,426	988,343	513,664	60,888
-	-	-	-	-	-	-	-
-	-	-	63,361	54,411	264,058	-	-
-	-	-	-	304	38,400	-	-
-	-	-	-	-	6,594	-	-
1,437,118	-	-	-	-	-	-	212,444
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	9,069	-	1,075
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
7,942,333	122,564	670	604,485	1,957,141	1,306,464	513,664	274,407
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020

Data Control Codes	283 IDEA B ARRA	287 Education Jobs Fund	288 Federal Fund Special Rev. Loc. Define	289 Other Federal Special Revenue Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	-	1,450,661	3,865,953	1,237,930
5020 Total Revenues	-	1,450,661	3,865,953	1,237,930
EXPENDITURES:				
Current:				
0011 Instruction	-	607,913	194	967,102
0012 Instructional Resources and Media Services	-	4,586	3,565,947	-
0013 Curriculum and Instructional Staff Development	-	706,463	88,206	119,718
0021 Instructional Leadership	-	-	19,328	-
0023 School Leadership	-	111,360	-	131
0031 Guidance, Counseling, and Evaluation Services	-	20,339	-	84,397
0033 Health Services	-	-	-	36,498
0051 Facilities Maintenance and Operations	-	-	59,420	-
0052 Security and Monitoring Services	-	-	132,858	-
0061 Community Services	-	-	-	30,084
Debt Service:				
0071 Principal on Long-Term Debt	-	-	-	-
0072 Interest on Long-Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
6030 Total Expenditures	-	1,450,661	3,865,953	1,237,930
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

309 SSA Adult Basic Education	312 SSA - TANF Family Assistance	315 SSA IDEA, Part B Discretionary	340 SSA - IDEA C Deaf - Early Intervention	397 Advanced Placement Incentives	410 State Instructional Materials	429 Other State Special Revenue Funds	431 SSA - ABE Educational Technology
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82	\$ -
-	-	-	-	-	10,034,969	638,372	23,405
1,445,862	9,511	152,369	87	-	-	-	-
1,445,862	9,511	152,369	87	-	10,034,969	638,454	23,405
1,030,425	5,317	152,369	87	-	10,034,579	477,914	21,093
-	-	-	-	-	-	82	-
25,769	-	-	-	-	-	53,985	-
77,087	596	-	-	-	-	19,857	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	390	-	-
-	-	-	-	-	-	86,616	-
312,581	3,598	-	-	-	-	-	2,312
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,445,862	9,511	152,369	87	-	10,034,969	638,454	23,405
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020

Data Control Codes	435 SSA Regional Day School - Deaf	461 Campus Activity Funds	498 Other Local Special Revenue Funds	499 Locally Funded Special Rev.
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 16,914
5800 State Program Revenues	662,359	-	-	-
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	662,359	-	-	16,914
EXPENDITURES:				
Current:				
0011 Instruction	579,469	-	-	16,379
0012 Instructional Resources and Media Services	-	-	-	535
0013 Curriculum and Instructional Staff Development	-	-	-	-
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	82,890	-	-	-
0033 Health Services	-	-	-	-
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	-	-	-	-
6030 Total Expenditures	662,359	-	-	16,914
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

Total Nonmajor Special Revenue Funds	511 Debt Service Fund	635 TRI Projects	Total Nonmajor Governmental Funds
\$ 16,996	\$ 8,063,778	\$ -	\$ 8,080,774
11,359,105	8,651,552	-	20,010,657
44,836,805	-	-	44,836,805
56,212,906	16,715,330	-	72,928,236
37,801,754	-	-	37,801,754
5,143,532	-	-	5,143,532
3,749,328	-	-	3,749,328
1,219,977	-	-	1,219,977
344,224	-	-	344,224
2,082,953	-	-	2,082,953
1,614,746	-	-	1,614,746
73,025	-	-	73,025
219,474	-	-	219,474
3,963,893	-	-	3,963,893
-	11,220,000	-	11,220,000
-	4,623,880	-	4,623,880
-	2,251	-	2,251
56,212,906	15,846,131	-	72,059,037
-	869,199	-	869,199
-	10,253,539	-	10,253,539
\$ -	\$ 11,122,738	\$ -	\$ 11,122,738

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 JUNE 30, 2020

	753 Self Funded Insurance UHC	754 Self Funded Insurance BCBS	792 Self Funded Workers' Compensation	Total Internal Service Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 1,977	\$ 3,679	\$ 9	\$ 5,665
Investments - Current	-	14,340,370	4,404,890	18,745,260
Accrued Interest	-	-	17,215	17,215
Due from Other Funds	12,000,000	700	2,200,000	14,200,700
Total Assets	<u>\$ 12,001,977</u>	<u>\$ 14,344,749</u>	<u>\$ 6,622,114</u>	<u>\$ 32,968,840</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ -	\$ 1,330,024	\$ 50,037	\$ 1,380,061
Due to Other Funds	13,788,546	12,000,000	-	25,788,546
Accrued Expenses	-	4,135,836	287,819	4,423,655
Total Liabilities	<u>13,788,546</u>	<u>17,465,860</u>	<u>337,856</u>	<u>31,592,262</u>
NET POSITION				
Unrestricted Net Position	<u>(1,786,569)</u>	<u>(3,121,111)</u>	<u>6,284,258</u>	<u>1,376,578</u>
Total Net Position	<u>\$ (1,786,569)</u>	<u>\$ (3,121,111)</u>	<u>\$ 6,284,258</u>	<u>\$ 1,376,578</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, 2020

	753 Self Funded Insurance UHC	754 Self Funded Insurance BCBS	792 Self Funded Workers' Compensation	Total Internal Service Funds
OPERATING REVENUES:				
Local and Intermediate Sources	\$ 25,765,947	\$ 31,206,204	\$ 102,497	\$ 57,074,648
Total Operating Revenues	<u>25,765,947</u>	<u>31,206,204</u>	<u>102,497</u>	<u>57,074,648</u>
OPERATING EXPENSES:				
Other Operating Costs	16,301,940	34,327,315	620,552	51,249,807
Total Operating Expenses	<u>16,301,940</u>	<u>34,327,315</u>	<u>620,552</u>	<u>51,249,807</u>
Operating Income (Loss)	9,464,007	(3,121,111)	(518,055)	5,824,841
Total Net Position - July 1 (Beginning)	<u>(11,250,576)</u>	<u>-</u>	<u>6,802,313</u>	<u>(4,448,263)</u>
Total Net Position June 30 (Ending)	<u>\$ (1,786,569)</u>	<u>\$ (3,121,111)</u>	<u>\$ 6,284,258</u>	<u>\$ 1,376,578</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020

	753 Self Funded Insurance UHC	754 Self Funded Insurance BCBS	792 Self Funded Workers' Compensation	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>				
Cash Payments for Services	\$ 23,679,237	\$ 28,865,134	\$ 4,903,902	\$ 57,448,273
Cash Payments for Insurance Claims	(23,677,260)	(28,861,455)	(4,903,893)	(57,442,608)
Net Cash Provided by Operating Activities	<u>1,977</u>	<u>3,679</u>	<u>9</u>	<u>5,665</u>
Net Increase in Cash and Cash Equivalents	1,977	3,679	9	5,665
Cash and Cash Equivalents at Beginning of Year	-	-	-	-
Cash and Cash Equivalents at End of Year	<u>\$ 1,977</u>	<u>\$ 3,679</u>	<u>\$ 9</u>	<u>\$ 5,665</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</u>				
Operating Income (Loss):	\$ 9,464,007	\$ (3,121,111)	\$ (518,055)	\$ 5,824,841
Effect of Increases and Decreases in Current Assets and Liabilities:				
Decrease (increase) in Current Investments	910,961	(14,340,370)	1,021,760	(12,407,649)
Decrease (increase) in Due from Other Funds	(12,000,000)	(700)	650,000	(11,350,700)
Decrease (increase) in Other Receivables	-	-	8,644	8,644
Increase (decrease) in Accounts Payable	(1,172,691)	1,330,024	(48,486)	108,847
Increase (decrease) in Due to Other Funds	5,204,621	12,000,000	-	17,204,621
Increase (decrease) in Accrued Expenses	(2,404,921)	4,135,836	(1,113,854)	617,061
Net Cash Provided by Operating Activities	<u>\$ 1,977</u>	<u>\$ 3,679</u>	<u>\$ 9</u>	<u>\$ 5,665</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 JUNE 30, 2020

