

2020-2021 Official Budget

FISCAL YEAR ENDING
June 30, 2021

Texas Education Agency Rating –

2020 Accountability Rating:

Not Rated: Declared State of Disaster



“Brownsville ISD...The Best Choice”

**BROWNSVILLE INDEPENDENT
SCHOOL DISTRICT**

1900 EAST PRICE ROAD
BROWNSVILLE, TEXAS 78521
(956) 698-0003
WWW.BISD.US

Brownsville Independent School District

Brownsville, Texas



2020-2021 Official Budget

Effective July 1, 2020 – June 30, 2021

Issued by:

Finance Department

*1900 East Price Road
Brownsville, Texas 78521
Telephone (956) 698-0003
www.BISD.us*

Dr. René Gutiérrez

Superintendent of Schools

Dr. Nereida Cantu

Deputy Superintendent/Business & Operations

Dr. Anysia R. Treviño

Deputy Superintendent/Curriculum & Instruction

Mr. David Robledo

Chief Financial Officer

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Brownsville Independent School District
2020-2021 Official Budget
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INTRODUCTIONARY SECTION

*“Brownsville ISD –
The Best Choice!”*

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Brownsville Independent School District

1900 East Price Road * Brownsville, Texas 78521

Telephone (956) 698-0003

"Brownsville ISD ... The Best Choice"

June 25th, 2020

To the Citizens of the Brownsville Independent School District:

We are pleased to present Brownsville Independent School District's (the "District") 2020-2021 Budget Document to the members of the Board of Trustees and all communities bound by Brownsville Independent School District. The report was prepared by the Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, rests solely with the department.

This document as well as the Comprehensive Annual Financial Report (CAFR) are the two primary documents used to present the financial plan and results of district operations to all interested parties. The document is organized into the following sections:

- **Introductory Section** - Introduces the reader to the document as a whole. It highlights important information contained in the budget. Users rely on this section to get an overview of what they can expect to find in the rest of the document.
- **Organizational Section** - Provides the context and framework within which the budget is developed and managed. The framework includes the District's organizational and financial structure as well as the controls that direct and regulate the development and administration of the budget.
- **Financial Section** - The budget financial schedules present the adopted budgets for the District compared with the results of past budget plans and with future projections.
- **Information Section** - Contains information on past and future budgets and factors influencing the proposed budget.

The information included in the budget document is structured to meet the requirements of the Meritorious Budget Award (MBA) of the Association of School Business Officials International (ASBO). To receive this award, an entity must publish a budget document that meets a number of specific program criteria and serves as a policy document, a financial plan, an operations guide and a communications device. The Meritorious Budget Award are valid for a period of one year only.

This budget represents the District's financial plan for the 2020-2021 fiscal year that will help us focus and achieve our goal of 100 percent of students graduating exceptionally prepared for college, career, military service and citizenship. Quality education must be the challenge that encourages students and educators to be the very best that they can be every day.

Respectfully,

A handwritten signature in blue ink, appearing to read "David Robledo", is written over a horizontal line.

Mr. David Robledo,
Chief Financial Officer

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT

Executive Summary

Board of Trustees For the Fiscal Year Ended June 30, 2020



Minerva M. Pena
Place 6
President



Drue Brown
Place 7
Vice-President



Dr. Prisci Roca Tipton
Place 4
Secretary



Philip T. Cowen
Place 3
Assistant Secretary



Dr. Sylvia P. Atkinson
Place 1
Trustee



Eddie Garcia
Place 2
Trustee



Laura Perez-Reyes
Place 5
Trustee



Superintendent & Administrative Officials

Dr. René Gutiérrez
Superintendent of Schools

Dr. Nereida Cantu
Deputy Superintendent/Business & Operations

Dr. Anysia R. Treviño
Deputy Superintendent/Curriculum & Instruction

Mr. David Robledo
Chief Financial Officer

Brownsville I.S.D. Cabinet

Dr. René Gutiérrez, *Superintendent of Schools*

Dr. Nereida Cantu, *Deputy Superintendent/Business & Operations*

Dr. Anysia R. Treviño, *Deputy Superintendent/Curriculum & Instruction*

Mr. David Robledo, *Chief Financial Officer*

Mr. Jimmy Haynes, *Assistant Superintendent District Operations*

Dr. Timothy Cuff, *Assistant Superintendent Support Services*

Mr. Manuel Hinojosa, *District Architect*

Chief Oscar Garcia, *Police and Security Services*

Dr. Dora E. Saucedo, *Assistant Superintendent C&I and Accountability*

Ms. Sandra Lopez, *Assistant Superintendent – Area I*

Ms. Alma Cardenas-Rubio, *Assistant Superintendent – Area II*

Ms. Rose Longoria, *Assistant Superintendent – Area III*

Ms. Carmelita Rodriguez, *Assistant Superintendent HR, Title IX/504/ADA/EEOC*

Budgeting Introduction

On an annual basis, the District presents the Board of Trustees with the proposed budgets for the General Operating Fund, the Debt Service Fund, the Construction fund and the Food Service Fund for approval as required by the Texas Education Code and as described in the Texas Education Agency's Financial Accountability Systems Resource Guide. The proposed budget is presented to the Board summarized at the function level for each of the funds above. The Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than June 30, the close of the District's fiscal year. After adoption of the budget, the appropriation amounts are entered into the District's accounting and encumbrance system and monitoring of the expenditures and encumbrances in relation to the approved budget begins.



The information in the budget document was structured to meet the requirements of the Association of School Business Officials International (ASBO) Meritorious Budget Award Program. To receive this award, an entity must publish a budget document that meets a number of specific program criteria and serves as a policy document, an operations guide, a financial plan, and a communications device.

Campus Principals and Department Administrators are known as Budget managers and have the authority to approve budget transfers anytime during the year. A budget transfer is the movement of appropriations between budget line items within the same function. Any request to move appropriations between budget line items to different functions is considered a budget amendment. Any budget amendment requested by budget managers requires Board approval. Expenditure requests will not be processed unless appropriations are available in the line item.

The District feels that the budgetary controls currently in place are adequate to ensure that expenditures remain within the approved budget and that the District complies with regulations established by the Texas Education Code and the Financial Accountability Systems Resource Guide.

The District evaluates the existing system of internal controls annually through self-evaluation and the annual independent financial and compliance audit. Internal controls are designed to provide reasonable, but not absolute, assurance regarding: 1) the safeguarding of assets against loss from authorized use or disposition; and 2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: 1) the cost of controls should not exceed benefits expected to be derived; and 2) the evaluation of costs and benefits requires estimates and judgments by management.

Long Range District Goals

The long-range goal of Brownsville ISD is to prepare students to be college, career, military, and workforce ready. When 100% of our students graduate from one of Brownsville Early College High Schools, they will be prepared to enter the workforce or prepared for postsecondary. By having highly compensated teaching staff, the District can reward their efforts in partnering with the District to teach 42,000+ students of BISD each and every day. In addition, the District seeks to provide facilities that will provide the best learning environment that will prepare students for the future.



One of the Major Initiatives for FY2021 is to renovate 34 elementary mini gyms with air conditioning, restrooms, and coaches' offices. Another major initiative is to ensure that every student has a technology device. Every Pre-K through 2nd grader will have an Apple I-Pad, 3rd grader through 8th grader will have a Dell Chromebook and every 9th grader through 12th grader will have a Dell laptop. Approximately 75% was completed during FY2020, therefore the remaining amount of \$6,000,000 is allocated for FY2021.



Another Major Initiatives is to renovate 34 elementary mini gyms with air conditioning, restrooms, and coaches' offices for a cost of \$250,000 - \$600,000 per mini-gym depending on the age and designer of the blueprint plans. Therefore, a total budget of \$15,000,000 has been set aside.

Budget Process and Timeline

The budget process begins as early as November each year. Campuses are notified of their enrollment and average daily attendance projections, basic allotment, and special program allotments late January. The basic allotment provides for the regular education program, excluding payroll and other campus operating costs. The special program allotments provide for the incremental cost of programs serving special student populations such as career/technology, advanced academics, bilingual/ESL and special education. Budgets for payroll, utilities and other operating costs are established by central administration. The Superintendent and Human Resources Department works with campus principals and follows district guidelines to assure adequate and equitable staffing throughout the District.

Each campus and department electronically submits its proposed budget to central administration for review by personnel in the Business Office. Changes and/or corrections are made to the budgets, as warranted.

Budget updates are presented to the Board of Trustees at work sessions at various times from March through June. One significant change from the current year to the new budget year was planning for the COVID Pandemic. The District had to budget additional cleaning supplies and technology devices for the new school year. In addition, personal protection equipment may be an ongoing expense throughout the year so therefore the District would need to set aside funds for the 6,000 plus employees and 43,000 students.

The Cameron Appraisal District ("CAD") releases estimates of certified property values on April 30th and May 15th. These estimates, and the historical relationship between those values and fiscal year revenue, are used to determine the anticipated property tax revenue. This budget may be amended, as necessary, to reflect certified property values released by CAD on July 25th.

Certified values are used to determine the property tax revenues that can be generated for the General Operating Fund and the Debt Service Fund.

The Board holds a state-mandated public hearing on the proposed budget and tax rate before considering adoption of the budget in June. All notification and public hearing requirements are met prior to adoption of the budget. In accordance with State law, the Board of Trustees adopts the budget prior to June 30th. The budget is adopted at the functional level.

The Maintenance and Operating (M&O) and Debt Service tax rates (I&S) are adopted after the budget is adopted. The supporting tax rate is adopted in June.

Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles applicable to school districts. Budgeted amounts in the financial statements are as originally adopted or as amended by the Board of Trustees.

With the exception of Special Revenue Funds, the Board of Trustees approves all budget amendments that change the amount of appropriation at the functional level. Budget amendments that alter Special Revenue Funds are approved by the granting agencies, in accordance with grant guidelines.

Appropriations for the General Fund, Debt Service Fund, Capital Projects Fund, and the Food Service Fund lapse at year-end. Appropriations for the Special Revenue Funds (which are budgeted throughout the year as grantor agencies award funds) continue until completion of applicable projects, sometimes overlapping more than one fiscal year.





Brownsville Independent School District

Budget Calendar Fiscal Year 2020-2021

November 2019

- November 18, 2019** Preliminary Budget Meeting with CFO and Cabinet to discuss budget meetings with department heads and principals and overall budget process
- November 21, 2019** Begin discussion of Health Insurance Options with Consultant

December 2019

- December 2, 2019** Refinement of Budget Calendar with CFO and Cabinet
- December 3, 2019** Preliminary Budget Meeting with Budget Team to discuss budget development process and Budget Packet
- December 10, 2019** Begin 2nd discussion of Health Insurance Options with Consultant
- December 18, 2019** 2nd Budget Meeting with Budget Team to discuss Budget Packet and Budget Training Schedule for Departments and Campuses
- December 20, 2019** Develop Revenue Budgets and Projections

January 2020

- January 9, 2020** Develop and Discuss Personnel and Benefit Costs Projections
- January 9, 2020** Develop and Discuss State Program Allotments
- January 9, 2020** Develop and Discuss payroll budgets for local, state, and federal budgets
- January 10, 2020** Projected enrollment figures developed for 2020-2021 enrollment and ready for use in budget preparation
- January 15, 2020** Administrator's Meeting:
1. **Departments** budget information will be distributed and the budget development process will be discussed
- January 16, 2020** Review and prioritize construction/facilities projects

January 16, 2020 Begin Staffing allocation meetings (Campus and Program Staff)
January 17, 2020 Begin Staffing allocation meetings (Department Staff)
January 24, 2020 Requests for new positions/upgrades due to Human Resources

February 2020

February 10, 2020 Requests for new positions/upgrades due to Superintendent
February 17, 2020 Review Health Insurance Options with Superintendent
February 26, 2020 Administrator's Meeting:

1. Distribute budget information to **Elementary**, **Middle** and **High School** campus principals. Discuss per pupil allocations, specific budget needs, and mechanics of budgeting.

March 2020

March 5, 2020 At **Budget Committee Workshop #1:**
1. Board discusses 2020-2021 Budget – TASB Salary Study
March 6, 2020 Finance Office/Federal Programs/State Programs to meet in Board Room with campus leadership to provide individual budget assistance

April 2020

April 6, 2020 Campus and Department budgets due to their respective Assistant Superintendent
April 13, 2020 Final Campus and Department budgets due to Finance Department
April 28, 2020 At **Budget Committee Workshop #2:**
1. Board discusses 2020-2021 Budget – TASB Staffing Study
April 30, 2020 Receive Certified Estimate of Property Values from Cameron Appraisal District (CAD)
April 30, 2020 Review Final Campus and Department budgets

May 2020

May 4, 2020 Adjust Revenue budgets developed based on estimated tax values

May 7, 2020

At **Budget Committee Workshop #3:**

1. Board discusses 2020-2021 Budget – Budget Workshop 3

May 19, 2020

At **Special Board Meeting:**

1. Adopt Brownsville ISD’s Compensation Plan
2. Board approves date for Notice of Public Meeting to Discuss Proposed Budget

June 2020

June 4, 2020

At **Budget Committee Workshop #4:**

1. Board discusses 2020-2021 Near Final Budget – Budget Workshop 4

June 14, 2020

Post proposed budget on district website

June 18, 2020

At **Budget Committee Workshop #5:**

1. Board discusses 2020-2021 Budget Workshop 5
2. Compensation Plan

June 25, 2020

At **Special Board Meeting:**

1. Public hearing on 2020-2021 Budget and Tax Rate
2. Adopt 2020-2021 Budget (Must be before adoption of tax rate)

September 24, 2020

At **Special Board Meeting:**

1. Set 2020-2021 Tax Rate (Must adopt by component, i.e. M&O and I&S)



**Brownsville Independent School District
Annual Budget
2020-2021**

ESTIMATED REVENUES	General Fund	Food & Nutrition Services	Debt Service	Total Budget
Local and Intermediate Sources	\$ 75,400,070	\$ 863,001	\$ 10,263,746	\$ 86,526,817
State Sources	372,326,159	200,000	5,582,035	378,108,194
Federal Sources	8,850,000	39,652,253	-	48,502,253
Other Resources	-	-	-	-
TOTAL REVENUES	\$ 456,576,229	\$ 40,715,254	\$ 15,845,781	\$ 513,137,264
 APPROPRIATED EXPENDITURES				
00 Other Uses	\$ -	\$ -	\$ -	\$ -
11 Instruction	246,471,818	-	-	246,471,818
12 Instructional Resources and Media Services	7,606,791	-	-	7,606,791
13 Curriculum and Staff Development	11,444,225	-	-	11,444,225
21 Instructional Leadership	6,257,571	-	-	6,257,571
23 School Leadership	27,524,365	-	-	27,524,365
31 Guidance, Counseling, and Evaluation Services	19,660,780	-	-	19,660,780
32 Social Work Services	876,367	-	-	876,367
33 Health Services	4,869,637	-	-	4,869,637
34 Student Transportation	11,194,571	-	-	11,194,571
35 Food Service	840,000	40,715,254	-	41,555,254
36 Cocurricular/Extracurricular Activities	19,585,319	-	-	19,585,319
41 General Administration	12,974,998	-	-	12,974,998
51 Plant Maintenance and Operations	50,661,274	-	-	50,661,274
52 Security and Monitoring Services	8,427,616	-	-	8,427,616
53 Data Processing Services	9,590,958	-	-	9,590,958
61 Community Services	551,319	-	-	551,319
71 Interest on Long Term Debt	15,603,120	-	15,845,781	31,448,901
81 Capital Outlay	1,290,000	-	-	1,290,000
95 Payments to Juvenile Justice Alternative Ed. Prg.	150,000	-	-	150,000
99 Other Intergovernmental Charges	995,500	-	-	995,500
TOTAL EXPENDITURES	\$ 456,576,229	\$ 40,715,254	\$ 15,845,781	\$ 513,137,264
 NET REVENUE OVER (UNDER) EXPENDITURES	 \$ -	 \$ -	 \$ -	 \$ -
 FUND BALANCE - BEGINNING (EST) 7-1-2020	 199,547,334	 6,560,109	 8,888,515	 214,995,958
 FUND BALANCE - ENDING (EST) 6-30-2021	 \$ 199,547,334	 \$ 6,560,109	 \$ 8,888,515	 \$ 214,995,958

Adopted June 25, 2020



Summary of All Budgeted Funds

The official adopted budget includes the General (Maintenance & Operations) Fund, Food & Nutrition Services Fund, and Debt Service (Interest & Sinking) Fund. Estimated 2020-2021 expenditures for these funds total \$513.1 million, excluding “Other Uses”, which is a 1.4% increase from the 2019-2020 actuals. The District’s budget must be prepared by June 30th. No funds may be expended in any manner other than as provided for in the adopted budget. Prior to adoption, a Public Hearing is held so taxpayers in the district may be present and participate in the meeting. The Public Hearing is advertised in the local papers at least 10 but not longer than 30 days prior to the meeting. The budget must be legally adopted at least at the fund and function level before the adoption of the tax rate.

General Fund

Revenue

We are estimating an \$11.0 million or 2.8% decrease in General Fund revenues. This is primarily due to a projected decrease in state revenue related to the Foundation School Program. State revenue is based on a projected enrollment of 41,952 (or 38,176 students in average daily attendance). Over the past several years the district’s enrollment has decreased 3 percent annually. In addition to these decreases, the 2020-2021 Maintenance & Operations tax rate is projected to reduce to \$1.0254.



Appropriation

General Fund expenditures are projected to decrease \$0.5 million primarily due to less construction projects.

General Pay Increases - \$10,300,000:

For teachers and librarians, the general pay proposed increase is \$2,000. The proposed salary schedule for 2020-2021 includes a beginning bachelor’s degree salary of \$46,525. Administrators and Professional employees will not have a pay increase. All other employees, Paraprofessionals and Auxiliary employees, receive a general pay increase of 3 percent of the midpoint for each pay grade with some additional pay adjustments.

Fund Balance Projection

We are estimating the unassigned Maintenance & Operations fund balance as of June 30, 2021, to be approximately \$199.5 million, or about 43.7% of 2020-2021 General Fund expenditures.

Other Funds

Debt Service

Maintaining the Interest & Sinking current tax rate of \$0.150472, and continued State assistance, will enable the district to meet principal and interest payments on the district's long-term debt.

Food & Nutrition Services

The food & nutrition services program continues to fund all of its expenses, including reimbursing the General Fund for the program's share of utilities, property insurance, maintenance expenses, etc. In addition, the fund is able to generate sufficient funds to continue renovation of numerous kitchen equipment.

Special Revenue Funds

According to state accounting and budget requirements, the special revenue funds and most federal funded programs are not part of the official budget and are added as an informational item in the financial section (Grant Programs).

Annual Total Budget

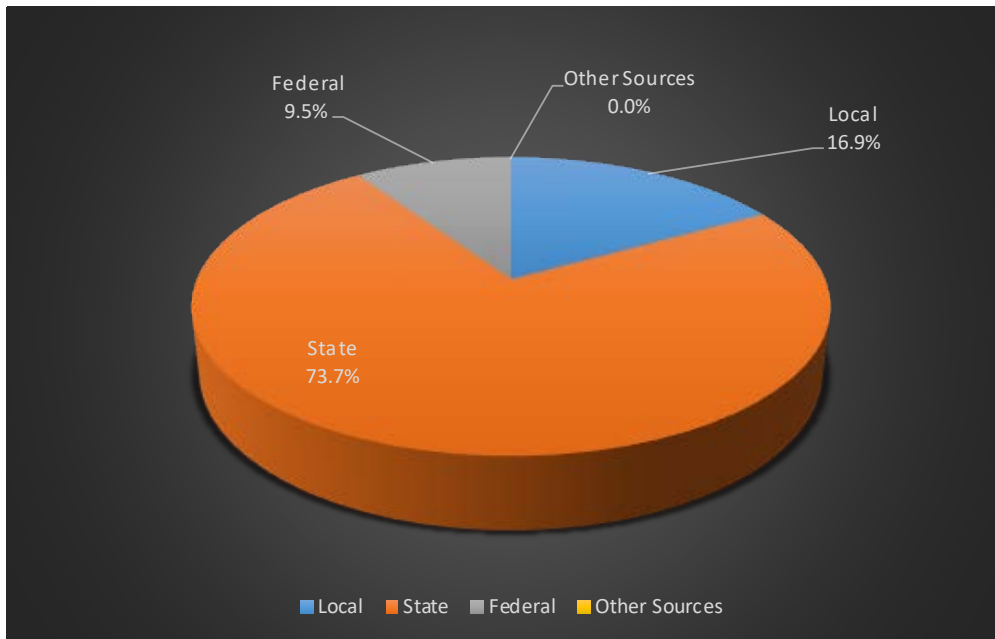
The District is able to provide general pay increases and additional instructional supplies. However, with the current revenue projections for the 2020-2021 school year, the District had to close vacant positions and fill open vacancy slots with overstaff in other campuses and departments.



**Brownsville Independent School District
Revenue Budget Summary Comparison
General, Food & Nutrition Services, and Debt Service Funds**

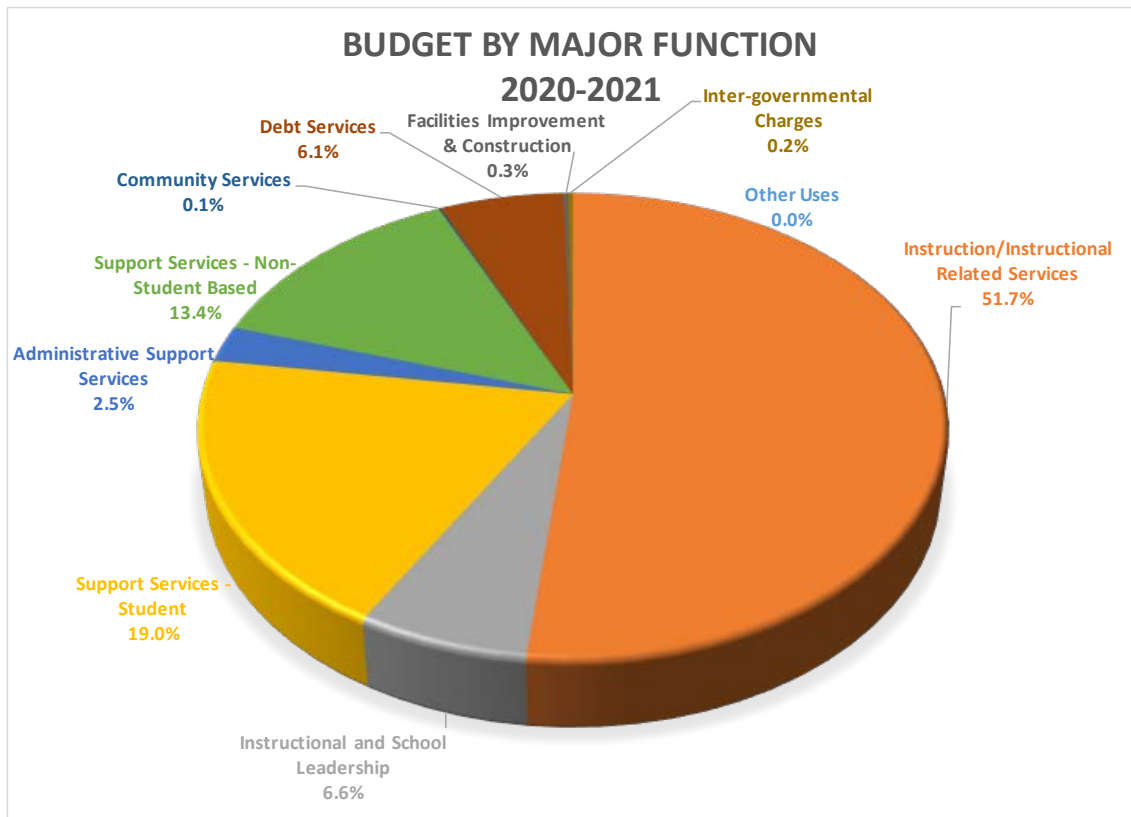
Fund	2019-2020	2020-2021	Amount	%
General Fund	\$ 467,575,170	\$ 456,576,229	\$ (10,998,941)	-2.4%
Food & Nutrition Services Fund	27,303,709	40,715,254	13,411,545	49.1%
Debt Service Fund	16,845,606	15,845,781	(999,825)	-5.9%
Totals	\$ 511,724,485	\$ 513,137,264	\$ 1,412,779	0.3%

Revenue Sources	2019-2020	2020-2021	Amount	%
Local	\$ 79,133,711	\$ 86,526,817	\$ 7,393,106	9.3%
State	395,283,029	378,108,194	(17,174,835)	-4.3%
Federal	37,307,745	48,502,253	11,194,508	30.0%
Totals	\$ 511,724,485	\$ 513,137,264	\$ 1,412,779	0.3%



**Brownsville Independent School District
Expenditure Budget Summary Comparison
General, Food & Nutrition Services, and Debt Service Funds**

Major Function	2019-2020	2020-2021	Increase/(Decrease)	
			Amount	%
10 Instruction/Instructional Related Services	\$ 250,169,112	\$ 265,522,834	\$ 15,353,722	6.1%
20 Instructional and School Leadership	32,763,025	33,781,936	1,018,911	3.1%
30 Support Services - Student	86,508,310	97,741,928	11,233,618	13.0%
40 Administrative Support Services	11,441,094	12,974,998	1,533,904	13.4%
50 Support Services - Non-Student Based	65,122,980	68,679,848	3,556,868	5.5%
60 Community Services	544,714	551,319	6,605	1.2%
70 Debt Services	31,442,217	31,448,901	6,684	0.0%
80 Facilities Improvement & Construction	27,285,442	1,290,000	(25,995,442)	-95.3%
90 Inter-governmental Charges	936,708	1,145,500	208,792	22.3%
Totals	\$ 506,213,603	\$ 513,137,264	\$ 6,923,661	1.4%



Fun Facts about Brownsville Independent School District

Student Enrollment:

Elementary School – 20,533
Middle School – 9,114
High School – 13,381
Total Enrollment – 43,028
(as of March 2020)

Schools:

Elementary Schools – 34
Middle Schools – 10
High Schools – 6
Alternative – 4
Total Schools - 58

Student Demographics:

Hispanic – 98.3%
White – 1.4%
Percentage of Economically
Disadvantaged Students – 88.5%

Average Class Size:

Student/Teacher Ratio – 15.2

Employee Breakdown (2018-19):

Teachers – 2,911.5
Professional Support – 626.7
Campus Administration – 190.1
Central Administration - 9
Education Aides – 771.7
Auxiliary Staff – 2,106.2
Total Employees – 6,615.3

Average Actual Salaries (2019-2020 School Year):

Teachers - \$55,810
Professional Support - \$67,073
Campus Administration - \$84,030
Central Administration - \$150,128



**Brownsville Independent School District
Financial Projections
(Low Growth Model)**

	<u>General Fund</u>	<u>Food & Nutrition Service</u>	<u>Debt Service</u>	<u>Totals</u>
2019-2020				
Revenues	\$ 467,575,170	\$ 27,303,709	\$ 16,845,606	\$ 511,724,485
Expenditures	457,086,119	33,281,354	15,846,130	506,213,603
Net	\$ 10,489,051	\$ -5,977,645	\$ 999,475	\$ 5,510,882
Unassigned Fund Balance - Beginning	189,058,283	12,537,754	7,889,039	209,485,076
Unassigned Fund Balance - Ending	\$ 199,547,334	\$ 6,560,109	\$ 8,888,515	\$ 214,995,958
Tax Rates	\$ 1.057000	N/A	\$ 0.129706	1.186706
2020-2021				
Revenues	\$ 456,576,229	\$ 40,715,254	\$ 15,845,781	\$ 513,137,264
Expenditures	456,576,229	40,715,254	15,845,781	513,137,264
Net	\$ 0	\$ 0	\$ 0	0
Unassigned Fund Balance - Beginning	199,547,334	6,560,109	7,889,039	213,996,483
Unassigned Fund Balance - Ending	\$ 199,547,334	\$ 6,560,109	\$ 7,889,039	\$ 213,996,483
Tax Rates	\$ 1.025400	N/A	\$ 0.150472	1.175872
2021-2022				
Revenues	\$ 452,010,467	\$ 40,308,101	\$ 15,798,731	\$ 508,117,299
Expenditures	452,010,467	40,308,101	15,798,730	508,117,299
Net	\$ 0	\$ 0	\$ 0	0
Unassigned Fund Balance - Beginning	199,547,334	6,560,109	7,889,039	213,996,483
Unassigned Fund Balance - Ending	\$ 199,547,334	\$ 6,560,109	\$ 7,889,040	\$ 213,996,483
Tax Rates	\$ 1.025400	N/A	\$ 0.150472	1.175872



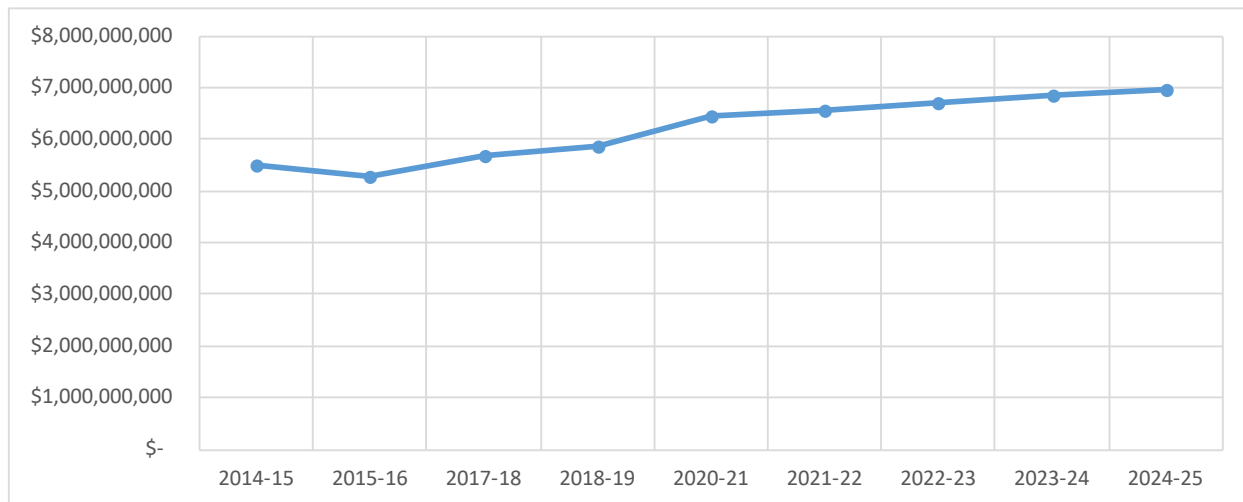
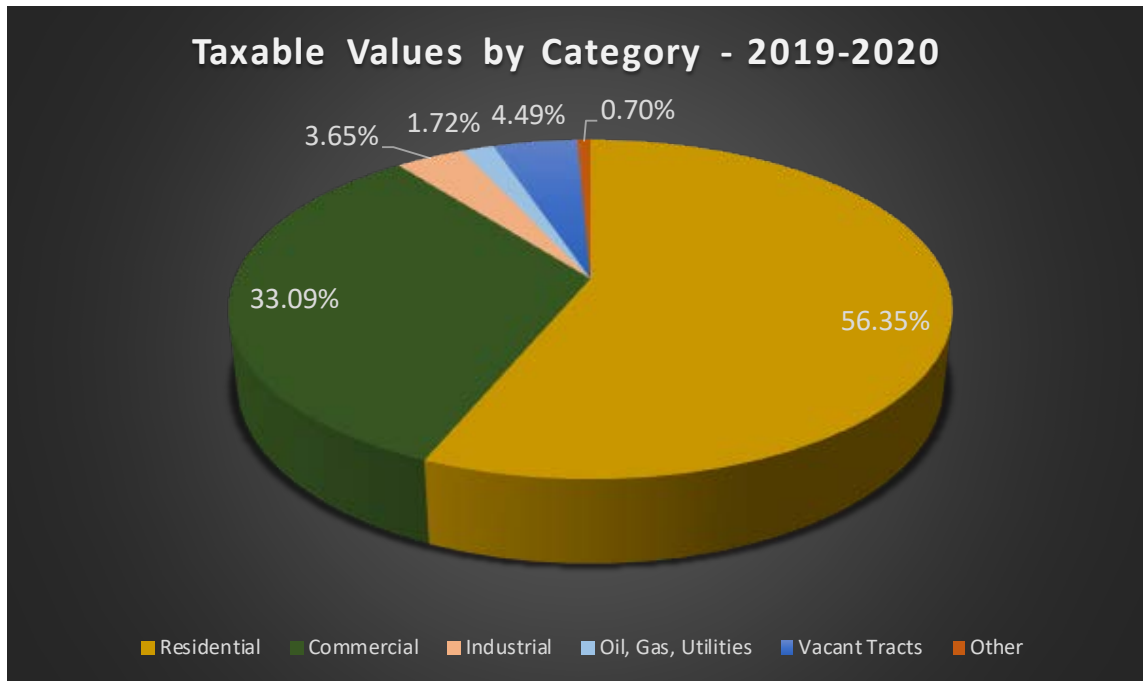
Property Value

Property Value is a key component in developing revenue forecasts for both the state and local components of the budget. Property values for 2020 were certified by the Cameron County Appraisal District (CAD) by July 25, 2020. On May 15 and June 14, 2020, CAD released estimates of 2020 property values. Those estimates, along with historical trends, provided the basis for the projected certified values. 2020 certified values are estimated to be \$6.4 billion, which is \$570.1 million or 9.7% higher than last year’s certified values.

**Brownsville Independent School District
Taxable Property Value Trends
(Low Growth Model)**

	Fiscal Year	Taxable Values		
		Change		
		Amount	Amount	Percent
	2015-16	5,287,358,457	(214,119,361)	-3.9%
	2016-17	5,506,653,073	219,294,616	4.1%
	2017-18	5,673,933,416	167,280,343	3.0%
	2018-19	5,877,214,172	203,280,756	3.6%
	2019-20	6,198,727,767	321,513,595	5.5%
(Est.)	2020-21	6,447,296,750	570,082,578	9.7%
Projected	2021-22	6,576,242,685	128,945,935	2.0%
	2022-23	6,707,767,539	131,524,854	2.0%
	2023-24	6,841,922,889	134,155,351	2.0%
	2024-25	6,978,761,347	136,838,458	2.0%





Tax Rate and Fund Balance Impact

Once the Board of Trustees has adopted a budget and received certified property values from the Cameron Appraisal District, the tax rate necessary to fund budgeted expenditures is calculated. Tax revenues are calculated using the current Maintenance and Operations (“M&O”) tax rate of \$1.0254. Any increase above \$1.04 must be approved by voters through a tax ratification election.

The 2020-2021 General Fund has a balanced budget. This budget had to take into consideration the implications of the COVID-19. The district recommended the strategic use of funds to acquire

resources such as technology devices, personal protective equipment, and other related costs. Without these expenditures, the operating budget would have possibly a budget surplus. The Board and administration recognize these budgeted expenditures are of significant size and have already begun evaluating strategies to reduce expenditures in future years while still supporting the goals and objectives of the District. Fund Balance at August 31, 2020 is projected to be \$199.5 million. This budget enables Brownsville ISD to maintain a healthy total fund balance of 159.5 days or 5.32 months of operating reserve for the fiscal year beginning July 1, 2020.

Budget Forecast

In the budget forecasts, several assumptions are made.

- Property values are estimated to increase approximately 2.0% per year.
- Student enrollment is projected to decrease about 2.5% for the next four years.
- Inflation is projected at 1%.

Based on these conservative assumptions, the General Fund is anticipated to have a balanced budget in each of the next 3 fiscal years. The District will continue to align resources (people, time, and money) to student achievement goals while maintaining a balanced budget. These projections are continuously monitored and updated throughout the year as more information becomes available.



Debt Service Fund

The Debt Service Fund is used to account for funds accumulated to service the principal and interest payments due on general obligation bonds. District voters authorize debt when they pass bond packages to construct, renovate, and equip district facilities. 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.

The District maintained the Debt Service Interest and Sinking (“I&S”) tax rate to \$0.150472 per \$100 in property valuation in 2020-2021. The total revenue produced will be adequate to cover scheduled principal, interest, and other debt fees. Projected fund balance on June 30, 2021 is \$8,888,515.

Food & Nutrition Services Fund

The Food Service Fund budget reflects a balanced budget for 2020-2021. The budget includes increases for higher meal prices, anticipated federal reimbursement rates, a salary increase of 3% of midpoint for auxiliary personnel, 0% for all professional employees, and anticipated increases in food costs.

Local Revenue is generated primarily from staff payments for meals, providing meals for the Brownsville Head Start Program and special events catering. The increase in local revenue is due to higher meal prices. Federal Program Revenues are funds received from the U.S. Department of Agriculture under the National School Lunch Program, the School Breakfast Program, and the School Snack Program. The Food Service Fund is projected to sustain its operations without any assistance from the General Fund.

Combined Tax Rate Impact

The District’s tax rate consists of two separate components – maintenance and operations rate (M&O - General Fund) and an interest and sinking rate (I&S – Debt Service Fund). Revenue is derived from current local property taxes, delinquent property taxes from previous years as well as penalty and interest from overdue taxes. M&O revenue is for daily operation of the school district. I&S revenue can only be utilized to repay the debt and interest payments for the immediate fiscal year according to bond repayment schedules.

