



AN EARLY COLLEGE DISTRICT

BROWNSVILLE

INDEPENDENT SCHOOL DISTRICT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2021

Brownsville Independent School District

Brownsville, Texas



Comprehensive Annual Financial Report

For

Fiscal Year Ended June 30, 2021

Prepared by: The Division of Finance

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2021

TABLE OF CONTENTS

	<u>Page Number</u>	<u>Exhibit</u>
INTRODUCTORY SECTION		
Table of Contents	i	
Letter of Transmittal	1	
GFOA Certificate of Achievement	11	
ASBO Certificate of Achievement	12	
List of Principal Officials	13	
Administrative Organization Chart.....	14	
Certificate of Board	15	
FINANCIAL SECTION		
Independent Auditors' Report	16	
Management's Discussion and Analysis	18	
<i>Basic Financial Statements:</i>		
<i>Government Wide Statements:</i>		
Statement of Net Position	27	A-1
Statement of Activities	28	B-1
<i>Fund Financial Statements</i>		
Balance Sheet	29	C-1
Reconciliation for C-1	31	C-2
Statement of Revenues, Expenditures and Changes in Fund Balance	32	C-3
Reconciliation for C-3.....	34	C-4
Statement of Net Position	35	D-1
Statement of Revenues, Expenses and Changes in Fund Net Position	36	D-2
Statement of Cash Flows	37	D-3
Statement of Fiduciary Net Position	38	E-1
Statement of Changes in Fiduciary Fund Net Position	39	E-2
Notes to the Financial Statements	40	
<i>Required Supplementary Information:</i>		
Budgetary Comparison Schedule – General Fund	71	G-1
Schedule of the District's Proportionate Share of the Net Pension Liability – Teacher Retirement System of Texas	72	G-2
Schedule of District Contributions For Pensions Teacher Retirement System of Texas	74	G-3
Schedule of District's Proportionate Share of the Net OPEB Liability Teacher Retirement System of Texas	76	G-4
Schedule of District Contributions for Post-Employment Benefits Teacher Retirement System of Texas	77	G-5

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2021

TABLE OF CONTENTS

	<u>Page Number</u>	<u>Exhibit</u>
FINANCIAL SECTION		
<i>Combining Statements:</i>		
<i>Nonmajor Governmental Funds:</i>		
Combining Balance Sheet	78	H-1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	85	H-2
<i>Internal Service Funds:</i>		
Combining Statement of Net Position.....	92	H-3
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	93	H-4
Combining Statement of Cash Flows.....	94	H-5
<i>Custodial Funds:</i>		
Combining Statement of Fiduciary Net Position	95	H-9
Combining Statement of Changes in Fiduciary Net Position	96	H-10
<i>Private Purpose Trust Funds:</i>		
Combining Statement of Fiduciary Net Position	97	H-11
Combining Statement of Changes in Fiduciary Net Position	99	H-12
 <i>Texas Education Agency – Required Schedules:</i>		
Schedule of Delinquent Taxes Receivable.....	101	J-1
Budgetary Comparison Schedule – Child Nutrition Program.....	103	J-2
Budgetary Comparison Schedule – Debt Service Fund	104	J-3
 STATISTICAL SECTION		
 <i>Government-Wide Information:</i>		
Net Assets by Component – Last Ten Years.....	105	S-1
Governmental Activities Expenses & Program Revenues – Last Ten Years	107	S-2
General Revenues and Changes in Net Position – Last Ten Years	109	S-3
 <i>Fund Information:</i>		
Fund Balances – Governmental Funds – Last Ten Years	111	S-4
Governmental Fund Revenues by Source – Last Ten Years	113	S-5
Governmental Fund Expenditures by Function – Last Ten Years	114	S-6
Governmental Funds Other Sources, Uses and Changes in Fund Balances – Last Ten Years.....	116	S-7
Governmental Fund Expenditures by Function Per Average Daily Attendance – Last Ten Years	118	S-8
 <i>Revenue Capacity Information:</i>		
Assessed and Estimated Actual Value of Property – Last Ten Years	120	S-9
Property Tax Levies and Collections – Last Ten Years	121	S-10
Allocation of Property Tax Rates and Levies – Last Ten Years	122	S-11
Property Tax Rates – Direct and Overlapping Governments (Per \$100 Assessed Valuation) – Last Ten Years.....	123	S-12
Principal Property Taxpayers – Current Year and Nine Years Prior	124	S-13