	BALANCE JULY 1 2019			ADDITIONS	DEDUCTIONS	BALANCE JUNE 30 2020		
STUDENT ACTIVITY FUNDS								
Assets:								
Cash and Temporary Investments	\$	652,773	\$	1,865,862	\$	1,875,200	\$	643,435
Due From Other Funds		-		117,984		-		117,984
Total Assets	\$	<u>652,773</u>	\$	<u>1,983,846</u>	\$	<u>1,875,200</u>	\$	<u>761,419</u>
Liabilities:								
Accounts Payable	\$	117,984	\$	-	\$	-	\$	117,984
Due to Student Groups		534,789		1,865,862		1,757,216		643,435
Total Liabilities	\$	<u>652,773</u>	\$	<u>1,865,862</u>	\$	<u>1,757,216</u>	\$	<u>761,419</u>
Centennial Foundation CORP								
Assets:								
Cash and Temporary Investments	\$	-	\$	1,000	\$	-	\$	1,000
Liabilities:								
Accounts Payable	\$	-	\$	1,000	\$	-	\$	1,000
TOTAL AGENCY FUNDS								
Assets:								
*Cash and Temporary Investments	\$	652,773	\$	1,866,862	\$	1,875,200	\$	644,435
*Due From Other Funds		-		117,984		-		117,984
Total Assets	\$	<u>652,773</u>	\$	<u>1,984,846</u>	\$	<u>1,875,200</u>	\$	<u>762,419</u>
Liabilities:								
*Accounts Payable	\$	117,984	\$	1,000	\$	-	\$	118,984
*Due to Student Groups		534,789		1,865,862		1,757,216		643,435
Total Liabilities	\$	<u>652,773</u>	\$	<u>1,866,862</u>	\$	<u>1,757,216</u>	\$	<u>762,419</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 PRIVATE PURPOSE TRUST FUNDS
 JUNE 30, 2020

	810 Crime Stoppers	816 Johnny & Nena Cavazos Athletic Fund	820 BISD Best Choice	821 Regional Tournaments
ASSETS				
Cash and Cash Equivalents	\$ 980	\$ 12,592	\$ 43,359	\$ 2,714
Other Receivables	-	-	-	-
Total Assets	<u>980</u>	<u>12,592</u>	<u>43,359</u>	<u>2,714</u>
LIABILITIES				
Accounts Payable	-	1	490	-
Due to Other Funds	-	-	-	20
Total Liabilities	<u>-</u>	<u>1</u>	<u>490</u>	<u>20</u>
NET POSITION				
Unrestricted Net Position	<u>980</u>	<u>12,591</u>	<u>42,869</u>	<u>2,694</u>
Total Net Position	<u>\$ 980</u>	<u>\$ 12,591</u>	<u>\$ 42,869</u>	<u>\$ 2,694</u>

822 Mile of Hope	827 Student Ambassador Program	828 Filemon Vela Memorial Scholarship	829 Superintendent Scholarship Fund	Total Private Purpose Trust Funds
\$ 63,357	\$ 121	\$ 6,127	\$ 8,171	\$ 137,421
-	-	-	1	1
<u>63,357</u>	<u>121</u>	<u>6,127</u>	<u>8,172</u>	<u>137,422</u>
-	-	-	-	491
-	-	-	-	20
-	-	-	-	511
63,357	121	6,127	8,172	136,911
<u>\$ 63,357</u>	<u>\$ 121</u>	<u>\$ 6,127</u>	<u>\$ 8,172</u>	<u>\$ 136,911</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PRIVATE PURPOSE TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020

	810 Crime Stoppers	816 Johnny & Nena Cavazos Athletic Fund	820 BISD Best Choice	821 Regional Tournaments
ADDITIONS:				
Earnings from Temporary Deposits	\$ -	\$ -	\$ -	\$ -
Miscellaneous Additions	-	4,157	18	-
Total Additions	<u>-</u>	<u>4,157</u>	<u>18</u>	<u>-</u>
DEDUCTIONS:				
Supplies and Materials	-	-	377	-
Other Deductions	-	-	6,158	-
Total Deductions	<u>-</u>	<u>-</u>	<u>6,535</u>	<u>-</u>
Change in Net Position	-	4,157	(6,517)	-
Net Position - July 1 (Beginning)	<u>980</u>	<u>8,434</u>	<u>49,386</u>	<u>2,694</u>
Net Position - June 30 (Ending)	<u>\$ 980</u>	<u>\$ 12,591</u>	<u>\$ 42,869</u>	<u>\$ 2,694</u>

822 Mile of Hope	827 Student Ambassador Program	828 Filemon Vela Memorial Scholarship	829 Superintendent Scholarship Fund	Total Private Purpose Trust Funds
\$ 194	\$ -	\$ -	\$ 70	\$ 264
22,800	-	-	33,425	60,400
<u>22,994</u>	<u>-</u>	<u>-</u>	<u>33,495</u>	<u>60,664</u>
-	-	-	-	377
3,500	-	-	35,000	44,658
<u>3,500</u>	<u>-</u>	<u>-</u>	<u>35,000</u>	<u>45,035</u>
19,494	-	-	(1,505)	15,629
43,863	121	6,127	9,677	121,282
<u>\$ 63,357</u>	<u>\$ 121</u>	<u>\$ 6,127</u>	<u>\$ 8,172</u>	<u>\$ 136,911</u>

**TEXAS EDUCATION AGENCY
REQUIRED SCHEDULES**

(10) Beginning Balance 7/1/2019	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2020
\$ 2,104,898	\$ -	\$ 51,717	\$ 4,191	\$ (161,588)	\$ 1,887,402
237,451	-	9,149	657	(2,928)	224,717
280,750	-	12,330	886	(14,026)	253,508
330,116	-	22,143	2,175	(15,222)	290,576
347,531	-	58,665	5,960	18,024	300,930
502,423	-	163,470	-	68,290	407,243
616,550	-	224,035	-	81,447	473,962
1,270,321	-	570,099	55,650	105,585	750,157
4,402,533	-	2,797,790	273,103	87,629	1,419,269
-	73,467,340	61,660,548	7,566,456	80,130	4,320,466
<u>\$ 10,092,573</u>	<u>\$ 73,467,340</u>	<u>\$ 65,569,946</u>	<u>\$ 7,909,078</u>	<u>\$ 247,341</u>	<u>\$ 10,328,230</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, 2020

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 873,801	\$ 873,801	\$ 457,498	\$ (416,303)
5800 State Program Revenues	200,000	200,000	154,961	(45,039)
5900 Federal Program Revenues	39,006,812	39,006,812	26,796,868	(12,209,944)
5020 Total Revenues	<u>40,080,613</u>	<u>40,080,613</u>	<u>27,409,327</u>	<u>(12,671,286)</u>
EXPENDITURES:				
Current:				
0035 Food Services	<u>40,080,613</u>	<u>42,592,113</u>	<u>33,157,762</u>	<u>9,434,351</u>
6030 Total Expenditures	<u>40,080,613</u>	<u>42,592,113</u>	<u>33,157,762</u>	<u>9,434,351</u>
1200 Net Change in Fund Balances	-	(2,511,500)	(5,748,435)	(3,236,935)
0100 Fund Balance - July 1 (Beginning)	<u>12,537,755</u>	<u>12,537,755</u>	<u>12,537,755</u>	<u>-</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ 12,537,755</u>	<u>\$ 10,026,255</u>	<u>\$ 6,789,320</u>	<u>\$ (3,236,935)</u>

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, 2020

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 6,755,290	\$ 6,755,290	\$ 8,063,778	\$ 1,308,488
5800 State Program Revenues	9,091,591	9,091,591	8,651,552	(440,039)
5020 Total Revenues	15,846,881	15,846,881	16,715,330	868,449
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Debt	15,846,881	11,220,000	11,220,000	-
0072 Interest on Long-Term Debt	-	4,623,881	4,623,880	1
0073 Bond Issuance Cost and Fees	-	3,000	2,251	749
6030 Total Expenditures	15,846,881	15,846,881	15,846,131	750
1200 Net Change in Fund Balances	-	-	869,199	869,199
0100 Fund Balance - July 1 (Beginning)	10,253,539	10,253,539	10,253,539	-
3000 Fund Balance - June 30 (Ending)	\$ 10,253,539	\$ 10,253,539	\$ 11,122,738	\$ 869,199