Brownsville Independent School District 10 Year Historical Tax Rates

Tax Year	School Year	M&O Rate	I&S Rate	Total Rate
2011	2011-2012	1.019100	0.073200	1.092300
2012	2012-2013	1.019100	0.073200	1.092300
2013	2013-2014	1.040000	0.102155	1.142155
2014	2014-2015	1.040000	0.105666	1.145666
2015	2015-2016	1.152500	0.000000	1.152500
2016	2016-2017	1.152500	0.000000	1.152500
2017	2017-2018	1.152500	0.112500	1.265000
2018	2018-2019	1.152500	0.112500	1.265000
2019	2019-2020	1.057000	0.129706	1.186706
2020	2020-2021	1.025400	0.150472	1.175872



Performance Measures

In 1984, the Texas Legislature sought to emphasize student achievement as the basis for accountability. That year, House Bill 72 called for a system of accountability based primarily on student performance. The Texas Academic Performance Report (TAPR) pulls together a wide range of information on the performance of students in each school and district in Texas every year. TAPR reports compile data from the state-administered assessment.

A new testing journey began with the launch of the State of Texas Assessments of Academic Readiness or STAAR in spring of 2012. STAAR replaced the Texas Assessment of Knowledge and Skills (TAKS). Districts and campuses receive one of three ratings under the new accountability system: Met Standard; Met Alternative Standard; or Improvement Required.

The ratings are based on a system that uses various indicators to provide greater detail on the performance of a district or campus. The performance index framework includes 4 areas:

- Student Achievement – Represents performance across all subjects at an established performance standard.
- Student Progress – Measures year-to-year student progress by subject and student group. This provides an opportunity for diverse campuses to show improvements made independent of overall achievement levels.
- Closing Performance Gaps – Tracks advanced academic achievement of economically disadvantaged students and the lowest performing race/ethnic student groups at each campus or district.
- Postsecondary Readiness – Emphasizes the importance of earning a high school diploma that provides students with the foundation necessary for success in college, the workforce, job training programs, or the military.

To receive a Met Standard rating, districts and campuses must meet the performance index target on Index 1 OR Index 2, AND Index 3 AND Index 4. Target scores are established by TEA. For

eligible campuses that achieve the rating of Met Standard, distinction designations in the following areas have also been assigned:

- Academic Achievement in Reading/English Language Arts, Math, Science or Social Studies
- Top 25 Percent Student Progress
- Top 25 Percent Closing Performance Gaps
- Postsecondary Readiness.

3-year accountability reports for the District and each school are shown in the Informational Section of this Budget Book.

Demographics

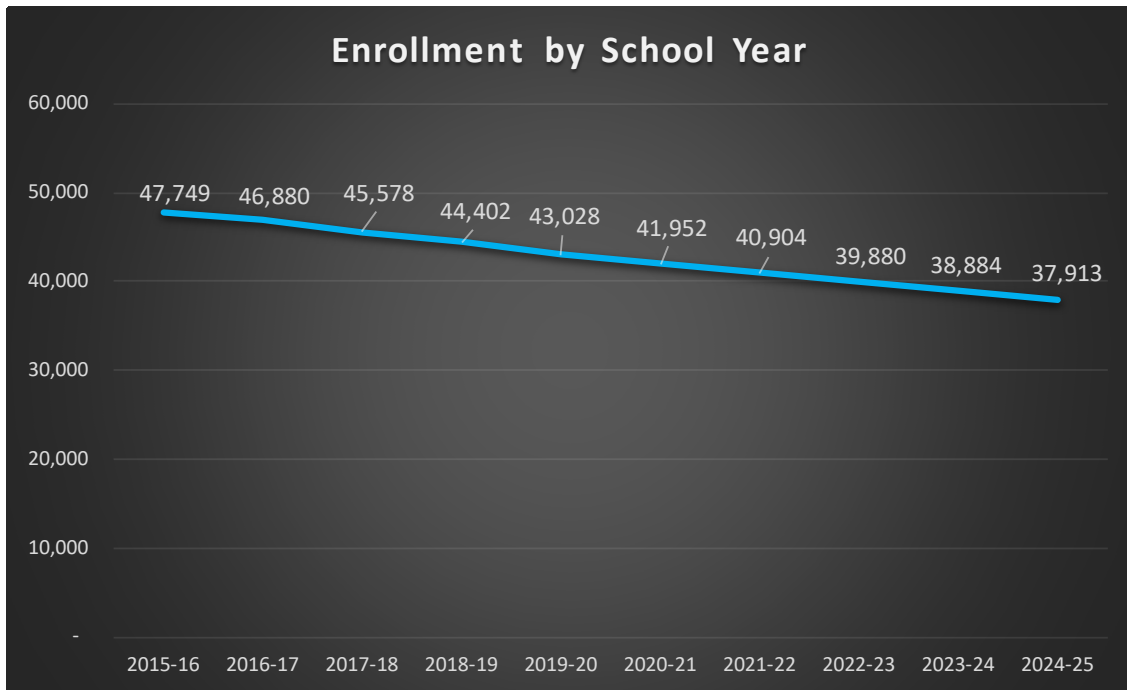
Student enrollment is projected to be 41,952 for 2020-2021, which is 1,076 students (or 2.5%) less than the projected enrollment of 43,000 used for last year’s original budget.

From 2015-16 through 2019-2020, the District experienced decreased enrollment of about 9.9%. The decrease in enrollment since 2014-2015, is due to the decline in population within district boundaries and to student migration to other nearby school districts, charter schools, and private schools.

Enrollment is projected to decrease by 2.5% for the next four years.

Brownsville Independent School District Enrollment Trends by School Type (Low Growth Model)

	Year	Elementary	Middle School	High School	Totals
Actual	2015-16	23,593	10,016	14,140	47,749
	2016-17	22,903	9,929	14,048	46,880
	2017-18	22,197	9,647	13,734	45,578
	2018-19	21,454	9,347	13,601	44,402
	2019-20	20,533	9,114	13,381	43,028
Projected	2020-21	19,980	8,940	13,032	41,952
	2021-22	19,505	8,715	12,684	40,904
	2022-23	19,155	8,565	12,160	39,880
	2023-24	18,805	8,415	11,664	38,884
	2024-25	18,455	8,265	11,193	37,913



Staffing Summary

With student enrollment decreasing to 41,952 for 2020-2021, District staffing will have to follow the same trend. From 2015-16 through 2019-2020, the District experienced decreased enrollment of about 9.7%. For the same time period, the District staffing levels for Teachers decrease at a rate of 10.1%. Overall the same percentage of change for the same time period also occurred for all staff. In 2016-2020, total staff reduced 725.85 full time equivalents or 10.1%.

For the future years, the same type of reductions will have to occur if the District continues to have fewer students enrolled in the District.



**Brownsville Independent School District
Staffing Summary
All Funds**

	<u>2020-2021 (Est)</u>	<u>2019-2020</u>	<u>2018-2019</u>	<u>2017-2018</u>	<u>2016-2017</u>	<u>2015-2016</u>	<u>2014-2015</u>	<u>2013-2014</u>	<u>2012-2013</u>
Professional Staff									
Teachers	2,809.18	2,859.18	2,911.53	2,956.23	3,025.84	3,180.10	3,253.39	3,156.92	3,200.55
Support Staff									
Counselors	155.92	158.92	152.46	151.14	162.38	151.04	156.06	152.83	135.25
Librarians	57.84	57.84	58.95	58.23	58.43	60.02	60.00	58.21	60.00
Nurses	54.00	54.00	59.00	61.59	64.88	64.43	65.81	63.62	63.64
Other Support Staff	354.40	361.40	356.30	346.25	331.70	385.30	401.36	379.22	389.62
	<u>622.16</u>	<u>632.16</u>	<u>626.71</u>	<u>617.21</u>	<u>617.39</u>	<u>660.79</u>	<u>683.23</u>	<u>653.88</u>	<u>648.51</u>
Administration									
Athletic Directors	4.08	4.08	5.52	5.49	5.21	7.26	7.00	7.00	6.00
Asst. Principals	120.27	120.27	127.73	127.29	141.19	139.09	143.28	130.81	132.14
Principals	54.41	54.41	56.84	57.61	59.37	60.00	56.30	55.05	58.36
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Asst. Superintendents	8.00	8.00	7.00	7.00	7.00	7.00	8.00	6.97	5.86
CFO	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Admin	<u>188.76</u>	<u>188.76</u>	<u>199.09</u>	<u>199.39</u>	<u>214.77</u>	<u>215.35</u>	<u>216.58</u>	<u>201.83</u>	<u>204.36</u>
Total Professional Staff	<u>3,620.10</u>	<u>3,680.10</u>	<u>3,737.33</u>	<u>3,772.83</u>	<u>3,858.00</u>	<u>4,056.24</u>	<u>4,153.20</u>	<u>4,012.63</u>	<u>4,053.42</u>
Paraprofessional Staff	754.11	774.11	771.71	774.99	681.82	759.84	788.44	763.11	783.81
Auxiliary Staff	<u>2,021.13</u>	<u>2,036.63</u>	<u>2,107.98</u>	<u>2,108.12</u>	<u>2,302.32</u>	<u>2,400.61</u>	<u>2,500.71</u>	<u>2,406.86</u>	<u>2,417.47</u>
Total Personnel	<u>6,395.34</u>	<u>6,490.84</u>	<u>6,617.02</u>	<u>6,655.94</u>	<u>6,842.14</u>	<u>7,216.69</u>	<u>7,442.35</u>	<u>7,182.60</u>	<u>7,254.70</u>



**Brownsville ISD Econometric Model
for Predicting Enrollment and
Financial Operations**

SECTION 2 - STAFFING REQUIREMENTS:

Year	Enrollment	Teachers	Student/ Teacher Ratio	Instructional Aides	Teacher/ Aide Ratio	Other Staff	Teacher/ Other Ratio	Total Staff	Total Payroll Budgets
HISTORICAL:									
2015-2016	47,749	3,180.10	15.01	759.84	4.19	3,276.75	0.97	7,216.69	352,531,416
2016-2017	46,880	3,025.84	15.49	681.82	4.44	3,134.48	0.97	6,842.14	346,974,042
2017-2018	45,578	2,956.23	15.42	774.99	3.81	2,924.72	1.01	6,655.94	349,297,937
2018-2019	44,402	2,911.53	15.25	771.71	3.77	2,933.78	0.99	6,617.02	350,094,540
2019-2020	43,028	2,859.18	15.05	774.11	3.69	2,857.55	1.00	6,490.84	365,705,266
PROJECTED:									
LOW GROWTH MODEL									
2020-2021	41,952	2,809.18	14.93	754.11	3.73	2,832.05	0.99	6,395.34	381,514,000
2021-2022	40,904	2,759.18	14.82	744.11	3.71	2,792.05	0.99	6,295.34	383,075,198
2022-2023	39,880	2,710.18	14.71	734.11	3.69	2,751.05	0.99	6,195.34	384,410,967
2023-2024	38,884	2,662.18	14.61	724.11	3.68	2,709.05	0.98	6,095.34	385,481,963
2024-2025	37,913	2,615.18	14.50	714.11	3.66	2,666.05	0.98	5,995.34	386,141,163
HIGH GROWTH MODEL									
2020-2021	43,028	2,809.18	15.32	754.11	3.73	2,832.05	0.99	6,395.34	387,584,996
2021-2022	43,028	2,809.18	15.32	754.11	3.73	2,832.05	0.99	6,395.34	393,655,992
2022-2023	43,028	2,809.18	15.32	754.11	3.73	2,832.05	0.99	6,395.34	399,726,988
2023-2024	43,028	2,809.18	15.32	754.11	3.73	2,832.05	0.99	6,395.34	405,797,984
2024-2025	43,028	2,809.18	15.32	754.11	3.73	2,832.05	0.99	6,395.34	411,868,980

Summary

The 2020-2021 budget was developed according to the goals and directives established by the Board of Trustees and the Superintendent. These goals are evident in all areas of the budget, as resources have been reallocated across the District to focus on educational excellence and to utilize resources in the most efficient way possible. As we look forward to the 2020-2021 school year, we've made further steps to align the budget with student achievement goals.

The Brownsville Independent School District has successfully adopted a General Fund budget that is strategically aligned with its goals. BISD is prepared to face the challenges of the upcoming fiscal year and beyond. The BISD Board of Trustees and Administration are to be commended for their continued commitment to maintaining sound financial practices and providing a quality school district for the students and citizens of the Brownsville community.

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ORGANIZATIONAL SECTION

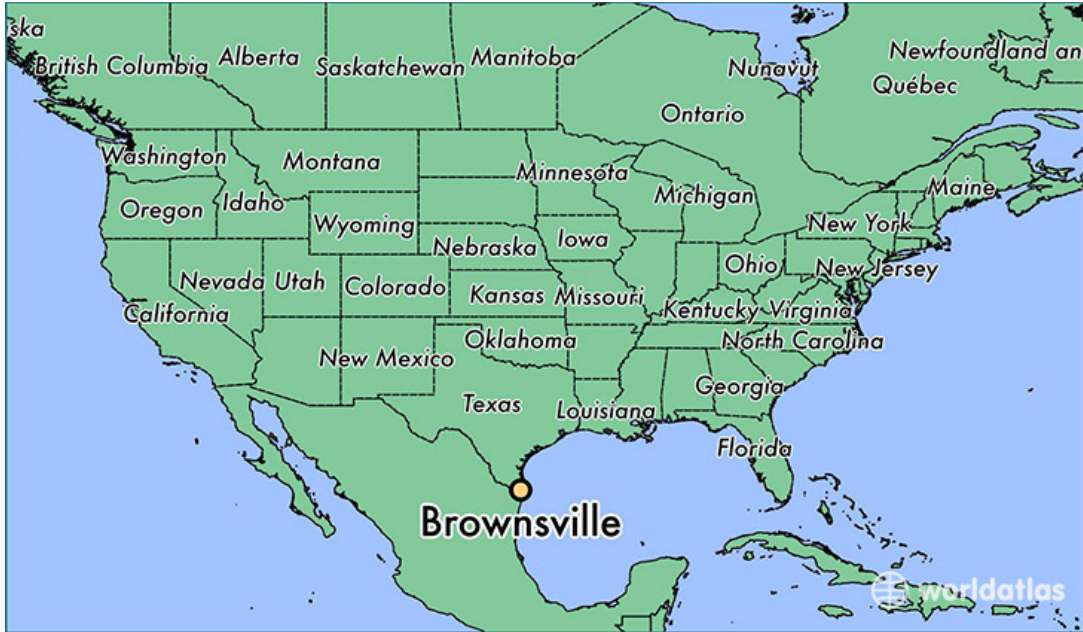
*“Brownsville ISD –
The Best Choice!”*

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Description of Brownsville Independent School District

Brownsville Independent School District is a fiscally independent, political subdivision of the State of Texas located in Cameron County. The District encompasses approximately 26 square miles and is located near the Gulf of Mexico in the southwest corner of Texas. The District serves primarily the City of Brownsville, a border town near Mexico.

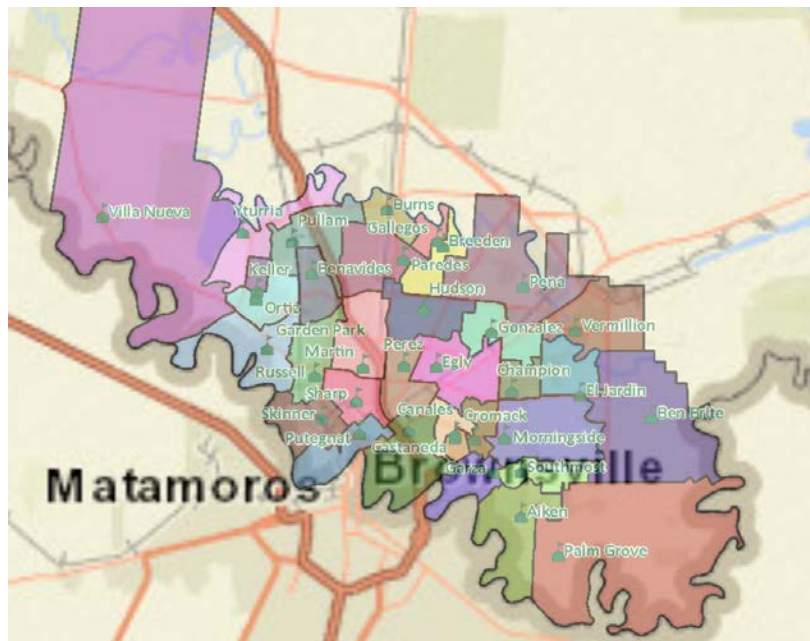


The District is a political subdivision of the State of Texas located in Cameron County and governed by a seven-member Board of Trustees who serve staggered four-year terms with elections being held in November of each even-numbered year. All of the trustees are elected at large and serve without compensation. The elections are staggered so that not all positions are voted on during the same year. Policy-making and supervisory functions are the responsibility of, and are vested in, the Board. All powers and duties not specifically delegated by statute to the Texas Education Agency or to the State Board of Education are reserved for the trustees. Board decisions are based on a majority vote of the quorum present. The Board delegates administrative responsibilities to the Superintendent of Schools who is the chief administrative officer of the District. Support services are supplied by consultants and advisors.

In general, the Board adopts policies, sets direction for curriculum, employs the Superintendent and oversees the operations of the District and its schools. Besides general Board business, Trustees are charged with numerous statutory regulations, including appointing the tax assessor/collector, calling trustee and other school elections and canvassing the results, organizing the Board and electing its officers. The Board is also responsible for setting the tax rate, setting salary schedules, acting as a board of appeals in personnel and student matters, confirming recommendations for textbook adoptions, and adopting and amending the annual budget.

The Board solicits and evaluates community input and support concerning school policies. Brownsville ISD provides public education from pre-kindergarten through grade twelve. It is fully accredited by the TEA and is regulated by the Texas Education Code as established by the Texas State Legislature. Enrollment in the District's 6 traditional high school, 10 traditional middle school, 34 traditional elementary schools, and 4 alternative campus is estimated to be 41,952 for the 2020-2021 year.

Map of Brownsville ISD, Cameron County, Texas, USA



Mission Statement

Brownsville Independent School District is in partnership with the administration, staff, teachers, parents, and the community. The district is committed to provide all students with the highest quality instruction through the use of modern technology, highly qualified teachers, and high performing learning environments. It is our goal to reach a level of high student performance, exemplary academic achievement, and to produce self-motivated citizens who will fulfill their potential and enhance their welfare for the future.

Services Provided

The District provides a safe and learning environment that ensures a quality education for grade levels Pre-kindergarten through the 12th grade. Beginning in the thirty-four elementary schools, ten middle schools, three alternative education program and extending through seven high schools, students study the essential elements of language arts, reading, science, mathematics, art, music, physical education and computer literacy. This includes a special education program for students with disabilities, occupational education, bilingual instruction for those with limited English proficiency, and specialized instruction for disadvantaged students.

Enrollment

Brownsville I.S.D is a Title I District and has a total enrollment of 41,952 students for the 2020-2021 school year. Of these students, 98.3% are Hispanic, 1.4% White, 0.1% African-American, 88.5% of the students are economically disadvantaged, 67.3% of the students are At-Risk, and 34.6% of all students are identified as Limited English Proficient language learners.



The breakdown of our student membership is as follows:

• Pre-K	3,650
• K-5	16,878
• 6-8	9,119
• 9-12	<u>13,381</u>
TOTAL	43,028

Average daily attendance has had a steady 3% decline for the past few years. ADA is expected to continue at this pace in the near term. Projected membership for school year 2020-21 is expected to reach 41,952.

Major Initiatives

Long Range District Goals

The long-range goal of Brownsville ISD is to prepare students to be college, career, military, and workforce ready. When 100% of our students graduate from one of Brownsville Early College High Schools, they will be prepared to enter the workforce or prepared for postsecondary. By having highly compensated teaching staff, the District can reward their efforts in partnering with the District to teach 42,000+ students of BISD each and every day. In addition, the District seeks to provide facilities that will provide the best learning environment that will prepare students for the future.

One of the Major Initiatives for FY2021 is to renovate 34 elementary mini gyms with air conditioning, restrooms, and coaches' offices. Another major initiative is to ensure that every student has a technology device. Every Pre-K through 2nd grader will have an Apple I-Pad, 3rd grader through 8th grader will have a Dell Chromebook and every 9th grader through 12th grader will have a Dell laptop. Approximately 75% was completed during FY2020, therefore the remaining amount of \$6,000,000 is allocated for FY2021.

Another Major Initiatives is to renovate 34 elementary mini gyms with air conditioning, restrooms, and coaches' offices for a cost of \$250,000 - \$600,000 per mini-gym depending on the age and designer of the blueprint plans. Therefore, a total budget of \$15,000,000 has been set aside.



BROWNSVILLE INDEPENDENT SCHOOL DISTRICT

PRINCIPAL OFFICIALS, CONSULTANTS & ADVISORS

For the Year Ended June 30, 2020

ELECTED OFFICIALS

Board of Trustees	Length of Service	Term Expires	Occupation
Minerva M. Pena, President	12 Years	November 2020	Retired Department of Public Safety Sergeant/Trooper
Drue Brown, Vice-President	2 Years	November 2022	Retired BISSD Administrator
Dr. Prisci Roca Tipton, Secretary	2 Years	November 2022	Director of Special Instructional Projects at Texas Southmost College
Philip T. Cowen, Trustee	4 Years	November 2020	Attorney at Law
Dr. Sylvia P. Atkinson, Trustee	4 Years	November 2020	Retired BISSD Administrator
Eddie Garcia, Trustee	8 Months	November 2020	Retired Police
Laura Perez-Reyes, Trustee	4 Years	November 2020	Court Coordinator – County Court at Law No. 3

CONSULTANTS & ADVISORS

General Counsel Baltazar Salazar, Attorney at Law PLLC
Houston, Texas

Independent AuditorsCascos & Associates, PC
Brownsville, Texas

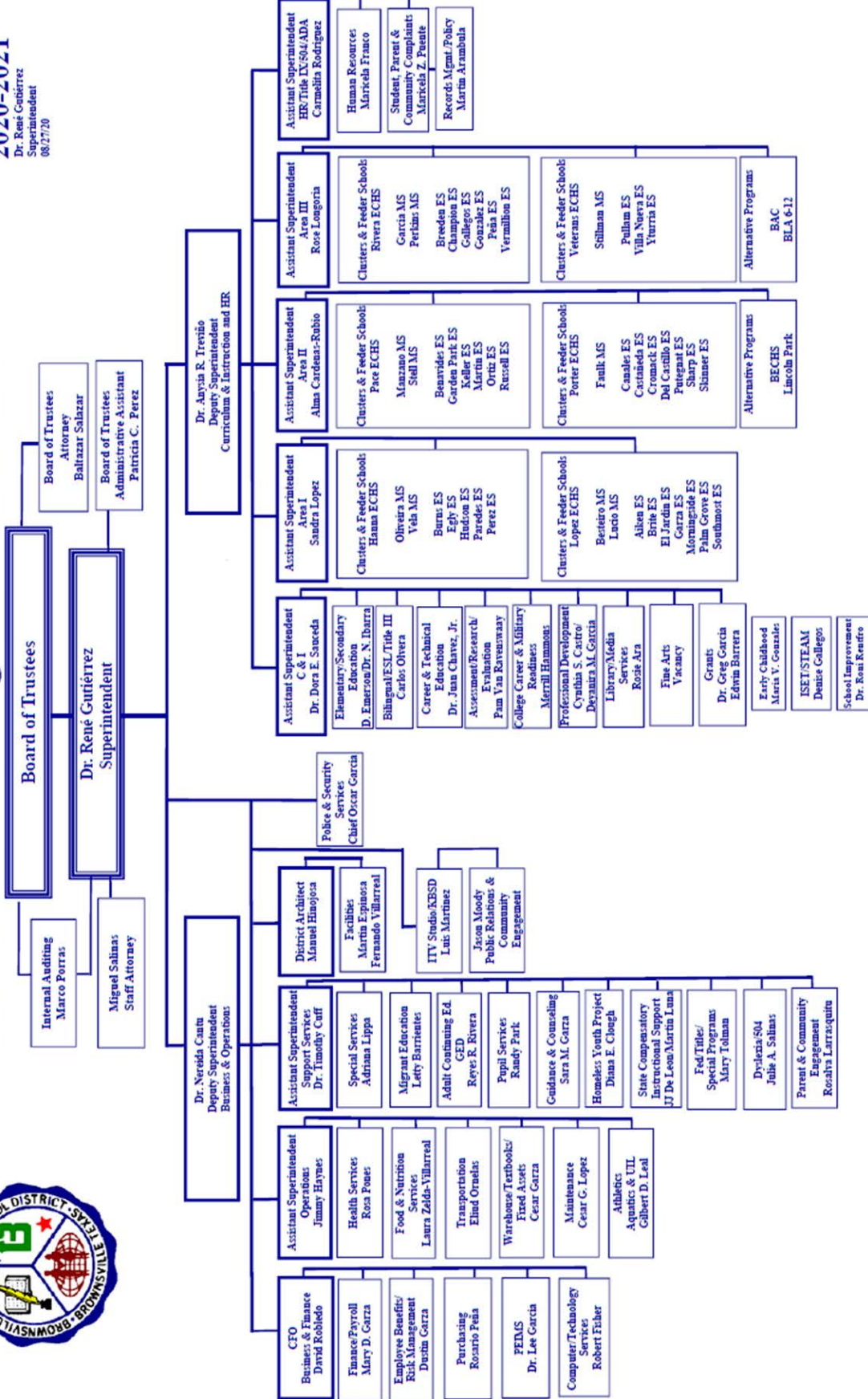
Financial Advisors Estrada-Hinojosa & Company, Inc.
 Dallas and San Antonio, Texas

Bond CounselOrrick Herrington & Sutcliffe, LLP
Houston, Texas



Brownsville ISD Organizational Chart

2020-2021
Dr. René Gutiérrez
Superintendent
08/17/20



ISD does not discriminate on the basis of race, color, national origin, sex, religion, age, disability or genetic information in employment or provision of services, programs or activities.

Organizational Structure

Board of Trustees – The Board adopts policies, sets direction for curriculum, employs the Superintendent and oversees the operations of the District and its schools.

Superintendent - The Superintendent is responsible for providing leadership and direction for the District and reports to the District Board of Trustees.

Deputy Superintendent for Business & Operations – The Deputy Superintendent is responsible for providing leadership and directions for the CFO, District Architect and Assistant Superintendents of the Business and Operations Departments.

Chief Financial Officer – The Chief Financial Officer reports directly to the Deputy Superintendent and provides administrative assistance to the Superintendent in the general area of the finance of the school district. The office provides managerial direction and coordination under Board policy guidelines to the operation of all financial affairs of the District, including the Finance & Payroll, Employee Benefits & Risk Management, Purchasing, PEIMS and Computer & Technology Services Department. The Department is responsible for maintaining the Board-approved investment policy and invests district funds in accordance with the Public Funds Investment Act, is responsible for the coordination and development of the annual budget process, and is responsible for purchasing goods and services for the District.

Assistant Superintendent – District Operations – The Assistant Superintendent reports to the Deputy Superintendent and provides administrative assistance in the areas of Health Services, Food & Nutrition Services, Transportation, Warehouse/Textbooks/Fixed Assets, Maintenance, and Athletics.

Assistant Superintendent – Support Services – The Assistant Superintendent reports to the Deputy Superintendent and provides administrative assistance in the areas of Special Education, Migrant Education, Adult Continuing Education/GED, Pupil Services, Guidance & Counseling, Homeless Youth Project, State Compensatory Instructional Support, Federal/Title/Special Programs, Dyslexia/504, and Parent & Community Engagement.

District Architect – The Architect reports to the Deputy Superintendent and provides administrative assistance in the areas of Facilities and Construction.

Deputy Superintendent – Curriculum & Instruction and HR – The Deputy Superintendent is responsible for providing leadership and directions for Assistant Superintendents of the Curriculum and Instruction and HR Departments.

Assistant Superintendent – Curriculum & Instruction and Accountability – The Assistant Superintendent reports to the Deputy Superintendent and provides administrative assistance in the areas of Elementary/Secondary Education, Bilingual/ESL/Title III, Career & Technical Education, Assessment/Research/Evaluation, College Career & Military Readiness, Professional Development, Library & Media Services, Fine Arts, Grants, Early Childhood, ISET/STEAM, and School Improvement.

Assistant Superintendent – Area I, II, & III – The Assistant Superintendents reports to the Deputy Superintendent and provides administrative assistance in the areas of the three area clusters of campuses.

Campus Principals – All campus principals report to their respective Assistant Superintendent. They administer all campuses in the District.

Assistant Superintendent - Human Resources/Title IX/504/ADA/EEOC – The Assistant Superintendent reports to the Deputy Superintendent and provides administrative assistance for HR, Student, Parent & Community Complaints, and Records Management/Policy. One key responsibility is for recruiting, screening and hiring highly quality and effective staff for the District.

Police Chief – The Police and Security department reports to the Superintendent and is responsible for the safety and security of all BISS students, staff and facilities.

Staff Attorney – The Staff Attorney reports to the Superintendent and is responsible for all legal matters of the District.

Internal Audit – The Internal Audit department reports to the Superintendent and the Board of Trustees and is responsible for investigating and review of issues or concerns of certain aspects of the District.

Accounting Principles and Coding Overview

Budgeting and financial accounting and reporting systems for Texas school districts must conform with generally accepted accounting principles (GAAP). Governmental fund revenues and expenditures are recognized on the modified accrual basis. Revenues are recognized in the accounting period in which they become available and measurable, and expenditures are recognized in the accounting period in which the fund liability is incurred. A twenty-digit code structure is used which provides a detailed record of revenues and expenditures by fund, function, description, program, and campus or department. The Texas Accounting Resource Guide prescribes a uniform chart of accounts, detailing mandatory, as well as certain codes that may be used at local option. The following is additional information about the codes used in this budget summary:



Fund Structure

Funds – Identify sources of revenues, or how expenditures are financed.

General Fund

This fund is commonly referred to as the “Local Maintenance” fund. The General Fund is the District’s general operating fund. It is used to account for all financial transactions except those required to be accounted for in another fund. Major revenue sources include local property taxes and state funding under the Foundation School Program. Expenditures include all costs associated with the day-to-day operations of the school district except for costs incurred by programs accounted for in the Special Revenue Funds, Capital Projects Fund, Debt Service Fund, and Proprietary Funds. The General Fund is a budgeted fund, and any fund balances are considered resources available for current operations.

Special Revenue Funds

The purpose of the Special Revenue Funds is to account for the proceeds of specific program grants. These grants are awarded to the District with the purpose of accomplishing specific educational objectives as defined in the grant award. These are budgeted funds, and the budgets are approved by the grantor agencies. The Board of Trustees approves budgets for these funds throughout the year as the grants are awarded to the District.



Capital Project Funds

Capital Project Funds are used to account for the proceeds of General Obligation bonds and related interest earnings, and the expenditures of these funds for the construction and equipping of school facilities, to purchase school sites, and renovations or repair of existing facilities. The Board does not formally adopt the Capital Projects Fund budgets annually. These budgets are prepared on a project basis, based on the proceeds available from bond issues and planned expenditures outlined in applicable bond ordinances. However, the impact of the Capital Projects Funds budgets is considered during the development of the annual budgets other funds. Future operating costs (staffing, utilities, etc.) associated with capital improvements and new facilities are projected and included in the General Fund budget. Debt service requirements for bonds issued for capital projects are included in the Debt Service Fund projections.

Debt Service Fund

The Debt Service Fund, which is a budgeted fund, accounts for the resources accumulated and payments made on long-term general obligation debt of governmental funds. Revenues include collections on general property taxes, state funding under the Instructional Facilities and Existing Debt Allotments, and earnings on investments of the fund. Expenditures of the fund are for

retirement of bond principal and payment of interest on bonded debt. The fund balance represents amounts that will be used for retirement of bonds and payment of interest in the future.

Classification of Revenues and Expenditures

Section 44.007 of the Texas Education Code requires that a standard school district fiscal accounting system be adopted by each school district. The accounting system must conform to generally accepted accounting principles (GAAP) and must meet at least the minimum requirements prescribed by the Commissioner of Education, subject to review and comment by the state auditor.

A major purpose of the accounting code structure is to establish the standard school district fiscal accounting system required by law. Although certain elements of the account code may be used at local option, the sequence of the codes within the structure, and the funds and chart of accounts, are to be uniformly used by all districts.

Account Code Composition

- **Fund Code** – A mandatory 3-digit code is used for all financial transactions to identify the fund group and specific funds. The first digit refers to the fund group, and the second and third digits specify the fund.
- **Function Code** – A mandatory 2-digit code applied to expenditures/expenses that identifies the purpose of the transaction. The first digit identifies the major class and the second digit refers to the specific function within the area.
- **Object Code** – A mandatory 4-digit code that identifies the nature and object of an account, a transaction or a source. The first of the four digits identifies the type of account or transaction, the second digit identifies the major area, and the third and fourth digits provide further sub-classifications.
- **Sub-object Code** – An optional code used to further define the object code. Brownsville ISD uses the sub-object code to provide additional information about the object.
- **Organization Code** – A mandatory 3-digit code identifying the organization, i.e., the campus or department.
- **Program Intent Code** – A mandatory 2-digit code used to designate the intent of a program provided to students. These codes are used to account for the cost of instruction and other services that are directed toward a particular need of a specific set of students.
- **Project Detail Code** – An optional code that BISD uses to represent subject areas or other programs.



Revenues

District revenues are classified by fund and object or source. There are three major sources: local sources, state sources, and federal sources. Local sources include tax collections and investment earnings. Texas state sources rely on a combination of local property taxes and state aid and are based on legislated funding formulas. Federal funds are primarily reimbursements received from the School Health Related Service (SHARS) program and Food Service reimbursements.

Expenditures

Expenditure budgets are legally adopted at the fund and function level; however, within this document we have included several additional presentations of expenditures. These presentations segregate expenditures by major objects. Major object codes are used to describe the type of items purchased or services obtained. The major object codes used in this document are: payroll and related costs, purchased and contracted services, supplies and materials, other operating expenditures, and capital outlay. Fund codes have been described in the preceding Fund Structure section. Following is a description of the function codes used throughout this document.

Functional Codes – General Descriptions

Function Codes – Identify why the expenditure is being made.

CLASS DETAIL

10 –Instructional and Instructional Related Services

11 – Instruction - This function is used for activities that deal directly with the interaction between teachers and students. This function includes expenditures for direct classroom instruction and other activities that deliver, enhance, or direct the delivery of learning situations to students. For example, function 11 includes classroom teachers, teacher assistants, and graders, but does not include curriculum development (function 13) or principals (function 23).

12 –Instructional Resources and Media Services - This function is used for expenditures that are directly and exclusively used for resource centers, establishing and maintaining libraries, and other major facilities dealing with educational resources and media. For example, function 12 includes librarians, but does not include textbooks (function 11) or reference books in the classroom (also function 11).

13 –Curriculum and Instructional Staff Development - This function is used for



expenditures that are directly and exclusively used to aid instructional staff in planning, developing, and evaluating the process of providing learning experiences for students. This function also includes expenditures related to research and development activities that investigate, experiment and/or follow-through with the development of new or modified instructional methods, techniques, procedures, service, etc. For example, this function includes staff that research and develop innovative, new, or modified instruction and staff who prepare in-service training for instructional staff, but does not include salaries of instructional staff when attending training (function 11 or 12).

20 –Instructional and School Leadership

21 –Instructional Leadership - This function encompasses those district-wide activities which are directly used for managing, directing, supervising, and providing leadership for staff who provide general and specific instructional services. For example, function 21 includes instructional supervisors but does not include principals (function 23).

23 –School Leadership - This function includes expenditures to direct and manage a school campus. It includes salaries and supplies for the principal, assistant principal, and other administrative and clerical staff, including attendance clerks.

30 –Support Services – Students

31 –Guidance & Counseling Services - This function is used for expenditures that are directly and exclusively used for assessing and testing students’ abilities, aptitudes and interests; counseling students with respect to career and educational opportunities and helping them establish realistic goals. This function includes costs of psychological services, identification of individual characteristics, testing, educational counseling, student evaluation and occupational counseling.

32 –Social Work Services - This function includes expenditures which are directly and exclusively used for activities such as investigating and diagnosing student social needs, casework and group work services, interpreting the social needs of students, and promoting modification of the circumstances surrounding the student. Examples include social workers, non-instructional home visitors, and truant officers.



33 –Health Services - This function is for providing physical health services to students. This includes activities that provide students with appropriate medical, dental and nursing services.

34 –*Pupil Transportation* - This function includes the cost of transporting students to and from school. Function 34 includes transportation supervisors and bus drivers, but does not include field trips (function 11) or student organization trips (function 36).

35 –*Food Services* - This function is used for food service operation including the cost of food, labor, and other expenditures necessary for the preparation, transportation and storage of food to provide to students and staff. Expenditures are directly and exclusively for supervision and maintenance of a food service operation. Function 35 includes cooks and food purchases, but does not include concession stands at athletic events (function 36).



36 –*Co-Curricular Activities* - This function is used for school-sponsored activities outside of the school day. These activities are generally designed to provide students with experiences such as motivation and the enjoyment and improvement of skills in either a competitive or noncompetitive setting. Extracurricular activities include athletics and other activities (such as drill team, pep squad, cheerleading and University Interscholastic League competitions such as one-act plays, speech, debate, band, National Honor Society, etc.) that normally involve competition between schools.

40 –Administrative Support Services

41 –*General Administration* - This function is for the purpose of managing or governing the school district as an overall entity. It includes expenditures for the school board, superintendent's office, personnel services, and financial services.