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2021

TABLE OF CONTENTS

	<u>Page Number</u>	<u>Exhibit</u>
STATISTICAL SECTION		
<i>Debt Capacity Information:</i>		
Outstanding Debt by Type – Last Ten Years	126	S-14
Direct and Overlapping Debt – General Obligation Bonds.....	128	S-15
Computation of Legal Debt Margin – Last Ten Years.....	129	S-16
Ratio of Net General Obligation Bonded Debt to Estimated Actual Value And Per Average Daily Membership – Last Ten Years.....	131	S-17
Ratio of Annual Debt Service for General Bonded Debt to Total General Fund Expenditures – Last Ten Years	132	S-18
<i>Demographic and Economic Information</i>		
Principal Employers – Current Year and Nine Years Prior	133	S-19
Construction and Property Values – Last Ten Years	134	S-20
Demographic and Economic Statistics – Last Ten Years	135	S-21
<i>Operating Information:</i>		
Work Force Composition by Employee Classification – Last Ten Years.....	136	S-22
Schedule of Teacher Information – Last Ten Years.....	138	S-23
Schedule of Attendance and Membership – Last Ten Years	140	S-24
Operating Statistics – Last Ten Years	141	S-25
Schedule of Student Information – Last Ten Years	142	S-26
Schedule of School Buildings	143	S-27
Miscellaneous Statistics	144	
FEDERAL AWARDS SECTION		
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	145	
Independent Auditors’ Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance.....	147	
Schedule of Expenditures of Federal Awards.....	149	K-1
Notes to Schedule of Expenditures of Federal Awards.....	152	
Schedule of Findings and Questioned Costs	153	
Summary Schedule of Prior Audit Findings	154	



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

BOARD OF EDUCATION

November 18, 2021

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

Eddie Garcia
President
Dr. Prisci Roca Tipton
Vice President
Drue Brown
Secretary
Daniella Lopez Valdez
Assistant Secretary
Denise Garza
Member
Jessica G. Gonzalez
Member
Minerva M. Pena
Member

Dr. René Gutiérrez
Superintendent

Dear Mr. Garcia, Board Members, and Citizens:

State law requires that all public school districts publish within one-hundred fifty days of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Brownsville Independent School District (District) for the fiscal year ended June 30, 2021.

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

The District's financial statements have been audited by Cascos and Associates, PC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimated made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the

audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Profile of the Government

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

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

Mission Statement

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

Strategic Objectives

The Brownsville ISD students will:

- Graduate
- Meet and/or exceed state and national standards of education
- Graduate college ready and prepared to excel in their respective career choices
- Become productive, responsible, and contributing members of society

Vision

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

Core Commitments

The District's commitments to achieve the mission are:

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

Core Beliefs

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

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

Strategic Parameters

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

- Will not tolerate educational apathy

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

The District provides a full range of educational services appropriate to grade levels pre-kindergarten through twelve for its approximate 40,765 students. These include regular and enriched academic education, special education for students with disabilities, occupational education, bilingual instruction for those with limited English proficiency, and specialized instruction for disadvantaged students. These basic programs are supplemented by additional offerings in the fine arts and athletics. In addition, the District provides for community and adult education by offering a wide variety of academic and occupational courses.

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

- Five BISD schools received the America’s Best Urban School Award. Benavides Elementary received the Gold Award, Hudson Elementary, Gonzalez Elementary, and Gallegos Elementary received Silver Awards while Hanna Early College School received the Bronze Award.
- Gallegos Elementary School and Pullam Elementary were nominated as 2021 *Blue Ribbon Schools*. Pullam Elementary was nominated as Exemplary High-Performing while Gallegos Elementary was selected as Exemplary Achievement-Gap-Closing.