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)

	Fiscal Year				
	2011	2012	2013	2014	2015
Governmental Activities					
Net Investment in Capital Assets	\$ 239,341,909	\$ 249,760,978	\$ 265,298,588	\$ 245,196,911	\$ 241,038,741
Restricted	50,582,763	47,257,800	33,977,469	31,502,648	36,394,229
Unrestricted	73,922,111	65,775,797	54,465,766	78,378,086	24,425,409
Total Net Position	<u>\$ 363,846,783</u>	<u>\$ 362,794,575</u>	<u>\$ 353,741,823</u>	<u>\$ 355,077,645</u>	<u>\$ 301,858,379</u>

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

2016	2017	2018	2019	2020
\$ 242,011,460	\$ 250,292,029	\$ 242,478,407	\$ 227,936,911	\$ 264,940,716
27,924,319	27,287,962	27,752,414	28,364,878	22,470,331
52,915,830	45,017,349	(178,492,441)	(156,571,626)	(177,637,238)
<u>\$ 322,851,609</u>	<u>\$ 322,597,340</u>	<u>\$ 91,738,380</u>	<u>\$ 99,730,163</u>	<u>\$ 109,773,809</u>

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

LAST TEN YEARS

(Unaudited)

	Fiscal Year			
	2011	2012	2013	2014
Expenses				
Governmental Activities:				
11 Instruction	\$ 283,753,243	\$ 265,301,523	\$ 269,902,260	\$ 266,811,175
12 Instructional Resources & Media Services	9,145,005	8,150,501	8,990,567	8,638,437
13 Curriculum & Staff Development	19,505,830	13,284,303	15,764,951	16,609,958
21 Instructional Leadership	7,834,698	8,226,349	8,593,985	8,628,654
23 School Leadership	25,044,466	24,028,022	26,014,428	26,274,889
31 Guidance, Counseling & Evaluation Services	18,254,355	16,840,314	18,886,458	19,030,826
32 Social Work Services	765,569	621,835	1,091,761	1,077,700
33 Health Services	5,705,521	5,781,101	5,853,598	5,735,067
34 Student (Pupil) Transportation	13,509,625	12,927,507	12,463,068	14,171,985
35 Food Services	29,764,725	31,627,859	32,839,664	34,282,243
36 Cocurricular/Extracurricular Activities	16,653,137	14,485,042	15,765,298	16,364,024
41 General Administration	12,670,295	17,182,090	17,589,088	12,286,474
51 Plant Maintenance & Operations	51,408,170	46,452,947	46,463,990	48,694,091
52 Security & Monitoring Services	6,350,712	6,400,024	6,005,965	6,813,018
53 Data Processing Services	3,661,103	4,036,884	4,319,976	6,786,646
61 Community Services	5,750,327	5,111,489	5,096,028	4,084,484
72 Debt Service - Interest on Long-Term Debt	10,357,075	10,552,122	10,779,656	6,672,801
73 Debt Service - Bond Issuance Cost & Fees	686,668	-	988,081	9,225
95 Payments to Juvenile Justice Alternative Ed. Prg.	209,466	183,264	106,194	85,173
99 Other Intergovernmental Charges	-	-	-	497,968
Total Governmental Activities	521,029,990	491,193,176	507,515,016	503,554,838
Program Revenues				
Charges for Services				
Instruction	1,884,347	2,748,811	3,888,758	1,462,492
Instructional Resources & Media Services	-	-	-	-
Curriculum & Staff Development	-	-	-	-
Instructional Leadership	-	-	-	-
School Leadership	-	-	-	-
Health Services	-	-	-	-
Student (Pupil) Transportation	-	-	-	-
Food Services	1,422,678	1,270,219	1,304,284	1,378,468
Cocurricular/Extracurricular Activities	452,862	443,271	479,685	452,846
General Administration	-	-	-	-
Facilities Maintenance & Operations	-	-	-	-
Security & Monitoring Services	-	-	-	-
Data Processing Services	-	-	-	-
Community Services	105,954	118,182	101,226	121,786
Operating Grants and Contributions	137,170,598	130,857,311	120,198,708	123,197,536
Total governmental Activities	141,036,439	135,437,794	125,972,661	126,613,128
Program Revenues	141,036,439	135,437,794	125,972,661	126,613,128
Net Governmental Activities				
Revenue/(Expense)	\$ (379,993,551)	\$ (355,755,382)	\$ (381,542,355)	\$ (376,941,710)

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

	2015	2016	2017	2018	2019	2020
\$	269,621,870	\$ 287,873,697	\$ 278,511,438	\$ 182,103,482	\$ 280,238,666	\$ 313,169,173
	8,524,749	11,059,978	9,016,634	6,221,852	10,465,773	13,855,982
	16,372,545	18,957,388	15,575,422	8,653,579	12,950,605	16,667,811
	9,441,697	9,925,641	7,337,758	4,622,505	7,145,070	8,173,785
	24,656,388	26,546,046	26,088,958	17,686,003	26,834,278	30,612,109
	19,622,388	21,524,208	21,174,072	13,398,951	22,459,943	24,574,084
	888,315	616,251	655,648	597,763	678,691	957,825
	5,957,244	6,549,128	6,328,533	4,762,955	6,472,563	7,102,036
	12,081,900	12,450,463	12,847,622	9,608,687	12,989,452	12,471,780
	36,715,450	42,353,653	39,523,074	27,141,885	39,163,926	38,290,202
	16,421,932	17,243,179	17,268,627	13,882,079	17,250,130	17,244,449
	10,962,498	16,528,266	18,027,037	13,834,611	25,783,685	6,799,545
	51,688,106	55,522,684	53,015,451	45,423,458	48,820,990	52,422,138
	6,321,054	6,982,218	7,041,332	5,248,861	8,217,981	9,005,516
	6,355,529	8,552,804	9,755,101	9,046,205	7,202,699	7,245,329
	3,403,224	3,076,921	3,436,211	2,340,438	3,534,234	4,942,845
	8,134,579	7,372,455	7,040,836	7,553,530	4,138,014	7,017,649
	424,851	10,305	10,750	618,078	10,750	-
	36,656	10,842	54,762	24,588	31,144	23,834
	683,723	703,868	692,050	806,984	876,102	912,874
	508,314,698	553,859,995	533,401,316	373,576,494	535,264,696	571,488,966
	1,152,958	881,329	627,368	660,519	297,015	754,476
	-	148,493	-	52,943	201,605	-
	-	-	51,749	-	273,606	10,805
	-	-	51,749	-	-	-
	-	-	-	52,943	-	-
	-	-	-	-	230,405	-
	-	-	51,749	-	-	10,805
	1,012,548	1,335,619	1,015,698	960,346	1,058,486	620,557
	457,270	657,785	702,960	667,003	516,806	229,278
	1,314,255	296,986	310,493	330,893	-	108,045
	-	5,345,744	983,226	52,943	144,003	183,677
	-	-	-	-	-	10,805
	-	7,721,630	3,001,428	52,943	115,203	-
	38,034	327,820	175,027	119,053	213,539	200,100
	112,183,338	111,274,366	98,077,724	18,573,532	76,466,939	96,636,967
	116,158,403	127,989,772	105,049,171	21,523,118	79,517,607	98,765,515
\$	(392,156,295)	\$ (425,870,223)	\$ (428,352,145)	\$ (352,053,376)	\$ (455,747,089)	\$ (472,723,451)

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

LAST TEN YEARS

(Unaudited)