50 –Support Services – Non Student Based

51 –*Plant Maintenance* - This function is for activities to keep the facilities and grounds open, clean, comfortable and in effective working condition and state of repair, and insured. This function is also for activities associated with warehousing and receiving services. Examples include janitors, facility insurance premiums, and warehouse personnel.

52 –*Security and Monitoring Services* includes expenditures/expenses that are for activities to keep student and staff surroundings safe, whether in transit to or from school, on a campus or participating in school sponsored events at another location.

53 –*Computer Processing* includes all costs (salaries, supplies and equipment) for the direct operation of the central computer including systems development and analysis design.

60 –Ancillary Services

61 –*Community Services* encompasses all other activities of the school district which are designed to provide a service or benefit to the community as a whole or a portion of the community. Examples would include parenting programs, parental and education services to adults and child care for teen parents attending school.



70 –Debt Service

71 –*Debt Services* includes payment of principal and interest on district long-term indebtedness.

80 –Capital Outlay

81 – *Facilities Acquisition and Construction* includes activities concerned with the acquisition of land and buildings; the remodeling and construction of buildings and additions to buildings; initial install or extension of service systems and other built in equipment; and improvements to sites.

90 –Intergovernmental Charges

95 –Juvenile Justice Alternative Education programs.

99 –Other Intergovernmental Charges

Object Codes –Identify sources of revenue or what is being purchased.

Revenues:

5700 –*Revenue from Local Sources* include property taxes, penalties & interest, and investment earnings.

5800 –*State Program Revenues* include Foundation School Program entitlements.

5900 –*Federal Program Revenues* include National School Lunch Program revenues and indirect costs.

Expenditures:

6100 –*Payroll Costs* include gross salaries or wages and all benefit costs for employee services.

6200 –*Professional & Contracted Services* include utilities and expenditures for service rendered to the district by outside firms, individuals, and other organizations.

6300 –*Supplies and Materials* include instructional and testing materials, gasoline, and maintenance and operational supplies.

6400 –*Other Operating Expenses* include insurance costs, travel expenses, fees and dues, and election expenses.

6500 –*Debt Service* includes payments for principal and interest on district indebtedness.

6600 –*Capital Outlay* includes expenditures for fixed assets such as land and buildings; and furniture and equipment having a unit cost of \$5,000 or more with a useful life of more than one year.

Other Resources/Uses:

7900 –*Other Resources* includes sale of bonds, proceeds from capital leases, and operating transfers in from other school district funds.

8900 –*Other Uses* includes transfers to other school district funds and other non- operating expenses.

Organization Codes –3-digit numeric codes that identify the beneficiary (campus/department) of the expenditure.

Program Codes –Identify student population or special program served.

Code Description

11 Basic Education Services

21 Gifted and Talented



- 22 Career & Technology
- 23 Services to Students with Disabilities (Special Education)
- 24 Accelerated Education (At Risk Programs)
- 25 Bilingual Education & Special Language Programs
- 28 Disciplinary Alternative Education Programs – DAEP Basic Services
- 30 Title 1, Part A, School-Wide Activities
- 31 High School Allotment
- 32 Prekindergarten (Pre-K)
- 33 Prekindergarten (Pre-K) – Special Education
- 34 Prekindergarten (Pre-K) – Compensatory Education
- 35 Prekindergarten (Pre-K) – Bilingual/ESL Education
- 91 Athletics & Related Activities
- 99 Undistributed



Responsibility Codes –3-digit numeric codes that indicate who is responsible for the management of the accounts. This code will generally be the same as the organization code.

Legal Requirements for Budget Development

Sections 44.002 through 44.006 of the Texas Education Code establish the legal basis for budget development in Texas school districts. The following six items summarize the legal requirements from the code:

1. The superintendent is the budget officer for the district and prepares or causes the budget to be prepared.
2. The district budget must be prepared by a date set by the State Board of Education.
3. The president of the board of trustees must call a public meeting of the board of trustees, giving ten days public notice in a newspaper, for the adoption of the district budget. Any taxpayer in the district may be present and participate in the meeting.

4. No funds may be expended in any manner other than as provided for in the adopted budget. The board does have the authority to amend the budget or adopt a supplementary emergency budget to cover unforeseen expenditures.

5. The budget must be prepared in accordance with GAAP (generally accepted accounting principles) and state guidelines.

6. The budget must be legally adopted before the adoption of the tax rate.

The Texas Education Agency (TEA) has developed additional requirements for school district budget preparation as follows:

The budget must be adopted by the board of trustees, inclusive of amendments, no later than June 30. Minutes from district board meetings will be used by TEA to record adoption of and amendments to the budget.

Budgets for the General Fund, the Food Service Fund (whether accounted for in the General Fund, a Special Revenue Fund or Enterprise Fund) and the Debt Service Fund must be included in the official district budget (legal or fiscal year basis). These budgets must be prepared and approved at least at the fund and function levels to comply with the state's legal level of control mandates.



The officially adopted district budget, as amended, must be filed with TEA through PEIMS (Public Education Information Management System) by the date prescribed in the annual system guidelines. Revenues, other sources, other uses, and fund balances must be reported by fund, object (at the fourth level), fiscal year, and amount. Expenditures must be reported by fund, function, object (at the second level), organization, fiscal year, program intent and amount.

A school district must amend the official budget *before exceeding a functional expenditure category*, i.e., instruction, administration, etc., in the total district budget. The annual financial and compliance report should reflect the amended budget amounts on the schedule comparing budgeted and actual amounts. The requirement for filing the amended budget with TEA is satisfied when the school district files its Annual Financial and Compliance Report.

Budget Development Process

The Texas Education Code requires that the district budget be prepared by the State Board of Education, in accordance with Generally Accepted Accounting Principles (GAAP), and be legally adopted before the adoption of the tax rate.

Beginning February, revenue estimates are made based on projected enrollments which drive State aid, estimated property values for local funding, and possible legislative actions. On the expenditure side, the business office calculates the impact of changes to the pay scales on the budget. Revenue projection increases will permit a three percent overall average increase for 2018-2019. In March and April, personnel requests and staffing changes are reviewed in relation to student/teacher ratios, student demographics, and/or special programs.



Schools receive a basic allotment (weighted for special populations) per student for supplies and materials, staff development expenses, and other operating costs. These allocations address equity issues between schools. The 2020-2021 allotments will remain at current levels.

In addition, a school may request additional funds for special needs on that campus, addressing the adequacy issue. These “special requests” are evaluated and prioritized to determine those addressing the greatest needs for the district.

Non-campus budgets are developed to support the instructional program. Department managers submit justifications for requests, especially for increases over current year budgets and/or prior year expenditures.

Budget managers may also submit requests for facility upgrades. These requests are evaluated according to the costs of the project, age of the building, impact on the instructional program, and whether the request can be coordinated with other construction activities already scheduled. All requests are evaluated in light of revised revenue projections to ensure that resources are adequate.

Several budget workshops are held with the Board during the summer to receive their input and direction. Once the budget is adopted in August, the tax rate may be set when the certified taxable values have been determined.

The Board and administration seek a balance between the academic needs of its students and the financial considerations of the local taxpayer.

Fund Balance

As per the District’s Local Policy, to keep the District in a strong financial position, it is the goal of the Board to maintain the general fund balance at an adequate level. The level of adequacy for the unreserved and undesignated general fund balance will be approximately 75 days of the average daily expenditures of general fund expenditures.

Budget Process and Timeline

The budget process begins as early as November each year. Campuses are notified of their enrollment and average daily attendance projections, basic allotment, and special program allotments late January. The basic allotment provides for the regular education program, excluding payroll and other campus operating costs. The special program allotments provide for the incremental cost of programs serving special student populations such as career/technology, advanced academics, bilingual/ESL and special education. Budgets for payroll, utilities and other operating costs are established by central administration. The Superintendent and Human Resources Department works with campus principals and follows district guidelines to assure adequate and equitable staffing throughout the District.



Each campus and department electronically submits its proposed budget to central administration for review by personnel in the Business Office. Changes and/or corrections are made to the budgets, as warranted. Budget updates are presented to the Board of Trustees at work sessions at various times from March through June.

The Cameron Appraisal District (“CAD”) releases estimates of certified property values on April 30th and May 15th. These estimates, and the historical relationship between those values and fiscal

year revenue, are used to determine the anticipated property tax revenue. This budget may be amended, as necessary, to reflect certified property values released by CAD on July 25th. Certified values are used to determine the property tax revenues that can be generated for the General Operating Fund and the Debt Service Fund.

The Board holds a state-mandated public hearing on the proposed budget and tax rate before considering adoption of the budget in June. All notification and public hearing requirements are met prior to adoption of the budget. In accordance with State law, the Board of Trustees adopts the budget prior to June 30th. The budget is adopted at the functional level.

The Maintenance and Operating (M&O) and Debt Service tax rates (I&S) are adopted after the budget is adopted. The supporting tax rate is adopted in June.

Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles applicable to school districts. Budgeted amounts in the financial statements are as originally adopted or as amended by the Board of Trustees.

With the exception of Special Revenue Funds, the Board of Trustees approves all budget amendments that change the amount of appropriation at the functional level. Budget amendments that alter Special Revenue Funds are approved by the granting agencies, in accordance with grant guidelines.

Appropriations for the General Fund, Debt Service Fund, Capital Projects Fund, and the Food Service Fund lapse at year-end. Appropriations for the Special Revenue Funds (which are budgeted throughout the year as grantor agencies award funds) continue until completion of applicable projects, sometimes overlapping more than one fiscal year.



Brownsville Independent School District

Budget Calendar Fiscal Year 2020-2021

November 2019

- November 18, 2019** Preliminary Budget Meeting with CFO and Cabinet to discuss budget meetings with department heads and principals and overall budget process
- November 21, 2019** Begin discussion of Health Insurance Options with Consultant

December 2019

- December 2, 2019** Refinement of Budget Calendar with CFO and Cabinet
- December 3, 2019** Preliminary Budget Meeting with Budget Team to discuss budget development process and Budget Packet
- December 10, 2019** Begin 2nd discussion of Health Insurance Options with Consultant
- December 18, 2019** 2nd Budget Meeting with Budget Team to discuss Budget Packet and Budget Training Schedule for Departments and Campuses
- December 20, 2019** Develop Revenue Budgets and Projections

January 2020

- January 9, 2020** Develop and Discuss Personnel and Benefit Costs Projections
- January 9, 2020** Develop and Discuss State Program Allotments
- January 9, 2020** Develop and Discuss payroll budgets for local, state, and federal budgets
- January 10, 2020** Projected enrollment figures developed for 2020-2021 enrollment and ready for use in budget preparation
- January 15, 2020** Administrator's Meeting:
1. **Departments** budget information will be distributed and the budget development process will be discussed
- January 16, 2020** Review and prioritize construction/facilities projects
-

January 16, 2020 Begin Staffing allocation meetings (Campus and Program Staff)
January 17, 2020 Begin Staffing allocation meetings (Department Staff)
January 24, 2020 Requests for new positions/upgrades due to Human Resources

February 2020

February 10, 2020 Requests for new positions/upgrades due to Superintendent
February 17, 2020 Review Health Insurance Options with Superintendent
February 26, 2020 Administrator's Meeting:

1. Distribute budget information to **Elementary, Middle** and **High School** campus principals. Discuss per pupil allocations, specific budget needs, and mechanics of budgeting.

March 2020

March 5, 2020 At **Budget Committee Workshop #1:**
1. Board discusses 2020-2021 Budget – TASB Salary Study

March 6, 2020 Finance Office/Federal Programs/State Programs to meet in Board Room with campus leadership to provide individual budget assistance

April 2020

April 6, 2020 Campus and Department budgets due to their respective Assistant Superintendent

April 13, 2020 Final Campus and Department budgets due to Finance Department

April 28, 2020 At **Budget Committee Workshop #2:**
1. Board discusses 2020-2021 Budget – TASB Staffing Study

April 30, 2020 Receive Certified Estimate of Property Values from Cameron Appraisal District (CAD)

April 30, 2020 Review Final Campus and Department budgets

May 2020

May 4, 2020 Adjust Revenue budgets developed based on estimated tax values

May 7, 2020

At **Budget Committee Workshop #3:**

1. Board discusses 2020-2021 Budget – Budget Workshop 3

May 19, 2020

At **Special Board Meeting:**

1. Adopt Brownsville ISD's Compensation Plan
2. Board approves date for Notice of Public Meeting to Discuss Proposed Budget

June 2020

June 4, 2020

At **Budget Committee Workshop #4:**

1. Board discusses 2020-2021 Near Final Budget – Budget Workshop 4

June 14, 2020

Post proposed budget on district website

June 18, 2020

At **Budget Committee Workshop #5:**

1. Board discusses 2020-2021 Budget Workshop 5
2. Compensation Plan

June 25, 2020

At **Special Board Meeting:**

1. Public hearing on 2020-2021 Budget and Tax Rate
2. Adopt 2020-2021 Budget (Must be before adoption of tax rate)

September 24, 2020

At **Special Board Meeting:**

1. Set 2020-2021 Tax Rate (Must adopt by component, i.e. M&O and I&S)



Financial Highlights

The Board of Trustees and administration seek a balance between the academic needs of its students and the financial considerations of the local taxpayer. Fiscally conservative budgets are drafted each year to insure that the needs of the students are being met while keeping a wary eye on the financial commitment required of area homeowners and businesses.

Brownsville Independent School District received the Association of School Business Officials International's (ASBO) Certificate of Excellence in Financial Reporting award for having met or exceeded the program's high standards for financial reporting and accountability. The Certificate of Excellence represents the gold standard in financial reporting. The District was recognized for its Comprehensive Annual Financial Report for the fiscal year ending 2019. The Certificate of Excellence (COE) award confirms the school business office's commitment to financial accountability and transparency. Recognition through the COE program can help strengthen a district's presentation for bond issuance statements and promotes a high level of financial reporting.



Brownsville Independent School District has been awarded the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. The District was recognized for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending 2019.



The Schools FIRST (Financial Accountability Rating System of Texas), was developed by the Texas Education Agency in response to Senate Bill 875 passed in 1999. The primary goal of Schools FIRST is to achieve quality performance in the management of school districts' financial resources, a goal made more significant due to the complexity of the State's school finance system.



The Brownsville Independent School District received a "Superior" rating under Texas' Schools FIRST financial accountability rating system for the 2017-2018 fiscal year. The Superior rating was the State's highest, demonstrating the quality of the school district's financial management and reporting system. The primary goal of School FIRST is to achieve quality performance in the management of school district's financial resources. This goal is now more significant due to the complexity of accounting associated with the Texas school finance system.

Fitch Ratings has assigned its 'AA-' rating to Brownsville Independent School District, Texas school building bonds, based on the district's qualification under the Texas Permanent School Fund Program. In addition, Moody's Investors Service has updated its credit analysis of the District and has assigned the District a rating of 'Aa3'.

Significant Financial Policies and Procedures

Budget Process and Control Procedures

The district uses a budget procedure that is designed to address the issues in the “Equity vs. Adequacy” debate that have been a part of school finance for years. The basic campus budget is formula-driven based on student enrollment and composition by special programs, which addresses the “Equity” concern. The principal may then make special requests for additional funds based on special needs on the campus, addressing the “Adequacy” issue. All campus special requests are evaluated against each other, so that only those special requests demonstrating the greatest need to the district are approved. As in the past, all administrative departments must submit justifications for all items requested in their budgets.

Budget reports are available to help monitor budget balances. Expenditures cannot exceed responsibility level budgets. Budget amendments or transfers are required before encumbrances or expenditures are made that will exceed a functional spending category appropriation balance, such as Function 11- Instructional Services. The Board of Trustees at their regularly monthly meetings review financial reports, and approve amendments or transfers between functional categories.



Facility Upgrade Requests

Facility upgrades are presented to the Facilities Committee comprised of the Superintendent, Cabinet, District Architect, Project managers and a minimum of three Board Members. They review the Requests and solicit estimates. The requests are evaluated according to the costs of the project, age of the building, impact on the instructional program, and whether the request can be coordinated with other construction activities already scheduled for the facility.

Budget Assumptions and Timelines

In early April, the Cameron County Appraisal District provides the district with preliminary estimates of the district’s taxable values. Based on these estimates, initial estimates are made as to the revenues that will be generated under the current tax rate and the change in tax collections that will be realized with each penny change in the rate. At about the same time, the State provides the

district with the district's values as assessed by the State Comptroller Property Tax Division. This value, in conjunction with estimates of enrollment for the following year and other data, will be key to estimating the State aid to be received.

On the expenditure side of the ledger, the district first assesses the impact of changes to the pay scales on the budget. Using a couple of different modeling tools, the district assumes existing staff will "roll forward" into the following year's pay scales. By using this methodology, changes to the pay scales may be evaluated as to their marginal impact to the budget. In that the raises granted through the pay scales will account for the vast majority of the changes to the budget, preliminary positions are taken on the amount of raises that can be granted relative to the projected changes in revenues.

In February through April, a committee comprised of the Superintendent, Human Resources Department, and CFO reviews personnel requests from the campus principals. Starting in April or May, the Cabinet begins reviewing requests for additional staff, reclassifications of existing staff, and requests for non-payroll items. All requests are evaluated in light of the revenue projections to ensure that resources, including uses of the fund balance when appropriate, are adequate to balance the budget. This process continues into the summer, with continual refining of the revenue estimates. Several budget workshops are held with the Board during the summer to receive their input. Once, the budget is adopted in July or August, the tax rate may be set when the certified values on the tax base have been received from the appraisal district.



Budget and Tax Rate Philosophy

The District uses a conservative approach to budgeting, estimating low on the revenue and high on the expenses. The district continuously explores opportunities to gain efficiencies, and combined with aid from the State and various grants, is able to contain tax increases to a minimum. The cost factors for Brownsville ISD - the tax base, student population, and staff - tend to be fairly stable. This provides for predictability that many districts do not enjoy.

Cash Management Policy

District staff continually reviews the district's cash management procedures to ensure safety, liquidity, and maximum investment yields. All deposits are accounted for through the central office or recorded with supporting deposit slips. State and federal funds are transferred to the district's depository bank via electronic funds transfer.

Investment Philosophy/Policies

The District's policies are updated as needed and meet or exceed the latest compliance requirements as promulgated by State and Federal legislation. The primary investment objectives

of the district are preservation and safety of principal, maintaining sufficient liquidity to provide adequate and timely availability of funds, and attaining the highest possible rate of return. Investment instruments are selected to correspond with particular fund investment objectives matching maturities with cash requirements.

The annual rate of return for the district's investments is also compared to certain benchmarks (90-Day Treasury Bills, State investment pool averages, Fed Funds/Repo) to determine the effectiveness of the investment program. For the past three years, Brownsville ISD's annual rate of return on investments has either met or exceeded these benchmarks.

Assessment of Taxes

By each September 30, the Board of Trustees adopts a tax rate per \$100 in taxable value for the current year. The tax rate consists of a rate for funding the maintenance and operation expenditures and a rate for debt service. The Brownsville Independent School District derives its taxing authority from Article 2784g, Vernon's Texas Civil Statutes.

Property is assessed as of January 1 each year. Business inventory may, at the option of the taxpayer, be assessed by September. Oil and gas reserves are assessed on the basis of a valuation process, which uses an average of the daily price of oil and gas for the prior year. Taxes become due October 1 of the same year and are delinquent on February 1 of the following year. Taxpayers who are 65 years of age or older are permitted by State law to pay taxes on homesteads in four installments with the first due before February 1 of each year and the final installment before August 1.

Taxes levied by the district are the personal obligation of the owner of the property. Tax liens are issued after January 1 each year. The district's lien is on parity with those issued by other taxing authorities.

The district has contracted with the Cameron County Tax Office to collect its taxes.





FINANCIAL SECTION

***“Brownsville ISD –
The Best Choice!”***

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Budget Overview

The 2020-2021 budget is based on the guidelines as outlined in the Texas Education Code and Texas Education Agency Financial Accounting Resource Guide. Budgets for the General Fund, the Food & Nutrition Services Fund, and the Debt Service Fund must be included in the official district budget. These budgets must be approved at least at the fund and function levels to comply with State mandates.



General Fund Major Revenue Sources

Financing public PreK – 12 education in Texas is a shared arrangement between the State and the school districts where local property taxes are blended with revenues from the State to cover the cost of basic and mandated programs. Additional details about the State/local funding structure are included in the Informational Section of this document. Brownsville ISD's taxable property wealth per student is below the average, the State funds about 81.5% of the District's General Fund appropriations.

Trends indicate a 2.5% decrease in student enrollment for 2020-2021. Local property taxes comprise about 16.5% of total General Fund revenues. The District's taxable property values remain relatively stable with an average 3% increase. We are projecting values to slightly trend upwards at approximately 1.5-3% annually, while maintaining the district's Maintenance & Operations tax rate at \$1.0254.

General Fund Major Expenditure Categories

Payroll costs comprise 76.7% of the General fund and Food & Nutrition Services budgeted expenditures. As a result of HB3, projected State funding continues to hold, therefore general pay increases were approved. Contracted services, including utilities, and supplies equal about 13.1% of total General Fund appropriations.

Food and Nutrition Services

The Food and Nutrition Service Program serves about 26,995 breakfasts, 33,614 lunches, and 5,863 suppers each day. As a participant in the National School Breakfast & Lunch Programs, Federal subsidies comprise over 78.2% of the fund's revenues. Food purchases and supplies comprise 51.8%, and payroll costs 44.6% of the Food Service Fund appropriations. The Child Nutrition Program balanced budget includes reimbursing the General Fund for the program's share of utilities, property insurance, maintenance expenses, etc. which includes 1.4% of the overall budget.

Debt Service Fund

Local property taxes comprise 64.8% of the Debt Service Fund revenues with the balance funded by the State. The Debt Service Fund accounts for the principal, interest, and applicable fees on the district's general obligation bonds. Maintaining the current Debt Service tax rate at \$0.150472 will provide adequate funds to meet the district's current debt service requirements.

Other Funds

Projections indicate that the district will receive about \$45.3 million from various grants. Although not included in the official budget, applicable Special Revenue Funds account for these funds.

**Brownsville Independent School District
Combined Budget Summary
Fiscal Year 2020-2021**

	General Fund	Food & Nutrition Services	Debt Service	Totals
REVENUES				
Local and Intermediate Sources	\$ 75,400,070	\$ 863,001	\$ 10,263,746	\$ 86,526,817
State Sources	372,326,159	200,000	5,582,035	378,108,194
Federal Sources	8,850,000	39,652,253	-	48,502,253
TOTAL REVENUES	\$ 456,576,229	\$ 40,715,254	\$ 15,845,781	\$ 513,137,264
EXPENDITURES				
10 Instruction/Instructional Related Services	\$ 265,522,834	-	-	\$ 265,522,834
20 Instructional and School Leadership	33,781,936	-	-	33,781,936
30 Support Services - Student	57,026,674	40,715,254	-	97,741,928
40 Administrative Support Services	12,974,998	-	-	12,974,998
50 Support Services - Non-Student Based	68,679,848	-	-	68,679,848
60 Community Services	551,319	-	-	551,319
70 Debt Services	15,603,120	-	15,845,781	31,448,901
80 Facilities Improvement & Construction	1,290,000	-	-	1,290,000
90 Inter-governmental Charges	1,145,500	-	-	1,145,500
TOTAL EXPENDITURES	\$ 456,576,229	\$ 40,715,254	\$ 15,845,781	\$ 513,137,264
TOTAL REVENUES OVER (UNDER) EXPENDITURES	\$ -	\$ -	\$ -	\$ -
FUND BALANCE - BEGINNING (EST)	199,547,334	6,560,109	8,888,515	214,995,958
FUND BALANCE - ENDING (EST)	\$ 199,547,334	\$ 6,560,109	\$ 8,888,515	\$ 214,995,958

Brownsville Independent School District
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Total Budget (All Funds Combined)

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET
REVENUES					
Local and Intermediate Sources	\$ 71,125,699	\$ 75,891,199	\$ 80,483,720	\$ 79,133,711	\$ 86,526,817
State Revenues	355,563,773	364,240,912	356,610,935	395,283,029	378,108,194
Federal Revenues	44,270,847	49,068,152	51,993,881	37,307,745	48,502,253
TOTAL REVENUES	\$ 470,960,319	\$ 489,200,263	\$ 489,088,536	\$ 511,724,485	\$ 513,137,264
EXPENDITURES					
10 Instruction/Instructional Related Services	\$ 239,948,589	\$ 238,993,982	\$ 242,857,872	\$ 250,169,112	\$ 265,522,834
20 Instructional and School Leadership	29,640,544	30,180,691	29,365,644	32,763,025	33,781,936
30 Support Services - Student	91,290,150	89,105,157	89,961,030	86,508,310	97,741,928
40 Administrative Support Services	11,058,621	10,776,126	10,184,174	11,441,094	12,974,998
50 Support Services - Non-Student Based	68,249,942	65,135,872	62,301,501	65,122,980	68,679,848
60 Community Services	399,220	580,443	496,503	544,714	551,319
70 Debt Services	20,967,067	21,840,818	27,133,081	31,442,217	31,448,901
80 Facilities Improvement & Construction	7,438,072	7,141,510	29,374,196	27,285,442	1,290,000
90 Inter-governmental Charges	746,812	831,571	907,246	936,708	1,145,500
TOTAL EXPENDITURES	\$ 469,739,018	\$ 464,586,171	\$ 492,581,247	\$ 506,213,603	\$ 513,137,264
TOTAL REVENUES OVER (UNDER)					
EXPENDITURES	\$ 1,221,302	\$ 24,614,093	\$ (3,492,711)	\$ 5,510,882	\$ -
Other Resources	13,237,630	58,809,863	3,485,908	-	-
Less Other Uses	(10,988,211)	(6,613,496)	(14,925,375)	-	-
FUND BALANCE - BEGINNING (EST)	139,542,245	147,606,796	224,417,255	209,485,076	214,995,958
PRIOR PERIOD ADJUSTMENT	4,593,830	-	-	-	-
FUND BALANCE - ENDING (EST)	\$ 147,606,796	\$ 224,417,255	\$ 209,485,076	\$ 214,995,958	\$ 214,995,958

**Brownsville Independent School District
Projections
Total Budget (All Funds Combined)**

	2020-2021		PROJECTED		
	BUDGET		2021-2022	2022-2023	2023-2024
REVENUES					
Local and Intermediate Sources	\$ 86,526,817	\$	379,064,643	\$ 375,376,634	\$ 371,725,506
State Revenues	378,108,194		81,035,425	80,287,271	79,545,266
Federal Revenues	48,502,253		48,017,230	47,537,058	47,061,688
TOTAL REVENUES	\$ 513,137,264	\$	508,117,299	\$ 503,200,963	\$ 498,332,459
EXPENDITURES					
10 Instruction/Instructional Related Services	\$ 265,522,834	\$	262,867,606	\$ 260,238,930	\$ 257,636,540
20 Instructional and School Leadership	33,781,936		33,444,117	33,109,675	32,778,579
30 Support Services - Student	97,741,928		96,764,509	95,796,864	94,838,895
40 Administrative Support Services	12,974,998		12,845,248	12,716,796	12,589,628
50 Support Services - Non-Student Based	68,679,848		67,993,050	67,313,119	66,639,988
60 Community Services	551,319		545,806	540,348	534,944
70 Debt Services	31,448,901		31,245,819	31,098,198	30,950,722
80 Facilities Improvement & Construction	1,290,000		1,277,100	1,264,329	1,251,686
90 Inter-governmental Charges	1,145,500		1,134,045	1,122,705	1,111,478
TOTAL EXPENDITURES	\$ 513,137,264	\$	508,117,299	\$ 503,200,963	\$ 498,332,459
TOTAL REVENUES OVER (UNDER)					
EXPENDITURES	\$ -	\$	0	\$ 0	\$ 0
Other Resources	-		-	-	-
Less Other Uses	-		-	-	-
FUND BALANCE - BEGINNING (EST)	214,995,958		214,995,958	214,995,959	214,995,959
FUND BALANCE - ENDING (EST)	\$ 214,995,958	\$	214,995,959	\$ 214,995,959	\$ 214,995,959

Brownsville Independent School District
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Operational Budget (General & Food & Nutrition Services Combined)

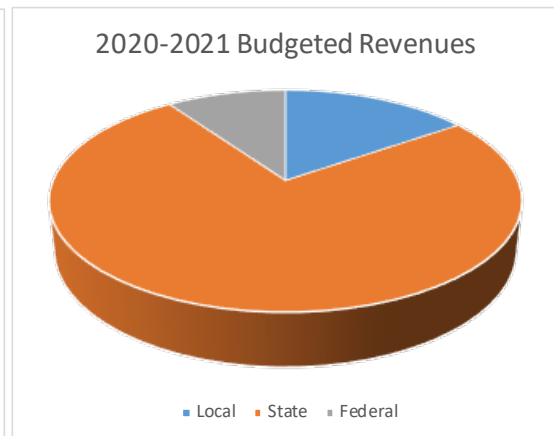
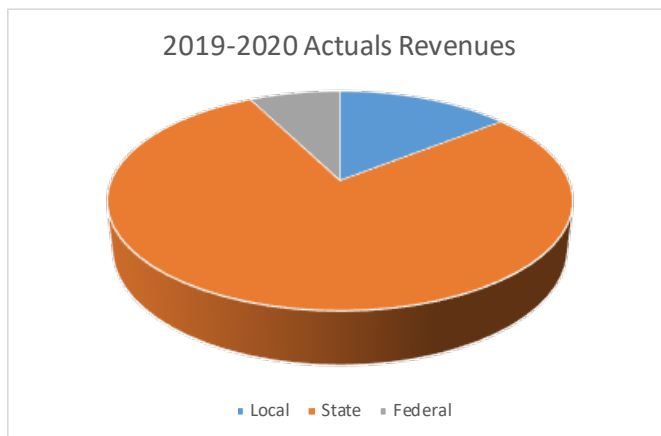
	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET
REVENUES					
Local and Intermediate Sources	\$ 70,883,981	\$ 69,852,980	\$ 73,912,189	\$ 71,069,933	\$ 76,263,071
State Revenues	355,361,519	355,225,716	347,908,980	386,501,201	372,526,159
Federal Revenues	44,270,847	49,068,152	51,993,881	37,307,745	48,502,253
TOTAL REVENUES	\$ 470,516,347	\$ 474,146,849	\$ 473,815,049	\$ 494,878,879	\$ 497,291,483
EXPENDITURES					
10 Instruction/Instructional Related Services	\$ 239,948,589	\$ 238,993,982	\$ 242,857,872	\$ 250,169,112	\$ 265,522,834
20 Instructional and School Leadership	29,640,544	30,180,691	29,365,644	32,763,025	33,781,936
30 Support Services - Student	91,290,150	89,105,157	89,961,030	86,508,310	97,741,928
40 Administrative Support Services	11,058,621	10,776,126	10,184,174	11,441,094	12,974,998
50 Support Services - Non-Student Based	68,249,942	65,135,872	62,301,501	65,122,980	68,679,848
60 Community Services	399,220	580,443	496,503	544,714	551,319
70 Debt Services	5,149,273	5,857,644	11,363,688	15,596,087	15,603,120
80 Facilities Improvement & Construction	7,438,072	7,141,510	29,374,196	27,285,442	1,290,000
90 Inter-governmental Charges	746,812	831,571	907,246	936,708	1,145,500
TOTAL EXPENDITURES	\$ 453,921,223	\$ 448,602,997	\$ 476,811,855	\$ 490,367,473	\$ 497,291,483
TOTAL REVENUES OVER (UNDER)					
EXPENDITURES	\$ 16,595,124	\$ 25,543,852	\$ (2,996,805)	\$ 4,511,406	\$ -
Other Resources	2,249,419	53,178,485	3,485,908	-	-
Less Other Uses	(10,988,211)	(1,113,127)	(14,925,375)	-	-
FUND BALANCE - BEGINNING (EST)	130,560,803	138,423,100	216,032,309	201,596,037	206,107,443
PRIOR PERIOD ADJUSTMENT	5,965	-	-	-	-
FUND BALANCE - ENDING (EST)	\$ 138,423,100	\$ 216,032,309	\$ 201,596,037	\$ 206,107,443	\$ 206,107,443

**Brownsville Independent School District
Projections
Total Operational Budget (General & Food & Nutrition Services Combined)**

	2020-2021		PROJECTED		
	BUDGET		2021-2022	2022-2023	2023-2024
REVENUES					
Local and Intermediate Sources	\$ 76,263,071	\$	75,500,440	\$ 74,745,436	\$ 73,997,982
State Revenues	372,526,159		368,800,897	365,112,888	361,461,760
Federal Revenues	48,502,253		48,017,230	47,537,058	47,061,688
TOTAL REVENUES	\$ 497,291,483	\$	492,318,568	\$ 487,395,382	\$ 482,521,429
EXPENDITURES					
10 Instruction/Instructional Related Services	\$ 265,522,834	\$	262,867,606	\$ 260,238,930	\$ 257,636,540
20 Instructional and School Leadership	33,781,936		33,444,117	33,109,675	32,778,579
30 Support Services - Student	97,741,928		96,764,509	95,796,864	94,838,895
40 Administrative Support Services	12,974,998		12,845,248	12,716,796	12,589,628
50 Support Services - Non-Student Based	68,679,848		67,993,050	67,313,119	66,639,988
60 Community Services	551,319		545,806	540,348	534,944
70 Debt Services	15,603,120		15,447,089	15,292,618	15,139,692
80 Facilities Improvement & Construction	1,290,000		1,277,100	1,264,329	1,251,686
90 Inter-governmental Charges	1,145,500		1,134,045	1,122,705	1,111,478
TOTAL EXPENDITURES	\$ 497,291,483	\$	492,318,568	\$ 487,395,382	\$ 482,521,429
TOTAL REVENUES OVER (UNDER)					
EXPENDITURES	\$ -	\$	-	\$ -	\$ -
Other Resources	-		-	-	-
Less Other Uses	-		-	-	-
FUND BALANCE - BEGINNING (EST)	206,107,443		206,107,443	206,107,443	206,107,443
FUND BALANCE - ENDING (EST)	\$ 206,107,443	\$	206,107,443	\$ 206,107,443	\$ 206,107,443

**Brownsville Independent School District
General & Food & Nutrition Services Fund Anticipated Revenues**

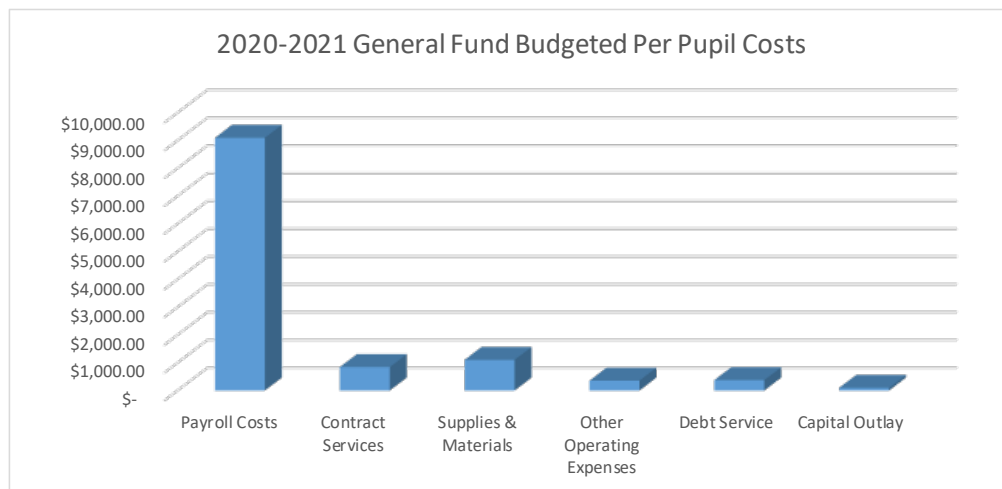
REVENUES FROM LOCAL SOURCES	2019-2020	2020-2021	INCREASE (DECREASE)	
	ACTUALS	BUDGET	AMOUNT	PERCENT
Taxes, Current Year	\$ 60,639,897	\$ 66,962,102	\$ 6,322,206	10.43%
Taxes, Delinquent	3,713,023	3,750,000	36,977	1.00%
Penalty & Interest	1,638,898	1,500,000	(138,898)	-8.48%
Investment Income	3,508,472	2,018,000	(1,490,472)	-42.48%
Athletics	104,395	400,000	295,605	283.16%
Other Local Revenues	1,465,248	1,632,969	167,721	11.45%
	<u>\$ 71,069,933</u>	<u>\$ 76,263,071</u>	<u>\$ 5,193,138</u>	<u>7.31%</u>
REVENUES FROM STATE SOURCES				
Foundation School Program	\$ 350,689,798	\$ 335,411,865	\$ (15,277,933)	-4.36%
TRS On Behalf Payments	20,519,286	20,055,000	(464,286)	-2.26%
Per Capita Apportionment	12,880,354	15,533,160	2,652,806	20.60%
Misc. State Revenue - TEA	1,668,560	1,491,134	(177,426)	-10.63%
Other State Revenues	743,204	35,000	(708,204)	-95.29%
	<u>\$ 386,501,201</u>	<u>\$ 372,526,159</u>	<u>\$ (13,975,042)</u>	<u>-3.62%</u>
REVENUES FROM FEDERAL SOURCES				
National School Lunch Program	\$ 16,523,063	\$ 21,775,555	\$ 5,252,493	31.79%
School Breakfast Program	8,525,065	12,052,054	3,526,989	41.37%
Federal Revenues Distributed by TEA	5,557,544	6,160,869	603,325	10.86%
Donated Commodities	618,096	2,963,775	2,345,679	379.50%
SHARS	5,722,055	4,500,000	(1,222,055)	-21.36%
Other Federal Revenues	361,922	1,050,000	688,078	190.12%
	<u>\$ 37,307,745</u>	<u>\$ 48,502,253</u>	<u>\$ 11,194,508</u>	<u>30.01%</u>
TOTAL REVENUES	<u>\$ 494,878,879</u>	<u>\$ 497,291,483</u>	<u>2,412,604</u>	<u>0.49%</u>