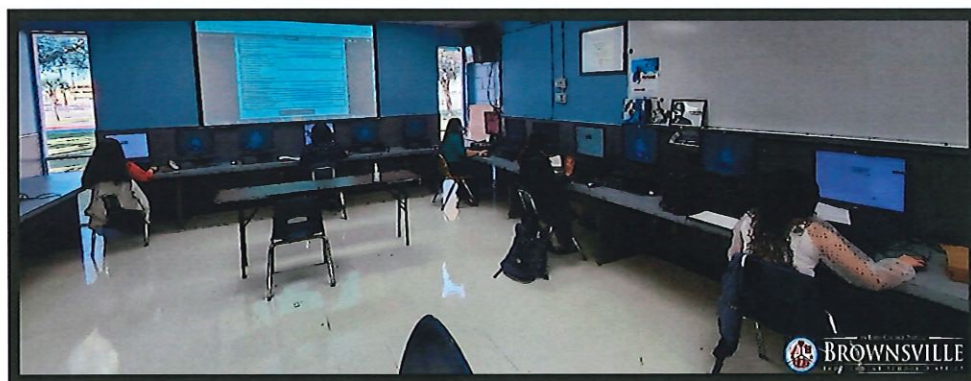


- Brownsville Early College High School, Veterans Memorial Early College High School, Pace Early College High School, and Hanna Early College High School all ranked in the top 25% in the nation as per the *U.S. News and World Report 2021 of Best High Schools*.

- Benavides Elementary, Breeden Elementary, Brite Elementary, Egly Elementary, Garden Park Elementary, Gonzalez Elementary, Keller Elementary, Ortiz Elementary, Paredes Elementary, Pena Elementary, Pullam Elementary, Putegnat Elementary, Sharp Elementary, Yturria Elementary, Manzano Middle School, Vela Middle School, and Brownsville ECHS were recognized as Texas Honor Roll Recipients by the Educational Results Partnership.



- Twenty BISD students from Hanna ECHS, Porter ECHS, Pace ECHS, Rivera ECHS, and Veterans Memorial ECHS earned All-State designation from the Texas Music Educators Association.
- Veterans Memorial ECHS Choir students secured 10 spots in the 2020 – 2021 Texas All-State Choir.
- Ten Porter ECHS BPA students participated in the 2021 BPA State Competition.



- Veterans Memorial ECHS placed 1st in the State of Texas Destination Imagination Competition.
- Marleen Salazar from Lopez ECHS placed 1st in the State Girls Powerlifting Championship.

- The Porter ECHS Cowboys competed in the 2021 5A Region IV Final Men's Soccer Tournament.



- Brownsville ISD received over \$2 million from the Musk Foundation in order to expand Career and Technical Education programs and academies.
- Ortiz Elementary was selected to participate in *Texas Loves Teachers Tour* day as part of HEB's *Excellence in Education Awards*. Ortiz Elementary was one of 50 schools selected for HEB's *Texas Loves Teachers Tour*.



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

appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by major functional category.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on Exhibit G-1, as required supplementary information. The TEA required budget versus actual comparison for the child nutrition program can be found on Exhibit J-2 and the debt service fund comparison is presented on Exhibit J-3.

Factors Affecting Financial Conditions

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

Population – Brownsville is the largest city in Cameron County. The city has a population of 186,738 residents and has experienced growth of 11,715 people between the 2010 and 2020 according to the US Census Bureau. The demographics of Brownsville’s population can be summed up as mostly young but with a growing senior citizen population. The median age is 31.1 years. 30.4% of all persons in the City are younger than 18 years of age while 12.0% are 65 years or older.

The breakdown of our student membership as of October 2021 is as follows:

• Early Ed	39
• Pre-K	2,511
• K-5	14,796
• 6-8	8,439
• 9-12	<u>12,720</u>
TOTAL	<u>38,505</u>

The projected average daily attendance (ADA) for 2021-2022 is approximately 36,246.16.