	Fiscal Year				
	2011	2012	2013	2014	2015
Net Governmental Activities Revenue /(Expense)	\$ (379,993,551)	\$ (355,755,382)	\$ (381,542,355)	\$ (376,941,710)	\$ (392,156,295)
General Revenues:					
Property Taxes -General	49,247,771	50,847,039	51,667,559	54,502,908	55,754,451
Property Taxes - Debt Service	3,480,992	3,541,802	3,628,836	5,232,438	5,564,404
State Aid	280,086,312	276,148,038	274,519,456	302,120,081	301,400,912
Grants & Contributions not Restricted	29,720,120	29,414,332	41,819,943	23,079,786	35,977,053
Investment Earnings	327,543	424,833	255,274	113,084	151,314
Miscellaneous	606,897	1,083,845	1,256,425	1,083,375	5,044,713
Total General Revenues	363,469,635	361,459,889	373,147,493	386,131,672	403,892,847
Special and Extraordinary Item-Resource:					
Special Item	-	-	-	-	-
Special - (Use)	-	-	-	-	-
Extraordinary Item - resource	-	-	-	-	-
Total Special and Extraordinary Item-Resource	-	-	-	-	-
Change in Net Position	\$ (16,523,916)	\$ 5,704,507	\$ (8,394,862)	\$ 9,189,962	\$ 11,736,552

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

2016	2017	2018	2019	2020
\$ (425,870,223)	\$ (428,352,145)	\$ (352,053,376)	\$ (455,747,089)	\$ (472,723,451)
60,003,866	61,915,126	64,271,317	65,415,281	63,999,050
324,381	107,373	5,899,596	6,252,570	7,652,219
339,056,325	322,099,125	325,928,319	327,749,035	341,577,353
32,345,650	34,993,209	33,229,095	58,482,078	61,319,514
483,591	1,452,734	2,942,963	5,345,300	3,691,478
780,304	597,581	105,940	494,608	1,813,409
432,994,117	421,165,148	432,377,230	463,738,872	480,053,023
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ 7,123,894	\$ (7,186,997)	\$ 80,323,854	\$ 7,991,783	\$ 7,329,572

SCHEDULE 4
BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN YEARS

(Unaudited)

	2011	2012	2013	2014	2015
General Fund					
Nonspendable Fund Balances:					
Inventories	\$ 4,422,662	\$ 3,580,179	\$ 3,621,302	\$ 3,834,039	\$ 3,725,535
Restricted Fund Balances:					
Federal or State Funds Grant Restriction	11,326,313	18,914,624	24,422,165	24,380,252	24,575,107
Retirement of Long Term Debt	-	-	-	-	5,000,000
Regional School for the Deaf	222,229	354,719	361,540	246,734	218,038
Committed Fund Balances:					
Construction	22,364,837	2,285,678	1,245,498	1,170,648	6,392,528
Capital Outlay & Supplies	541,141	2,142,090	2,231,900	1,659,405	2,369,146
Assigned Fund Balance:					
Construction	-	-	-	-	-
Repairs, Maintenance & Other	-	6,311,320	6,311,320	3,283,320	3,304,675
Unassigned Fund Balance:	60,435,774	58,087,083	60,430,454	62,776,227	66,871,373
Total General Fund Balance	<u>99,312,956</u>	<u>91,675,693</u>	<u>98,624,179</u>	<u>97,350,625</u>	<u>112,456,402</u>
All Other Governmental Funds					
Restricted Fund Balances:					
Capital Acquisition and Contractual Obligatio	-	9,590,034	8,507,993	6,281,065	5,543,109
Retirement of Long Term Debt	5,027,732	4,079,156	1,047,311	841,331	1,276,013
Other Restricted Fund Balance	5,516,459	-	-	-	-
Committed Fund Balances:					
Construction	1,161,390	-	-	-	-
Unassigned Fund Balance	4,927,512	-	-	-	-
Total All Other Governmental Fund Balances	<u>16,633,093</u>	<u>13,669,190</u>	<u>9,555,304</u>	<u>7,122,396</u>	<u>6,819,122</u>
Total Government Funds - Fund Balance	<u>\$ 115,946,049</u>	<u>\$ 105,344,883</u>	<u>\$ 108,179,483</u>	<u>\$ 104,473,021</u>	<u>\$ 119,275,524</u>
Government Funds					
Beginning Fund Balance	\$ 137,182,920	\$ 115,946,049	\$ 105,344,883	\$ 108,179,483	\$ 104,473,021
Net Change in Fund Balance	(21,236,871)	(10,601,166)	2,834,600	(3,706,462)	14,802,503
Ending Balance	<u>\$ 115,946,049</u>	<u>\$ 105,344,883</u>	<u>\$ 108,179,483</u>	<u>\$ 104,473,021</u>	<u>\$ 119,275,524</u>

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 the fiscal year began September 1st and ended August 31st. In 2005 the District changed its fiscal year to end in June 30th.

	2016	2017	2018	2019	2020
\$	4,635,881	\$ 4,402,682	\$ 4,225,941	\$ 4,209,382	\$ 4,150,181
	18,942,877	18,104,266	18,254,341	18,111,339	11,347,593
	-	-	-	-	-
	139,669	43,855	57,536	131,771	221,822
	5,834,327	3,138,904	71,785,833	49,894,741	19,338,622
	5,589,167	3,743,744	3,425,057	1,675,133	5,708,959
	18,252,345	22,271,058	24,358,270	32,669,491	33,452,290
	7,819,744	11,282,089	14,815,494	11,288,505	23,287,298
	69,346,794	75,436,502	79,109,837	83,615,674	87,745,137
	<u>130,560,803</u>	<u>138,423,100</u>	<u>216,032,309</u>	<u>201,596,036</u>	<u>185,251,902</u>
	-	-	-	-	-
	8,981,442	9,183,696	9,498,073	10,253,539	11,122,738
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>8,981,442</u>	<u>9,183,696</u>	<u>9,498,073</u>	<u>10,253,539</u>	<u>11,122,738</u>
\$	<u>139,542,245</u>	<u>\$ 147,606,796</u>	<u>\$ 225,530,382</u>	<u>\$ 211,849,575</u>	<u>\$ 196,374,640</u>
\$	119,275,524	\$ 139,542,245	\$ 147,606,796	\$ 225,530,382	\$ 211,849,575
	20,266,721	8,064,551	77,923,586	(13,680,807)	(15,474,935)
\$	<u>139,542,245</u>	<u>\$ 147,606,796</u>	<u>\$ 225,530,382</u>	<u>\$ 211,849,575</u>	<u>\$ 196,374,640</u>

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 Capital and Foundation	On-behalf TRS Payments	Other		
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	521,179,650
2016	61,717,061	386,110	16,910,067	347,071,720	14,260,807	7,768,744	102,723,505	550,838,014
2017	62,735,983	334,899	8,103,261	339,209,198	14,011,862	7,283,800	90,345,670	522,024,673
2018	70,012,429	316,593	5,592,225	334,795,510	18,583,924	12,569,475	90,605,806	532,475,962
2019	72,087,652	267,380	8,133,091	327,749,035	18,323,640	11,608,949	91,403,856	529,573,603
2020	73,316,261	311,490	5,550,479	341,577,353	20,519,286	21,926,418	95,942,606	559,143,893

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
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
2016	293,376,597	33,492,956	95,392,172	12,128,094	69,604,799	2,822,065
2017	282,515,570	30,996,737	95,642,235	11,058,621	68,270,012	3,168,242
2018	274,275,240	31,527,518	92,886,193	10,776,126	65,289,292	3,293,599
2019	275,418,177	30,595,137	93,688,920	10,184,174	62,570,420	3,194,964
2020	307,442,730	34,384,800	89,318,447	11,387,147	63,563,749	4,509,320

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

Note: Operating expenditures excludes capital outlay (Function 81)

Debt Service Principal	Debt Service Interest and Other	Capital Outlay	Inter-Governmental Charges	Total Governmental Fund Expenditures	Ratio of Debt Service to Operating Expenditures
\$ 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%
13,075,000	7,483,243	3,994,366	714,710	532,084,002	3.90%
13,813,017	7,154,050	7,438,072	746,812	520,803,368	4.08%
12,851,420	8,989,398	7,141,510	831,572	507,861,868	4.36%
17,237,129	9,895,952	29,374,196	907,246	533,066,315	5.39%
23,610,874	7,831,343	31,633,713	936,708	574,618,829	5.79%