**Brownsville Independent School District
Analysis of General & Food & Nutrition Services Fund Costs**

By Function	2020-2021 BUDGET	PER PUPIL COST	PERCENT OF TOTAL
11 Instruction	\$ 246,471,818	\$ 5,875.09	49.56%
12 Instructional Resources and Media Services	7,606,791	181.32	1.53%
13 Curriculum and Staff Development	11,444,225	272.79	2.30%
21 Instructional Leadership	6,257,571	149.16	1.26%
23 School Leadership	27,524,365	656.09	5.53%
31 Guidance, Counseling, and Evaluation Services	19,660,780	468.65	3.95%
32 Social Work Services	876,367	20.89	0.18%
33 Health Services	4,869,637	116.08	0.98%
34 Student Transportation	11,194,571	266.84	2.25%
35 Food Service	41,555,254	990.54	8.36%
36 Cocurricular/Extracurricular Activities	19,585,319	466.85	3.94%
41 General Administration	12,974,998	309.28	2.61%
51 Plant Maintenance and Operations	50,661,274	1,207.60	10.19%
52 Security and Monitoring Services	8,427,616	200.89	1.69%
53 Data Processing Services	9,590,958	228.62	1.93%
61 Community Services	551,319	13.14	0.11%
71 Interest on Long Term Debt	15,603,120	371.93	3.14%
81 Capital Outlay	1,290,000	30.75	0.26%
95 Payments to Juvenile Justice Alternative Ed. Prg.	150,000	3.58	0.03%
99 Other Intergovernmental Charges	995,500	23.73	0.20%
TOTALS	\$ 497,291,483	\$ 11,853.82	100.00%

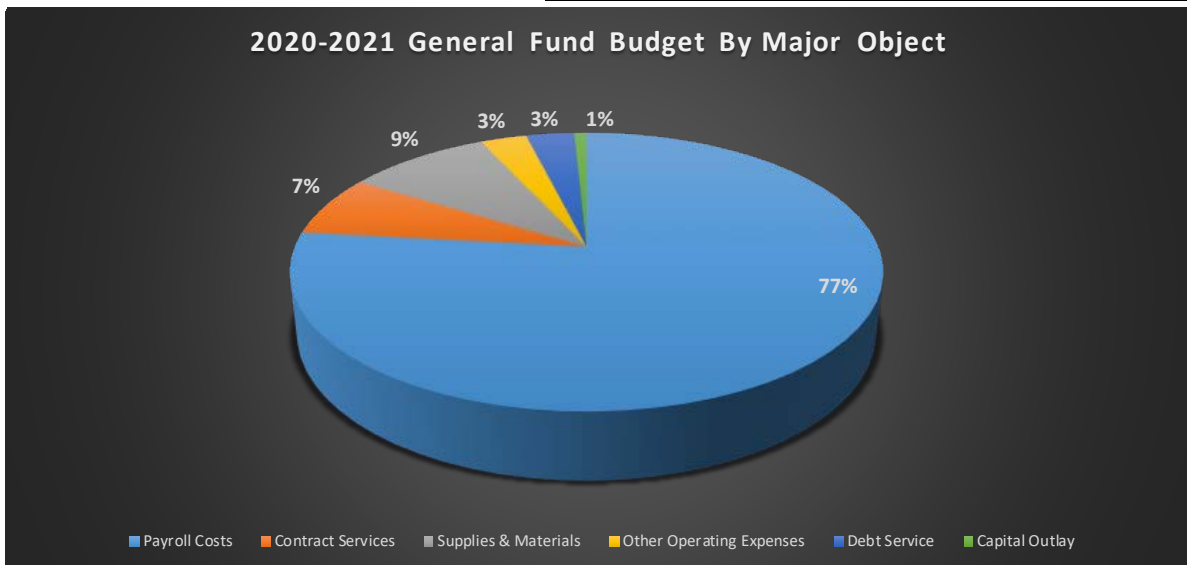
BY MAJOR OBJECT			
6100 Payroll Costs	\$ 381,514,000	\$ 9,094.06	76.72%
6200 Contract Services	35,251,201	840.27	7.09%
6300 Supplies & Materials	46,177,844	1,100.73	9.29%
6400 Other Operating Expenses	14,850,540	353.99	2.99%
6500 Debt Service	15,603,120	371.93	3.14%
6600 Capital Outlay	3,894,778	92.84	0.78%
TOTALS	\$ 497,291,483	\$ 11,853.82	100.00%



**Brownsville Independent School District
Comparison of General & Food & Nutrition Services Fund Appropriations**

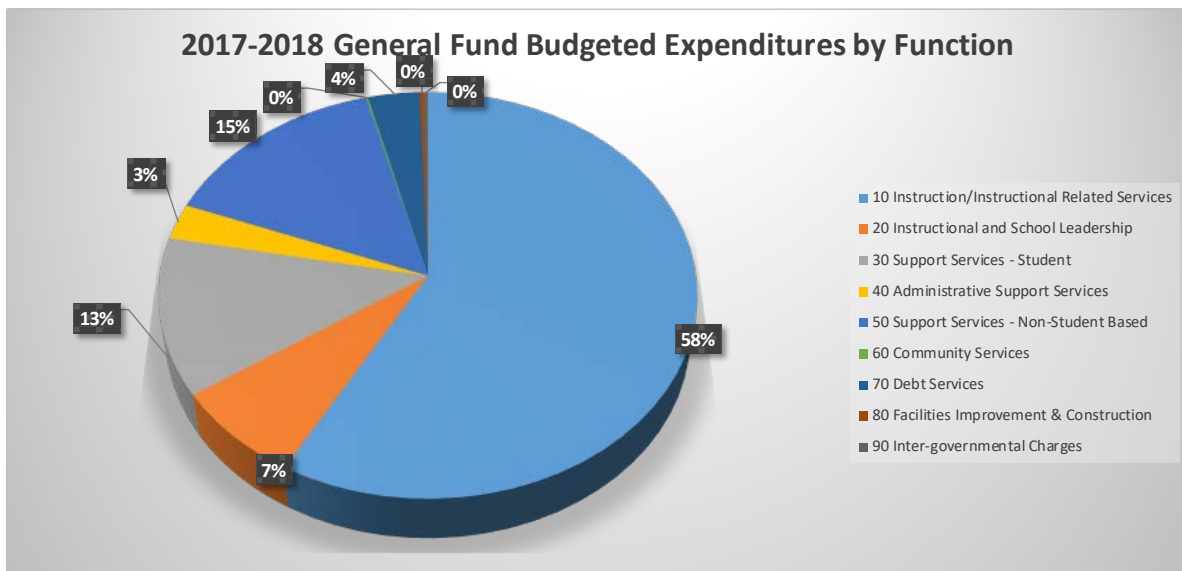
By Function	2019-2020	2020-2021	INCREASE (DECREASE)	
	ACTUAL	BUDGET	AMOUNT	PERCENT
11 Instruction	\$ 231,514,820	\$ 246,471,818	\$ 14,956,998	6.46%
12 Instructional Resources and Media Services	7,701,533	7,606,791	(94,742)	-1.23%
13 Curriculum and Staff Development	10,952,759	11,444,225	491,466	4.49%
21 Instructional Leadership	5,882,142	6,257,571	375,429	6.38%
23 School Leadership	26,880,883	27,524,365	643,482	2.39%
31 Guidance, Counseling, and Evaluation Services	19,647,208	19,660,780	13,572	0.07%
32 Social Work Services	911,610	876,367	(35,243)	-3.87%
33 Health Services	4,601,880	4,869,637	267,757	5.82%
34 Student Transportation	11,430,029	11,194,571	(235,458)	-2.06%
35 Food Service	34,156,944	41,555,254	7,398,310	21.66%
36 Cocurricular/Extracurricular Activities	15,760,639	19,585,319	3,824,680	24.27%
41 General Administration	11,441,094	12,974,998	1,533,904	13.41%
51 Plant Maintenance and Operations	48,816,241	50,661,274	1,845,033	3.78%
52 Security and Monitoring Services	8,128,844	8,427,616	298,772	3.68%
53 Data Processing Services	8,177,895	9,590,958	1,413,063	17.28%
61 Community Services	544,714	551,319	6,605	1.21%
71 Interest on Long Term Debt	15,596,087	15,603,120	7,033	0.05%
81 Capital Outlay	27,285,442	1,290,000	(25,995,442)	-95.27%
95 Payments to Juvenile Justice Alternative Ed. Prg.	23,834	150,000	126,167	529.37%
99 Other Intergovernmental Charges	912,875	995,500	82,626	9.05%
TOTALS	\$ 490,367,473	\$ 497,291,483	\$ 6,924,010	1.41%

BY MAJOR OBJECT	2019-2020	2020-2021	INCREASE (DECREASE)	PERCENT
6100 Payroll Costs	\$ 365,705,266	\$ 381,514,000	\$ 15,808,734	4.32%
6200 Contract Services	30,991,605	35,251,201	4,259,596	13.74%
6300 Supplies & Materials	37,072,093	46,177,844	9,105,751	24.56%
6400 Other Operating Expenses	9,708,952	14,850,540	5,141,588	52.96%
6500 Debt Service	15,596,087	15,603,120	7,033	0.05%
6600 Capital Outlay	31,293,471	3,894,778	(27,398,693)	-87.55%
TOTALS	\$ 490,367,473	\$ 497,291,483	\$ 6,924,010	1.41%



**Brownsville Independent School District
Statement of Revenues, Expenditures, and Changes in
Fund Balance - General Fund**

	2016-2017 ACTUAL	2017-2018 ACTUAL	2018-2019 ACTUAL	2019-2020 ACTUAL	2020-2021 BUDGET
REVENUES					
Local and Intermediate Sources	\$ 69,786,264	\$ 68,764,881	\$ 72,575,124	\$ 70,718,053	\$ 75,400,070
State Revenues	355,172,597	355,045,494	347,737,568	386,346,241	372,326,159
Federal Revenues	10,310,756	13,521,265	16,183,421	10,510,877	8,850,000
TOTAL REVENUES	\$ 435,269,617	\$ 437,331,641	\$ 436,496,113	\$ 467,575,170	\$ 456,576,229
EXPENDITURES					
10 Instruction/Instructional Related Services	\$ 239,948,589	\$ 238,993,982	\$ 242,857,872	\$ 250,169,112	\$ 265,522,834
20 Instructional and School Leadership	29,640,544	30,180,691	29,365,644	32,763,025	33,781,936
30 Support Services - Student	53,729,435	53,606,399	55,145,318	53,226,956	57,026,674
40 Administrative Support Services	11,058,621	10,776,126	10,184,174	11,441,094	12,974,998
50 Support Services - Non-Student Based	68,249,942	65,135,872	62,301,501	65,122,980	68,679,848
60 Community Services	399,220	580,443	496,503	544,714	551,319
70 Debt Services	5,149,273	5,857,644	11,363,688	15,596,087	15,603,120
80 Facilities Improvement & Construction	7,438,072	7,141,510	29,374,196	27,285,442	1,290,000
90 Inter-governmental Charges	746,812	831,571	907,246	936,708	1,145,500
TOTAL EXPENDITURES	\$ 416,360,508	\$ 413,104,238	\$ 441,996,143	\$ 457,086,119	\$ 456,576,229
TOTAL REVENUES OVER (UNDER)					
EXPENDITURES	\$ 18,909,109	\$ 24,227,402	\$ (5,500,030)	\$ 10,489,051	\$ -
Other Resources	2,249,419	53,178,485	3,485,908	-	-
Less Other Uses	(10,988,211)	(1,113,127)	(14,925,375)	-	-
FUND BALANCE - BEGINNING (EST)	119,528,737	129,705,020	205,997,780	189,058,283	199,547,334
PRIOR PERIOD ADJUSTMENT	5,965	-	-	-	-
FUND BALANCE - ENDING (EST)	\$ 129,705,020	\$ 205,997,780	\$ 189,058,283	\$ 199,547,334	\$ 199,547,334



**Brownsville Independent School District
Projections
Total General Fund Budget**

	2020-2021	PROJECTED		
	BUDGET	2021-2022	2022-2023	2023-2024
REVENUES				
Local and Intermediate Sources	\$ 75,400,070	\$ 74,646,069	\$ 73,899,609	\$ 73,160,613
State Revenues	372,326,159	368,602,897	364,916,868	361,267,700
Federal Revenues	8,850,000	8,761,500	8,673,885	8,587,146
TOTAL REVENUES	\$ 456,576,229	\$ 452,010,467	\$ 447,490,362	\$ 443,015,458
EXPENDITURES				
10 Instruction/Instructional Related Services	\$ 265,522,834	\$ 262,867,606	\$ 260,238,930	\$ 257,636,540
20 Instructional and School Leadership	33,781,936	33,444,117	33,109,675	32,778,579
30 Support Services - Student	57,026,674	56,456,407	55,891,843	55,332,925
40 Administrative Support Services	12,974,998	12,845,248	12,716,796	12,589,628
50 Support Services - Non-Student Based	68,679,848	67,993,050	67,313,119	66,639,988
60 Community Services	551,319	545,806	540,348	534,944
70 Debt Services	15,603,120	15,447,089	15,292,618	15,139,692
80 Facilities Improvement & Construction	1,290,000	1,277,100	1,264,329	1,251,686
90 Inter-governmental Charges	1,145,500	1,134,045	1,122,705	1,111,478
TOTAL EXPENDITURES	\$ 456,576,229	\$ 452,010,467	\$ 447,490,362	\$ 443,015,458
TOTAL REVENUES OVER (UNDER)				
EXPENDITURES	\$ -	\$ -	\$ -	\$ -
Other Resources	-	-	-	-
Less Other Uses	-	-	-	-
FUND BALANCE - BEGINNING (EST)	199,547,334	199,547,334	199,547,334	199,547,334
FUND BALANCE - ENDING (EST)	\$ 199,547,334	\$ 199,547,334	\$ 199,547,334	\$ 199,547,334



**Brownsville Independent School District
Statement of Revenues, Expenditures, and Changes in
Fund 101 - Food & Nutrition Services**

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET
REVENUES					
Local and Intermediate Sources	\$ 1,097,717	\$ 1,088,099	\$ 1,337,065	\$ 351,880	\$ 863,001
State Revenues	188,922	180,222	171,411	154,961	200,000
Federal Revenues	33,960,091	35,546,887	35,810,460	26,796,868	39,652,253
TOTAL REVENUES	\$ 35,246,730	\$ 36,815,208	\$ 37,318,937	\$ 27,303,709	\$ 40,715,254
EXPENDITURES					
35 Food Service	\$ 37,560,715	\$ 35,498,759	\$ 34,815,712	\$ 33,281,354	\$ 40,715,254
TOTAL EXPENDITURES	\$ 37,560,715	\$ 35,498,759	\$ 34,815,712	\$ 33,281,354	\$ 40,715,254
TOTAL REVENUES OVER (UNDER) EXPENDITURES	\$ (2,313,986)	\$ 1,316,449	\$ 2,503,225	\$ (5,977,645)	-
FUND BALANCE - BEGINNING (EST)	11,032,066	8,718,080	10,034,529	12,537,754	6,560,109
PRIOR PERIOD ADJUSTMENT	-	-	-	-	-
FUND BALANCE - ENDING (EST)	\$ 8,718,080	\$ 10,034,529	\$ 12,537,754	\$ 6,560,109	\$ 6,560,109

**Brownsville Independent School District
Projections
Fund 101 - Food Service Fund**

	2020-2021	PROJECTED		
	BUDGET	2021-2022	2022-2023	2023-2024
REVENUES				
Local and Intermediate Sources	\$ 200,000	\$ 198,000	\$ 196,020	\$ 194,060
State Revenues	863,001	854,371	845,827	837,369
Federal Revenues	39,652,253	39,255,730	38,863,173	38,474,541
TOTAL REVENUES	\$ 40,715,254	\$ 40,308,101	\$ 39,905,020	\$ 39,505,970
EXPENDITURES				
35 Food Service	\$ 40,715,254	\$ 40,308,101	\$ 39,905,020	\$ 39,505,970
TOTAL EXPENDITURES	\$ 40,715,254	\$ 40,308,101	\$ 39,905,020	\$ 39,505,970
TOTAL REVENUES OVER (UNDER) EXPENDITURES	\$ -	\$ -	\$ -	\$ -
FUND BALANCE - BEGINNING (EST)	6,560,109	6,560,109	6,560,109	6,560,109
FUND BALANCE - ENDING (EST)	\$ 6,560,109	\$ 6,560,109	\$ 6,560,109	\$ 6,560,109

**Brownsville Independent School District
Statement of Revenues, Expenditures, and Changes in
Fund 511 - Debt Service Fund**

	2016-2017 ACTUAL	2017-2018 ACTUAL	2018-2019 ACTUAL	2019-2020 ACTUAL	2020-2021 BUDGET
REVENUES					
Local and Intermediate Sources	\$ 241,718	\$ 6,038,219	\$ 6,571,531	\$ 8,063,778	\$ 10,263,746
State Revenues	202,254	9,015,196	8,701,955	8,781,828	5,582,035
Federal Revenues	-	-	-	-	-
TOTAL REVENUES	\$ 443,972	\$ 15,053,415	\$ 15,273,486	\$ 16,845,606	\$ 15,845,781
EXPENDITURES					
71 Debt Service	\$ 15,817,794	\$ 15,983,174	\$ 15,769,393	\$ 15,846,130	\$ 15,845,781
TOTAL EXPENDITURES	\$ 15,817,794	\$ 15,983,174	\$ 15,769,393	\$ 15,846,130	\$ 15,845,781
TOTAL REVENUES OVER (UNDER) EXPENDITURES					
Other Resources	10,988,211	5,631,378	-	-	-
Less Other Uses	-	(5,500,369)	-	-	-
FUND BALANCE - BEGINNING (EST)	8,981,442	9,183,696	8,384,945	7,889,039	8,888,515
PRIOR PERIOD ADJUSTMENT	4,587,865	-	-	-	-
FUND BALANCE - ENDING (EST)	\$ 9,183,696	\$ 8,384,945	\$ 7,889,039	\$ 8,888,515	\$ 8,888,515

Debt Service Tax Limits:

Under State law, there is no explicit bonded indebtedness limitation, although a tax rate test effectively imposes a limit on the incurrence of debt. Chapter 45 of the Texas Education Code, as amended, requires a district to demonstrate to the Texas Attorney General that it has the prospective ability to pay debt service on a proposed issue of bonds, together with debt service on other outstanding "new debt" of the district, from a tax levied at a rate of \$0.50 per \$100 of assessed valuation before bonds may be issued. In demonstration the ability to pay debt service at a rate of \$0.50, a district may take into account State allotments to the district which effectively reduces the district's local share of debt service. Once the perspective ability to pay such tax service has been shown and the bonds are issued, a district may levy an unlimited tax to pay debt service. Prior law limited debt to 10% of assessed value, and the district is well below that level.

The District's 2020-2021 debt service tax rate is projected to remain at \$0.150472.



**Brownsville Independent School District
Financial Projections
Fund 511 - Debt Service Fund**

	2020-2021	PROJECTED		
	BUDGET	2021-2022	2022-2023	2023-2024
REVENUES				
Local and Intermediate Sources	\$ 10,263,746	\$ 10,263,746	\$ 10,263,746	\$ 10,263,746
State Revenues	5,582,035	5,534,985	5,541,835	5,547,284
Federal Revenues	-	-	-	-
TOTAL REVENUES	\$ 15,845,781	\$ 15,798,731	\$ 15,805,581	\$ 15,811,030
EXPENDITURES				
71 Debt Services	\$ 15,845,781	\$ 15,798,730	\$ 15,805,580	\$ 15,811,030
TOTAL EXPENDITURES	\$ 15,845,781	\$ 15,798,730	\$ 15,805,580	\$ 15,811,030
NET REVENUE OVER (UNDER) EXPENDITURES	\$ -	\$ 0	\$ 0	\$ 0
FUND BALANCE - BEGINNING	8,888,515	8,888,515	8,888,515	8,888,516
FUND BALANCE - ENDING	\$ 8,888,515	\$ 8,888,515	\$ 8,888,516	\$ 8,888,516
DEBT SERVICE TAX RATE	\$ 0.150472	\$ 0.150472	\$ 0.150472	0.150472



Brownsville Independent School District
Outstanding General Obligations Debt Service by Principal and Interest
As of June 30, 2020

Date	Principal	Interest	Annual
30-Jun			Debt Service
2020	\$ 11,220,000	\$ 4,623,880	\$ 15,843,880
2021	11,735,000	4,107,780	15,842,780
2022	12,225,000	3,568,730	15,793,730
2023	12,795,000	3,005,580	15,800,580
2024	13,390,000	2,416,030	15,806,030
2025	12,080,000	1,856,484	13,936,484
2026	12,605,000	1,326,024	13,931,024
2027	13,160,000	765,130	13,925,130
2028	1,985,000	219,025	2,204,025
2029	2,065,000	137,625	2,202,625
2030	2,150,000	43,000	2,193,000
Total	<u>\$ 105,410,000</u>	<u>\$ 3,077,800</u>	<u>\$ 127,479,290</u>

Note: Debt service payments reflect payments from July 1 through June 30.



**Brownsville Independent School District
Proposed Payroll Costs Increases/(Decrease)
FY 2020-2021**

	# of Employees	Cost Increase	Total Costs
General Salary Increases:			
Teachers and Librarians	2949	\$2,000.00	\$ 5,896,000
Administrator Business Management	64	\$0.00	-
Administrator Educator	637	\$0.00	-
Technology	43	3% of Midpoint	32,148
Police	146	3% of Midpoint	206,603
Clerical Administrative	583	3% of Midpoint	554,106
Instructional Support	774	3% of Midpoint	617,230
Manual Trades	1285	3% of Midpoint	1,309,511
Total Salary Increases	6481		\$ 8,615,598
Other Increase (Decrease):			
Benefits			1,684,402
Total Payroll Increase (Decrease)			\$ 10,300,000



2021 TRS-CARE: Care You Can Count On

PLAN HIGHLIGHTS FOR PARTICIPANTS WITH MEDICARE



DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (From Comprehensive Annual Financial Report FY2019)

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 a basic health insurance coverage (TRS-Care 1), at no cost to all retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension system. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may pay premiums to participate in the high deductible health plans. Eligible Medicare retirees and their dependents may pay premiums to participate in the Medicare Advantage health plans. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic post-employment benefit changes, including automatic COLAs.

The 85th Legislature, Regular Session, passed the following statutory changes in HB 3976 which became effective on September 1, 2017. These are described below under the section "Changes in Benefit Terms".

The premium rates for the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for a retiree with and without Medicare coverage. These new premium rates for retirees with Medicare Part A and Part B became effective January 1, 2018. (See the TRS CAFR page 70 for plan rates effective from September 1, 2016 - December 31, 2017.)

TRS-Care Monthly Premium Rates
Effective January 1, 2018 - December 31, 2018

	Medicare	Non-Medicare
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 TRSCare 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 school districts based upon public school district payroll. 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 pay. Section 1575.204 establishes an employer 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 public. The actual employer 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 2018. The following table shows contributions to the TRS-Care plan by type of contributor:

	Contribution Rates	
	<u>2018</u>	<u>2019</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		\$ 2,749,026
Current fiscal year member contributions		\$ 1,936,072
2018 measurement year NECE on-behalf contributions		\$ 3,227,441

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. With Senate Bill 1, 85th Legislature, Regular Session, TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$182.6 million in fiscal year 2018. House Bill 30 of the 85th Legislature provided an additional \$212 million in a one-time supplemental funding for the FY 2018-2019 biennium. One-time supplemental contributions during fiscal 2018 totaled \$394.6 million.

Actuarial Assumptions. The total OPEB liability in the August 31, 2017 actuarial valuation was rolled forward to August 31, 2018. The actuarial valuation was determined using the following actuarial assumptions:

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2017 TRS pension actuarial valuation that was rolled forward to August 31, 2018:



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, 2017 Rolled Forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.69% Sourced from Fixed Income municipal bonds with 20 years to maturity that include only federal tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of August 31, 2018
Aging Factors	Based on Plan Specific Experience
Election Rates	Normal Retirement: 70% participation prior to age 65 and 75% after 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

In this valuation, the impact of the Cadillac Tax 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 3.69% was used to measure the total OPEB liability. There was an increase of .27 percent in the discount rate since the previous year. The Discount Rate can be found in the 2018 TRS CAFR on page 71. 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 (3.69%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate <u>(2.69%)</u>	Discount Rate <u>(3.69%)</u>	1% Increase in Discount Rate <u>(4.69%)</u>
Proportionate share of the Net OPEB liability	\$ 237,562,791	\$ 199,574,976	\$ 169,524,166

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.

	<u>1% Decrease</u>	Current Healthcare Cost <u>Trend Rate</u>	<u>1% Increase</u>
Proportionate share of Net OPEB liability	\$ 165,750,268	\$ 199,574,976	\$ 244,122,848

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At June 30, 2019, the District reported a liability of \$199,574,976 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	\$ 199,574,976
State's proportionate share that is associated with the District	<u>233,931,132</u>
Total	\$ 433,506,108

The Net OPEB Liability was measured as of August 31, 2018 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, 2017 thru August 31, 2018.

At August 31, 2018 the employer's proportion of the collective Net OPEB liability was 0.3997022177% which was a decrease of -0.0079447234% from its proportion measured as of August 31, 2017.

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.

- Adjustments were made for retirees that were known to have discontinued their health care coverage in fiscal year 2018. This change increased the Total OPEB Liability.
- The health care trend rate assumption was updated to reflect the anticipated return of the Health Insurer Fee (HIF) in 2020. This change increased the Total OPEB Liability.
- Demographic and economic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2017. This change increased the Total OPEB Liability.
- The discount rate changed from 3.42 percent as of August 31, 2017 to 3.69 percent as of August 31, 2018. This change lowered the Total OPEB liability \$2.3 billion.

Changes in Benefit Terms: The 85th Legislature, Regular Session, passed the following statutory changes which became effective on September 1, 2017:

- Created a high-deductible health plan that provides a zero cost for generic prescriptions for certain preventive drugs and provides a zero premium for disability retirees who retired as a disability retiree on or before January 1, 2017 and are not eligible to enroll in Medicare.
- Created a single Medicare Advantage plan and Medicare prescription drug plan for all Medicare eligible participants.
- Allowed the System to provide other, appropriate health benefit plans to address the needs of enrollees eligible for Medicare.
- Allowed eligible retirees and their eligible dependents to enroll in TRS-Care when the retiree reaches 65 years of age, rather than waiting for the next enrollment period.
- Eliminated free coverage under TRS-Care, except for certain disability retirees enrolled during Plan Years 2018 through 2021, requiring members to contribute \$200 per month toward their health insurance premiums.



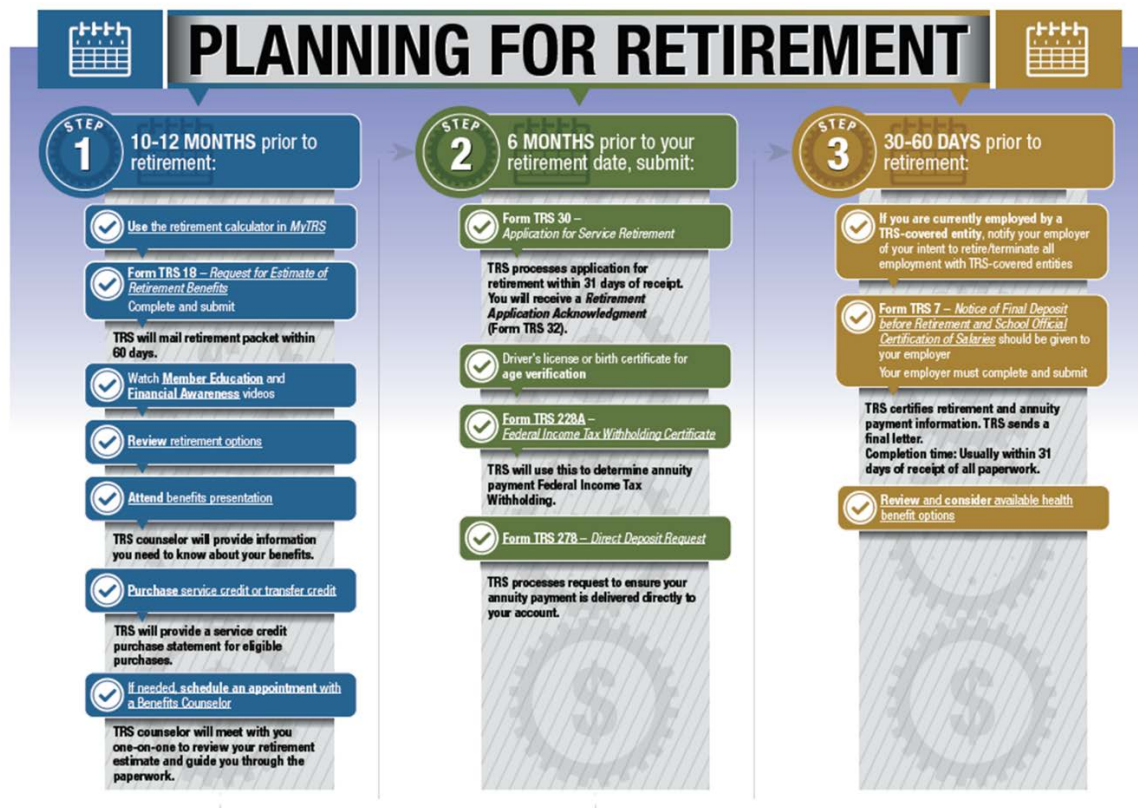
For the year ended June 30, 2019, the District recognized OPEB expense of \$12,535,711 and revenue of \$8,509,010 for support provided by the State.

At June 30, 2019 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual actuarial experiences	\$ 10,590,702	\$ 3,149,586
Changes in actuarial assumptions	3,330,366	59,960,829
Differences between projected and actual investment earnings	3 4,903	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	709	4,363,956
Contributions paid to TRS subsequent to the measurement date	<u>2,321,259</u>	<u>-</u>
Total as of fiscal year-end	\$ 16,277,939	\$ 67,474,371

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
2020	\$ (8,397,565)
2021	(8,397,565)
2022	(8,397,565)
2023	(8,404,165)
2024	(8,407,941)
Thereafter	(11,512,890)



This timeline is meant to be a general example of the retirement process. Your specific timeline may differ. Planning ahead can help ensure a smooth transition into retirement. TRS experiences a high volume of retirements during the months of May through August. **Don't delay!**



GRANT PROGRAMS

*“Brownsville ISD –
The Best Choice!”*

Grant Programs

Although most special revenue funds are not part of the official budget, Brownsville ISD is projected to receive over \$76.0 million from various grants that help the district accomplish its goals. The following are a sample of descriptions and purposes of some of the major grant programs:

TITLE I

Part A, Improving Basic Programs –

Helping Economically Disadvantaged Children Meet High Standards:

The purpose of this program is to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in both the challenging State content standards and student performance standards that all children are expected to meet. The intent of this program is fulfilled by supplemental services provided by

Supplemental services to private schools within Brownsville ISD boundaries.

TITLE I

Part C, Migrant –

Education of Migratory Children:

The purpose of this program is to assist districts to support educational programs for migrant children to help reduce the educational disruptions and other problems that result from repeated moves; ensure that they are provided with appropriate educational services; and ensure that they have the opportunity to acquire the knowledge and skills contained in the challenging State content and student performance standards that all children are expected to meet.



TITLE I

1003(A) Priority and Focus School Grant

The purpose of this program is to provide funding to LEAs for use in eligible schools, in order to substantially raise the achievement of their students and enable the schools to meet annual goals and program-term measurable objectives. Funding is intended for LEAs that demonstrate the greatest need for the funds and the strongest commitment to provide adequate resources that will enable schools to meet the criteria to exit priority or focus status.

TITLE II

Part A, Supporting Effective Instruction

The purpose of Title II, Part A is to increase student achievement consistent with the challenging State academic standards; improve the quality and effectiveness of teachers, principals, and other school leaders; increase the number of effective teachers, principals, and other school leaders who are effective in improving student academic achievement in schools; and provide low-income and minority students greater access to effective teachers, principals, and other school leaders. The intent of the funding is to support educators in their work to improve the overall quality of instruction and ensure equity of educational opportunity for all students.

TITLE III

Part A, English Language Acquisition, Language Enhancement, and Academic Achievement Act

Title III, Part A of the Elementary and Secondary Education Act (ESEA), as reauthorized under the Every Student Succeeds Act (ESSA), aims to ensure that English learners (ELs) and immigrant students attain English proficiency and develop high levels of academic achievement in English. Title III will also assist all English learners meet the same challenging State academic standards that all children are expected to meet.



Carl D. Perkins Basic Formula Grant

The Texas Legislature established Career and Technology Education (CTE) goals for all Texas students in secondary schools. Specifically, it requires that each public school student master the basic skills and knowledge necessary for: 1) managing the dual roles of family member and wage earner; and 2) gaining entry-level employment in a high-skill, high-wage job or pursuing postsecondary education. Career and technical education programs offer a sequence of courses that provides students with coherent and rigorous content. CTE content is aligned with challenging academic standards and relevant technical knowledge and skills needed to prepare for further education and careers in current or emerging professions.

IDEA-B,

Individuals with Disabilities Education Act

The Individuals with Disabilities Education Act (IDEA-97) now mandates that a proportionate share of **IDEA** funds be utilized to meet the needs of children with disabilities voluntarily enrolled in private schools by their parents or who are educated by their parents in a home school setting. In consultation with the private school and the parents of these children, the school district will make a determination how best to use these funds to support the private schools and the students with disabilities they serve or those students being educated by their parents in a home school setting. The types of support that could be considered are: consultations with private school staff, training for staff, direct service to students, instructional materials, assistive technology, and

transportation, if necessary, for the student to have access the service. Currently the District is part of WIL-CAM Pupil Service Cooperative for its procurement of Special Education services.

COMPETITIVE GRANTS:

The following grants were awarded through a competitive application process with various federal, state, local, and private funders. The grant awards will be used during the 2018-19 school year.

High Quality Pre-Kindergarten Grant

The High-Quality Pre-Kindergarten grant was awarded to Brownsville ISD. Funded by the Texas Education Agency, this grant allows the district to expand half-day Pre-K programs at several schools, provide additional curriculum resources, conduct intensive professional development sessions focused on data-driven instruction, and enhance the district's family engagement efforts.

GEAR UP: Ready, Set, College!

The Region One Education Service Center, in partnership with thirty (30) high schools in 27 South Texas school districts, Apple, Inc., the College Board, Texas Instruments, Vernier Software and Technology, Agilemind, Texas Valley Communities Foundation, the University of Texas at Brownsville, the University of Texas - Pan American, South Texas College, Texas State Technical College - Harlingen, Texas A&M International



University, Laredo Community College and several community-based and private organizations established the **GEAR UP: Ready, Set, College! Partnership**. This partnership restructures school services to provide a knowledge pipeline to postsecondary success for 10,500 traditionally underrepresented youth. The primary goal of the GEAR UP Ready, Set, College! partnership is to increase the number of students graduating from high school and entering and succeeding in post-secondary institutions.

Criminal Justice Division – Brownsville Youth Leadership Project

The Criminal Justice Division's (CJD) is part of the Office of the Texas Governor and its mission is to create and support programs that protect people from crime, reduce the number of crimes committed, and to promote accountability, efficiency, and effectiveness within the criminal justice system. CJD focuses on the enhancement of Texas' capacity to prevent crime, provide service and treatment options, enforce laws, train staff and volunteers, and the restoration of crime victims to full physical, emotional and mental health.

21st Century Community Learning Centers

The purpose of the Texas 21st Century Community Learning Centers, grant program is to support the creation of community learning centers that provide academic enrichment opportunities during non-school hours for children, particularly students who attend high-poverty and low-performing schools. The program helps students meet state and local student standards in core academic subjects, such as reading and math; offers students a broad array of enrichment activities that can complement their regular academic programs; and offers literacy and other educational services to the families of participating children.