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

The city’s low cost of living and doing business support continued economic growth, and a growing healthcare and education sector, including a branch of the University of Texas, contributes to the stability of the region. Space X Exploration is still currently in testing phases. The Space X Project should have a positive economic impact in Brownsville and other Rio Grande Valley communities, in employment, tourism, and in higher education. The City experienced an increase in the number of building permits between the 2020 and 2021 fiscal

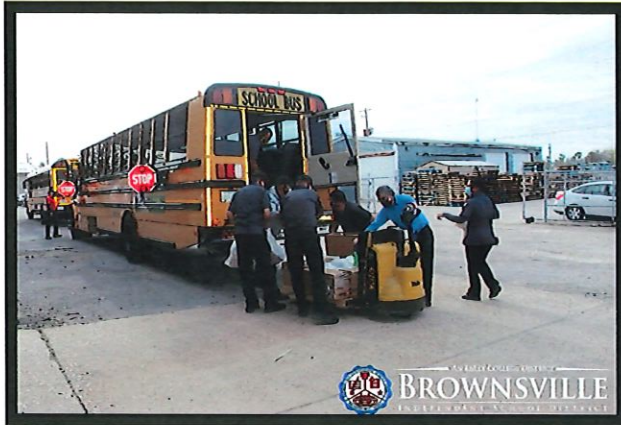
years. In addition, the City continued to experience a slight increase in property values and retail sales tax for the 2021 fiscal year indicating economic stability for the area.

State Economic Outlook – Economic activity in Texas is beginning to accelerate due to fiscal stimulus payments as well as the gradual decline of COVID-19 due to vaccination efforts. However, the State’s unemployment numbers remain constant in comparison to pre-pandemic periods. The State of Texas is ahead of other states in regards to employment gains but the State must continue working diligently to recoup all of the jobs that were lost during COVID-19. The 87th Texas Legislature reconvened in January 2021 through May 2021, and legislators managed to sustain funding for the 2021 School District and Tax Reduction Plan while approving the State’s budget. In addition, the 87th Legislature pledged to not raise taxes in order to assist with the State’s recovery after COVID-19. Virtual education was also important topic in this legislature and the State provided guidance on utilizing federal aid in order to close the gaps incurred during the pandemic. The 87th Legislature provided many opportunities and resources to help Texans recover from the effects of COVID-19. The 88th Legislature will convene in January 2023.

Bond Funding Update – In September 17, 2020, the District issued \$12,175,000 Series 2020A and \$32,615,000 Series 2020B Unlimited Tax Refunding Bonds to retire the outstanding bonds for the Series 2013A and 2013B bonds. The proceeds were deposited directly into an escrow trust account and invested in obligations of the United States Government with maturities that coincide with principal and interest due dates. The investments will be adequate to retire the full amount of refunded bonds, which had a total face value of \$12,385,000 and \$33,155,000 respectively. As a result, the refunded portion of the bonds are considered to be defeased and the liabilities have been removed from the long-term liabilities of the District. The purpose of the refunding was to lower the overall service requirements of the District. The refunding decreased the total debt service requirements by approximately \$210,000 and \$540,000, respectively and resulted in a current economic gain of \$428,029.93 for 2020A and \$2,521,760.55 for 2020B.

Financial Policies – As one of the 27 largest school districts in the State of Texas, the District is constantly monitoring its financial resources, expenditures, and planning for the future. Student enrollment drives the District’s planning process along with management’s commitment to providing the best education available to our students. The District’s strategic planning is an ongoing process. The District continually studies different areas of cost containment as they strategically view the demographics of the District and ongoing economic climate.

Child Nutrition Program – The Child Nutrition Program continues to enhance its operations. The administrative team continues its effort to streamline operations, increase meal participation, cut costs, and increase revenue. The District continued with breakfast in the classroom and the supper program in the 2020-2021 school year. During the COVID-19 pandemic, the District continued to provide feeding via curbside at selected campuses, bus routes, and home meal delivery. Additionally, the District served meals to students who attended Face-to-Face instruction. The District remains committed in ensuring that each child receives a healthy breakfast, lunch, and dinner.

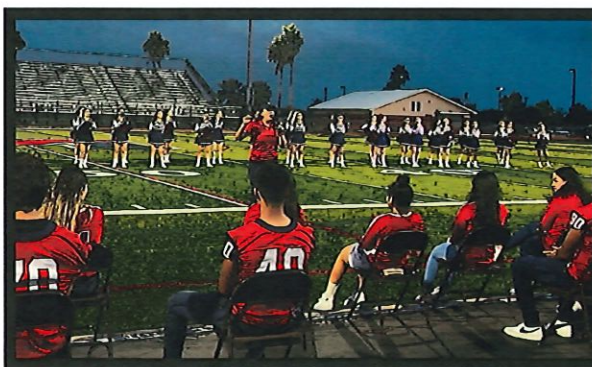


Food & Nutrition Services Department collaborating with the Transportation Department for curbside meal distribution.