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

LAST TEN YEARS

	2011	2012	2013	2014	2015
Excess of Revenues Over (Under) Expenditures	\$ (42,876,175)	\$ (310,543)	\$ 2,973,684	\$ 3,708,654	\$ 8,441,025
Other Financing Sources (Uses)					
Issuance of Bonds	-	-	122,710,000	-	13,895,000
Capital-Related Debt Issued	25,770,000	-	-	-	-
Non-Current Loans	-	-	-	-	-
Transfers In	7,563,785	12,088,180	11,692,351	3,000,000	3,000,000
Premium or Discount on Issuance of Bonds	-	-	20,075,278	-	875,136
Transfers Out	(7,563,785)	(12,088,180)	(11,692,351)	(3,000,000)	(3,000,000)
Other Uses	-	-	(141,659,928)	-	(10,665,750)
Total Other Financing Sources (Uses)	<u>25,770,000</u>	<u>-</u>	<u>1,125,350</u>	<u>-</u>	<u>4,104,386</u>
Special Items	-	-	-	-	-
Net Change in Fund Balances	<u>\$ (17,106,175)</u>	<u>\$ (310,543)</u>	<u>\$ 4,099,034</u>	<u>\$ 3,708,654</u>	<u>\$ 12,545,411</u>

Source: The District's Governmental Funds Balance Sheet and Combined Statements of Revenues Expenditures and Changes in Fund Balance

2016	2017	2018	2019	2020
\$ 18,754,011	\$ 1,221,302	\$ 24,614,092	\$ (3,492,711)	\$ (15,474,936)
-	-	54,370,000	-	-
-	2,249,419	-	-	-
-	-	-	3,485,908	-
22,386,086	10,988,211	1,113,127	1,251,372	-
-	-	4,439,863	-	-
(22,386,086)	(10,988,211)	(1,113,127)	(14,925,375)	-
-	-	(5,500,369)	-	-
-	2,249,419	53,309,494	(10,188,095)	-
-	-	-	-	-
\$ 18,754,011	\$ 3,470,721	\$ 77,923,586	\$ (13,680,806)	\$ (15,474,936)

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
2011	45,869	\$ 6,523	\$ 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	6,443	746	2,057	244	1,448
2016	43,898	6,683	763	2,173	276	1,586
2017	43,129	6,550	719	2,218	256	1,583
2018	41,602	6,593	758	2,233	259	1,569
2019	40,287	6,836	759	2,326	253	1,553
2020	38,846	7,914	885	2,299	293	1,636

Source: Average Daily Attendance provided by the District's PEIMS, A.E.I.S. reports & District's Summary of Finance (TEA).

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
\$ 120	\$ 238	\$ 243	\$ 811	\$ 5	\$ 11,941
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	11,535
64	297	170	91	16	12,119
73	320	166	172	17	12,074
79	309	216	172	20	12,208
79	428	246	729	23	13,232
116	608	202	814	24	14,791

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			
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
2016	4,608,516,654	678,841,803	5,287,358,457	6,754,535,129	78.28%	1.152500
2017	4,796,521,548	710,131,525	5,506,653,073	7,022,222,876	78.42%	1.152500
2018	4,921,883,465	752,049,951	5,673,933,416	7,168,346,586	79.15%	1.265000
2019	5,096,094,169	781,120,003	5,877,214,172	7,417,022,413	79.24%	1.265000
2020	5,466,169,857	842,977,244	6,309,147,101	7,896,876,428	79.89%	1.186706

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 Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 53,617,610	\$ 48,836,611	91.08%	\$ 4,296,320	\$ 53,132,931	99.10%
2012	54,109,128	49,935,751	92.29%	3,876,502	53,812,253	99.45%
2013	55,837,551	51,176,905	91.65%	3,840,372	55,017,277	98.53%
2014	60,188,474	55,499,749	92.21%	3,845,351	59,345,101	98.60%
2015	61,793,473	57,727,162	93.42%	3,487,172	61,214,333	99.06%
2016	59,728,676	56,897,913	95.26%	3,517,735	60,415,647	101.15%
2017	62,358,030	58,215,304	93.36%	3,457,010	61,672,315	98.90%
2018	70,330,581	65,564,161	93.22%	3,346,359	68,910,520	97.98%
2019	72,811,142	67,782,029	93.09%	2,897,346	70,679,375	97.07%
2020	73,467,340	68,910,148	93.80%	-	68,910,148	93.80%

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
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
2016	1.152500	-	1.152500	59,728,676	-	59,728,676
2017	1.152500	-	1.152500	62,358,030	-	62,358,030
2018	1.152500	0.112500	1.265000	64,075,886	6,254,696	70,330,581
2019	1.152500	0.112500	1.265000	66,335,843	6,475,299	72,811,142
2020	1.057000	0.129706	1.186706	65,437,419	8,029,922	73,467,340

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	
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	0.030600	0.162935	2.465139
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
2016	2015	1.152500	0.049200	0.700613	0.040667	0.399291	0.030450	0.164094	2.536815
2017	2016	1.152500	0.049200	0.700613	0.035920	0.407743	0.030450	0.158224	2.534650
2018	2017	1.265000	0.049200	0.700613	0.035920	0.410803	0.032000	0.162407	2.655943
2019	2018	1.265000	0.049200	0.700613	0.035920	0.416893	0.033000	0.162407	2.663033
2020	2019	1.186706	0.049200	0.700613	0.035920	0.436893	0.033000	0.162407	2.604739

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 2020	
		Tax Year 2019 Assessed Valuation	Total Assessed Valuation
Sharyland Utilities LP	Utilities	\$ 70,668,720	1.12%
CBL/Sunrise Commons LP	Real Estate/Shopping Mall	49,578,482	0.79%
Columbia Valley Healthcare Sys LP	Hospital	27,699,023	0.44%
AEP Texas Central Co	Utilities	27,656,821	0.44%
VHS Brownsville Hospital Company LLC	Hospital	25,916,830	0.41%
KIMCO Brownsville LP	Land/Improvements	22,027,195	0.35%
Rich-Seapak Corp.	Retail Store	20,873,990	0.33%
H E Butt Grocery Co	Grocery	20,113,528	0.32%
TRICO Products Corp.	Manufacturer	19,669,056	0.31%
Columbia Valley Healthcare Systems LP	Medical	15,236,171	0.24%
Southwestern Bell Telephone	Telephone Utility	-	
Valley Baptist Medical Center - Brownsville	Hospital	-	
Wal-Mart Real Estate Business TR	Real Estate/Retail Store	-	
Wal-Mart Stores Inc.	Retail Store	-	
Totals		<u>\$ 299,439,816</u>	4.75%

Source: Cameron Appraisal District

Fiscal Year 2011

Tax Year 2010	Assessed Valuation	Total Assessed Valuation
\$	38,869,962	0.78%
	29,348,585	0.59%
	13,969,001	0.28%
	-	
	19,274,998	0.38%
	15,985,293	0.32%
	-	
	15,628,366	0.31%
	-	
	18,030,330	0.30%
	15,119,265	0.30%
	22,646,633	0.45%
	17,397,357	0.35%
<u>\$</u>	<u>206,269,790</u>	4.06%

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	Discounts/ Premiums and Other Adj.
2011	\$ 111,985,000	\$ 70,600,000	\$ 5,040,000	\$ 38,235,000	\$ -
2012	106,200,000	68,620,000	4,400,000	36,110,000	-
2013	17,030,000	146,940,000	3,735,000	33,940,000	-
2014	10,725,000	142,605,000	3,045,000	31,885,000	-
2015	5,490,000	138,460,000	5,925,000	29,595,000	-
2016	-	134,155,000	5,180,000	27,060,000	-
2017	-	124,000,000	4,405,000	24,640,000	18,055,689
2018	-	114,670,000	52,740,000	22,068,000	16,768,615
2019	-	105,410,000	48,440,000	19,369,200	13,910,260
2020	-	94,190,000	39,655,000	16,870,400	11,933,737

Source: Brownsville Independent School District Annual Financial and Compliance Reports

Capital Leases	Total Debt	Ratio of Total Debt to Estimated Actual Property Value	Total Debt Per Average Daily Membership
\$ -	\$ 225,860,000	3.69%	\$ 4,518
-	215,330,000	3.47%	4,332
-	201,645,000	3.18%	4,085
-	188,260,000	2.88%	3,813
-	179,470,000	2.67%	3,709
-	166,395,000	2.46%	3,485
1,783,231	172,883,920	2.46%	3,688
1,351,812	207,598,427	2.90%	4,555
3,659,391	190,788,851	2.57%	4,297
2,552,317	165,201,454	2.09%	3,839