Brownsville Independent School District List of Grants Awarded 2020-2021

Federal	Pass-Through Grantor	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
U.S. Department of Defense						
	R.O.T.C.	448,620	414,918	419,857	406,679	415,642
U.S. Department of the Interior						
	Bureau of Reclamation	-	-	-	72,868	-
U.S. Department of Justice						
	Through COPs Offices Stop School Violence	-	-	-	36,191	132,858
U.S. Department of Labor						
	WIOA Adult Program	-	-	-	26,660	-
U.S. Department of Health and Human Services						
	Texas Workforce Commission	242,763	235,450	275,504	194,631	9,511
	Medical Administrative Claiming Program	-	188,982	193,253	317,799	206,381
U. S. Department of Education						
	Texas Workforce Commission	1,208,879	1,314,521	1,317,446	1,157,467	1,586,774
	Texas Education Agency	24,750,962	25,089,911	26,070,676	21,489,355	23,587,677
	Migrant	1,893,921	1,291,164	1,470,763	1,212,803	1,175,839
	Special Education	8,585,412	8,242,676	8,322,900	8,107,520	8,470,127
	Career and Technology	790,200	653,121	577,563	491,362	619,407
	Special Education - Preschool	-	-	-	77,593	126,835
	Early Intervention	913	882	143	484	(12)
	21st Century Community Learning Center	2,449,461	178,472	-	-	-
	Limited English Proficiency	1,580,577	1,568,991	1,329,906	1,441,412	1,366,284
	Supporting Effective Instruction	-	-	2,964,649	2,343,483	2,046,427
	Summer School Limited English Proficiency	74,576	-	136,219	62,581	54,762
	ESEA Title II, Part A	2,662,113	3,044,785	-	-	-
	Texas Literacy Initiative	9,986,146	4,410,001	-	-	-
	Title IV, Part A, Subpart I	-	-	416,645	790,302	1,121,322
	Texas Title I Priority Schools	383,050	-	-	-	-
	Jobs for the Future, Inc	351,274	356,975	22,720	-	-
	Texas Hurricane Homeless Youth	-	-	-	4,945	31,484
	Education Service Center 10	102,985	92,979	181,938	133,555	149,664
	University of Texas Rio Grande Valley - Engaging History and Citizenship	-	-	-	11,082	104,064
	UTRGV - Gear Up	-	-	198,978	460,169	274,407
	Texas Southmost College - 21st Century Community Learning Center	-	-	-	360,125	513,664
	Education Service Center 20 - Evaluation Capacity Award	-	-	-	56,024	670
	ESC 1 - Gear UP	166,263	144,641	9,323	-	-
	Education Service Center 1 - Project RISE	-	-	496,716	1,361,320	1,450,661
	Project Literacy Innovation for Book Reading Opportunities	-	-	-	1,149,897	3,795,232
U.S. Department of Agriculture						
	School Breakfast & Lunch	35,312,935	32,548,326	31,250,905	32,017,326	25,666,223
	Child and Adult Care Food Program	3,955,822	4,213,619	6,491,929	5,422,595	3,051,068
Grand Total		94,946,872	83,990,414	82,148,033	79,206,228	75,956,971



INFORMATIONAL SECTION

*“Brownsville ISD –
The Best Choice!”*

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Funding for Texas School Districts
(From Official Statement of Unlimited Tax Refunding Bonds, Series 2020A&B)

Texas school districts receive revenue from two major sources, State funding from the Foundation School Program (FSP) and local property taxes.

Foundation School Program

CURRENT PUBLIC-SCHOOL FINANCE SYSTEM

During the 2019 Legislative Session, the State Legislature made numerous changes to the current public-school finance system, the levy and collection of ad valorem taxes, and the calculation of defined tax rates, including particularly those contained in House Bill 3 (“HB 3”) and Senate Bill 2 (“SB 2”). In some instances, the provisions of HB 3 and SB 2 will require further interpretation in connection with their implementation in order to resolve ambiguities contained in the bills. The District is still in the process of (a) analyzing the provisions of HB3 and SB 2, and (b) monitoring the on-going guidance provided by TEA. The information contained herein under the captions “CURRENT PUBLIC-SCHOOL FINANCE SYSTEM” and “TAX RATE LIMITATIONS” is subject to change, and only reflects the District’s understanding of HB 3 and SB 2 based on information available to the District as of the date of this Official Statement. Prospective investors are encouraged to review HB 3, SB 2, and the Property Tax Code (as defined herein) for definitive requirements for the levy and collection of ad valorem taxes, the calculation of the defined tax rates, and the administration of the current public-school finance system.



The following language constitutes only a summary of the public-school finance system as it is currently structured. For a more complete description of school finance and fiscal management in the State, reference is made to Chapters 43 through 49 of the Texas Education Code, as amended.

Local funding is derived from collections of ad valorem taxes levied on property located within each school district’s boundaries. School districts are authorized to levy two types of property taxes: a maintenance and operations (“M&O”) tax to pay current expenses and an interest and sinking fund (“I&S”) tax to pay debt service on bonds. School districts may not increase their M&O tax rate for the purpose of creating a surplus to pay debt service on bonds. Prior to 2006, school districts were authorized to levy their M&O tax at a voter-approved rate, generally up to \$1.50 per \$100 of taxable value. Since 2006, the State Legislature has enacted various legislation that has compressed the voter-approved M&O tax rate, as described below. Current law also requires school districts to demonstrate their ability to pay debt service on outstanding bonded indebtedness through the levy of an I&S tax at a rate not to exceed \$0.50 per \$100 of taxable value at the time bonds are issued. Once bonds are issued, however, school districts generally may levy an I&S tax sufficient to pay debt service on such bonds unlimited as to rate or amount (see “TAX RATE LIMITATIONS – I&S Tax Rate Limitations” herein). Because property values vary widely among school districts, the amount of local funding generated by school districts with the same I&S tax rate and M&O tax rate is also subject to wide variation; however, the public-school finance

funding formulas are designed to generally equalize local funding generated by a school district's M&O tax rate.

Prior to the 2019 Legislative Session, a school district's maximum M&O tax rate for a given tax year was determined by multiplying that school district's 2005 M&O tax rate levy by an amount equal a compression percentage set by legislative appropriation or, in the absence of legislative appropriation, by the Commissioner of Education (the "Commissioner"). This compression percentage was historically set at 66.67%, effectively setting the maximum compressed M&O tax rate for most school districts at \$1.00 per \$100 of taxable value, since most school districts in the State had a voted maximum M&O tax rate of \$1.50 per \$100 of taxable value (though certain school districts located in Harris County had special M&O tax rate authorizations allowing a higher M&O tax rate). School districts were permitted, however, to generate additional local funds by raising their M&O tax rate up to \$0.04 above the compressed tax rate or, with voter-approval at a valid election in the school district, up to \$0.17 above the compressed tax rate (for most school districts, this equated to an M&O tax rate between \$1.04 and \$1.17 per \$100 of taxable value). School districts received additional State funds in proportion to such taxing effort.

LOCAL FUNDING FOR SCHOOL DISTRICTS . . .

During the 2019 Legislative Session, the State Legislature made several significant changes to the funding methodology for school districts (the "2019 Legislation"). The 2019 Legislation orders a school district's M&O tax rate into two distinct parts: the "Tier



One Tax Rate", which is the local M&O tax rate required for a school district to receive any part of the basic level of State funding (referred to herein as "Tier One") under the Foundation School Program, as further described below, and the "Enrichment Tax Rate", which is any local M&O tax effort in excess of its Tier One Tax Rate. The 2019 Legislation amended formulas for the State Compression Percentage and Maximum Compressed Tax Rate (each as described below) to compress M&O tax rates in response to year-over-year increases in property values across the State and within a school district, respectively. The discussion in this subcaption "Local Funding For School Districts" is generally intended to describe funding provisions applicable to all school districts; however, there are distinctions in the funding formulas for school districts that generate local M&O tax revenues in excess of the school districts' funding entitlements, as further discussed under the subcaption "CURRENT PUBLIC SCHOOL FINANCE SYSTEM – Local Revenue Level In Excess of Entitlement" herein.

State Compression Percentage. The "State Compression Percentage" for the State fiscal year ending in 2020 (the 2019-2020 school year) is a statutorily-defined percentage of the rate of \$1.00 per \$100 at which a school district must levy its Tier One Tax Rate to receive the full amount of the Tier One funding to which a school district is entitled. For the State fiscal year ending in 2020,

the State Compression Percentage is set at 93% per \$100 of taxable value. Beginning in the State fiscal year ending in 2021, the State Compression Percentage is the lesser of three alternative calculations: (1) 93% or a lower percentage set by appropriation for a school year; (2) a percentage determined by formula if the estimated total taxable property value of the State (as submitted annually to the State Legislature by the State Comptroller) has increased by at least 2.5% over the prior year; and (3) the prior year State Compression Percentage. For any year, the maximum State Compression Percentage is 93%.

Maximum Compressed

Tax Rate. Pursuant to the 2019 Legislation, beginning with the State fiscal year ending in 2021 (the 2020-2021 school year) the Maximum Compressed Tax Rate (the “MCR”) is the tax rate per \$100 of valuation of taxable property at which a school district must levy its Tier One Tax Rate to receive the full amount of the Tier One funding to which the school district is entitled. The MCR is equal to the lesser of



three alternative calculations: (1) the school district’s prior year MCR; (2) a percentage determined by formula if the school district experienced a year-over-year increase in property value of at least 2.5%; or (3) the product of the State Compression Percentage for the current year multiplied by \$1.00. However, each year the TEA shall evaluate the MCR for each school district in the State, and for any given year, if a school district’s MCR is calculated to be less than 90% of any other school district’s MCR for the current year, then the school district’s MCR is instead equal to the school district’s prior year MCR, until TEA determines that the difference between the school district’s MCR and any other school district’s MCR is not more than 10%. These compression formulas are intended to more closely equalize local generation of Tier One funding among districts with disparate tax bases and generally reduce the Tier One Tax Rates of school districts as property values increase.

Tier One Tax Rate. For the 2019-2020 school year, the Tier One Tax Rate is the State Compression Percentage multiplied by (i) \$1.00, or (ii) for a school district that levied an M&O tax rate for the 2018-2019 school year that was less than \$1.00 per \$100 of taxable value, the total number of cents levied by the school district for the 2018-2019 school year for M&O purposes; effectively setting the Tier One Tax Rate for the State fiscal year ending in 2020 for most school districts at \$0.93. Beginning in the 2020-2021 school year, a school district’s Tier One Tax Rate is defined as a school district’s M&O tax rate levied that does not exceed the school district’s MCR.

Enrichment Tax Rate. The Enrichment Tax Rate is the number of cents a school district levies for M&O in excess of the Tier One Tax Rate, up to an additional \$0.17. The Enrichment Tax Rate is divided into two components: (i) “Golden Pennies” which are the first \$0.08 of tax effort in excess of a school district’s Tier One Tax Rate; and (ii) “Copper Pennies” which are the next \$0.09 in excess of a school district’s Tier One Tax Rate plus Golden Pennies.

School districts may levy an Enrichment Tax Rate at a level of their choice, subject to the limitations described under “TAX RATE LIMITATIONS – Public Hearing and Voter-Approval Tax Rate”; however to levy any of the Enrichment Tax Rate in a given year, a school district must levy a Tier One Tax Rate equal to \$0.93 for the 2019-2020 school year, or equal to the school district’s MCR for the 2020-2021 and subsequent years. Additionally, a school district’s levy of Copper Pennies is subject to compression if the guaranteed yield (i.e., the guaranteed level of local tax revenue and State aid generated for each cent of tax effort) of Copper Pennies is increased from one year to the next (see “CURRENT PUBLIC SCHOOL FINANCE SYSTEM – State Funding for School Districts – Tier Two”).

STATE FUNDING FOR SCHOOL DISTRICTS . . .

State funding for school districts is provided through the two-tiered Foundation School Program, which guarantees certain levels of funding for school districts in the State. School districts are entitled to a legislatively appropriated guaranteed yield on their Tier One Tax Rate and Enrichment Tax Rate.



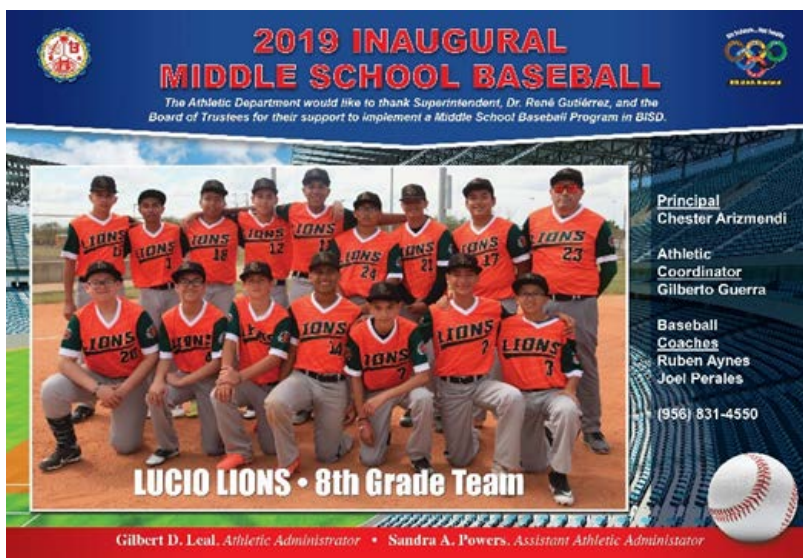
When a school district’s Tier One Tax Rate and Enrichment Tax Rate generate tax revenues at a level below the respective entitlement, the State will provide “Tier One” funding or “Tier Two” funding, respectively, to fund the difference between the school district’s entitlements and the calculated M&O revenues generated by the school district’s respective M&O tax rates.

The first level of funding, Tier One, is the basic level of funding guaranteed to all school districts based on a school district’s Tier One Tax Rate. Tier One funding may then be “enriched” with Tier Two funding. Tier Two provides a guaranteed entitlement for each cent of a school district’s Enrichment Tax Rate, allowing a school district increase or decrease its Enrichment Tax Rate to supplement Tier One funding at a level of the school district’s own choice. While Tier One funding may be used for the payment of debt service (except for school districts subject to the recapture provisions of Chapter 49 of the Texas Education Code, as discussed herein), and in some instances is required to be used for that purpose (see “TAX RATE LIMITATIONS – I&S Tax Rate Limitations”), Tier Two funding may not be used for the payment of debt service or capital outlay.

The current public school finance system also provides an Existing Debt Allotment (“EDA”) to subsidize debt service on eligible outstanding school district bonds, an Instructional Facilities Allotment (“IFA”) to subsidize debt service on newly issued bonds, and a New Instructional Facilities Allotment (“NIFA”) to subsidize operational expenses associated with the opening of a new instructional facility. IFA primarily addresses the debt service needs of property-poor school districts. For the 2020-2021 State fiscal biennium, the State Legislature appropriated funds in the amount of \$1,323,444,300 for the EDA, IFA, and NIFA.

Tier One and Tier Two allotments represent the State’s share of the cost of M&O expenses of school districts, with local M&O taxes representing the school district’s local share. EDA and IFA allotments supplement a school district’s local I&S taxes levied for debt service on eligible bonds issued to construct, acquire and improve facilities, provided that a school district qualifies for such funding and that the State Legislature makes sufficient appropriations to fund the allotments for a State fiscal biennium. Tier One and Tier Two allotments and existing EDA and IFA allotments are generally required to be funded each year by the State Legislature.

Tier One. Tier One funding is the basic level of funding guaranteed to a school district, consisting of a State-appropriated baseline level of funding (the “Basic Allotment”) for each student in “Average Daily Attendance” (being generally calculated as the sum of student attendance for each State-mandated day of instruction divided by the number of State-mandated days of instruction, defined herein as “ADA”). The Basic Allotment is revised downward if a school



district’s Tier One Tax Rate is less than the State-determined threshold. The Basic Allotment is supplemented by additional State funds, allotted based upon the unique school district characteristics and demographics of students in ADA, to make up most of a school district’s Tier One entitlement under the Foundation School Program.

For the 2019-2020 State fiscal year, the Basic Allotment for school districts with a Tier One Tax Rate equal to \$0.93, is \$6,160 for each student in ADA and is revised downward for school districts with a Tier One Tax Rate lower than \$0.93. For the State fiscal year ending in 2021 and subsequent State fiscal years, the Basic Allotment for a school district with a Tier One Tax Rate equal to the school district’s MCR, is \$6,160 (or a greater amount as may be provided by appropriation) for each student in ADA and is revised downward for a school district with a Tier One Tax Rate lower than the school district’s MCR. The Basic Allotment is then supplemented for all school districts by various weights to account for differences among school districts and their student populations. Such additional allotments include, but are not limited to, increased funds for students in ADA

who: (i) attend a qualified special education program, (ii) are diagnosed with dyslexia or a related disorder, (iii) are economically disadvantaged, or (iv) have limited English language proficiency. Additional allotments to mitigate differences among school districts include, but are not limited to: (i) a transportation allotment for mileage associated with transporting students who reside two miles or more from their home campus, (ii) a fast growth allotment (for school districts in the top 25% of enrollment growth relative to other school districts), and (iii) a college, career and military readiness allotment to further Texas' goal of increasing the number of students who attain a post-secondary education or workforce credential, and (iv) a teacher incentive allotment to increase teacher compensation retention in disadvantaged or rural school districts. A school district's total Tier One funding, divided by \$6,160, is a school district's measure of students in "Weighted Average Daily Attendance" ("WADA"), which serves to calculate Tier Two funding.

Tier Two. Tier Two supplements Tier One funding and provides two levels of enrichment with different guaranteed yields (i.e., Golden Pennies and Copper Pennies) depending on the school district's Enrichment Tax Rate. Golden Pennies generate a guaranteed yield equal to the greater of (i) the local revenue per student in WADA per cent of tax effort available to a school district at the ninety-sixth (96th) percentile of wealth per student in WADA, or (ii) the Basic



Allotment (or a greater amount as may be provided by appropriation) multiplied by 0.016. For the 2020-2021 State fiscal biennium, school districts are guaranteed a yield of \$98.56 per student in WADA for each Golden Penny levied. Copper Pennies generate a guaranteed yield per student in WADA equal to the school district's Basic Allotment (or a greater amount as may be provided by appropriation) multiplied by 0.008. For the 2020-2021 State fiscal biennium, school districts are guaranteed a yield of \$49.28 per student in WADA for each Copper Penny levied. For any school year in which the guaranteed yield of Copper Pennies per student in WADA exceeds the guaranteed yield of Copper Pennies per student in WADA for the preceding school year, a school district is required to reduce its Copper Pennies levied so as to generate no more revenue per student in WADA than was available to the school district for the preceding year. Accordingly, the increase in the guaranteed yield from \$31.95 per Copper Penny per student in WADA for the 2018-2019 school year to \$49.28 per Copper Penny per student in WADA for the 2019-2020 school year requires school districts to compress their levy of Copper Pennies by a factor of 0.64834. As such, school districts that levied an Enrichment Tax Rate of \$0.17 in school year 2018-2019 must reduce their Enrichment Tax Rate to approximately \$0.138 per \$100 taxable value for the 2019-2020 school year.

Adjusting for Differences in Student Populations (Full Time Equivalents)

Student attendance is the other major factor in Tier I. Just as the basic allotment must be adjusted to equalize conditions from district to district, the services needed for special student populations must also be considered to provide for equitable funding. The FSP formula provides for many types of adjustments for student populations. For example, the rules for calculating ADA are different for school districts that have a high population of students from migrant families. Currently these school districts are allowed to use their best four six-week attendance periods in determining ADA, rather than all six six-week periods.

Another type of funding adjustment is used for career and technology and special education students. In fact, the attendance calculations for students in these special programs is so different from basic attendance calculations that attendance for career and technology and special education students is subtracted out before calculating the regular block grant. The regular block grant is calculated using



regular program ADA. (Regular program ADA is the district's refined ADA less career and technology and special education full-time equivalent students.)

The second consideration is that students enrolled in career and technology or special education classes do not always take those classes exclusively. Instead of ADA, attendance for career and technology and special education students is expressed in terms of *full-time equivalents* (FTEs). The FTE concept takes into account the amount of time the student spends in the special program class and the costs associated with providing that special program. One FTE is the equivalent of an eligible student served in a program all day (6 hours a day) and who is present on each day of instruction offered by the district. So, if attendance for a program that serves 20 students is given as 3.2 FTEs, then the attendance in the program for these 20 students is equivalent to three students served for a full day and a fourth student served for 20 percent of the day for each day in the instructional period.

Each special program is assigned a standard number of contact hours per day of attendance and an FTE funding weight. The weight takes into account extra expenses, such as reduced teacher/pupil ratio, associated with each special program and provides additional funding to cover the specific costs associated with the special program. For example, the weight for speech therapy is five, which means that funding to provide that type of instruction is five times that of funding for regular program instruction.

Calculating FTEs

In special education, a separate FTE count is calculated for each instructional setting. The total days present for all eligible students in each instructional setting during a six-week period is multiplied by the standard number of contact hours for that instructional setting. This gives the total contact hours. Total contact hours are then divided by the number of hours in the six-week period (six hours per day times the number of days in the six-week period). To obtain the yearly FTEs, FTEs are averaged for the six six-week periods. (If a school district is designated as having a high migrant population, FTEs are averaged for the same four best six-week periods that are used to compute ADA.)

For career and technology education, the process is similar. Career and technology FTEs are calculated by multiplying the total days present for all eligible students in each career and technology course times the appropriate standard number of contact hours for that career and technology course. The total contact hours are then divided



by the number of hours in the six-week period. The yearly FTEs are the average of the FTEs for the 6 six-week periods. (If a school district is designated as having a high migrant population, FTEs are averaged for the same four best six-week periods that are used to compute ADA.)

Adjusting for other Special Programs

For other special programs such as; compensatory, pregnant students, bilingual/ESL and gifted and talented, another method is used to provide additional funding. Unlike the counts for career and technology and special education students, counts of students in these special programs are included in the regular ADA counts. A school district receives the adjusted basic allotment for each of these students and then an additional allotment for special program participation is tacked on.

To determine the additional allotment, participants in these mandated programs are counted according to a defined method. (For example, the compensatory education count is based on a prior-year average of the best six months' enrollment in the free and reduced lunch program for the federal calendar period, the twelve-month period starting in October and continuing through September of the current school year.) The count for each program is multiplied by a funding weight assigned to that program. The adjusted count is then multiplied by the adjusted basic allotment to determine the extra allotment for participants in the special program.

Existing Debt Allotment, Instruction Facilities Allotment, and New Instructional Facilities Allotment.

The Foundation School Program also includes facilities funding components consisting of the IFA and the EDA, subject to legislative appropriation each State fiscal biennium. To the extent funded for a biennium, these programs assist school districts in funding facilities by, generally, equalizing a school district's I&S tax effort. The IFA guarantees each awarded school district a specified amount per student (the "IFA Yield") in State and local funds for each cent of I&S tax levied to pay the principal of and interest on



eligible bonds issued to construct, acquire, renovate or improve instructional facilities. The IFA Yield has been \$35 since this program first began in 1997. New awards of IFA are only available if appropriated funds are allocated for such purpose by the State Legislature. To receive an IFA award, in years where new IFA awards are available, a school district must apply to the Commissioner in accordance with rules adopted by the TEA before issuing the bonds to be paid with IFA State assistance. The total amount of debt service assistance over a biennium for which a school district may be awarded is limited to the lesser of (1) the actual debt service payments made by the school district in the biennium in which the bonds are issued; or (2) the greater of (a) \$100,000 or (b) \$250 multiplied by the number of students in ADA. The IFA is also available for lease-purchase agreements and refunding bonds meeting certain prescribed conditions. Once a school district receives an IFA award for bonds, it is entitled to continue receiving State assistance for such bonds without reapplying to the Commissioner. The guaranteed level of State and local funds per student per cent of local tax effort applicable to the bonds may not be reduced below the level provided for the year in which the bonds were issued. For the 2020-2021 State fiscal biennium, the State Legislature did not appropriate any funds for new IFA awards; however, awards previously granted in years the State Legislature did appropriate funds for new IFA awards will continue to be funded.

State financial assistance is provided for certain existing eligible debt issued by school districts through the EDA program. The EDA guaranteed yield (the "EDA Yield") is the lesser of (i) \$40 per student in ADA or a greater amount for any year provided by appropriation; or (ii) the amount that would result in a total additional EDA of \$60 million more than the EDA to which school districts would have been entitled to if the EDA Yield were \$35. The portion of a school district's local debt service rate that qualifies for EDA assistance is limited to the first \$0.29 of its I&S tax rate (or a greater amount for any year provided by appropriation by the State Legislature). In general, a school district's bonds are eligible for EDA assistance if (i) the school district made payments on the bonds during the final fiscal year of the preceding State fiscal biennium, or (ii) the school district levied taxes to pay the principal of and interest on the bonds for that fiscal year.

Each biennium, access to EDA funding is determined by the debt service taxes collected in the final year of the preceding biennium. A school district may not receive EDA funding for the principal and interest on a series of otherwise eligible bonds for which the school district receives IFA funding.

Since future-year IFA awards were not funded by the State Legislature for the 2020-2021 State fiscal biennium and debt service assistance on school district bonds that are not yet eligible for EDA is not available, debt service payments during the 2020-2021 State fiscal biennium on new bonds issued by school districts in the 2020-2021 State fiscal biennium to construct, acquire and improve facilities must be funded solely from local I&S taxes.

A school district may also qualify for a NIFA allotment, which provides assistance to school districts for operational expenses associated with opening new instructional facilities. In the 2019 Legislative Session, the State Legislature appropriated funds in the amount of \$100,000,000 for each fiscal year of the 2020-2021 State fiscal biennium for NIFA allotments.



Total State Aid

Total State aid is the sum of the state's share of Tier I and Tier II plus the Existing Debt Allotment and the Instructional Facilities Allotment, plus other program aid which the State funds without requiring local matching. An example is an allotment for students being served in a regional school for the deaf program.

Each school district, including budget balanced schools, receive per capita revenue based on a rate times the prior year's ADA. This per capita revenue is subtracted from the total calculated State aid. If a positive balance occurs, the result is the portion of the district's total State aid that will be funded from the Foundation School Fund or the State's textbook fund which pays for the district's technology allotment.

Estimating FSP funds is an important step in a school district's budgeting process. Accuracy requires the ability to forecast the future and understand thoroughly the forces that drive the funding formula. The FSP revenues distributed to schools during the year are based on estimated student counts and tax collections. As changes in variables are detected, funding estimates should be recalculated to determine if spending levels for affected programs should be amended and to predict the effect of changes on future payments.

Tax Rate and Funding Equity. The Commissioner may adjust a school district’s funding entitlement if the funding formulas used to determine the school district’s entitlement result in an unanticipated loss or gain for a school district. Any such adjustment requires preliminary approval from the Legislative Budget Board and the office of the Governor, and such adjustments may only be made through the 2020-2021 school year.

Additionally, the Commissioner may proportionally reduce the amount of funding a school district receives under the Foundation School Program and the ADA calculation if the school district operates on a calendar that provides less than the State-mandated minimum instruction time in a school year. The Commissioner may also adjust a school district’s ADA as it relates to State funding where disaster, flood, extreme weather or other calamity has a significant effect on a school district’s attendance.

Furthermore, “property-wealthy” school districts that received additional State funds under the public school finance system prior to the enactment of the 2019 Legislation are entitled to an equalized wealth transition grant on an annual basis through the 2023-2024 school year in an amount equal to the amount of additional revenue such school district would have received under former Texas Education Code Sections 41.002(e) through (g), as those sections existed on January 1, 2019. This grant is phased out through the 2023-2024 school year as follows: (1) 20% reduction for the 2020-2021 school year, (2) 40% reduction for the 2021-2022 school year, (3) 60% reduction for the 2022-2023 school year, and (4) 80% reduction for the 2023-2024 school year.

LOCAL REVENUE LEVEL IN EXCESS OF ENTITLEMENT.

. . . A school district that has sufficient property wealth per student in ADA to generate local revenues on the school district’s Tier One Tax Rate and Copper Pennies in excess of the school district’s respective funding entitlements (a “Chapter 49 school district”),



is subject to the local revenue reduction provisions contained in Chapter 49 of Texas Education Code, as amended (“Chapter 49”). Additionally, in years in which the amount of State funds appropriated specifically excludes the amount necessary to provide the guaranteed yield for Golden Pennies, local revenues generated on a school district’s Golden Pennies in excess of the school district’s respective funding entitlement are subject to the local revenue reduction provisions of Chapter 49. To reduce local revenue, Chapter 49 school districts are generally subject to a process known as “recapture”, which requires a Chapter 49 school district to exercise certain options to remit local M&O tax revenues collected in excess of the Chapter 49 school district’s funding entitlements to the State (for redistribution to other school districts) or otherwise expending the respective M&O tax revenues for the benefit of students in school districts that are not Chapter 49 school districts, as described in the subcaption “Options for Local Revenue Levels

in Excess of Entitlement”. Chapter 49 school districts receive their allocable share of funds distributed from the constitutionally-prescribed Available School Fund, but are generally not eligible to receive State aid under the Foundation School Program, although they may continue to receive State funds for certain competitive grants and certain programs that remain outside the Foundation School Program.

Whereas prior to the 2019 Legislation, the recapture process had been based on the proportion of a school district’s assessed property value per student in ADA, recapture is now measured by the “local revenue level” (being the M&O tax revenues generated in a school district) in excess of the entitlements appropriated by the State Legislature each fiscal biennium. Therefore, school districts are now guaranteed that recapture will not reduce revenue below their statutory entitlement. The changes to the wealth transfer provisions are expected to reduce the cumulative amount of recapture payments paid by school districts by approximately \$3.6 billion during the 2020-2021 State fiscal biennium.

Options for Local Revenue Levels in Excess of Entitlement.

Under Chapter 49, a school district has six options to reduce local revenues to a level that does not exceed the school district’s respective entitlements: (1) a school district may consolidate by agreement with one or more school districts to form a consolidated school district; all property and debt of the consolidating school districts vest in the consolidated school district; (2) a school district may



detach property from its territory for annexation by a property-poor school district; (3) a school district may purchase attendance credits from the State; (4) a school district may contract to educate nonresident students from a property-poor school district by sending money directly to one or more property-poor school districts; (5) a school district may execute an agreement to provide students of one or more other school districts with career and technology education through a program designated as an area program for career and technology education; or (6) a school district may consolidate by agreement with one or more school districts to form a consolidated taxing school district solely to levy and distribute either M&O taxes or both M&O taxes and I&S taxes. A Chapter 49 school district may also exercise any combination of these remedies. Options (3), (4) and (6) require prior approval by the Chapter 49 school district’s voters.

Furthermore, a school district may not adopt a tax rate until its effective local revenue level is at or below the level that would produce its guaranteed entitlement under the Foundation School Program. If a school district fails to exercise a permitted option, the Commissioner must reduce the school district’s local revenue level to the level that would produce the school district’s guaranteed entitlement, by detaching certain types of property from the school district and annexing the property to a property-poor school district or, if necessary, consolidate the school district with a property-poor school district. Provisions governing detachment and annexation of

taxable property by the Commissioner do not provide for assumption of any of the transferring school district's existing debt.

POSSIBLE EFFECTS OF WEALTH TRANSFER PROVISIONS ON THE DISTRICT'S FINANCIAL CONDITION

The District's wealth per student for the 2019-2020 school year is less than the equalized wealth value. Accordingly, the District has not been required to exercise one of the permitted wealth equalization options. As a district with wealth per student less than the equalized wealth value, the District may benefit in the future by agreeing to accept taxable property or funding assistance from or agreeing to consolidate with a property-rich district to enable such district to reduce its wealth per student to the permitted level.



A district's wealth per student must be tested for each future school year and, if it exceeds the maximum permitted level, must be reduced by exercise of one of the permitted wealth equalization options. Accordingly, if the District's wealth per student should exceed the maximum permitted level in future school years, it will be required each year to exercise one or more of the wealth reduction options. If the District were to consolidate (or consolidate its tax base for all purposes) with a property-poor district, the outstanding debt of each district could become payable from the consolidated district's combined property tax base, and the District's ratio of taxable property to debt could become diluted. If the District were to detach property voluntarily, a portion of its outstanding debt (including the Obligations) could be assumed by the district to which the property is annexed, in which case timely payment of the Obligations could become dependent in part on the financial performance of the annexing district.

INFECTIOUS DISEASE OUTBREAK – COVID-19 (From Official Statement of Unlimited Tax Refunding Bonds, Series 2020A&B)

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the "Pandemic") by the World Health Organization and is currently affecting many parts of the world, including the United States and Texas. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President's Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.



On March 13, 2020, the Governor of Texas (the "Governor") declared a state of disaster for all counties in the State in response to the Pandemic. Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting state business or any order or rule of a state agency (including TEA (hereinafter defined)) that would in any way prevent, hinder, or delay necessary action in coping with the disaster, and issuing executive orders that have the force and effect of law. These include, for example, the issuance of Executive Order GA-18, which among other things, closed public and private schools throughout the State to in-person classroom attendance through the end of the 2019-2020 school year. Subsequent executive orders have been enacted and were aimed at gradually lifting restrictions that were aimed to slow the spread of the Pandemic. However, recent spikes in the number of Covid-19 cases in the State have resulted in the Governor tightening certain restrictions on activities and pausing future phases of reopening. TEA has released guidelines and suggestions for Texas school districts to follow for the 2020-2021 school year in order to receive attendance-based funding and instruct students during the Pandemic. According to the TEA, school districts can opt either a synchronous instruction method, where all participants in virtual classes will need to be present at the same time, or an asynchronous method, which is a self-paced method with periodic instruction from teachers and preassigned work. Both virtual instruction methods will earn school districts full-day funding with some exceptions. Asynchronous instruction requires students to be hands on and requires teachers to engage with students virtually once a day to check for attendance and secure attendance-based funding. The District has elected an asynchronous method for the 2020-2021 school year.

On July 7, 2020, TEA issued public planning health guidance to support school systems in planning for the 2020-2021 school year, addressing on campus and virtual instruction, administrative and extracurricular activities, and school visits. Within the guidance, TEA instructs schools to provide parental and public notices of the school district's plan to follow in order to mitigate COVID-19 within their facilities and confirms the attendance requirements for promotion (which may be completed by virtual education). The guidance further details screening mechanisms, identification of symptoms, and procedures for confirmed, suspected, and exposed cases. Certain actions, such as notification to health department officials and closure of high-traffic areas, will be required in the instance of confirmed cases. Schools are highly encouraged to engage in mitigation practices promoting health and hygiene consistent with guidelines provided by the Centers for Disease Control and Prevention (including social distancing, facial coverings, frequent disinfecting of all areas, limiting visitations, etc.) to avoid unnecessary exposure to others to prevent the spread of COVID-19.



The District continues to monitor the spread of COVID-19 and is working with local, state, and national agencies to address the potential impact of the Pandemic upon the District. While the potential impact of the Pandemic on the District cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the District's operations and financial condition.

The Pandemic has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide. These negative impacts may reduce or negatively affect property values within the District. See "AD VALOREM PROPERTY TAXATION." The Bonds are secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the District's share of operations and maintenance expenses payable from ad valorem taxes.

Additionally, state funding of District operations and maintenance in future fiscal years could be adversely impacted by the negative effects on economic growth and financial markets resulting from the Pandemic. See "CURRENT PUBLIC SCHOOL FINANCE SYSTEM".

In response to the Pandemic, the District adopted a budget for the 2020/21 fiscal year with a 95% estimated tax collection rate, instead of its typical 99% estimated tax collection rate. The District has maintained its payroll throughout the Pandemic and incurred unanticipated expenses related to the acquisition of personal protection equipment and other safety measures, including acquisition of hardware to monitor and manage COVID 19. Although these expenses were

significant, the District maintains a fund balance that exceeds levels contemplated by its current fund balance policy. In addition, the District expects a substantial portion of the District's COVID-19 related expenses to qualify for reimbursement from federal and state sources, including funds received from the federal government pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act and from the Federal Emergency Management Agency. While the District continues to address the Pandemic and incur additional related expenses, the District intends to maintain its fund balance in accordance with its current fund balance policy; however, the District cannot make any representations regarding its ability to maintain its fund balance in excess of the levels contemplated by its current fund balance policy in future years.

For a discussion of the impact of the Pandemic on the PSF, see "THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM – Infectious Disease Outbreak". INFECTIOUS DISEASE OUTBREAK...A respiratory disease named "2019 novel coronavirus" ("COVID-19") has recently spread to many parts of the world, including Texas and elsewhere in the U.S. On March 13, 2020, the U.S. president declared a national emergency and the Governor of Texas (the "Governor") declared COVID-19 as a statewide public health disaster (the "COVID-19 Declarations"). Subsequent actions by the Governor imposed temporary restrictions on certain businesses and ordered all schools in the State to temporarily close. This situation is rapidly developing; for additional information on these events in the State, reference is made to the website of the Governor, <https://gov.texas.gov/>, and, with respect to public school events, the website of TEA, <https://tea.texas.gov/texas-schools/safe-and-healthy-schools/coronavirus-covid-19-support-and-guidance>.



Potential Impact of COVID-19 in the State and Investment Markets

The anticipated continued spread of COVID-19, and measures taken to prevent or reduce its spread, will likely adversely impact State, national and global economic activities and, accordingly, materially adversely impact the financial condition and performance of the State. The continued spread of COVID-19, and measures taken to prevent or reduce its spread, may also adversely affect the tax bases of school districts in the State, including districts that have bonds that are guaranteed under the Guarantee Program.

As noted herein, the PSF investments are in diversified investment portfolios and it is expected that the Fund will reflect the general performance returns of the markets in which it is invested. Stock values, crude oil prices and other investment categories in the U.S. and globally in which the Fund is invested or which provide income to the Fund, have seen significant volatility attributed to COVID-19 concerns, which could adversely affect the Fund's values.