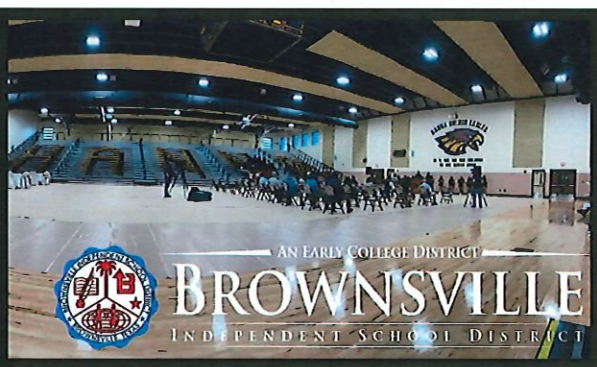
The District serves breakfast, lunches, and dinner to students through the Texas Department of Agriculture School Nutrition Program and the Child and Adult Care Food Program. The District is reimbursed based on the number of free, reduced, and paid breakfast and lunches served as well as on the number of after-school dinners served. Each year, the federal reimbursement rates increase. The rates increased by 2.9% for breakfast, 3.1% for lunch, and 3.0% for supper from the 2019-2020 to the 2020-2021 school year.

Long-term Financial Planning – Growth in the District’s tax base has continued to increase, averaging 2.6% annual growth from fiscal years 2012-21. The District’s fiscal 2021 taxable assessed valuation (TAV) increased marginally to \$6.35 billion. Enrollment for fiscal year 20-21 decreased by 5.26% from fiscal year 19-20, so the District continues to offer open enrollment at all 34 elementary campuses in an effort to stabilize enrollment and continues to reduce staffing through attrition as a cost saving measure. Due to the COVID-19 pandemic, the area’s unemployment rate continues to be higher than in past years (10.46% annual) and income levels are still low. Projected membership for school year 2021-22 is expected to reach 39,398.

The District’s tax rate for tax year 2020-2021 is \$1.175872 per \$100 valuation with a maintenance and operations rate of \$1.0254 and a Debt Service rate of \$0.150472. The 2020 – 2021 combined tax rate is \$0.010834 less than the fiscal year 2019 – 2020. The District continues to upgrade its facilities such as the Veterans Memorial ECHS Stadium Visitors Restroom Project and the Hanna ECHS second gymnasium.



Veterans ECHS Visitors Restroom in the background



Hanna ECHS 2nd Gymnasium

State funding for the general fund is about 78% of the total general fund revenue. House Bill 3 increased overall state funding for school districts. Federal funding increased due to the three rounds of ESSER funding. Grant funding plays an important role as a resource to supplement regular funding and to expand programs needed for greater academic achievement.

Interest Rates – The decrease in interest rates adversely affected the interest earnings of the District. The federal fund rate continues to decrease and the investment earning is decreasing as well.

Awards

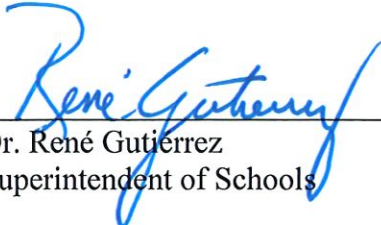
Association of School Business Officials International (ASBO) – At June 30, 2020, the District compiled and submitted a Comprehensive Annual Financial Report (CAFR) for consideration for ASBO’s Certificate of Excellence in Financial Reporting. The District was notified that it had been awarded the certificate on February 16, 2021. This was the eleventh time the District had submitted its financial statements for this award.

Government Finance Officers Association (GFOA) - At June 30, 2020, the District compiled and submitted a Comprehensive Annual Financial Report (CAFR) for consideration for GFOA’s Certificate of Achievement for Excellence in Financial Reporting. The District was notified that it had been awarded the certificate on July 15, 2021. This was the eleventh time the District had submitted its financial statements for this award. The District also received the Outstanding Achievement in Popular Annual Financial Reporting (PAFR), from the Governmental Finance Officers Association. This is the second time the District had submitted its financial statements for this award.