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

As of June 30, 2020

(Unaudited)

<u>Political Subdivision</u>	<u>Net Debt Amounts</u>		<u>As of</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Brownsville Navigation District	\$ 1,225,000	*	6/30/2020	76.12%	\$ 932,470
City of Brownsville	154,115,000	*	6/30/2020	87.70%	135,158,855
Cameron County	199,365,000	*	6/30/2020	37.05%	73,864,733
Paseo De La Resaca MUD #1	1,846,627	*	6/30/2020	100.00%	1,846,627
Paseo De La Resaca MUD #2	2,932,541	*	6/30/2020	100.00%	2,932,541
Paseo De La Resaca MUD #3	3,070,832	*	6/30/2020	100.00%	3,070,832
Rancho Viejo, Town of	3,102,000	*	6/30/2020	60.48%	1,876,090
Texas Southmost College	35,065,000	*	6/30/2020	55.28%	19,383,932
Valley MUD #2	8,403,000	*	6/30/2020	71.51%	6,008,985
Total Overlapping Debt:					<u>245,075,065</u>
Brownsville ISD			6/30/2020		<u>133,845,000</u> *
Total Direct and Overlapping Debt					<u>\$ 378,920,065</u>
Total Direct and Overlapping Debt % of A.V.:					6.04%
Total Direct and Overlapping Debt per Capita:					\$ 2,486

* Gross Debt. Please note that some debt may be supported by other revenues and thus be considered self supporting debt. Using gross debt may overstate the actual amount of debt supported by ad valorem taxes.

Sources:
 Municipal Advisory Council of Texas

SCHEDULE 16
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMPUTATION OF LEGAL DEBT MARGIN

LAST TEN YEARS

(Unaudited)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Assessed Valuation	<u>\$5,009,567,679</u>	<u>\$5,051,924,932</u>	<u>\$5,209,962,063</u>	<u>\$5,373,232,460</u>	<u>\$5,501,477,818</u>
Debt Limit - 10% of Assessed Valuation	\$ 500,956,768	\$ 505,192,493	\$ 520,996,206	\$ 537,323,246	\$ 550,147,782
General Obligation Bonds	220,820,000	210,930,000	197,910,000	185,215,000	173,545,000
Deduct Amount Available in Debt Service Fund	<u>5,027,732</u>	<u>4,079,156</u>	<u>1,047,311</u>	<u>(4,158,669)</u>	<u>1,276,013</u>
Applicable Debt	<u>215,792,268</u>	<u>206,850,844</u>	<u>196,862,689</u>	<u>189,373,669</u>	<u>172,268,987</u>
Legal Debt Margin	<u>\$ 285,164,500</u>	<u>\$ 298,341,649</u>	<u>\$ 324,133,517</u>	<u>\$ 347,949,577</u>	<u>\$ 377,878,795</u>
Debt Margin as a Percentage of the Debt Limit	56.92%	59.06%	62.21%	64.76%	68.69%

Source: Brownsville Independent School District Annual Financial and Compliance Reports

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$ 5,287,358,457</u>	<u>\$ 5,506,653,073</u>	<u>\$ 5,673,933,416</u>	<u>\$ 5,877,214,172</u>	<u>\$ 6,309,147,101</u>
\$ 528,735,846	\$ 550,665,307	\$ 567,393,342	\$ 587,721,417	\$ 630,914,710
161,215,000	148,640,000	136,738,000	124,779,200	111,060,400
<u>8,981,442</u>	<u>9,183,696</u>	<u>9,498,073</u>	<u>10,253,538</u>	<u>11,122,738</u>
<u>152,233,558</u>	<u>139,456,304</u>	<u>127,239,927</u>	<u>114,525,662</u>	<u>99,937,662</u>
<u>\$ 376,502,288</u>	<u>\$ 411,209,003</u>	<u>\$ 440,153,414</u>	<u>\$ 473,195,756</u>	<u>\$ 530,977,048</u>
71.21%	74.67%	77.57%	80.51%	84.16%

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	Discounts / Premiums and Other Adj	Debt Service Fund Balance	Net Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Average Daily Membership
2011	49,991	\$ 6,113,416,912	\$ 225,860,000	\$ -	\$ 5,027,732	\$ 220,832,268	3.61%	\$ 4,417
2012	49,703	6,214,354,595	215,330,000	-	4,079,156	211,250,844	3.40%	4,250
2013	49,361	6,343,330,587	201,645,000	-	1,047,311	200,597,689	3.16%	4,064
2014	49,370	6,543,041,297	188,260,000	-	(4,158,669)	192,418,669	2.94%	3,897
2015	48,388	6,711,375,439	179,470,000	-	1,276,013	178,193,987	2.66%	3,683
2016	47,749	6,754,535,129	166,395,000	-	8,981,442	157,413,558	2.33%	3,297
2017	46,880	7,022,222,876	153,045,000	18,055,689	9,183,696	161,916,993	2.31%	3,454
2018	45,578	7,168,346,586	189,478,000	16,768,615	9,498,073	196,748,542	2.74%	4,317
2019	44,402	7,417,022,413	173,219,200	13,910,260	10,253,538	176,875,922	2.38%	3,984
2020	43,028	7,896,876,428	150,715,400	11,933,737	11,122,738	151,526,399	1.92%	3,522

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
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%
2016	13,075,000	7,472,938	20,547,938	456,046,053	4.51%
2017	13,350,000	7,139,128	20,489,128	453,921,223	4.51%
2018	12,420,000	8,322,520	20,742,520	448,602,997	4.62%
2019	16,058,800	9,845,798	25,904,598	476,811,855	5.43%
2020	22,503,800	7,709,409	30,213,209	488,771,074	6.18%

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	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Brownsville ISD	6,487	1	9.45%	7,708	1	6.25%
Maximus	1,867	2	2.72%	-	-	-
UT Brownsville	-	-	-	2,343	2	1.90%
Cameron County	1,753	3	2.55%	2,040	3	1.65%
Keppel Amfels	-	-	-	1,600	4	1.30%
City of Brownsville	1,200	4	1.75%	1,200	5	0.97%
Key Automotive Accessories Inc.	1,000	5	1.46%	-	-	-
Walmart	-	-	-	1,174	6	0.95%
Convergys Corp.	-	-	-	623	7	0.51%
HEB	-	-	-	975	8	0.79%
Valley Baptist Medical Center	827	6	1.20%	738	10	0.60%
Valley Regional Medical Center	754	7	1.10%	786	9	0.64%
Brownsville PUB	577	8	0.84%	-	-	-
Worldwide Digital	500	9	0.73%	-	-	-
Texas Southmost College	280	10	0.41%	-	-	-
Total	<u>15,245</u>		<u>22.21%</u>	<u>19,187</u>		<u>15.56%</u>

Sources:

City of Brownsville, Texas

Workforce Solutions Cameron

SCHEDULE 20
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 CONSTRUCTION AND PROPERTY VALUES

LAST TEN YEARS

(Unaudited)

Fiscal Year	Number of Permits	Construction Value	Total Property Value
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
2016	2,276	99,859,788	7,033,870,915
2017	2,812	82,403,486	7,176,681,883
2018	2,603	88,629,362	7,420,534,222
2019	1,922	104,678,992	7,914,031,955
2020	2,260	882,303,983	9,235,302,860

Source: Cameron County Appraisal District Certified Entity Totals Report

SCHEDULE 21
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN YEARS

(Unaudited)

Year	Population *	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	Education Levels In Years of Formal Schooling	Personal School Enrollment	Unemployment Rate
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	183,046	2,585,342	15,597	29.8	63.1% - High School 17.2% - Bachelor's Degree	48,269	7.10%
2016	183,887	2,638,592	14,770	29.8	63.1% - High School 17.2% - Bachelor's Degree	47,749	7.30%
2017	183,823	2,669,073	14,489	30.6	64.1% - High School 17.5% - Bachelor's Degree	46,880	7.30%
2018	183,299	2,691,379	14,683	30.7	63.8% - High School 18.0% - Bachelor's Degree	45,578	6.20%
2019	183,392	2,756,382	15,030	30.3	64.1% - High School 18.8% - Bachelor's Degree	44,402	6.30%
2020	182,781	2,832,192	15,495	31.1	67.9% - High School 19.1% - Bachelor's Degree	43,028	8.52%