TEA Continuity of Operations

Since 2007, Texas Labor Code Section 412.054 has required each State agency to develop and submit to the State Office of Risk Management an agency-level continuity of operations plan to keep the agency operational in case of disruptions to production, finance, administration or other essential operations. Such plans may be implemented during the occurrence or imminent threat of events such as extreme weather, natural disasters and infectious disease outbreaks. TEA has adopted a continuity of operations plan, which provides



for, among other measures and conditions, steps to be taken to ensure performance of its essential missions and functions under such threats and conditions in the event of a pandemic event. TEA annually conducts risk assessments and risk impact analysis that include stress testing and availability analysis of system resources, including systems that enable TEA employees to work remotely, as is occurring as a result of the COVID-19 declarations. As noted above, under “The School District Bond Guarantee Program,” the Guarantee Program is in significant part an intercept program whereby State funding for school districts and charter districts reimburse the Fund for any guarantee payment from the Fund for a non-performing district. In addition to the continuity of operations plan provisions noted above, the Fund maintains cash positions in its portfolios that are intended to provide liquidity to the Fund for payments under the Guarantee Program pending reimbursement of the Fund by the Comptroller. Fund management is of the view that its liquidity position, which changes from time to time in light of then current circumstances, is sufficient for payment of claims made on the Guarantee Program.

Impact of COVID-19 on School Districts and Charter Districts

TEA cannot predict whether any school or charter district may experience short- or longer-term cash flow emergencies as a direct or indirect effect of COVID-19 that would require a payment from the PSF to be made to a paying agent for a guaranteed bond. Most school district bonds in the State are issued as fixed rate debt, with semiannual payments in February and August. Taxes levied by school districts for payment of bonds are generally collected by the end of January in each year. Consequently, PSF management is of the view that scheduled bond payments for school districts for the 2020 calendar year are unlikely to be affected by COVID-19. TEA has issued guidance to school districts and charter districts regarding, among other matters, the closure of schools, and TEA has established waivers for payment to school districts and charter districts, as such payments are in large part based on school attendance. Those waivers are intended to provide continued funding during the period of closure, although certain of the waivers require schools to provide on-line or at home curriculum in order to benefit from waivers. Reference is made to "Charter School Risk Factors," herein for a description of unique circumstances that pertain to the funding of charter districts.

**Brownsville Independent School District
Summary of Finances (State Aid) FY 2020-2021**

	2020-2021	2019-2020	Difference
PROJECTED AVERAGE DAILY ATTENDANCE (ADA)	37,652	38,952	(1,300)
COMPTROLLER PROPERTY TAX DIVISION - 2020	6,500,979,278	6,198,727,767	302,251,511
BASIC ENTITLEMENT:			
Regular Block Grant	204,450,392	209,541,344	(5,090,952)
Regular Special Education Allotment	41,899,666	37,943,646	3,956,020
Dyslexia Allotment	1,647,184	1,524,503	122,681
Compensatory Education Block Grant	61,233,588	61,259,523	(25,935)
Bilingual Education Allotment	7,700,828	7,880,828	(180,000)
Career & Technology Block Grant	28,106,599	28,108,873	(2,274)
Early Education Allotment	6,179,564	10,961,104	(4,781,540)
CCMR Outcomes Bonus	3,497,000	4,323,000	(826,000)
School Safety Allotment	368,616	378,616	(10,000)
Transpiration Allotment	2,333,652	2,387,652	(54,000)
Dropout Recovery and Residential Placement Facility Allotment	29,291	30,291	(1,000)
College Preparation Assessment Reimbursement	173,083	177,083	(4,000)
Certification Examination Reimbursement	115,289	118,289	(3,000)
Advanced Placement Tests Set-Aside	(5,299)	(5,299)	-
TOTAL COST OF BASIC ENTITLEMENT (TIER 1)	357,729,453	364,629,453	(6,900,000)
Less Per Capita Distribution from Available School Fund	(10,748,238)	(10,508,238)	(240,000)
Less Local Share of Tier 1 Costs	(58,948,168)	(57,648,168)	(1,300,000)
STATE SHARE OF TIER 1 COSTS	288,033,047	296,473,047	(8,440,000)
GUARANTEED YIELD PROGRAM (TIER II) ENTITLEMENT	52,869,021	52,869,021	-
Other Programs	(3,894)	(3,894)	-
Instructional Facilities Allotment (Lease Purchase) - Fund 199	1,494,706	1,494,706	-
Available School Fund	10,748,238	10,508,238	240,000
Existing Debt and Instructional Facilities Allotments - Fund 511	8,486,225	8,686,225	(200,000)
TOTAL STATE FUNDING AS SHOWN ON SOF	361,627,343	370,027,343	(8,400,000)



Local Property Tax Revenue
(From Official Statement of Unlimited Tax Refunding Bonds, Series 2020A&B)

TAX INFORMATION

AD VALOREM TAX LAW . . The appraisal of property within the District is the responsibility of the Cameron County Appraisal District (the “Appraisal District”). Excluding agricultural and open-space land, which may be taxed on the basis of productive capacity, the Appraisal District is required under the Property Tax Code to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, different methods of appraisal may be used, including the cost method of appraisal, the income method of appraisal and market data comparison method of appraisal, and the method considered most appropriate by the chief appraiser is to be used. State law requires the appraised value of a residence homestead to be based solely on the property’s value as a residence homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a residence homestead for a tax year to an amount not to exceed the lesser of (1) the market value of the property, or (2) the sum of (a) 10% of the appraised value of the property for the last year in which the property was appraised for taxation times the number of years since the property was last appraised, plus (b) the appraised value of the property for the last year in which the property was appraised plus (c) the market value of all new improvements to the property. The value placed upon property within the Appraisal District is subject to review by an Appraisal Review Board, consisting of three members appointed by the Board of Directors of the Appraisal District. The Appraisal District is required to review the value of property within the Appraisal District at least every three years. The District may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the District by petition filed with the Appraisal Review Board.



Reference is made to the VTCA, Property Tax Code, for identification of property subject to taxation; property exempt or which may be exempted from taxation, if claimed; the appraisal of property for ad valorem taxation purposes; and the procedures and limitations applicable to the levy and collection of ad valorem taxes.

Article VIII of the State Constitution (“Article VIII”) and State law provide for certain exemptions from property taxes, the valuation of agricultural and open-space lands at productivity value, and the exemption of certain personal property from ad valorem taxation. Certain residence homestead exemptions from ad valorem taxes for public school purposes are mandated by Section 1-b, Article VIII, and State law and apply to the market value of residence homesteads in the following sequence:

\$25,000; and an additional \$10,000 for those 65 years of age or older, or the disabled. A person over 65 and disabled may receive only one \$10,000 exemption, and only one such exemption may be received per family, per residence homestead. State law also mandates a freeze on taxes paid on residence homesteads of persons 65 years of age or older which receive the \$10,000 exemption. Such residence homesteads shall be appraised and taxes calculated as on any other property, but taxes shall never exceed the amount imposed in the first year in which the property received the \$10,000 exemption. The freeze on ad valorem taxes on the homesteads of persons 65 years of age or older and the disabled is also transferable to a different residence homestead. If improvements (other than



repairs or improvements required to comply with governmental requirements) are made to the property, the value of the improvements is taxed at the then current tax rate, and the total amount of taxes imposed is increased to reflect the new improvements with the new amount of taxes then serving as the ceiling on taxes for the following years. Also, a surviving spouse of a taxpayer who qualifies for the freeze on ad valorem taxes is entitled to the same exemption so long as (i) the taxpayer died in a year in which he qualified for the exemption, (ii) the surviving spouse was at least 55 years of age when the taxpayer died and (iii) the property was the residence homestead of the surviving spouse when the taxpayer died and the property remains the residence homestead of the surviving spouse. Pursuant to a constitutional amendment approved by the voters on May 12, 2007, legislation was enacted to reduce the school property tax limitation imposed by the freeze on taxes paid on residence homesteads of persons 65 years of age or over or of disabled persons to correspond to reductions in local school district tax rates from the 2005 tax year to the 2006 tax year and from the 2006 tax year to the 2007 tax year (see “CURRENT PUBLIC SCHOOL FINANCE SYSTEM - Overview” herein). The school property tax limitation provided by the constitutional amendment and enabling legislation apply to the 2007 and subsequent tax years.

In addition, under Section 1-b, Article VIII, and State law, the governing body of a political subdivision, at its option, may grant:

- (i) An exemption of not less than \$3,000 of the market value of the residence homestead of persons 65 years of age or older and the disabled from all ad valorem taxes thereafter levied by the political subdivision;
- (ii) An exemption of up to 20% of the market value of residence homesteads; minimum exemption \$5,000.

After the exemption described in (i) above is authorized, such exemption may be repealed or decreased or increased in amount (a) by the governing body of the political subdivision or (b) by a favorable vote of a majority of the qualified voters at an election called by the governing body of the political subdivision, which election must be called upon receipt of a petition signed by at least 20% of the number of qualified voters who voted in the preceding election of the political subdivision. In the case of a decrease, the amount of the exemption may not be reduced to less than \$3,000 of the market value.



The surviving spouse of an individual who qualifies for the exemption listed in (i) above for the residence homestead of a person 65 or older (but not the disabled) is entitled to an exemption for the same property in an amount equal to that of the exemption for which the deceased spouse qualified if (i) the deceased spouse died in a year in which the deceased spouse qualified for the exemption, (ii) the surviving spouse was at least 55 years of age at the time of the death of the individual's spouse and (iii) the property was the residence homestead of the surviving spouse when the deceased spouse died and remains the residence homestead of the surviving spouse.

In the case of residence homestead exemptions granted under Section 1-b, Article VIII, ad valorem taxes may continue to be levied against the value of homesteads exempted where ad valorem taxes have previously been pledged for the payment of debt if cessation of the levy would impair the obligation of the contract by which the debt was created.

State law and Section 2, Article VIII, mandate an additional property tax exemption for disabled veterans or the surviving spouse or children of a deceased veteran who died while on active duty in the armed forces; the exemption applies to either real or personal property with the amount of assessed valuation exempted ranging from \$5,000 to a maximum of \$12,000.

The freeze on taxes paid on residence homesteads of persons 65 years of age and older was extended to include the resident homesteads of “disabled” persons, including the right to transfer the freeze to a different residence homestead. A “disabled” person is one who is “under a disability for purposes of payment of disability insurance benefits under the Federal Old Age, Survivors and Disability Insurance”.

Section 11.131 of the Texas Property Tax Code states that a disabled veteran who receives from the United States Department of Veterans Affairs or its successor 100% disability compensation due to a service-connected disability and a rating of 100% disabled or of individual unemployability is entitled to an exemption from taxation of the total appraised value of the veteran’s residence homestead. Furthermore, following the approval by the voters at a November 8, 2011 statewide election, effective January 1, 2012, the surviving spouse of a deceased veteran who had received a disability rating of 100% is entitled to receive a residential homestead exemption equal to the exemption received by the deceased spouse until such surviving spouse remarries.

A partially disabled veteran or the surviving spouse of a partially disabled veteran is entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veteran’s disability rating if the residence homestead was donated by a charitable organization either at no cost or at some cost to the disabled veteran in the form of a cash payment, a mortgage, or both in an aggregate amount that is not more than 50 percent of the good faith estimate of the market value of the residence homestead made by the charitable organization as of the date the donation is made.

Also the surviving spouse of a member of the armed forces who is killed in action is entitled to a property tax exemption for all or part of the market value of such surviving spouse’s residence homestead, if the surviving spouse has not remarried since the service member’s death and said property was the service member’s residence homestead at the time of death. Such exemption is transferable to a different property of the surviving spouse, if the surviving spouse has not remarried, in an amount equal to the exemption received on the prior residence in the last year in which such exemption was received.



The surviving spouse of certain specified first responders (including police officers, firefighters, and jailers) who is killed or fatally injured in the line of duty is entitled to a property tax exemption for all or part of the market value of such surviving spouse’s residence homestead, if the surviving spouse has not remarried since the first responder’s death and said property was the first responder’s residence homestead at the time of death. Such exemption is transferable to a different property of the surviving spouse, if the surviving spouse has not remarried, in an amount equal to the exemption received on the prior residence in the last year in which such exemption was received.

Article VIII provides that eligible owners of both agricultural land (Section 1-d) and open-space land (Section 1-d-1), including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity. The same land may not be qualified under both Section 1-d and 1-d-1.

The freeze on ad valorem taxes on the homesteads of persons 65 years of age or older for general elementary and secondary public school purposes is also transferable to a different residence homestead.

The governing body of a political subdivision is prohibited from repealing or reducing the amount of an optional homestead exemption that was in place for the 2014 tax year (fiscal year 2015) for a period ending December 31, 2019.

Nonbusiness personal property, such as automobiles or light trucks, are exempt from ad valorem taxation unless the governing body of a political subdivision elects to tax this property. Boats owned as nonbusiness property are exempt from ad valorem taxation.

Article VIII, Section 1-j of the Texas Constitution provides for “freeport property” to be exempted from ad valorem taxation. Freeport property is defined as goods detained in Texas for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication. Notwithstanding such exemption, counties, school districts, junior college districts and cities may tax such tangible personal property provided official action to tax the same was taken before April 1, 1990. Decisions to continue to tax may be reversed in the future; decisions to exempt freeport property are not subject to reversal.

Article VIII, Section 1-n of the Texas Constitution provides for the exemption from taxation of “goods-in-transit.” “Goods-in transit” is defined by the Texas Property Tax Code as personal property acquired or imported into Texas and transported to another location in the State or outside of the State within 175 days of the date the property was acquired or imported into Texas. The exemption excludes oil, natural gas, petroleum products, aircraft and special inventory, including motor vehicle, vessel and out-board motor, heavy equipment and manufactured housing inventory. The Property Tax Code provision permits local governmental entities, on a local option basis, to take official action after October 1 but by December 31 of the year preceding a tax year, after holding a public hearing, to tax goods-in-transit during the following tax year. A taxpayer may receive only one of the freeport exemptions or the goods-in-transit exemptions for items of personal property.



A city may create a tax increment financing district (“TIF”) within the city with defined boundaries and establish a base value of taxable property in the TIF at the time of its creation. Overlapping taxing units, including school districts, may agree with the city to contribute all or part of future ad valorem taxes levied and collected against the “incremental value” (taxable value in excess of the base value) of taxable real property in the TIF to pay or finance the costs of certain public improvements in the TIF, and such taxes levied and collected for and on behalf of the TIF are not available for general use by such contributing taxing units. Effective September 1, 2001, school districts may not enter into tax abatement agreements under the general statute that permits municipalities and counties to initiate tax abatement agreements. Credit will not be given by the Commissioner of Education in determining a district’s property value wealth per student for (1) the appraisal



value, in excess of the “frozen” value, of property that is located in a tax increment financing zone created after May 31, 1999 (except in certain limited circumstances where the municipality creating the tax increment financing zone gave notice prior to May 31, 1999 to all other taxing units that levy ad valorem taxes in the zone of its intention to create the zone and the zone is created and has its final project and financing plan approved by the municipality prior to August 31, 1999) or (2) for the loss of value of abated property under any abatement agreement entered into after May 31, 1993. Notwithstanding the foregoing, in 2001 the Legislature enacted legislation known as the Texas Economic Development Act, which provides incentives for school districts to grant limitations on appraised property values and provide ad valorem tax credits to certain corporations and limited liability companies to encourage economic development within the district. Generally, during the last eight years of the ten-year term of a tax limitation agreement, the school district may only levy and collect ad valorem taxes for maintenance and operation purposes on the agreed-to limited appraised property value. The taxpayer is entitled to a tax credit from the school district for the amount of taxes imposed during the first two years of the tax limitation agreement on the appraised value of the property above the agreed-to limited value. Additional State funding is provided to a school district for each year of such tax limitation in the amount of the tax credit provided to the taxpayer. During the first two years of a tax limitation agreement, the school district may not adopt a tax rate that exceeds the district’s rollback tax rate (see “TAX INFORMATION - Public Hearing and Rollback Tax Rate” and “TAX INFORMATION - District Application of Tax Code”).

TAX RATE LIMITATIONS . . . A school district is authorized to levy maintenance and operation (“M&O”) taxes subject to approval of a proposition submitted to district voters under Section 45.003(d) of the Texas Education Code. The maximum M&O tax rate that may be levied by a district cannot exceed the voted maximum rate or the maximum rate described in the next succeeding paragraph. The maximum voted M&O tax rate for the District is \$1.50 per \$100 of assessed valuation as approved by the voters at an election held on February 1, 2003 under Chapter 45 of the Texas Education Code.

The maximum tax rate per \$100 of assessed valuation that may be adopted by the District may not exceed the lesser of (A) \$1.50 and (B) the sum of (1) the rate of \$0.17, and (2) the product of the “State Compression Percentage” multiplied by \$1.50. The State Compression Percentage has been set, and will remain, at 66.67% for fiscal year 2017–18 and 2018-19. The State Compression Percentage is set by legislative appropriation for each State fiscal biennium or, in the absence of legislative appropriation, by the Commissioner. For a more



detailed description of the State Compression Percentage, see “CURRENT PUBLIC SCHOOL FINANCE SYSTEM - Local Funding for School Districts.” Furthermore, a school district cannot annually increase its tax rate in excess of the district’s “rollback tax rate” without submitting such tax rate to a referendum election and a majority of the voters voting at such election approving the adopted rate.

See “TAX INFORMATION - Public Hearing and Rollback Tax Rate.”

A school district is also authorized to issue bonds and levy taxes for payment of bonds subject to voter approval of a proposition submitted to the voters under Section 45.003(b)(1), Texas Education Code, which provides a tax unlimited as to rate or amount for the support school district bonded indebtedness (see “THE OBLIGATIONS – Security and Source of Payment”).

Section 45.0031 of the Texas Education Code (“Section 45.0031”), requires a district to demonstrate to the Texas Attorney General that it has the prospective ability to pay its maximum annual debt service on a proposed issue of bonds and all previously issued bonds, other than bonds approved by district voters at an election held on or before April 1, 1991 and issued before September 1, 1992 (or debt issued to refund such bonds, collectively, “exempt bonds”), from a tax levied at a rate of \$0.50 per \$100 of assessed valuation before bonds may be issued. In demonstrating the ability to pay debt service at a rate of \$0.50, a district may take into account EDA and IFA allotments to the district, which effectively reduces the district’s local share of debt service, and may also take into account Tier One funds allotted to the district. The District is

required to deposit any State allotments provided solely for payment of debt service into the District's interest and sinking fund upon receipt of such amounts. In addition, the District must, prior to levying an interest and sinking fund tax rate that exceeds \$0.50 per \$100 of assessed valuation, credit to the interest and sinking fund other State assistance, including Tier One funds that may be used for either operating purposes or for payment of debt service, in an amount equal to the amount needed to demonstrate compliance with the threshold tax rate test and which is received or to be received in that year. Once the prospective ability to pay such tax has been shown and the bonds are issued, a district may levy an unlimited tax to pay debt service. The Obligations are being issued for refunding purposes pursuant to Chapter 1207, Texas Government Code, and the Obligations are, therefore, not subject to the \$0.50 tax rate test; however, taxes levied to pay debt service on such bonds (other than bonds issued to refund exempt bonds) are included in maximum annual debt service for calculation of the \$0.50 threshold tax rate test when applied to subsequent bond issues. Under current law, a district may demonstrate its ability to comply with the \$0.50 threshold tax rate test by applying the \$0.50 tax rate to an amount equal to 90% of projected future taxable value of property in the district, as certified by a registered professional

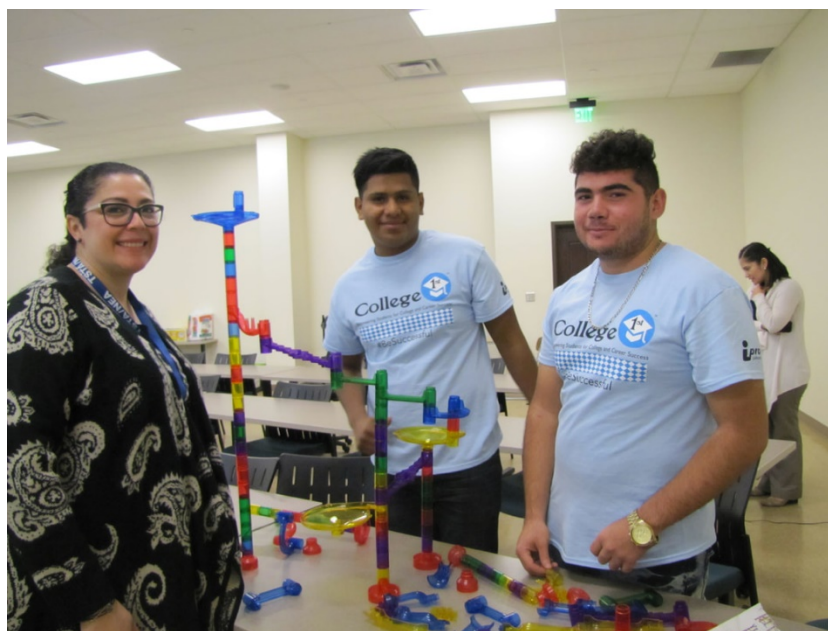


appraiser, anticipated for the earlier of the tax year five years after the current tax year or the tax year in which the final payment for the bonds is due. However, if a district uses projected future taxable values to meet the \$0.50 threshold tax rate test and subsequently imposes a tax at a rate greater than \$0.50 per \$100 of valuation to pay for bonds subject to the test, then for subsequent bond issues, the Texas Attorney General must find that the district has the projected ability to pay principal and interest on the proposed bonds and all previously issued bonds subject to the \$0.50 threshold tax rate test from a tax rate of \$0.45 per \$100 of valuation. The District has not used (i) State assistance other than EDA, IFA, or Tier One allotment funding, if any, or (ii) projected property values to satisfy this threshold test.

PUBLIC HEARING AND ROLLBACK TAX RATE . . In setting its annual tax rate, the governing body of a school district generally cannot adopt a tax rate exceeding the district's "rollback tax rate" without approval by a majority of the voters voting at an election approving the higher rate. The tax rate consists of two components: (1) a rate for funding of maintenance and operation expenditures and (2) a rate for debt service. The rollback tax rate for a school district is

the lesser of (A) the sum of (1) the product of the district's "State Compression Percentage" for that year multiplied by \$1.50, (2) the rate of \$0.04, (3) any rate increase above the rollback tax rate in prior years that were approved by voters, and (4) the district's current debt rate, or (B) the sum of (1) the district's effective maintenance and operations tax rate, (2) the product of the district's State Compression Percentage for that year multiplied by \$0.06; and (3) the district's current debt rate (see "CURRENT PUBLIC SCHOOL FINANCE SYSTEM - Local Funding for School Districts" for a description of the "State Compression Percentage"). If for the preceding tax year a district adopted an M&O tax rate that was less than its effective M&O tax rate for that preceding tax year, the district's rollback tax for the current year is calculated as if the district had adopted an M&O tax rate for the preceding tax year equal to its effective M&O tax rate for that preceding tax year.

The "effective maintenance and operations tax rate" for a school district is the tax rate that, applied to the current tax values, would provide local maintenance and operating funds, when added to State funds to be distributed to the district pursuant to Chapter 42 of the Texas Education Code for the school year beginning in the current tax year, in the same amount as would have been available to the district in the preceding year if the funding elements of wealth equalization and State funding for the current year had been in effect for the preceding year.



Section 26.05 of the Tax Code provides that the governing body of a taxing unit is required to adopt the annual tax rate for the unit before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit, and a failure to adopt a tax rate by such required date will result in the tax rate for the taxing unit for the tax year to be the lower of the effective tax rate calculated for that tax year or the tax rate adopted by the taxing unit for the preceding tax year. Before adopting its annual tax rate, a public meeting must be held for the purpose of adopting a budget for the succeeding year. A notice of public meeting to discuss budget and proposed tax rate must be published in the time, format and manner prescribed in Section 44.004 of the Texas Education Code. Section 44.004(e) of the Texas Education Code provides that a person who owns taxable property in a school district is entitled to an injunction restraining the collection of taxes by the district if the district has not complied with such notice requirements or the language and format requirements of such notice as set forth in Section 44.004(b), (c) and (d), and, if applicable, Subsection (i), and if such failure to comply was not in good faith. Section 44.004(e) further provides the action to enjoin the collection of taxes must be filed before the date

the district delivers substantially all of its tax bills. A district may adopt its budget after adopting a tax rate for the tax year in which the fiscal year covered by the budget begins if the district elects to adopt its tax rate before receiving the certified appraisal roll. A district that adopts a tax rate before adopting its budget must hold a public hearing on the proposed tax rate followed by another public hearing on the proposed budget rather than holding a single hearing on the two items.

PROPERTY ASSESSMENT AND TAX PAYMENT . . .

Property within the District is generally assessed as of January 1 of each year. Business inventory may, at the option of the taxpayer, be assessed as of September 1. The valuation assessment of oil and gas reserves depends upon pricing information in either the standard edition of the Annual Energy Outlook or, if the most recently published edition of the Annual Energy Outlook was published before December 1 of the preceding calendar year, the Short-Term Energy Outlook



report published in January of the current calendar year. Taxes become due October 1 of the same year, and become delinquent on February 1 of the following year. Taxpayers 65 years old or older are permitted by State law to pay taxes on homesteads in four installments with the first installment due on February 1 of each year and the final installment due on August 1.

PENALTIES AND INTEREST . . . Charges for penalty and interest on the unpaid balance of delinquent taxes are made as follows:

Cumulative

Month	Penalty	Interest(b)	Total
February	6%	1%	7%
March	7%	2%	9%
April	8%	3%	11%
May	9%	4%	13%
June	10%	5%	15%
July(a)	12%	6%	18%

(a) After July 1, an additional penalty of up to 20% of the delinquent tax, penalty, and interest is assessed to defray the costs of attorney collection expenses.

(b) Interest continues to accrue after July 1 at the rate of 1% per month until paid.

Taxes levied by the District are a personal obligation of the owner of the property. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties and interest ultimately imposed for the year on the property. The lien exists in favor of the State and each taxing unit, including the District, having the power to tax the property. The District's tax lien is on a parity with tax liens of all other such taxing units. A tax lien on real property has priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien. Personal property under certain circumstances is subject to seizure and sale for the payment of delinquent taxes, penalty and interest. At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. The ability of the District to collect delinquent taxes by foreclosure may be adversely affected by the amount of taxes owed to other taxing units, adverse market conditions, taxpayer redemption rights, or bankruptcy proceedings which restrain the collection of a taxpayer's debt. **Federal bankruptcy law provides that an automatic stay of actions by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.**

THE PROPERTY TAX CODE AS APPLIED TO THE DISTRICT . . .

The District grants an exemption to the market value of the residence homestead of \$25,000; the disabled or person 65 years of age or older are also granted an exemption of \$10,000.

The District has not granted any portion of the local option additional exemption to the market value of residence homesteads.



See Table 1 for a listing of the amounts of the exemptions described above.

Ad valorem taxes are not levied by the District against the exempt value of residence homesteads for the payment of debt.

The District does not tax nonbusiness personal property. The District's current taxes are collected by the Cameron County's Office of the Tax Collector/Assessor, while the delinquent taxes are collected by the law firm of Linebarger, Goggan, Blair & Sampson, LLP.

The Board has approved an additional 20% penalty to defray attorney costs in the collection of delinquent taxes over and above the penalty automatically assessed under the Tax Code. The delinquent tax collection law firm has been approved to assess a 15% penalty for the collection of delinquent taxes.

Except for business inventory, which may at the request of the owner be assessed as of September 1 of each year, the value of property is assessed for purposes of taxation, and the eligibility for an exemption is generally determined on January 1 of each year and taxes levied each year generally become due and payable on October 1 in each year. The District does not allow split payment of taxes and does not allow discounts for early payment of taxes. The District has elected to not allow split payments. Discounts are granted for the payment of current taxes as follows: 3% if paid in October, 2% if paid in November, 1% if paid in December.

The District does not tax freeport property.

The District has not adopted a tax abatement policy.

The District has taken no steps to participate in a tax increment financing zone.

The District does not tax goods-in-transit (i.e. the District has taken no action to continue taxation thereof in the 2012 tax years and beyond).

In addition to estimating revenues from FSP, revenue estimates for local property taxes (to fund local share, interest and sinking, and local enrichment) must be made. Although certified tax rolls are not available until the end of July, for budgetary purposes a school district should make an effort to forecast its revenue from property taxes before completion of the certified tax roll. The appraisal district responsible for the school district's property valuations (Cameron County Appraisal District for Brownsville ISD) usually will have its initial value estimates available in May or June of each year. Business managers should be conservative in making this estimate as the appeals process has not yet been completed. A recap of valuation will be available from the appraisal district throughout the appeals process, and revenue projections can be monitored and changes made before the initial estimates are released. The appraisal district often can communicate perceived trends and make comparisons to previous years about the amount of the projected revenue.

For school districts with available resources, property valuations are an ongoing process which requires continuous monitoring. For example, the process might include activities such as:

- Analyzing market/sales by neighborhood to determine the value of new construction as well as the market value of property in the area
- Reviewing and monitoring the appraisal methods used by the appraisal district to ensure accurate appraisals
- Monitoring the hearing process (including what and how much property is scheduled for hearing and the hearing results)
- Reviewing values by property category (e.g. residential single family, commercial, etc.)
- Preparing interim reports updating actual revenues expected from property taxes for the upcoming fiscal year

In addition, long-term tax roll comparisons are important in examining property tax/value trends and performing historical analysis. Long-term analysis may identify extreme variations in the property tax valuations and establish a baseline for comparing the current fiscal year's projection to past revenues.

Local Property Tax Revenue

The 2019 taxable assessed values for the top 10 taxpayers were as follows:

	Taxpayer	Type of Business	Value	Percent
1	Sharyland Utilities LP	Electric Utility	70,668,720	1.10%
2	CBL SM Brownsville LLP	Real Estate/Shopping Mall	49,578,482	0.77%
3	Columbia Valley Healthcare Sys LP	Healthcare	27,699,023	0.43%
4	AEP Texas Inc	Electric Utility	27,656,821	0.43%
5	VHS Brownsville Hospital Company LLC	Healthcare	25,916,830	0.40%
6	Kimco Brownsville LP	Land/Improvements	22,027,195	0.34%
7	Rich-Seapak Corp	Retail	20,873,990	0.32%
8	H E Butt Grocery Co	Retail	20,113,528	0.31%
9	Trico Products Corp	Agriculture	19,669,056	0.31%
10	Columbia Valley Healthcare Systems LP	Healthcare	15,236,171	0.24%
			299,439,816	4.64%

**Brownsville Independent School District
Local Property Tax Category**

The Chart below reflects the District's certified market values by category for the last four years.

Category	2020	2019	2018	2017	2016
Residential	3,781,930,193	3,493,700,434	4,173,598,218	3,980,295,107	3,898,201,567
Commercial	2,221,143,738	2,100,747,966	1,861,138,618	1,854,690,537	1,816,097,302
Industrial	245,162,195	209,392,574	331,209,738	310,126,063	321,203,761
Oil, Gas, Utilities	115,234,509	166,772,616	123,682,261	105,547,561	75,945,270
Vacant Tracts	301,438,782	309,177,188	445,647,403	444,376,637	429,789,954
Other	46,722,941	45,785,150	485,257,984	481,645,978	492,633,061
Grand Total	6,711,632,358	6,325,575,928	7,420,534,222	7,176,681,883	7,033,870,915
Yearly Change	386,056,430	(1,094,958,294)	243,852,339	142,810,968	279,335,786
% Change	6.1%	-14.8%	3.4%	2.0%	4.1%

**Brownsville Independent School District
Summary of Tax Levies, Rates, and Collections**

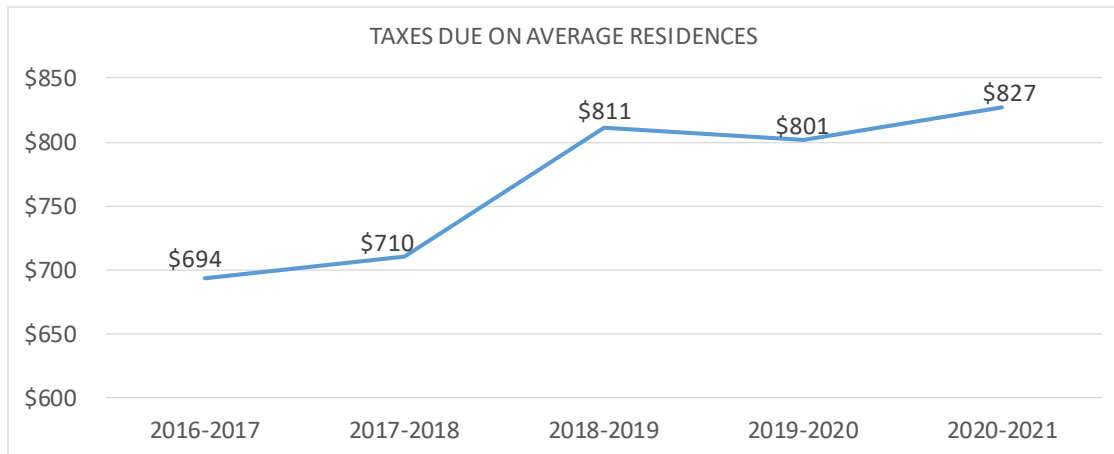
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021 Projected
Property Values						
State Property Tax Division	\$ 5,287,358,457	\$ 5,506,653,073	\$ 5,673,933,416	\$ 5,877,214,172	\$ 6,198,727,767	\$ 6,447,296,750
Taxable Values						
Original Budget	\$ 5,090,417,412	\$ 5,176,875,543	\$ 5,324,637,871	\$ 5,493,510,879	\$ 5,898,364,504	\$ 6,447,296,750
As of End of Year 8/31	\$ 5,287,358,457	\$ 5,506,653,073	\$ 5,673,933,416	\$ 5,877,214,172	\$ 5,886,775,330	\$ 6,576,242,685
Tax Rate						
Local Maintenance	\$ 1.152500	\$ 1.152500	\$ 1.152500	\$ 1.152500	\$ 1.057000	\$ 1.025400
Debt Service	0.000000	0.000000	0.112500	0.112500	0.129706	0.150472
Total	\$ 1.152500	\$ 1.152500	\$ 1.265000	\$ 1.265000	\$ 1.186706	\$ 1.175872
Tax Levy*						
Local Maintenance	\$ 56,897,913	\$ 58,215,304	\$ 59,938,058	\$ 61,956,930	\$ 62,223,215	\$ 67,432,792
Debt Service	-	-	5,850,787	6,047,856	7,635,501	9,895,404
Total	\$ 56,897,913	\$ 58,215,304	\$ 65,788,845	\$ 68,004,786	\$ 69,858,716	\$ 77,328,196
Net Amount Collected**						
Local Maintenance	\$ 60,586,308	\$ 61,973,994	\$ 63,990,614	\$ 65,959,623	\$ 65,569,948	\$ 66,084,137
Debt Service	350,449	107,373	5,899,596	6,350,965	7,909,078	9,697,496
Total	\$ 60,936,757	\$ 62,081,367	\$ 69,890,210	\$ 72,310,588	\$ 73,479,026	\$ 75,781,632
Collections Over (Under) Levy						
Local Maintenance	3,688,395	3,758,690	4,052,556	4,002,693	3,346,733	(1,348,656)
Debt Service	350,449	107,373	48,809	303,109	273,577	(197,908)
Collection Percentage	107.10%	106.64%	106.23%	106.33%	105.18%	98.00%

* To Calculate Tax Bill (Taxable Assessed Value * Tax Rate / \$100 of Taxable Value)
(Taxable Value 2020-2021 \$6,576,242,685 * Tax Rate M&O 1.039/\$100 of Taxable Value = \$68,327,161 Tax Levy)

** FY 2021 Collection Rate 98%
(\$68,327,161 Tax Levy * 98% Collection Rate = \$66,960,618 Projected FY 2021 Collections for M&O)

**Brownsville Independent School District
Comparison of Levy on Average Residence**

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Average Market Value	\$ 84,847	\$ 86,167	\$ 89,595	\$ 93,112	\$ 95,541
Average Taxable Value	\$ 60,211	\$ 61,612	\$ 64,138	\$ 67,511	\$ 70,296
Tax Rate	1.153	1.153	1.265	1.187	1.176
Taxes Due on Average Residence	\$ 694	\$ 710	\$ 811	\$ 801	\$ 827



**2020-2021 Tax Rates
Cameron County School Districts**

<u>SCHOOL DISTRICT</u>	<u>M&O</u>	<u>I&S</u>	<u>TOTAL</u>
Brownsville I.S.D.	1.057000	0.129706	1.186706
Harlingen C.I.S.D.	1.068400	0.148000	1.216400
La Feria I.S.D.	1.068350	0.186000	1.254350
Los Fresnos C.I.S.D.	1.068350	0.119820	1.188170
Lyford C.I.S.D.	1.068400	0.160000	1.228400
Point Isabel I.S.D.	0.970000	0.051900	1.021900
Rio Hondo I.S.D.	1.068300	0.329100	1.397400
San Benito I.S.D.	1.060000	0.244900	1.304900
Santa Maria I.S.D.	1.068350	0.415000	1.483350
Santa Rosa I.S.D.	1.068350	0.276970	1.345320
South Texas I.S.D.	0.049200	-	0.049200

SOURCE: CAMERON COUNTY APPRAISAL DISTRICT WEBSITE &
HIDALGO COUNTY APPRAISAL DISTRICT WEBSITE

**Brownsville Independent School District
10 Year Historical Tax Rates**

Tax Year	School Year	M&O Rate	I&S Rate	Total Rate
2011	2011-2012	1.019100	0.073200	1.092300
2012	2012-2013	1.019100	0.073200	1.092300
2013	2013-2014	1.040000	0.102155	1.142155
2014	2014-2015	1.040000	0.105666	1.145666
2015	2015-2016	1.152500	0.000000	1.152500
2016	2016-2017	1.152500	0.000000	1.152500
2017	2017-2018	1.152500	0.112500	1.265000
2018	2018-2019	1.152500	0.112500	1.265000
2019	2019-2020	1.057000	0.129706	1.186706
2020	2020-2021	1.025400	0.150472	1.175872