Schools FIRST - Senate Bill 218 of the 77th Legislature (2001) authorized the implementation of a financial accountability rating system for Texas school districts. For the 2019-20 school year, the most recent school year rated, the District achieved the Texas Education Agency’s rating of “Superior Achievement” in the School FIRST program. The purpose of the Schools FIRST (Financial Integrity Rating System of Texas) is to ensure that school districts are held accountable for the quality of their financial management practices. The system is designed to encourage Texas school districts to improve performance in the management of their financial resources in order to provide the maximum allocation possible for direct instructional purposes.

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

Respectfully submitted,



Dr. René Gutierrez
Superintendent of Schools



Mr. David Robledo, MACC, RTSBA
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Brownsville Independent School District
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Brownsville Independent School District

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2020.

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



Handwritten signature of W. Edward Chabal in black ink.

W. Edward Chabal
President

Handwritten signature of David J. Lewis in black ink.

David J. Lewis
Executive Director

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

LIST OF PRINCIPAL OFFICIALS

BOARD OF TRUSTEES

Eddie Garcia – President
Dr. Prisci Roca Tipton – Vice-President
Drue Brown – Board Secretary
Daniella Lopez-Valdez – Board Assistant Secretary
Denise Garza – Member
Jessica G. Gonzalez – Member
Minerva M. Pena – Member

ADMINISTRATORS

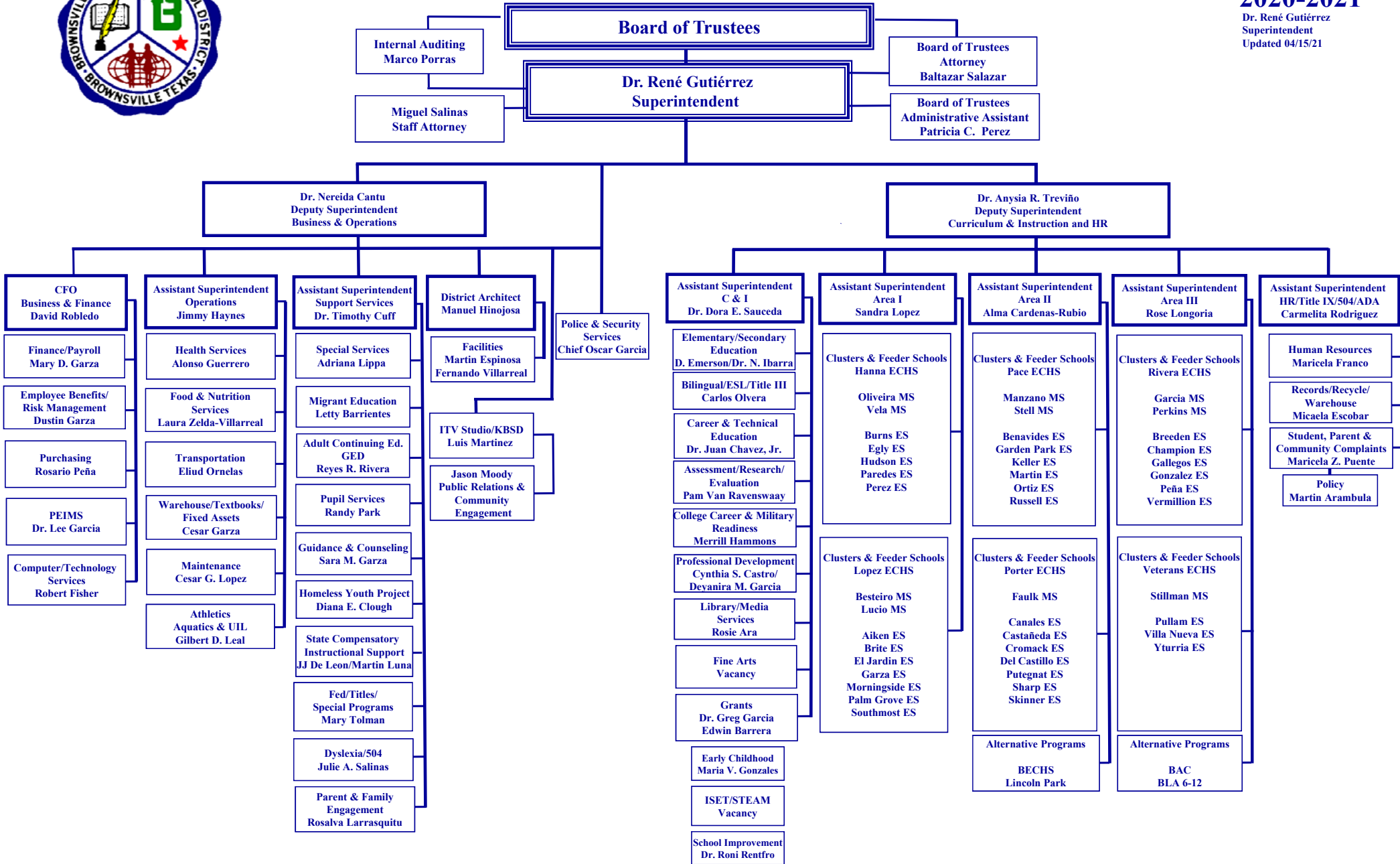
Dr. René Gutiérrez, Superintendent
David Robledo, Chief Financial Officer
Dr. Nereida Cantu, Deputy Superintendent for Business & Operations
Dr. Anysia R. Treviño, Deputy Superintendent for Curriculum & Instruction
Carmelita Rodriguez, Assistant Superintendent for HR/Title IX/504
Dr. Dora E. Saucedo, Assistant Superintendent for Curriculum and Instruction
Alma Cardenas-Rubio, Area Assistant Superintendent
Rose Longoria, Area Assistant Superintendent
Sandra Lopez, Area Assistant Superintendent
Miguel Salinas, Staff Attorney