*Population Estimates - U.S. Census Bureau

Sources:

City of Brownsville, Texas

Texas Workforce Commission

U.S. Census Bureau

Brownsville Independent School District: PEIMS Department

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

LAST TEN YEARS

(Unaudited)

Classification	2011	2012	2013	2014	2015
Number of Employees					
Teachers	3,425	3,303	3,199	3,157	3,251
Professional Support	665	619	648	654	683
Campus Administration	203	191	195	192	205
Central Administration	9	12	9	10	11
Educational Aides	875	840	784	763	788
Auxiliary Staff	2,536	2,459	2,419	2,407	2,503
Total Employees	7,713	7,424	7,254	7,183	7,441
Percent of Total					
Teachers	44.4%	44.5%	44.1%	44.0%	44.0%
Professional Support	8.6%	8.3%	8.9%	9.1%	9.1%
Campus Administration	2.6%	2.6%	2.7%	2.7%	2.7%
Central Administration	0.1%	0.2%	0.1%	0.1%	0.1%
Educational Aides	11.3%	11.3%	10.8%	10.6%	10.6%
Auxiliary Staff	32.9%	33.1%	33.3%	33.5%	33.5%
	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Brownsville Independent School District: PEIMS Department

2016	2017	2018	2019	2020
3,177	3,022	2,953	2,908	2,857
660	617	617	626	631
205	206	190	190	179
10	9	9	9	10
794	681	775	772	774
2,402	2,304	2,108	2,108	2,037
7,248	6,839	6,652	6,613	6,488

44.0%	44.20%	44.40%	44.00%	44.00%
9.2%	9.00%	9.30%	9.50%	9.70%
2.8%	3.00%	2.90%	2.90%	2.80%
0.1%	0.10%	0.10%	0.10%	0.20%
10.5%	10.00%	11.70%	11.70%	11.90%
33.3%	33.70%	31.70%	31.90%	31.40%
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		Docorate		Average Teacher's Salary
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	
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
2016	41,672	60,329	44,672	62,829	45,422	63,579	49,536
2017	41,950	62,058	44,950	64,558	45,700	65,308	49,976
2018	42,260	64,822	43,760	66,322	46,010	67,072	52,759
2019	43,119	66,135	44,619	68,635	46,869	69,385	55,814
2020	45,025	69,895	46,525	72,395	48,775	73,145	58,958

Sources:

Brownsville Independent School District: Human Resources Department

Brownsville Independent School District: PEIMS Department

Note: Minimum and Maximum salaries are based on the BISD Hiring Schedule from each applicable year.
 Bachelor's Degree Maximum is with 15+ hours of Graduate Work.
 Master's Degree Minimum is with a Master's in a non-approved teaching field. Master's Degree Maximum is with a Master's in an approved teaching field.
 Minimum and Maximum are based on zero years of experience to 33 years.

Avg. Teacher Salary, Avg. Years of Experience, % Bachelor Education, and % Master's Education are based on TSDS reports from the Brownsville Independent School District's PEIMS Department.

Average Years of Experience	Bachelor's Education	Master's Education
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%
13.3	86.5%	16.7%
14.0	80.0%	18.4%
14.4	79.5%	18.8%
14.8	79.5%	18.9%
15.2	79.4%	18.8%

SCHEDULE 24
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF ATTENDANCE AND MEMBERSHIP

LAST TEN YEARS

(Unaudited)

<u>Fiscal Year</u>	<u>Average Daily Attendance</u>	<u>Average Daily Membership</u>	<u>Percentage of Attendance</u>
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%
2016	43,898	47,749	91.93%
2017	43,129	46,880	92.00%
2018	40,324	45,578	88.47%
2019	40,287	44,402	90.73%
2020	38,846 *	43,028	90.28%

* ESSER ADA due to COVID-19 (36,233.508)

Source: Brownsville Independent School District: PEIMS Department, TEA Summary of Finances

Percentage of Daily 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
2011	45,869	\$ 400,333,335	\$ 8,728	-1.24%	\$ 509,776,781	\$ 11,114	1.63%
2012	45,676	379,025,453	8,298	-4.91%	480,457,790	10,519	-5.35%
2013	45,393	401,453,099	8,846	6.57%	495,641,085	10,919	3.80%
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%
2016	43,898	446,526,807	10,172	5.18%	545,762,525	12,433	9.36%
2017	43,129	445,736,339	10,335	1.60%	525,602,918	12,187	-1.98%
2018	41,602	434,772,271	10,451	1.12%	364,573,314	8,763	-28.09%
2019	40,287	435,166,725	10,802	3.36%	513,366,031	12,743	45.41%
2020	38,846	444,952,837	11,454	6.04%	563,534,609	14,507	13.84%

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	%age of Free and Reduced Lunch	No. of Economically Disadvantaged Students	%age of Economically Disadvantaged Students
2011	14.5	90%	47,499	95.4%
2012	15.0	90%	47,633	96.0%
2013	15.0	90%	47,633	96.0%
2014	15.4	90%	47,152	96.0%
2015	15.6	90%	47,403	96.1%
2016	14.8	90%	45,732	94.7%
2017	15.0	90%	45,133	94.7%
2018	15.5	90%	44,912	96.0%
2019	15.4	90%	43,618	95.8%
2020	15.0	90%	38,485	89.5%

Source: 2017-2018 Texas Academic Performance Reports
 Prior to the 2012-13 school year, TAPR was known as the Academic Excellence Indicator System (AEIS) reports. Reports for school years 2008-09 through 2011-12 are available in the AEIS Archives.

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

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, 2020, 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



Cascos & Associates, PC

Certified Public Accountants
Audit/Accounting/Tax/Consulting

**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**

The Board of Trustees of
Brownsville Independent School District
Brownsville, Texas

We have audited, in accordance with the 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 Brownsville Independent School District (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 15, 2020.

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) as a basis for designing 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 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 entity'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 financial statements. 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*. We noted certain matters that we have reported to management of the District in a separate letter dated December 15, 2020.



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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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Handwritten signature in cursive script that reads "Cascos & Associates, PC".

Cascos & Associates, PC
Brownsville, Texas
December 15, 2020



Cascos & Associates, PC

Certified Public Accountants
Audit/Accounting/Tax/Consulting

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Board of Trustees of
Brownsville Independent School District
Brownsville, Texas

Report on Compliance for Each Major Federal Program

We have audited the Brownsville Independent School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Brownsville Independent School District's (the District) major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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, 2020.



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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 the Uniform Guidance, 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 a 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Cascos & Associates, PC
Brownsville, Texas
December 15, 2020