**Brownsville Independent School District
9 Year Historical Enrollments
By Campus**

Loc #	CAMPUS	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
001	Hanna Early College High School	2,541	2,582	2,580	2,687	2,709	2,664	2,672	2,744	2,975
002	Porter Early College High School	1,942	1,995	2,000	1,986	1,985	1,978	2,005	2,081	1,991
003	Pace Early College High School	2,067	2,085	2,057	2,074	2,034	1,922	1,869	1,785	1,817
004	Rivera Early College High School	2,385	2,348	2,338	2,384	2,426	2,326	2,281	2,193	2,176
006	Brownsville Learning Academy		127	244	387	328	-	-	-	-
007	Lopez Early College High School	1,985	2,013	2,051	2,024	2,066	2,122	2,111	2,141	2,258
008	Brownsville Early College High School	390	394	412	414	425	374	334	322	310
009	Veterans Memorial Early College High School	2,071	1,988	1,948	1,985	2,064	2,182	2,239	1,950	1,500
127	Lincoln Park Elementary School		69	104	107	103	-	-	-	-
	HIGH SCHOOL TOTALS	13,381	13,601	13,734	14,048	14,140	13,568	13,511	13,216	13,027
042	Cummings Middle School	-	-	-	412	624	675	690	722	746
043	Faulk Middle School	1,152	1,102	1,142	847	865	936	916	833	790
044	Stell Middle School	906	1,098	1,041	970	880	989	1,066	1,058	1,076
045	Oliveira Middle School	978	996	1,098	1,234	1,212	1,231	1,243	1,235	1,196
046	Perkins Middle School	694	710	694	787	823	1,028	1,074	1,055	868
047	Vela Middle School	739	752	797	857	855	904	1,046	1,097	1,156
048	Besteiro Middle School	681	698	705	740	755	826	910	888	899
051	Lucio Middle School	847	849	892	956	1,024	1,019	1,072	1,120	1,122
053	Garcia Middle School	1,113	1,085	1,112	1,091	1,068	1,018	1,073	1,123	1,187
054	Stillman Middle School	1,096	1,098	1,077	1,105	1,044	994	890	908	1,015
055	Manzano Middle School	908	906	938	930	866	899	921	898	687
056	Brownsville Learning Academy Middle School		53	151	-	-	-	-	-	-
	MIDDLE SCHOOL TOTALS	9,114	9,347	9,647	9,929	10,016	10,519	10,901	10,937	10,742
101	Canales Elementary School	808	533	547	604	624	657	663	599	625
102	Cromack Elementary School	561	582	594	617	620	647	705	717	783
103	Longoria Elementary School	-	339	339	372	388	380	411	393	369
104	Martin Elementary School	481	472	473	501	564	622	659	650	685
105	El Jardin Elementary School	449	518	551	634	725	773	774	789	744
106	Garden Park Elementary School	542	569	595	646	695	648	684	695	758
108	Puegnat Elementary School	562	498	458	487	492	515	528	493	503
109	Resaca Elementary School	-	276	274	293	279	285	309	336	337
110	Russell Elementary School	645	664	666	767	853	834	887	906	921
111	Sharp Elementary School	592	482	498	278	515	529	537	528	587
112	Skinner Elementary School	414	425	474	519	547	554	627	696	760
113	Victoria Heights Elementary School	-	311	348	339	363	438	434	436	428
115	Castaneda Elementary School	539	589	631	679	621	568	575	611	622
117	Villa Nueva Elementary School	439	472	508	543	535	535	472	425	415
120	Del Castillo Elementary School	330	339	351	383	413	482	519	538	578
121	Perez Elementary School	676	474	470	491	574	602	629	644	646
122	Palm Grove Elementary School	384	408	440	477	489	573	586	585	633
123	Egly Elementary School	694	729	784	819	857	925	951	988	1,067
124	Garza Elementary School	341	400	425	452	523	589	675	673	721
126	Vermillion Road Elementary School	760	781	825	801	833	895	926	947	986
128	Burns Elementary School	723	754	802	889	911	936	917	911	1,076
129	Morningside Elementary School	503	590	660	720	676	785	746	806	807
130	Gonzalez Elementary School	802	825	845	832	853	899	937	880	924
131	Southmost Elementary School	358	360	396	399	462	454	472	518	582
132	Yturria Elementary School	575	596	590	589	510	508	525	554	564
133	Aiken Elementary School	676	707	739	786	816	805	783	791	912
134	Hudson Elementary School	758	790	804	795	825	836	876	896	1,173
135	Benavides Elementary School	873	819	761	717	683	651	628	667	662
136	Champion Elementary School	794	780	773	781	812	832	867	870	838
137	Paredes Elementary School	872	968	908	932	849	780	851	798	1,074
138	Gallegos Elementary School	514	535	570	638	678	663	697	708	761
139	Ortiz Elementary School	640	624	655	616	673	665	647	625	641
140	Brite Elementary School	584	600	613	613	658	704	746	745	705
141	Pena Elementary School	531	557	604	638	663	673	654	696	705
142	Pullam Elementary School	846	802	726	632	615	579	574	545	516
143	Keller Elementary School	585	592	804	654	681	684	717	670	697
144	Breeden Elementary School	682	694	696	970	718	673	676	639	-
	ELEMENTARY SCHOOL TOTALS	20,533	21,454	22,197	22,903	23,593	24,178	24,864	24,968	25,805
	Total	43,028	44,402	45,578	46,880	47,749	48,265	49,276	49,121	49,574
	Change	(1,374)	(1,176)	(1,302)	(869)	(516)	(1,011)	155	(453)	49,574
	Percent Change	-3.09%	-2.58%	-2.78%	-1.82%	-1.07%	-2.05%	0.32%	-0.91%	

Enrollment Trends and Financial Projections

Current projections indicate a less than 3% enrollment decrease for 2020-2021 from the previous year. The number of students enrolled in the Brownsville school system decreased 3,852 students in the past 3 years, an 8.5% decrease. Projections show a continued decline curve. The econometric models that follow use the standard cohort survival method adjusted by estimated progression rates.

The ethnic composition of the district continues to shift. The district's student population in 2019-2020 was 98.3% Hispanic and 1.4% White. At the same time, for the 2019-2020 school year, the number of economically disadvantaged students in Brownsville schools was 39,260 representing 88.5% of the student population.

The following projections use the "Low Growth" model assuming enrollment decreases approximately 2.5% annually. Projected General Fund local revenues assume nominal increases in taxable value with no increases in the tax rate. Current economic conditions indicate that future State funding will remain flat or decrease, however the impact to school districts cannot be determined at this time. Payroll costs are projected from general pay increases. Assuming no significant changes from current funding levels, minimal staff additions are projected through 2020-2021 in order to help maintain desired fund balance.



**Brownsville Independent School District
Projections
Total Budget (All Funds Combined)**

	2020-2021	PROJECTED		
	BUDGET	2021-2022	2022-2023	2023-2024
REVENUES				
Local and Intermediate Sources	\$ 86,526,817	\$ 379,064,643	\$ 375,376,634	\$ 371,725,506
State Revenues	378,108,194	81,035,425	80,287,271	79,545,266
Federal Revenues	48,502,253	48,017,230	47,537,058	47,061,688
TOTAL REVENUES	\$ 513,137,264	\$ 508,117,299	\$ 503,200,963	\$ 498,332,459
EXPENDITURES				
10 Instruction/Instructional Related Services	\$ 265,522,834	\$ 262,867,606	\$ 260,238,930	\$ 257,636,540
20 Instructional and School Leadership	33,781,936	33,444,117	33,109,675	32,778,579
30 Support Services - Student	97,741,928	96,764,509	95,796,864	94,838,895
40 Administrative Support Services	12,974,998	12,845,248	12,716,796	12,589,628
50 Support Services - Non-Student Based	68,679,848	67,993,050	67,313,119	66,639,988
60 Community Services	551,319	545,806	540,348	534,944
70 Debt Services	31,448,901	31,245,819	31,098,198	30,950,722
80 Facilities Improvement & Construction	1,290,000	1,277,100	1,264,329	1,251,686
90 Inter-governmental Charges	1,145,500	1,134,045	1,122,705	1,111,478
TOTAL EXPENDITURES	\$ 513,137,264	\$ 508,117,299	\$ 503,200,963	\$ 498,332,459
TOTAL REVENUES OVER (UNDER)				
EXPENDITURES	\$ -	\$ 0	\$ 0	\$ 0
Other Resources	-	-	-	-
Less Other Uses	-	-	-	-
FUND BALANCE - BEGINNING (EST)	214,995,958	214,995,958	214,995,959	214,995,959
FUND BALANCE - ENDING (EST)	\$ 214,995,958	\$ 214,995,959	\$ 214,995,959	\$ 214,995,959

**Brownsville Independent School District
Projections
Total Operational Budget (General & Food & Nutrition Services Combined)**

	2020-2021	PROJECTED		
	BUDGET	2021-2022	2022-2023	2023-2024
REVENUES				
Local and Intermediate Sources	\$ 76,263,071	\$ 75,500,440	\$ 74,745,436	\$ 73,997,982
State Revenues	372,526,159	368,800,897	365,112,888	361,461,760
Federal Revenues	48,502,253	48,017,230	47,537,058	47,061,688
TOTAL REVENUES	\$ 497,291,483	\$ 492,318,568	\$ 487,395,382	\$ 482,521,429
EXPENDITURES				
10 Instruction/Instructional Related Services	\$ 265,522,834	\$ 262,867,606	\$ 260,238,930	\$ 257,636,540
20 Instructional and School Leadership	33,781,936	33,444,117	33,109,675	32,778,579
30 Support Services - Student	97,741,928	96,764,509	95,796,864	94,838,895
40 Administrative Support Services	12,974,998	12,845,248	12,716,796	12,589,628
50 Support Services - Non-Student Based	68,679,848	67,993,050	67,313,119	66,639,988
60 Community Services	551,319	545,806	540,348	534,944
70 Debt Services	15,603,120	15,447,089	15,292,618	15,139,692
80 Facilities Improvement & Construction	1,290,000	1,277,100	1,264,329	1,251,686
90 Inter-governmental Charges	1,145,500	1,134,045	1,122,705	1,111,478
TOTAL EXPENDITURES	\$ 497,291,483	\$ 492,318,568	\$ 487,395,382	\$ 482,521,429
TOTAL REVENUES OVER (UNDER)				
EXPENDITURES	\$ -	\$ -	\$ -	\$ -
Other Resources	-	-	-	-
Less Other Uses	-	-	-	-
FUND BALANCE - BEGINNING (EST)	206,107,443	206,107,443	206,107,443	206,107,443
FUND BALANCE - ENDING (EST)	\$ 206,107,443	\$ 206,107,443	\$ 206,107,443	\$ 206,107,443

**Brownsville Independent School District
Projections
Total General Fund Budget**

	2020-2021		PROJECTED	
	BUDGET	2021-2022	2022-2023	2023-2024
REVENUES				
Local and Intermediate Sources	\$ 75,400,070	\$ 74,646,069	\$ 73,899,609	\$ 73,160,613
State Revenues	372,326,159	368,602,897	364,916,868	361,267,700
Federal Revenues	8,850,000	8,761,500	8,673,885	8,587,146
TOTAL REVENUES	\$ 456,576,229	\$ 452,010,467	\$ 447,490,362	\$ 443,015,458
EXPENDITURES				
10 Instruction/Instructional Related Services	\$ 265,522,834	\$ 262,867,606	\$ 260,238,930	\$ 257,636,540
20 Instructional and School Leadership	33,781,936	33,444,117	33,109,675	32,778,579
30 Support Services - Student	57,026,674	56,456,407	55,891,843	55,332,925
40 Administrative Support Services	12,974,998	12,845,248	12,716,796	12,589,628
50 Support Services - Non-Student Based	68,679,848	67,993,050	67,313,119	66,639,988
60 Community Services	551,319	545,806	540,348	534,944
70 Debt Services	15,603,120	15,447,089	15,292,618	15,139,692
80 Facilities Improvement & Construction	1,290,000	1,277,100	1,264,329	1,251,686
90 Inter-governmental Charges	1,145,500	1,134,045	1,122,705	1,111,478
TOTAL EXPENDITURES	\$ 456,576,229	\$ 452,010,467	\$ 447,490,362	\$ 443,015,458
TOTAL REVENUES OVER (UNDER)				
EXPENDITURES	\$ -	\$ -	\$ -	\$ -
Other Resources	-	-	-	-
Less Other Uses	-	-	-	-
FUND BALANCE - BEGINNING (EST)	199,547,334	199,547,334	199,547,334	199,547,334
FUND BALANCE - ENDING (EST)	\$ 199,547,334	\$ 199,547,334	\$ 199,547,334	\$ 199,547,334

**Brownsville Independent School District
Projections
Fund 101 - Food Service Fund**

	2020-2021	PROJECTED		
	BUDGET	2021-2022	2022-2023	2023-2024
REVENUES				
Local and Intermediate Sources	\$ 200,000	\$ 198,000	\$ 196,020	\$ 194,060
State Revenues	863,001	854,371	845,827	837,369
Federal Revenues	39,652,253	39,255,730	38,863,173	38,474,541
TOTAL REVENUES	\$ 40,715,254	\$ 40,308,101	\$ 39,905,020	\$ 39,505,970
EXPENDITURES				
35 Food Service	\$ 40,715,254	\$ 40,308,101	\$ 39,905,020	\$ 39,505,970
TOTAL EXPENDITURES	\$ 40,715,254	\$ 40,308,101	\$ 39,905,020	\$ 39,505,970
TOTAL REVENUES OVER (UNDER) EXPENDITURES	\$ -	\$ -	\$ -	\$ -
FUND BALANCE - BEGINNING (EST)	6,560,109	6,560,109	6,560,109	6,560,109
FUND BALANCE - ENDING (EST)	\$ 6,560,109	\$ 6,560,109	\$ 6,560,109	\$ 6,560,109

**Brownsville Independent School District
Financial Projections
Fund 511 - Debt Service Fund**

	2020-2021	PROJECTED		
	BUDGET	2021-2022	2022-2023	2023-2024
REVENUES				
Local and Intermediate Sources	\$ 10,263,746	\$ 10,263,746	\$ 10,263,746	\$ 10,263,746
State Revenues	5,582,035	5,534,985	5,541,835	5,547,284
Federal Revenues	-	-	-	-
TOTAL REVENUES	\$ 15,845,781	\$ 15,798,731	\$ 15,805,581	\$ 15,811,030
EXPENDITURES				
71 Debt Services	\$ 15,845,781	\$ 15,798,730	\$ 15,805,580	\$ 15,811,030
TOTAL EXPENDITURES	\$ 15,845,781	\$ 15,798,730	\$ 15,805,580	\$ 15,811,030
NET REVENUE OVER (UNDER) EXPENDITURES	\$ -	\$ 0	\$ 0	\$ 0
FUND BALANCE - BEGINNING	8,888,515	8,888,515	8,888,515	8,888,516
FUND BALANCE - ENDING	\$ 8,888,515	\$ 8,888,515	\$ 8,888,516	\$ 8,888,516
DEBT SERVICE TAX RATE	\$ 0.150472	\$ 0.150472	\$ 0.150472	\$ 0.150472

**Brownsville ISD Econometric Model for Predicting
Enrollment and Financial Operations**

SECTION 1 - ENROLLMENT HISTORY AND PROJECTIONS:

YEAR	EE/ Pre-K	K	1	2	3	4	5	6	7	8	9	10	11	12	Change		
															Amount	%	
2015-2016	3,478	3,003	3,499	3,582	3,333	3,310	3,418	3,376	3,357	3,455	3,994	3,643	3,504	2,797	47,749	(606)	-1.25%
2016-2017	3,335	2,963	3,330	3,293	3,405	3,267	3,283	3,377	3,388	3,298	3,848	3,643	3,441	3,009	46,880	(869)	-1.82%
2017-2018	3,589	2,690	3,197	3,017	3,150	3,296	3,154	3,097	3,274	3,290	3,638	3,520	3,548	3,118	45,578	(1,302)	-2.78%
2018-2019	3,668	2,626	3,007	2,946	2,874	3,063	3,252	3,002	3,128	3,202	3,649	3,373	3,373	3,239	44,402	(1,176)	-2.58%
2019-2020	3,650	2,545	2,786	2,773	2,868	2,850	3,056	3,023	2,984	3,112	3,640	3,425	3,214	3,102	43,028	(1,374)	-3.09%
4 Year Progression Rates:																	
ENROLLMENT PROJECTIONS:																	
LOW GROWTH MODEL - Progression Rate -2.50%																	
2020-2021	3,500	2,555	2,755	2,655	2,755	2,780	2,980	3,080	2,980	2,880	3,483	3,283	3,183	3,083	41,952	(1,076)	-2.50%
2021-2022	3,450	2,505	2,680	2,580	2,680	2,705	2,905	3,005	2,905	2,805	3,396	3,196	3,096	2,996	40,904	(1,048)	-2.50%
2022-2023	3,400	2,455	2,630	2,530	2,630	2,655	2,855	2,955	2,855	2,755	3,265	3,065	2,965	2,865	39,880	(1,024)	-2.50%
2023-2024	3,350	2,405	2,580	2,480	2,580	2,605	2,805	2,905	2,805	2,705	3,141	2,941	2,841	2,741	38,884	(996)	-2.50%
2024-2025	3,300	2,355	2,530	2,430	2,530	2,555	2,755	2,855	2,755	2,655	3,024	2,824	2,724	2,621	37,913	(971)	-2.50%
HIGH GROWTH MODEL - Progression Rate 0.00%																	
2020-2021	3,500	2,555	2,755	2,755	2,855	2,880	3,080	3,180	3,080	2,980	3,559	3,383	3,283	3,183	43,028	-	0.00%
2021-2022	3,500	2,555	2,767	2,755	2,755	2,855	3,080	3,080	3,180	3,080	3,496	3,559	3,383	3,183	43,028	-	0.00%
2022-2023	3,550	2,655	2,767	2,767	2,755	2,755	2,855	2,880	3,080	3,180	3,446	3,496	3,559	3,283	43,028	-	0.00%
2023-2024	3,575	2,705	2,830	2,854	2,767	2,755	2,755	2,855	2,880	3,080	3,471	3,446	3,496	3,559	43,028	-	0.00%
2024-2025	3,600	2,755	2,780	2,880	2,854	2,767	2,805	2,805	2,905	2,943	3,521	3,471	3,446	3,496	43,028	-	0.00%

**Brownsville ISD Econometric Model
for Predicting Enrollment and
Financial Operations**

SECTION 2 - STAFFING REQUIREMENTS:

Year	Enrollment	Teachers	Student/ Teacher Ratio	Instructional Aides	Teacher/ Aide Ratio	Other Staff	Teacher/ Other Ratio	Total Staff	Total Payroll Budgets
HISTORICAL:									
2015-2016	47,749	3,180.10	15.01	759.84	4.19	3,276.75	0.97	7,216.69	352,531,416
2016-2017	46,880	3,025.84	15.49	681.82	4.44	3,134.48	0.97	6,842.14	346,974,042
2017-2018	45,578	2,956.23	15.42	774.99	3.81	2,924.72	1.01	6,655.94	349,297,937
2018-2019	44,402	2,911.53	15.25	771.71	3.77	2,933.78	0.99	6,617.02	350,094,540
2019-2020	43,028	2,859.18	15.05	774.11	3.69	2,857.55	1.00	6,490.84	365,705,266
PROJECTED:									
LOW GROWTH MODEL									
2020-2021	41,952	2,809.18	14.93	754.11	3.73	2,832.05	0.99	6,395.34	381,514,000
2021-2022	40,904	2,759.18	14.82	744.11	3.71	2,792.05	0.99	6,295.34	383,075,198
2022-2023	39,880	2,710.18	14.71	734.11	3.69	2,751.05	0.99	6,195.34	384,410,967
2023-2024	38,884	2,662.18	14.61	724.11	3.68	2,709.05	0.98	6,095.34	385,481,963
2024-2025	37,913	2,615.18	14.50	714.11	3.66	2,666.05	0.98	5,995.34	386,141,163
HIGH GROWTH MODEL									
2020-2021	43,028	2,809.18	15.32	754.11	3.73	2,832.05	0.99	6,395.34	387,584,996
2021-2022	43,028	2,809.18	15.32	754.11	3.73	2,832.05	0.99	6,395.34	393,655,992
2022-2023	43,028	2,809.18	15.32	754.11	3.73	2,832.05	0.99	6,395.34	399,726,988
2023-2024	43,028	2,809.18	15.32	754.11	3.73	2,832.05	0.99	6,395.34	405,797,984
2024-2025	43,028	2,809.18	15.32	754.11	3.73	2,832.05	0.99	6,395.34	411,868,980

**Brownsville ISD Econometric Model
for Predicting Enrollment and
Financial Operations**

SECTION 3 - PROJECTED EXPENDITURES:

Year	Payroll 6100	Contracted Services 6200	Supplies & Materials 6300	Other Expenses 6400	Debt Service 6500	Capital Outlay 6600	Other Uses 8000	Totals
HISTORICAL:								
2015-2016	352,531,416	33,833,525	40,096,781	10,924,607	20,558,243	13,849,554	-	471,794,126
2016-2017	346,974,042	30,667,491	39,772,341	10,401,632	20,967,067	20,956,444	-	469,739,017
2017-2018	349,297,937	30,234,536	42,898,796	10,727,578	21,840,818	9,218,856	5,500,369	469,718,890
2018-2019	350,094,540	29,423,655	37,966,700	11,470,807	27,133,081	36,492,465	-	492,581,247
2019-2020	365,705,266	30,991,605	37,072,093	9,708,952	31,442,217	31,293,471	-	506,213,603
PROJECTED:								
LOW GROWTH MODEL								
2020-2021	381,514,000	35,251,201	46,177,844	14,850,540	31,448,901	3,894,778	-	513,137,264
2021-2022	383,075,198	33,488,641	43,868,952	14,108,013	29,876,456	3,700,039	-	508,117,299
2022-2023	384,410,967	31,814,209	41,675,504	13,402,612	28,382,633	3,515,037	-	503,200,963
2023-2024	385,481,963	30,223,498	39,591,729	12,732,482	26,963,501	3,339,285	-	498,332,459
2024-2025	386,141,163	28,712,324	37,612,143	12,095,858	25,615,326	3,172,321	-	493,349,135
HIGH GROWTH MODEL								
2020-2021	381,514,000	35,251,201	46,177,844	14,850,540	31,448,901	3,894,778	-	513,137,264
2021-2022	393,655,992	33,312,790	43,868,952	14,108,013	26,343,807	3,700,039	-	514,989,593
2022-2023	399,726,988	31,716,683	41,675,504	13,402,612	26,800,282	3,515,037	-	516,837,106
2023-2024	405,797,984	30,204,779	39,591,729	12,732,482	26,935,153	3,339,285	-	518,601,412
2024-2025	411,868,980	28,772,907	37,612,143	12,095,858	26,616,721	3,172,321	-	520,138,929

**Brownsville ISD Econometric Model
for Predicting Enrollment and
Financial Operations**

SECTION 4 - REVENUES:

A. Tax Base Revenue Calculation:

Year	% Change	Taxable Value	M&O Tax Rate	Tax Assessed	Collection Rate	Current Year Collections
HISTORICAL:						
2015-2016	(214,119,361)	5,287,358,457	1.0400	\$ 56,897,913	101%	\$ 57,727,162
2016-2017	219,294,616	5,506,653,073	1.1525	\$ 58,215,304	98%	\$ 56,897,913
2017-2018	167,280,343	5,673,933,416	1.1525	\$ 59,938,058	97%	\$ 58,215,304
2018-2019	203,280,756	5,877,214,172	1.1525	\$ 61,956,930	106%	\$ 65,788,845
2019-2020	321,513,595	6,198,727,767	1.1525	\$ 62,223,215	109%	\$ 68,004,786
PROJECTED:						
LOW GROWTH MODEL 2% Increase Per Year						
2020-2021	248,568,983	6,447,296,750	1.1525	\$ 74,305,095	90%	\$ 66,962,102
2021-2022	128,945,935	6,576,242,685	1.1525	\$ 75,791,197	90%	\$ 68,212,077
2022-2023	131,524,854	6,707,767,539	1.1525	\$ 77,307,021	90%	\$ 69,576,319
2023-2024	134,155,351	6,841,922,889	1.1525	\$ 78,853,161	90%	\$ 70,967,845
2024-2025	136,838,458	6,978,761,347	1.1525	\$ 80,430,225	90%	\$ 72,387,202
HIGH GROWTH MODEL 3% Increase per Year						
2020-2021	248,568,983	6,447,296,750	1.1525	\$ 74,305,095	90%	\$ 66,962,102
2021-2022	193,418,903	6,640,715,653	1.1525	\$ 76,534,248	90%	\$ 68,880,823
2022-2023	199,221,470	6,839,937,122	1.1525	\$ 78,830,275	90%	\$ 70,947,248
2023-2024	205,198,114	7,045,135,236	1.1525	\$ 81,195,184	90%	\$ 73,075,665
2024-2025	211,354,057	7,256,489,293	1.1525	\$ 83,631,039	90%	\$ 75,267,935

**Brownsville ISD Econometric Model
for Predicting Enrollment and
Financial Operations**

SECTION 4 - REVENUES:

B. State Foundation School Program (FSP) Funding:

Year	Enrollment	Attendance	ADA	FSP Aid	
				Total	Per Student
HISTORICAL:					
2015-2016	47,749	91.81%	43,838	338,207,310	7,715.01
2016-2017	46,880	92.00%	43,129	323,117,154	7,491.93
2017-2018	45,578	91.28%	41,602	326,129,969	7,839.29
2018-2019	44,402	90.73%	40,287	307,681,852	7,637.20
2019-2020	43,028	90.53%	38,953	346,966,058	8,907.41
PROJECTED:					
LOW GROWTH MODEL					
2020-2021	41,952	91.38%	38,337	335,411,865	8,749.07
2021-2022	40,904	91.38%	37,378	329,200,766	8,807.32
2022-2023	39,880	91.38%	36,442	323,139,100	8,867.13
2023-2024	38,884	91.38%	35,532	317,243,182	8,928.33
2024-2025	37,913	91.38%	34,645	311,495,254	8,991.09
HIGH GROWTH MODEL					
2020-2021	43,028	91.38%	39,320	335,411,865	8,530.28
2021-2022	43,028	91.38%	39,319	335,404,315	8,530.34
2022-2023	43,028	91.38%	39,319	335,404,315	8,530.34
2023-2024	43,028	91.38%	39,319	335,404,315	8,530.34
2024-2025	43,028	91.38%	39,319	335,404,315	8,530.34

**Brownsville ISD Econometric Model
for Predicting Enrollment and
Financial Operations**

SECTION 4 - REVENUES:

C. Other estimated funding provided from sources as indicated include:

Food Nutrition Services	\$ 36,791,384
TRS On Behalf Payments	20,055,000
Debt Service Tax Revenues	15,845,781
Per Capita Apportionment	15,533,160
Federal Revenues Distribution by TEA	6,160,869
Delinquent Taxes, Penalties, & Interest	5,250,000
SHARS/Medicaid Reimbursements	4,500,000
Investment Income	2,018,000
Other Local Revenues	1,632,969
Misc. State Revenues - TEA	1,491,134
Other Federal Revenues	1,050,000
Athletics	400,000
Other State Revenues	35,000
Total Other Funding Sources	<u>\$110,763,297</u>

**for Predicting Enrollment and
Financial Operations**

SECTION 4 - REVENUES:

D. Summary of Funding:

Year	Current Taxes	State FSP Aid	Other Funding	Total Revenue
HISTORICAL:				
2015-2016	57,727,162	338,207,310	94,598,766	490,533,238
2016-2017	56,897,913	323,117,154	104,182,882	484,197,949
2017-2018	58,215,304	326,129,969	163,664,853	548,010,126
2018-2019	65,788,845	307,681,852	119,103,747	492,574,444
2019-2020	68,004,786	346,966,058	96,753,641	511,724,485
PROJECTED:				
LOW GROWTH MODEL				
2020-2021	66,962,102	335,411,865	110,763,297	513,137,264
2021-2022	68,212,077	329,200,766	110,704,455	508,117,299
2022-2023	69,576,319	323,139,100	110,485,545	503,200,963
2023-2024	70,967,845	317,243,182	110,121,432	498,332,459
2024-2025	72,387,202	311,495,254	109,466,679	493,349,135
HIGH GROWTH MODEL				
2020-2021	66,962,102	335,411,865	110,763,297	513,137,264
2021-2022	68,880,823	335,404,315	110,704,455	514,989,593
2022-2023	70,947,248	335,404,315	110,485,544	516,837,106
2023-2024	73,075,665	335,404,315	110,121,432	518,601,412
2024-2025	75,267,935	335,404,315	109,466,679	520,138,929

**Brownsville ISD Econometric Model
for Predicting Enrollment and
Financial Operations**

SECTION 5 - SUMMARY FINANCIAL PROJECTIONS:

Year	Revenues	Expenditures	Revenues Over	Unassigned Fund Balance		Projected
			(Under) Expenditures	Beginning	Ending	M&O Tax Rate
HISTORICAL:						
2015-2016	490,533,238	471,794,126	18,739,112	113,732,415	132,471,527	1.0400
2016-2017	484,197,949	469,739,017	14,458,932	132,471,527	146,930,459	1.1525
2017-2018	548,010,126	469,718,890	78,291,236	146,930,459	225,221,696	1.1525
2018-2019	492,574,444	492,581,247	(6,803)	225,221,696	225,214,892	1.1525
2019-2020	511,724,485	506,213,603	5,510,882	225,214,892	230,725,774	1.1525
PROJECTED:						
LOW GROWTH MODEL						
2020-2021	513,137,264	513,137,264	-	230,725,774	230,725,774	1.15250
2021-2022	508,117,299	508,117,299	0	230,725,774	230,725,774	1.15250
2022-2023	503,200,963	503,200,963	0	230,725,774	230,725,775	1.15250
2023-2024	498,332,459	498,332,459	0	230,725,775	230,725,775	1.15250
2024-2025	493,349,135	493,349,135	0	230,725,775	230,725,775	1.15250
HIGH GROWTH MODEL						
2020-2021	513,137,264	513,137,264	-	230,725,774	230,725,774	1.15250
2021-2022	514,989,593	514,989,593	(0)	230,725,774	230,725,774	1.15250
2022-2023	516,837,106	516,837,106	0	230,725,774	230,725,774	1.15250
2023-2024	518,601,412	518,601,412	0	230,725,774	230,725,774	1.15250
2024-2025	520,138,929	520,138,929	(0)	230,725,774	230,725,774	1.15250

**Brownsville Independent School District
Staffing Summary
All Funds**

	<u>2020-2021 (Est)</u>	<u>2019-2020</u>	<u>2018-2019</u>	<u>2017-2018</u>	<u>2016-2017</u>	<u>2015-2016</u>	<u>2014-2015</u>	<u>2013-2014</u>	<u>2012-2013</u>
Professional Staff									
Teachers	2,809.18	2,859.18	2,911.53	2,956.23	3,025.84	3,180.10	3,253.39	3,156.92	3,200.55
Support Staff									
Counselors	155.92	158.92	152.46	151.14	162.38	151.04	156.06	152.83	135.25
Librarians	57.84	57.84	58.95	58.23	58.43	60.02	60.00	58.21	60.00
Nurses	54.00	54.00	59.00	61.59	64.88	64.43	65.81	63.62	63.64
Other Support Staff	354.40	361.40	356.30	346.25	331.70	385.30	401.36	379.22	389.62
	<u>622.16</u>	<u>632.16</u>	<u>626.71</u>	<u>617.21</u>	<u>617.39</u>	<u>660.79</u>	<u>683.23</u>	<u>653.88</u>	<u>648.51</u>
Administration									
Athletic Directors	4.08	4.08	5.52	5.49	5.21	7.26	7.00	7.00	6.00
Asst. Principals	120.27	120.27	127.73	127.29	141.19	139.09	143.28	130.81	132.14
Principals	54.41	54.41	56.84	57.61	59.37	60.00	56.30	55.05	58.36
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Asst. Superintendents	8.00	8.00	7.00	7.00	7.00	7.00	8.00	6.97	5.86
CFO	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Admin	<u>188.76</u>	<u>188.76</u>	<u>199.09</u>	<u>199.39</u>	<u>214.77</u>	<u>215.35</u>	<u>216.58</u>	<u>201.83</u>	<u>204.36</u>
Total Professional Staff	<u>3,620.10</u>	<u>3,680.10</u>	<u>3,737.33</u>	<u>3,772.83</u>	<u>3,858.00</u>	<u>4,056.24</u>	<u>4,153.20</u>	<u>4,012.63</u>	<u>4,053.42</u>
Paraprofessional Staff	754.11	774.11	771.71	774.99	681.82	759.84	788.44	763.11	783.81
Auxiliary Staff	<u>2,021.13</u>	<u>2,036.63</u>	<u>2,107.98</u>	<u>2,108.12</u>	<u>2,302.32</u>	<u>2,400.61</u>	<u>2,500.71</u>	<u>2,406.86</u>	<u>2,417.47</u>
Total Personnel	<u>6,395.34</u>	<u>6,490.84</u>	<u>6,617.02</u>	<u>6,655.94</u>	<u>6,842.14</u>	<u>7,216.69</u>	<u>7,442.35</u>	<u>7,182.60</u>	<u>7,254.70</u>

Teaching Staff

Teacher Profile

The school district employs 2,809 teachers reflecting a diverse group of qualified and caring professionals. The Texas Education Agency's 2018-2019 Texas Academic Performance Report formerly called the AEIS, Academic Excellence Indicator System reports that BISD teachers have an average of 15.1 years of experience and earn an average salary of \$55,810, 19.4% of the teachers hold advanced degrees. They are 8.9% white and 90.3% Hispanic. Special stipends are offered to bilingual and special education teachers in an effort to attract qualified individuals to fill these critical positions.

Teacher Recruiting and Retention

One of the district goals is to actively recruit, develop and retain a highly qualified and caring staff. Increases in teacher salaries and improved benefits over the past few years have helped the district stay competitive with surrounding districts.

Staff Development

Teacher training occurs throughout the year on special wavier days approved by the state. On these staff development days, students remain home while their teachers go to class to learn new teaching strategies or techniques. The faculty on each campus will use some of the time for team and campus planning in preparation of new academic programs that are being introduced on site. Staff development topics are initiated by the campus principal to reflect the needs of the students

and teaching staff on each campus. If several campuses ask for the same training, the district's central office personnel plan and arrange a series of classes or seminars available for all who are interested. The programs may be after school hours, during school hours with substitutes provided, during the summer, on weekends or during one of the designated staff development days. BISD has had as many as nine state approved staff development days per year.

Salary Comparisons to Other Districts

District administrators have identified those neighboring districts that tend to entice teachers away from Brownsville ISD. For several years, the steps on the low end of the pay scale received most of the attention in order to enhance the district's recruiting efforts. In more recent years, the district has been able to make some major adjustments to the teacher pay scale, turning the focus to our retention effort, thus addressing the needs of the more experienced teaching staff. The board is committed to future pay scale adjustments that may be required to ensure that the district remains competitive and is not a "training ground" for other districts.

Salary Schedule Overview

The District maintains a goal of having competitive salary schedules for its employees. Annual comparisons are made with area school districts to establish benchmark rates of pay for comparable jobs. In the process of budget development, salaries are given top budgetary consideration each year.

Each year's salary schedule is valid for placement for that year only. The old step method of advancing salaries does not apply. However, on some pay scales, the term "Step" is used as a point of reference corresponding to one's years of experience. Sometimes, employees mistakenly look at the salary schedule on a multi-year basis to determine their projected earnings in some future year. Again, the schedule for the year under review is only applicable for that year.

Movement from one pay grade to another occurs only if the individual is recommended for and receives a reclassification due to changing job responsibilities. The Board of Trustees approves all reclassifications, generally during budget development.

Types of Salary Schedules

The District uses four different salary schedules to determine base salaries for general groupings of employees.

These schedules are:

- Teachers and Librarians
- Counselor
- Administrator Educator
- Administrator Business Management
- Professional Instructional Support
- JROTC Salary Formula
- Technology

- Police & Security
- Clerical Administrative
- Instructional Support
- Manual Trades
- Substitute Teacher

Each salary schedule is composed of multiple pay grades. Each pay grade has a minimum, maximum and midpoint value.

How Salary Increases Are Computed

Salary increases are computed in a two-phase process. First, the senior staff determines, with guidance from the Board, the level to be granted in the General Pay Increase (GPI). In general, the District grants 3 types of increases based on the GPI percentage applied to the mid-point of the salary range, a dollar amount per year applied "Across the Board" and an hourly rate also applied to the entire schedule. In addition to the GPI, individual positions within the range may receive "equity adjustments" to recognize corrections that are needed due to a variety of causes. These equity adjustments represent the second phase of the process. Any equity adjustments and/or deviations from the pay scales are reviewed closely by the administration and approved by the School Board.