Brownsville ISD Organizational Chart

2020-2021

Dr. René Gutiérrez
Superintendent
Updated 04/15/21



CERTIFICATE OF BOARD

Brownsville Independent School District
Name of District

Cameron
County

031-901
Co. Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) approved _____ disapproved for the year ended June 30, 2021 at a meeting of the Board of Trustees of such school district on the 18^h day of November, 2021.


Signature of Board Secretary


Signature of Board President



Cascos & Associates, PC

Certified Public Accountants
Audit/Accounting/Tax/Consulting

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Brownsville Independent School District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



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Change in Accounting Principle

As described in the notes to the financial statements, in 2021, the District adopted new accounting guidance, GASB Statement No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining statements, required TEA schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Cascos & Associates, PC
Brownsville, Texas
November 18, 2021

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

As management of the Brownsville Independent School District (the “District”), we are providing readers of the District’s financial statements this narrative overview and analysis of the District’s financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the transmittal letter and the District’s financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District’s total combined Net Position as reflected in the government-wide Statement of Net Position was \$150,962,709 at June 30, 2021. The amount was negatively impacted by Governmental Accounting Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions and GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions where the combined effect decreased net position by a net amount of \$2,424,078 for the current year.
- The District’s Statement of Activities reflects an increase in Net Position for Governmental Activities in the amount of \$40,773,773 for current year activity. This is a result of expenses being less than the \$575,500,127 generated in taxes, state aid, investment earnings, and other revenues such as charges for services and federal grants. See Exhibit B-1.
- As shown on the Statement of Activities, the property tax revenue increased \$2,354,928 or 3.29% from the prior year due to a \$49,278,930 increase in property values. The 2020-2021 total tax rate is \$1.176 per \$100 assessed valuation. See Exhibit B-1.
- The General Fund reported a fund balance in the governmental funds financial statements this year of \$203,932,772. Approximately 52% of this total amount, \$105,777,890 is available for spending at the District’s discretion (Unassigned Fund Balance). See Exhibit C-1.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Fund financial statements report the District’s operations with more detail when compared to the government-wide statements by providing information about the District’s significant funds. The governmental funds statements show how general government services were funded / financed in the short-term as well as what remains for future expenditures. They reflect the flow of current financial resources and supply the basis for tax levies and the appropriations budget. The proprietary funds statements reflect the activity related to services provided to parties within the District for worker’s compensation fund and for the self-funded insurance programs. The remaining statements, Fiduciary statements, provide financial information about the activities for which the District acts solely as a trustee or agent for the benefit of those outside the government. The notes to the financial statements provide narrative explanations needed for full disclosure in the government-wide statements or the fund financial statements. The combining statements for non-major governmental funds and the combining statements for Internal Service Funds contain even more information about the District’s individual Special Revenue and Permanent Funds and Internal Service Funds, respectively. The Statement of Changes in Assets and Liabilities for the agency fund is also included. These combining statements are additional supplementary information and not required by the Texas Education Agency (TEA). The sections labeled Required TEA Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using the funds supplied in accordance/compliance with the terms of the grants.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