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

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	\$ 415,642
Total U.S. Department of Defense			<u>415,642</u>
U.S. DEPARTMENT OF JUSTICE			
<i>Passed Through COPS Office STOP School Violence: School Violence Prevention Program (SVPP):</i>			
Public Safety Partnership and Community Policing Grants	16.710	2018SVWX0050	132,858
Total U.S. Department of Justice			<u>132,858</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Texas Workforce Commission:</i>			
Family Support Act AFDC Jobs 2019	93.558	2418ALA000	8,893
Family Support Act AFDC Jobs 2020	93.558	2418ALAB00	618
Total Passed Through Texas Workforce Commission			<u>9,511</u>
<i>Passed Through Texas Health and Human Services Commission:</i>			
Medical Administrative Claiming Program - MAC	93.778	529-07-0157-00061	206,381
Total Passed Through Texas Health and Human Services Commission			<u>206,381</u>
Total U.S. Department of Health and Human Services			<u>215,892</u>
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through Texas Workforce Commission:</i>			
Federal Adult Education English Literacy & Civics Education 2019	84.002A	2418ALA000	20,808
Federal Adult Education English Literacy & Civics Education 2020	84.002A	2418ALAB00	120,104
Federal Adult Education & Family Literacy 2019	84.002A	2418ALA000	119,169
Federal Adult Education & Family Literacy 2020	84.002A	2418ALAB00	1,326,693
Total Passed Through Texas Workforce Commission			<u>1,586,774</u>
<i>Passed Through Texas Education Agency:</i>			
ESEA Title I, Part A 2019	84.010A	19610101031901	3,454,230
ESEA Title I, Part A 2020	84.010A	20610101031901	20,133,447
Total CFDA Number 84.010A			<u>23,587,677</u>
ESEA Title I, Ed. For Migrant Child 2019	84.011A	19615001031901	56,037
ESEA Title I, Ed. For Migrant Child 2020	84.011A	20615001031901	1,112,802
MEP AIIMS	84.011A	196150207110001	6,778
Total CFDA Number 84.011A			<u>1,175,617</u>
IDEA B - Formula 2019 ²	84.027A	196600010319016600	1,760,028
IDEA B - Formula 2020 ²	84.027A	206600010319016600	6,470,154
IDEA B - Discretionary (DEAF) 2019 ²	84.027A	196600110319016673	6,495
IDEA B - Discretionary (DEAF) 2020 ²	84.027A	206600110319016673	151,429
Total CFDA Number 84.027A			<u>8,388,106</u>
Carl Perkins Grant for Career & Technology Education 2019	84.048A	19420006031901	8,305
Carl Perkins Grant for Career & Technology Education 2020	84.048A	20420006031901	598,680
Total CFDA Number 84.048A			<u>606,985</u>
IDEA B - Preschool 2019 ²	84.173A	196610010319016610	16,359
IDEA B - Preschool 2020 ²	84.173A	206610010319016610	109,742
Total CFDA Number 84.173A			<u>126,101</u>
IDEA C - Early Intervention 2020	84.181A	203911010319013911	87
Total CFDA Number 84.181A			<u>87</u>
ESEA Title III-Limited English Proficiency (LEP) 2019	84.365A	19671001031901	247,632
ESEA Title III-Limited English Proficiency (LEP) 2020	84.365A	20671001031901	1,107,122
Total CFDA Number 84.365A			<u>1,354,754</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
ESEA Title II, Part A-Supporting Effective Instruction 2019	84.367A	19694501031901	34,719
ESEA Title II, Part A-Supporting Effective Instruction 2020	84.367A	20694501031901	<u>2,011,708</u>
Total CFDA Number 84.367A			<u>2,046,427</u>
Summer School LEP	84.369A	69551302	81,255
Summer School LEP	84.369A	69551902	<u>54,762</u>
Total CFDA Number 84.369A			<u>136,017</u>
Title IV, Part A, Subpart I	84.424A	19680101031901	110,101
Title IV, Part A, Subpart I	84.424A	20680101031901	<u>1,011,221</u>
Total CFDA Number 84.424A			<u>1,121,322</u>
Texas Hurricane Homeless Youth	84.938B	19513701031901	31,484
Total CFDA Number 84.938B			<u>31,484</u>
COVID-19 - ESSER CARES Grant	84.425D	20521001031901	<u>13,788,718</u>
Total CFDA Number 84.425			<u>13,788,718</u>
Total Passed Through Texas Education Agency			<u>52,363,295</u>
<i>Passed Through Education Service Center Region 10:</i>			
ESEA Title III Subtitle B - Ed. for the Homeless Children & Youth 2019	84.196A	194600057110011	15,216
ESEA Title III Subtitle B - Ed. for the Homeless Children & Youth 2020	84.196A	204600057110011	<u>134,447</u>
Total CFDA Number 84.196A			<u>149,663</u>
Total Passed Through Education Service Center Region 10			<u>149,663</u>
<i>Passed Through University of Texas Rio Grande Valley</i>			
Engaging History and Citizenship (EHC)-2019	84.422B	U422B180065(2)	63,310
Engaging History and Citizenship (EHC)-2020	84.422B	U422B180065(2)	<u>40,754</u>
Total CFDA Number 84.422B			<u>104,064</u>
GEAR UP (Gaining Early Awareness & Readiness for Undergraduate Pgms) 2018	84.334A	P334A170097(02)	66,084
GEAR UP (Gaining Early Awareness & Readiness for Undergraduate Pgms) 2019	84.334A	P334A170097(02)	<u>208,323</u>
Total CFDA Number 84.334A			<u>274,407</u>
Total Passed Through University of Texas Rio Grande Valley			<u>378,471</u>
<i>Passed Through Texas Southmost College:</i>			
21ST Century Community Learning Center, Cycle 10 Year 1	84.287C	196950267110052	172,268
21ST Century Community Learning Center, Cycle 10 Year 1	84.287C	196950267110052	<u>341,397</u>
Total CFDA Number 84.287C			<u>513,665</u>
Total Passed Through Texas Southmost College:			<u>513,665</u>
<i>Passed Through Education Service Center (ESC-20):</i>			
Evaluation Capacity Award - 2019 ²	84.027A	226-543-19-01-002	670
Total CFDA Number 84.027A			<u>670</u>
Total Passed Through Education Service Center (ESC-20):			<u>670</u>
<i>Passed Through Education Service Center (ESC-1):</i>			
Project RISE (Region One Incentive Strategies for Educators)-2019	84.374A	U374A160002-18	337,224
Project RISE (Region One Incentive Strategies for Educators)-2020	84.374A	U374A160002-19	<u>1,180,915</u>
Total CFDA Number 84.374A			<u>1,518,139</u>
Total Passed Through Education Service Center (ESC-1):			<u>1,518,139</u>
Discretionary:			
Project Literacy Innovations for Book Reading Opportunities (LIBRO)	84.215G	S215G180018	3,795,232
Total Discretionary			<u>3,795,232</u>
Total U.S. Department of Education			<u>60,305,909</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Texas Education Agency:</i>			
Food Distribution	10.555		618,096
School Breakfast Program ¹	10.553	71401601	8,525,065
National School Lunch Program ¹	10.555	71301601	<u>16,523,063</u>
Total Passed Through Texas Education Agency			<u>25,666,224</u>
<i>Passed Through Texas Department of Agriculture:</i>			
Child and Adult Care Food Program	10.558		<u>3,051,068</u>
Total Passed Through Texas Department of Agriculture			<u>3,051,068</u>
Total U.S. Department of Agriculture			<u>28,717,292</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 89,787,593</u>

¹ Total Child Nutrition Cluster - \$ 32,919,118

² Total Special Education Cluster (IDEA) - \$ 8,241,137

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2020

1. GENERAL

The Schedule of Expenditures of Federal Awards presents the activity of all applicable federal award programs of Brownsville ISD. The District's reporting entity is defined in Note I of the financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

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.

Federal funds for R.O.T.C, the Child Nutrition Cluster, the Child and Adult Care Food Program, School Health and Related Services (SHARS), Medicaid Administrative Claims (MAC), and revenues for indirect costs are reported in the General Fund. All other federal programs are accounted for and reported in Special Revenue Funds.

2. BASIS OF ACCOUNTING AND PRESENTATION

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. The District's significant accounting policies, including the modified accrual basis of accounting, are presented in Note 1 of the basic financial statements.

The Schedule of Expenditures of Federal Awards is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some of the amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

3. PASS-THROUGH EXPENDITURES

None of the federal programs expended by the District were provided to subrecipients.

4. INDIRECT COSTS

The District has received a negotiated indirect cost rate from TEA and may not elect to use a de minimis cost rate of 10% as described at 2 CFR §200.414(f)—Indirect (F&A) costs.

5. RECONCILIATION OF FEDERAL REVENUES AND SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal revenues per the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds (Exhibit C-3)	\$ 95,942,606
QSCB 2010A-E Subsidy	(432,958)
School health and related services revenue	<u>(5,722,055)</u>
Federal expenditures per the Schedule of Expenditures of Federal Awards (Exhibit K-1)	\$ <u><u>89,787,593</u></u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2020

I. Summary of the Auditors' Results:

Financial Statements

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

Federal Awards

Internal control over major federal programs:	
Material weakness(es) identified:	No
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
Type of auditors' report on compliance with major programs:	Unmodified
Any audit findings which are required to be reported in accordance with 2 CRF 200.516(a):	No

Major programs are as follows:

<u>CFDA Numbers:</u>	<u>Name of Federal Program or Cluster:</u>
84.425D	ESSER Grant
84.215G	Project Literacy Innovations for Book Reading Opportunities (LIBRO)

Dollar threshold used to distinguish between Type A and Type B programs:	\$2,709,778
Low risk auditee:	Yes

II. Financial Statement Findings

None reported.

III. Federal Award Findings and Questioned Costs

None reported.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020

None.