Brownsville Independent School District

2020-2021 Teacher and Librarian Hiring Salary Schedule

Years of Experience	New Hire Salary
0	\$46,525
1	\$47,025
2	\$47,750
3	\$48,475
4	\$49,200
5	\$49,922
6	\$50,938
7	\$51,458
8	\$51,612
9	\$51,739
10	\$52,466
11	\$53,194
12	\$53,923
13	\$54,651
14	\$55,378
15	\$56,106
16	\$56,834
17	\$57,562
18	\$58,290
19	\$59,017
20	\$59,745
21	\$60,472
22	\$61,201
23	\$61,929
24	\$62,656
25	\$63,384
26	\$64,111
27	\$64,840
28	\$65,568
29	\$66,295
30	\$67,023
31	\$67,750
32	\$68,479
33	\$69,208
34	\$69,937
35+	\$70,666

Board Approved: June 25, 2020

Brownsville Independent School District
Outstanding General Obligations Debt Service by Principal and Interest
As of June 30, 2020

Date			Annual
30-Jun	Principal	Interest	Debt Service
2020	\$ 11,220,000	\$ 4,623,880	\$ 15,843,880
2021	11,735,000	4,107,780	15,842,780
2022	12,225,000	3,568,730	15,793,730
2023	12,795,000	3,005,580	15,800,580
2024	13,390,000	2,416,030	15,806,030
2025	12,080,000	1,856,484	13,936,484
2026	12,605,000	1,326,024	13,931,024
2027	13,160,000	765,130	13,925,130
2028	1,985,000	219,025	2,204,025
2029	2,065,000	137,625	2,202,625
2030	2,150,000	43,000	2,193,000
Total	<u>\$ 105,410,000</u>	<u>\$ 3,077,800</u>	<u>\$ 127,479,290</u>

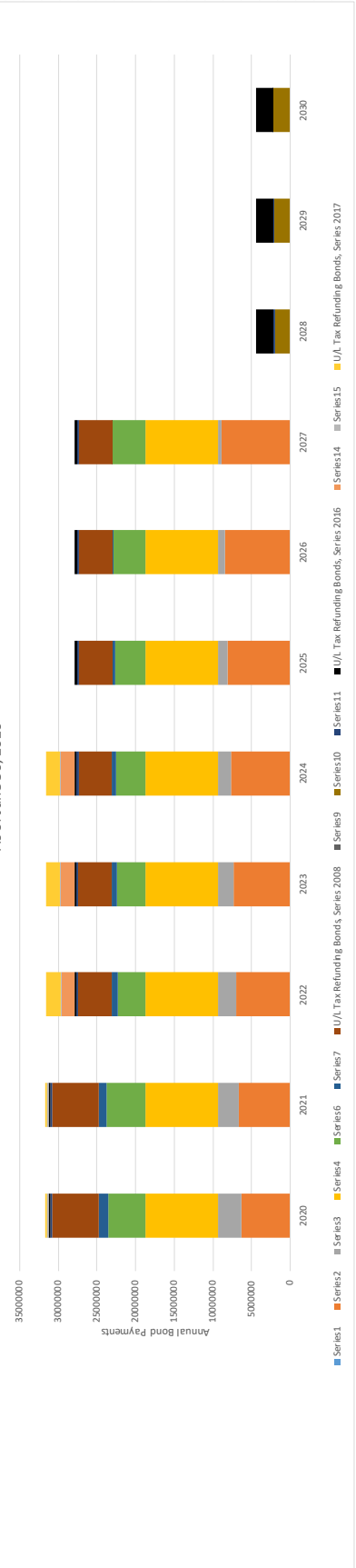
Note: Debt service payments reflect payments from July 1 through June 30.

**Brownsville Independent School District
General Obligation Debt Service by Series
As of June 30, 2020**

Date 30-Jun	Series 2013A		Series 2013B		Series 2015		Series 2018		Series 2018 - Interest		Series 2015 - Interest		Series 2018 - Interest		Series 2015 - Interest		Series 2018 - Interest		Annual Debt Service \$	
	2013A	2013A - Interest	2013B	2013B - Interest	2015	2015 - Interest	2018	2018 - Interest	2015	2015 - Interest	2018	2018 - Interest	2015	2015 - Interest	2018	2018 - Interest	2015	2015 - Interest		
2020	6,330,000	3,021,500	4,890,000	1,144,380	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,843,880	
2021	6,645,000	2,705,000	5,090,000	944,780	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,842,780	
2022	6,975,000	2,372,750	3,585,000	771,280	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,793,730	
2023	7,325,000	2,024,000	3,730,000	624,980	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,890,580	
2024	7,695,000	1,657,750	3,870,000	472,980	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,806,030	
2025	8,075,000	1,273,000	4,005,000	334,684	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,936,484	
2026	8,480,000	869,250	4,125,000	207,974	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,931,024	
2027	8,905,000	445,250	4,255,000	71,080	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,925,130	
2028	-	-	-	-	1,985,000	-	219,025	-	-	-	-	-	-	-	-	-	-	-	2,204,025	
2029	-	-	-	-	2,065,000	-	137,625	-	-	-	-	-	-	-	-	-	-	-	2,202,625	
2030	-	-	-	-	2,150,000	-	43,000	-	-	-	-	-	-	-	-	-	-	-	2,193,000	
	60,430,000	14,368,500	33,350,000	4,572,140	6,200,000	2,390,050	5,230,000	738,600	-	-	-	-	-	-	-	-	-	-	\$ 127,479,290	
																				\$ 5,968,600
																				\$ 8,590,050
																				\$ 38,122,140

Note: Debt service payments reflect payments from July 1 through June 30.

**Brownsville Independent School District
Outstanding General Obligations Debt Service by Series
As of June 30, 2020**



**Brownsville Independent School District
 Percentage of Free or Reduced-Price Meals
 For the Past 4 Fiscal Years and Budget Year**

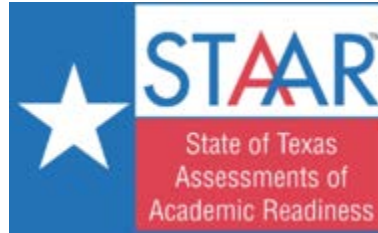
	Provision 2 FY 2017	Provision 2 FY 2018	Provision 2 (9 Months) CEP (2 Months) FY 2019	CEP FY 2020	CEP FY 2021
Free	95.80%	95.80%	95.88%	100.00%	100.00%
Reduced	4.20%	4.20%	4.12%	0.00%	0.00%
Paid	0.00%	0.00%	0.00%	0.00%	0.00%



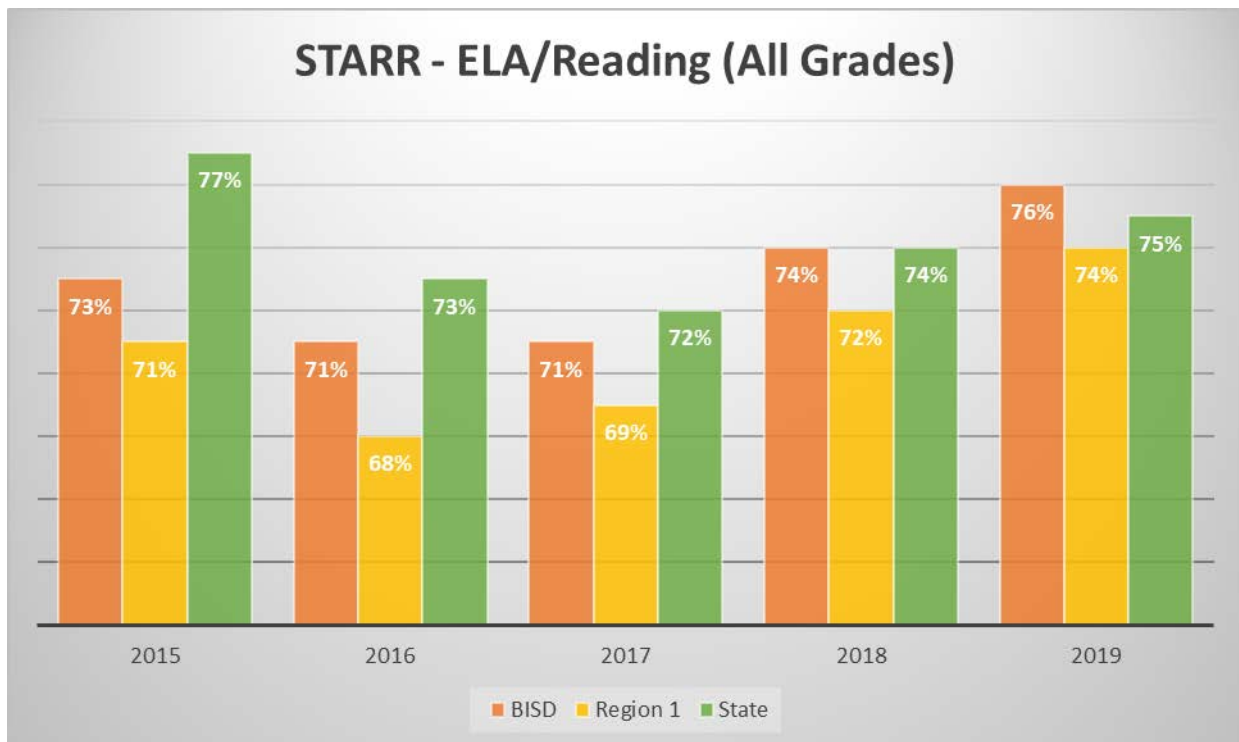
**2019 PERFORMANCE MEASURES, CHARTS, AND
ACCOUNTABILITY SUMMARY**

*“Brownsville ISD –
The Best Choice!”*

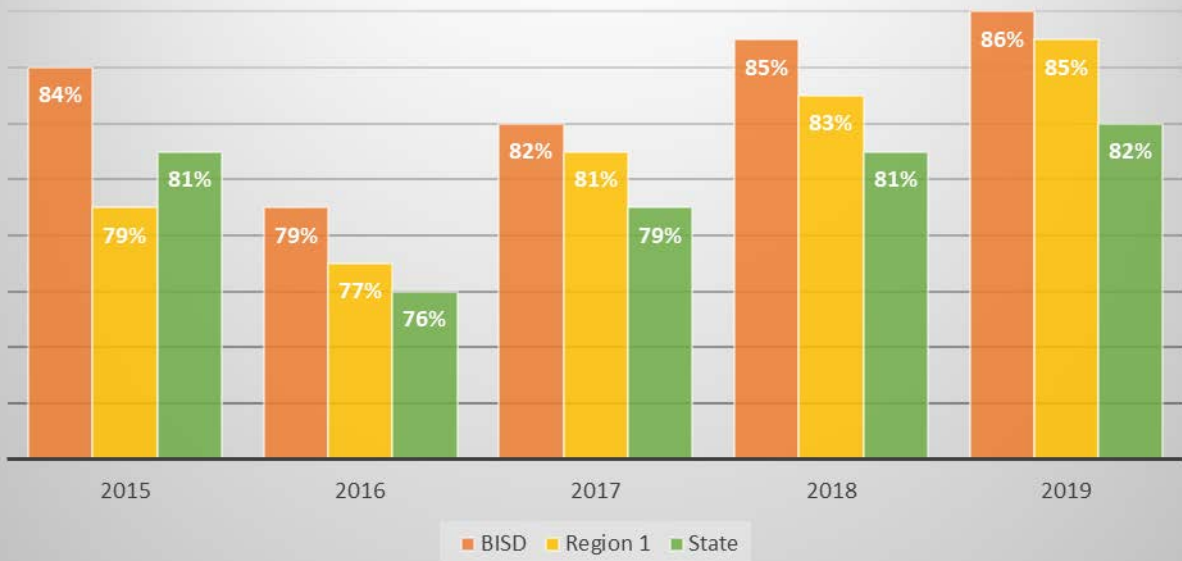
Performance Measures



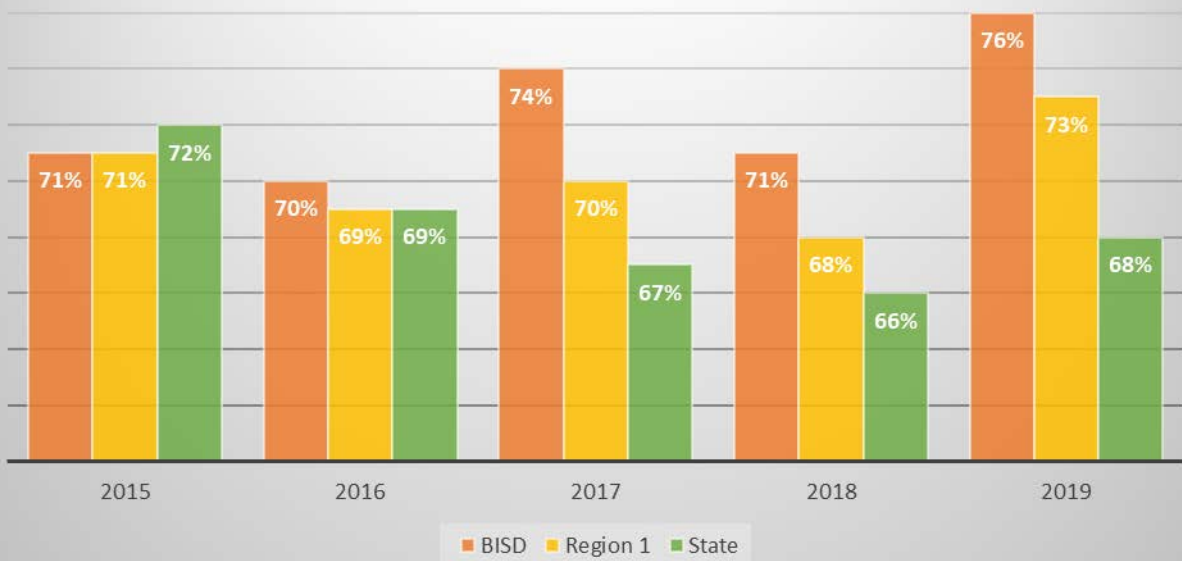
In the 2011-2012 school year, STAAR (State of Texas Assessments of Academic Readiness) replaced TAKS (Texas Assessment of Knowledge and Skills) as the new assessment program of Texas. The Texas Education Agency (TEA) publishes the Texas Academic Performance Report (TAPR) in December for prior year assessments. These reports compare District averages with those of the Region and State. Below are graphs comparing the results of the five subjects tested Performance Measures.



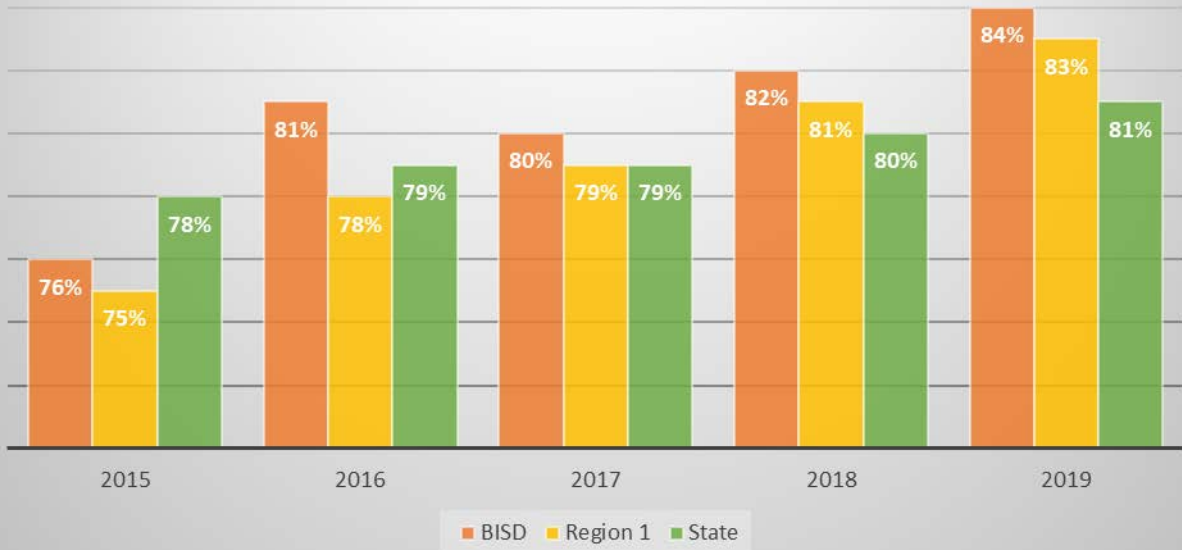
STARR - Math (All Grades)



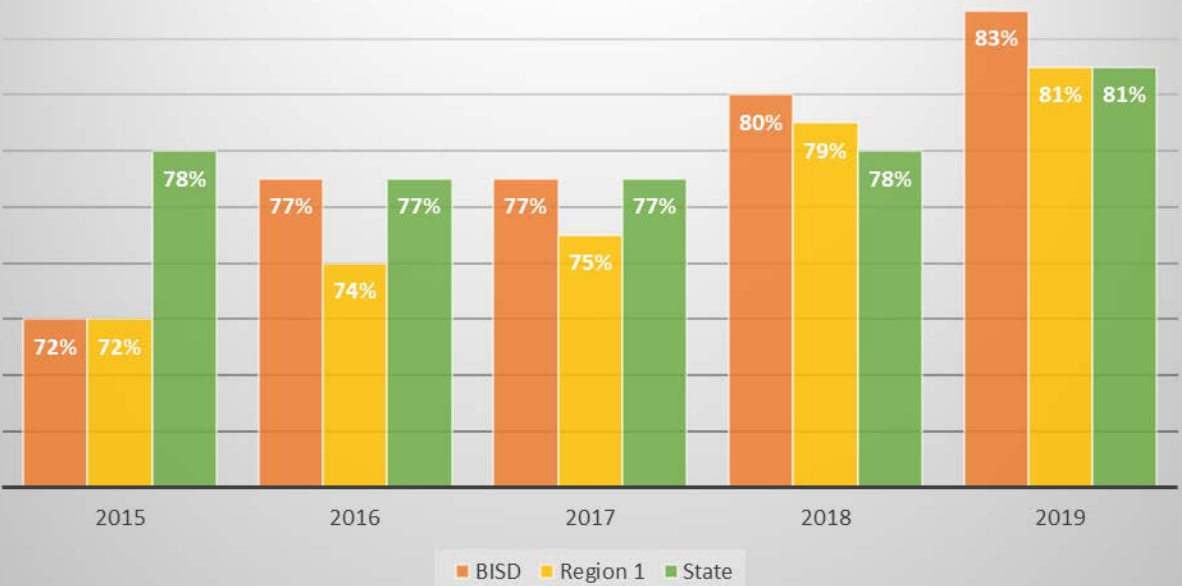
STARR - Writing (All Grades)



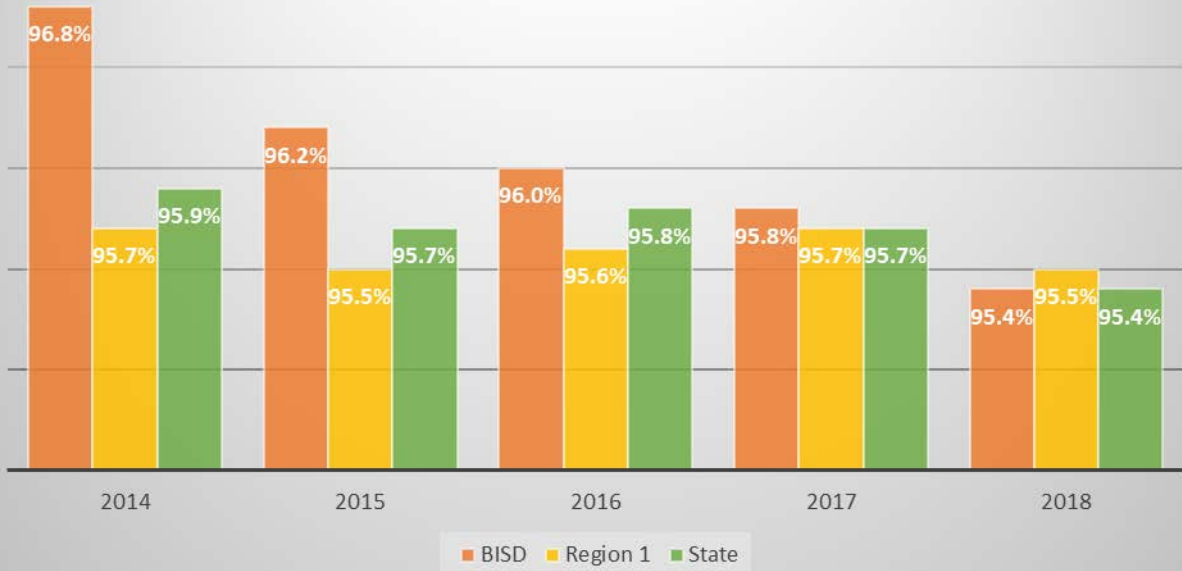
STARR - Science (All Grades)



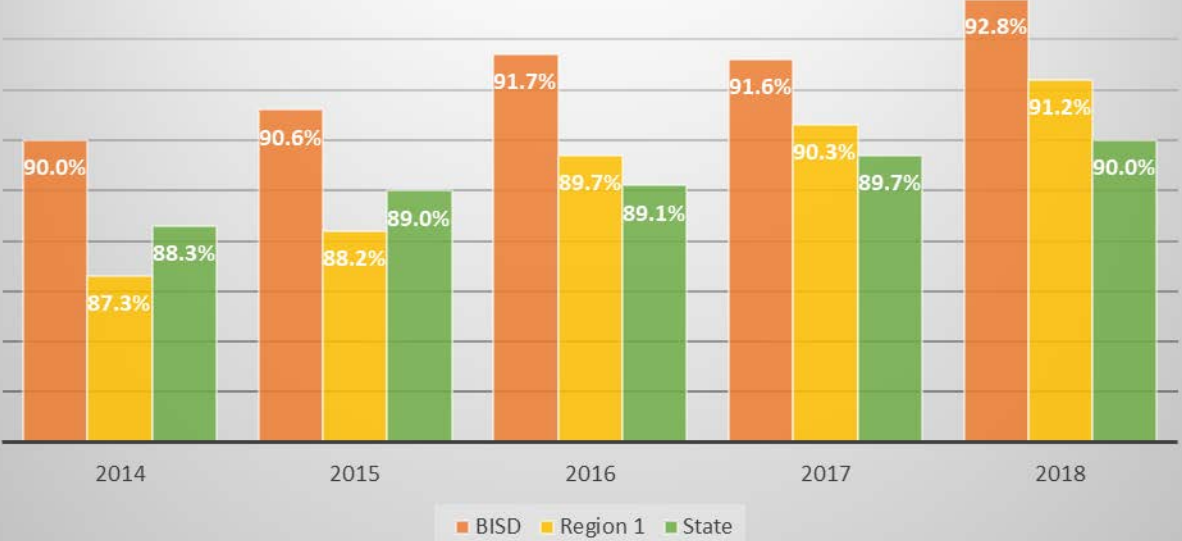
STARR - Social Studies (All Grades)



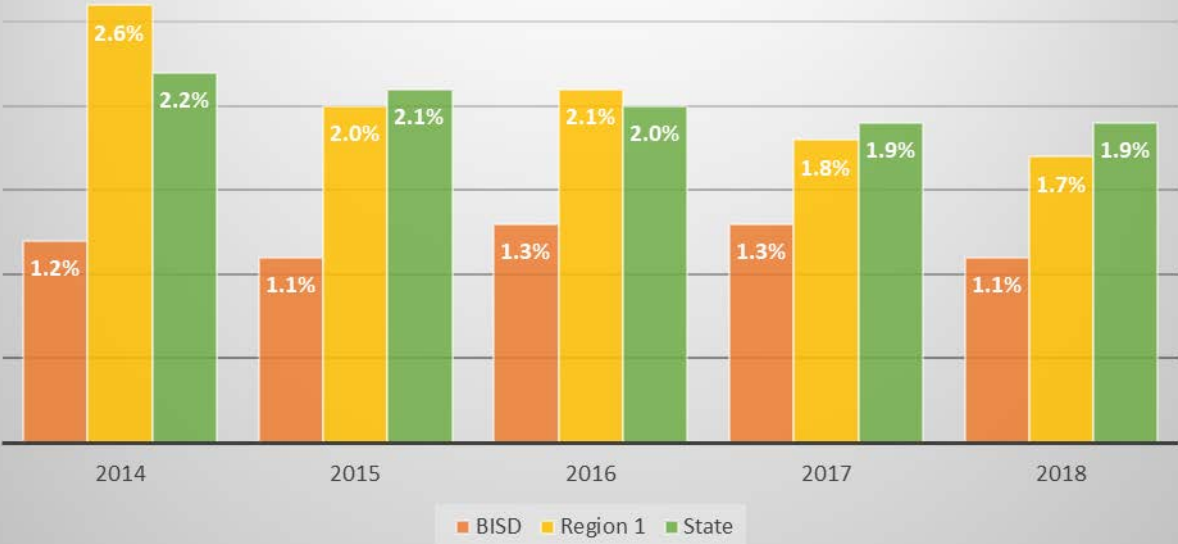
Attendance Rates



Graduation Rates (4 - Year)



Dropout Rates (Gr 9-12)



Average ACT Scores





SCHOOL CALENDAR

*“Brownsville ISD –
The Best Choice!”*



AN EARLY COLLEGE DISTRICT
BROWNSVILLE
 INDEPENDENT SCHOOL DISTRICT

1900 E. Price Road • Brownsville, Texas 78521 • (956) 548-8000 • www.bisd.us

2020-2021 ACADEMIC CALENDAR

July 2020 <table border="1"> <tr><th>Su</th><th>Mo</th><th>Tu</th><th>We</th><th>Th</th><th>Fr</th><th>Sa</th></tr> <tr><td></td><td></td><td></td><td>1</td><td>2</td><td>3</td><td>4</td></tr> <tr><td>5</td><td>6</td><td>7</td><td>8</td><td>9</td><td>10</td><td>11</td></tr> <tr><td>12</td><td>13</td><td>14</td><td>15</td><td>16</td><td>17</td><td>18</td></tr> <tr><td>19</td><td>20</td><td>21</td><td>22</td><td>23</td><td>24</td><td>25</td></tr> <tr><td>26</td><td>27</td><td>28</td><td>29</td><td>30</td><td>31</td><td></td></tr> </table>	Su	Mo	Tu	We	Th	Fr	Sa				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31		August 2020 <table border="1"> <tr><th>Su</th><th>Mo</th><th>Tu</th><th>We</th><th>Th</th><th>Fr</th><th>Sa</th></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td>1</td></tr> <tr><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td></tr> <tr><td>9</td><td>10</td><td>11</td><td>12</td><td>13</td><td>14</td><td>15</td></tr> <tr><td>16</td><td>17</td><td>18</td><td>19</td><td>20</td><td>21</td><td>22</td></tr> <tr><td>23</td><td>24</td><td>25</td><td>26</td><td>27</td><td>28</td><td>29</td></tr> <tr><td>30</td><td>31</td><td></td><td></td><td></td><td></td><td></td></tr> </table>	Su	Mo	Tu	We	Th	Fr	Sa							1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31						September 2020 <table border="1"> <tr><th>Su</th><th>Mo</th><th>Tu</th><th>We</th><th>Th</th><th>Fr</th><th>Sa</th></tr> <tr><td></td><td></td><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr> <tr><td>6</td><td>7</td><td>8</td><td>9</td><td>10</td><td>11</td><td>12</td></tr> <tr><td>13</td><td>14</td><td>15</td><td>16</td><td>17</td><td>18</td><td>19</td></tr> <tr><td>20</td><td>21</td><td>22</td><td>23</td><td>24</td><td>25</td><td>26</td></tr> <tr><td>27</td><td>28</td><td>29</td><td>30</td><td></td><td></td><td></td></tr> </table>	Su	Mo	Tu	We	Th	Fr	Sa			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30				October 2020 <table border="1"> <tr><th>Su</th><th>Mo</th><th>Tu</th><th>We</th><th>Th</th><th>Fr</th><th>Sa</th></tr> <tr><td></td><td></td><td></td><td></td><td>1</td><td>2</td><td>3</td></tr> <tr><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td><td>9</td><td>10</td></tr> <tr><td>11</td><td>12</td><td>13</td><td>14</td><td>15</td><td>16</td><td>17</td></tr> <tr><td>18</td><td>19</td><td>20</td><td>21</td><td>22</td><td>23</td><td>24</td></tr> <tr><td>25</td><td>26</td><td>27</td><td>28</td><td>29</td><td>30</td><td>31</td></tr> </table>	Su	Mo	Tu	We	Th	Fr	Sa					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31							
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First Class Day: August 25
Last Class Day: June 10
Make-up Days: Oct. 12/Jan. 18
School Schedule:
 Middle Schools...7:40 AM-2:50 PM
 Elementaries.....8:05 AM-3:15 PM
 Early College HS...8:50 AM-4:00 PM
New Employee Orientation Days:
 August 13, 14
 January 9, 23
Staff Development Days:
 Campus: August 19, 20
 District: August 21 / January 4
The 2020-2021 BISD Academic Calendar is subject to change.

Teacher Preparation Days:
 August 24, January 5, June 11
Early Dismissal: February 25
Early Dismissal Schedule:
 Middle Schools.....11:45 AM
 Elementaries.....12:15 PM
 Early College HS.....1:00 PM
PEIMS Snapshot: October 30
Additional Days School Year:
 October 10, 24, 2020.....2 days
 November 14, 2020.....1 day
 December 12, 2020.....1 day
 January 30, 2021.....1 day
 February 20, 2021.....1 day
 March 6, 2021.....1 day
 April 17, 2021.....1 day
 May 8, 22, 2021.....2 days
 June 14-30, 2021.....13 days
 23 ADSY funded days for PK-5th

Six Weeks Grading Periods:

Period	Total Days	Last Day
1st 6 Wks.....	23 Days	Sept. 25
2nd 6 Wks.....	24 Days	Oct. 30
3rd 6 Wks.....	30 Days	Dec. 18
1st Sem.....	77 Days	Dec. 18
4th 6 Wks.....	32 Days	Feb. 19
5th 6 Wks.....	33 Days	Apr. 16
6th 6 Wks.....	38 Days	June 10
2nd Sem.....	103 Days	June 10
TOTAL Instructional Days.....	180	

Holidays and Vacations:

Labor Day.....	September 7
Columbus Day.....	October 12
Thanksgiving.....	November 23-27
Christmas (Employees).....	December 21-January 1
Christmas (Students).....	December 21-January 5
Martin Luther King, Jr.....	January 18
Charro Days.....	February 28
Spring Break.....	March 15-19
Easter.....	April 2
Memorial Day.....	May 31

- Holiday
 - End of Six Weeks
 - Additional Days
 - Make-Up Day
 - Early Dismissal (All Schools)
 - Teacher Preparation
 - Staff Dev. Campus
 - Staff Dev. District
 - New Employee Orientation
- Board Approved:**
July 15, 2020

BISD does not discriminate on the basis of race, color, national origin, gender, religion, age, disability or genetic information in employment or provision of services, programs or activities. BISD no discrimina de acuerdo a raza, color, origen nacional, género, religión, edad, información genética, o incapacidad en el empleo o la disposición de servicios, programas o actividades.



GLOSSARY

*“Brownsville ISD –
The Best Choice!”*

GLOSSARY

ACCOUNTABILITY. Being obliged to explain one's actions, to justify what one does. Accountability requires governments to answer to the citizenry-to justify the raising of public resources and the purposes for which they are used. Governmental accountability is based on the belief that the citizenry has a "right to know," a right to receive openly declared facts that may lead to public debate by the citizens and their elected representatives.

ALLOTMENT. Portion of an annual or biennial budget appropriation allocated to an interim period.

APPROPRIATED BUDGET. The expenditure authority created by the appropriation bills or ordinances that are signed into law and related estimated revenues. The appropriated budget would include all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes.

ASSESSED VALUATION. A valuation set upon real estate or other property by a government as a basis for levying taxes.

BISD. Brownsville Independent School District

BASIS OF ACCOUNTING. The timing of recognition, that is, when the effects of transactions or events should be recognized for financial reporting purposes. For example, the effects of transactions or events can be recognized on an accrual basis (that is, when the transactions or events take place), or on a cash basis (that is, when cash is received or paid). Basis of accounting is an essential part of measurement focus because of a particular timing of recognition is necessary to accomplish a particular measurement focus.

BUDGETARY BASIS OF ACCOUNTING. The method used to determine when revenues and expenditures are recognized for budgetary purposes.

BUDGETARY ACCOUNTS. Special accounts used to achieve budgetary integration, but not reported in the general-purpose external financial statements. By convention, ALL CAPS commonly are used to designate budgetary accounts. The most common budgetary accounts are ESTIMATED REVENUES, APPROPRIATIONS, BUDGETARY FUND BALANCE, and ENCUMBRANCES.

BUDGETARY REPORTING. The requirement to present budget-to-actual comparisons in connection with general purpose external financial reporting. Budgetary reporting is required in connection with the basic financial statements for both the general fund and individual major special revenue funds with legally adopted annual budgets. Budgetary reporting also is required within the comprehensive annual financial report to demonstrate compliance at the legal level of control for all governmental funds with legally adopted annual budgets.

CAPITAL ASSETS. Land, improvements to land, easements, buildings, building improvements, and vehicles; and equipment and furniture having a unit cost of \$5,000 or more with a useful life of more than one year.

CAPITAL PROJECTS FUND. Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds.)

COMPENSATORY EDUCATION. Program and instructional services designed for at-risk students. These programs and services are funded with State Compensatory Education Funds.

CTE. Career Technology Education

DEBT SERVICE FUND. Governmental fund type used to account for the accumulation of resources for and the payment of, general long-term debt principal and interest on voter approved bonded indebtedness. Debt Service fund is also referred to as the Interest and Sinking (I & S) Fund.

DESIGNATED UNRESERVED FUND BALANCE. Management's intended use of available expendable financial resources in governmental funds reflecting actual plans approved by the government's senior management. Expressed another way, designations reflect a government's self-imposed limitations on the use of otherwise available expendable financial resources in governmental funds.

EXPENDITURE. Decreases in net financial resources under the current financial resources measurement focus not properly classified as other financing uses.

FINANCIAL RESOURCES. Resources that are or will become available for spending. Financial resources include cash and resources ordinarily expected to be converted to cash (e.g., receivables, investments). Financial resources also may include inventories and prepaid items (because they obviate the need to expend current available financial resources).

FUNCTION. As applied to expenditures, identifies why the expenditure is being made; for example, Instruction versus Plant Maintenance and Operation.

FUND. A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE. The difference between assets and liabilities reported in a governmental fund. Assigned Fund Balance – Intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Non-Spendable Fund Balance – Fund balance associated with inventories on hand at yearend.

Unassigned Fund Balance – Residual classification for the government’s general fund and includes all spendable amounts not contained in the other classifications.

GENERAL FUND. The general fund is one of five governmental fund types and typically serves as the chief operating fund of a government. The general fund is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is also referred to as the Maintenance and Operation (M & O) Fund.

GENERAL REVENUES. All revenues that are not required to be reported as program revenues, including property taxes. All other nontax revenues (including interest, grants, and contributions) that do not meet the criteria to be reported as program revenues should also be reported as general revenues.

GOVERNMENTAL FUNDS. Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

GRANT. A contribution, either money or material goods, made by and outside entity or a governmental unit and for which the contributing unit expects no repayment. Grants may be for specific or general purposes.

IMA. Instructional Materials Allotment

ISD. Independent School District

LEVY. (Verb) To impose taxes or special assessments. (Noun) The total of taxes or special assessments imposed by a governmental unit.

OBJECT. A term used in connection with the classification of expenditures. The article purchased or the service obtained, rather than the purpose for which the article or service was purchased or obtained (e.g., personal services, contractual services, materials and supplies).

ON-BEHALF PAYMENTS OF FRINGE BENEFITS AND SALARIES. Direct payments made by one entity (the paying entity or paying government) to a third-party recipient for the employees of another, legally separate entity (the employer entity or employer government). They include payments made by governmental entities on behalf of nongovernmental entities and payments made by nongovernmental entities on behalf of governmental entities, and may be made for volunteers as well as for paid employees of the employer entity.

ORIGINAL BUDGET. The first complete appropriated budget. The original budget may be adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes before the beginning of the fiscal year. The original

budget should also include actual appropriation amounts automatically carried over from prior years by law. For example, a legal provision may require the automatic rolling forward of appropriations to cover prior year encumbrances.

OTHER FINANCING SOURCE. An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends. The use of the other financing sources category is limited to items so classified by Generally Accepted Accounting Principles (GAAP).

OTHER FINANCING USE. A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends. The use of the other financing uses category is limited to items so classified by GAAP.

PEIMS (Public Education Information Management System). A statewide data collection and reporting system operated by the Texas Education Agency. It includes extensive information on students, staffing, and school budgets/finances, and serves as the fundamental database for many statewide reports on public education.

PROGRAM. Group activities, operations or organizational units directed to attaining specific purposes or objectives.

REFUNDING. The issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose (a current refunding), or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time (an advance refunding).

RESERVED FUND BALANCE. The portion of a governmental fund's net assets that is not available for appropriation.

SPECIAL REVENUE FUND. A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specified purposes.

STARR. State of Texas Assessments of Academic Readiness

SUBOBJECT. A subdivision within an expenditure object classification (e.g., regular employees is a possible sub object classification within the personal services-salaries and wages expenditure object classification).

UNDESIGNATED UNRESERVED FUND BALANCE. Available expendable financial resources in a governmental fund that are not the object of tentative management plans (i.e., designations).



BROWNSVILLE INDEPENDENT SCHOOL 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.

***“Brownsville ISD –
The Best Choice!”***