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

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

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

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

While the District's property tax base had increased in recent years, the state funding methodology minimizes the benefit of additional increases in taxable property. Foundation School Program state funding, which is the District's largest portion of state funding, is based on property value so as the property value increase the state funding will decrease. The Instructional Facilities Allotment and the eligible Debt Allotment also decrease with increases in property values.

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

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

Reporting the District’s Funds

Fund financial statements

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

- *Governmental funds* - Most of the District’s basic services are included in governmental funds. The funds use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and they report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District’s general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the governmental fund financial statements. All of the District’s activities for its governmental funds are reported in Exhibits C-1 and C-3.

- *Proprietary funds* - Services for which the District charges users/customers a fee. Proprietary funds, like the government-wide statements provide both long-term and short-term financial information. There are two types of Proprietary Funds, Enterprise Funds and Internal Service Funds. Currently, the District does not have any Enterprise Funds. The District, however, does have three (3) Internal Service Funds. They are Funds 753 & 754-Self-Funded Insurance (United Health Care for claim runoffs) & (Blue Cross Blue Shield) and Fund 792-Self Funded Workers Compensation. We use Internal Service funds to report activities that provide supplies and services for the District’s other programs and activities. The District’s combined activities for its Internal Service Funds are reported in Exhibits D-1, D-2 and D-3. These activities are also reported individually for each Internal Service Fund in Exhibits H-3, H-4 and H-5.

The District as Trustee

Reporting the District’s Fiduciary Responsibilities

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As mentioned earlier, Net Position is one indicator of a government’s financial position. In the case of Brownsville ISD, the District’s assets and deferred outflows exceeded liabilities and deferred inflows by \$150,962,709 for the year ended June 30, 2021.

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

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

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

	Governmental Activities 2021	Governmental Activities 2020
Current and Other Assets	\$ 298,874,483	\$ 301,357,428
Capital Assets	422,667,112	421,971,127
Total Assets	<u>721,541,595</u>	<u>723,328,555</u>
Deferred Charge for Refunding	7,934,633	8,171,043
Deferred Resource Outflow Related to TRS OPEB	18,472,058	21,768,612
Deferred Outflow Related to TRS	47,071,002	62,076,435
Total Deferred Outflows of Resources	<u>73,477,693</u>	<u>92,016,090</u>
Long-Term Liabilities	420,504,316	491,350,446
Other Liabilities	74,537,673	94,971,732
Total Liabilities	<u>495,041,989</u>	<u>586,322,178</u>
Deferred Resource Inflow Related to TRS OPEB	120,532,957	88,673,244
Deferred Inflow Related to TRS	28,481,633	30,605,414
Total Deferred Inflows of Resources	<u>149,014,590</u>	<u>119,278,658</u>
Net Position:		
Net Investment in Capital Assets	290,684,615	264,940,716
Restricted	31,166,205	22,470,331
Unrestricted	<u>(170,888,111)</u>	<u>(177,637,238)</u>
Total Net Position	<u>\$ 150,962,709</u>	<u>\$ 109,773,809</u>

At approximately 192% of total net position, Net Investment in Capital Assets is the largest portion of the District's net position. This is where the District reflects land, furniture, equipment and vehicles, net of accumulated depreciation and any related debt. The District uses these Capital Assets to provide services to its students, teachers and staff. These assets are not readily available for spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position makes up 20.64% of total net position. It represents balances for which external constraints have been placed and includes balances for debt service, capital projects, grants and campus activities.

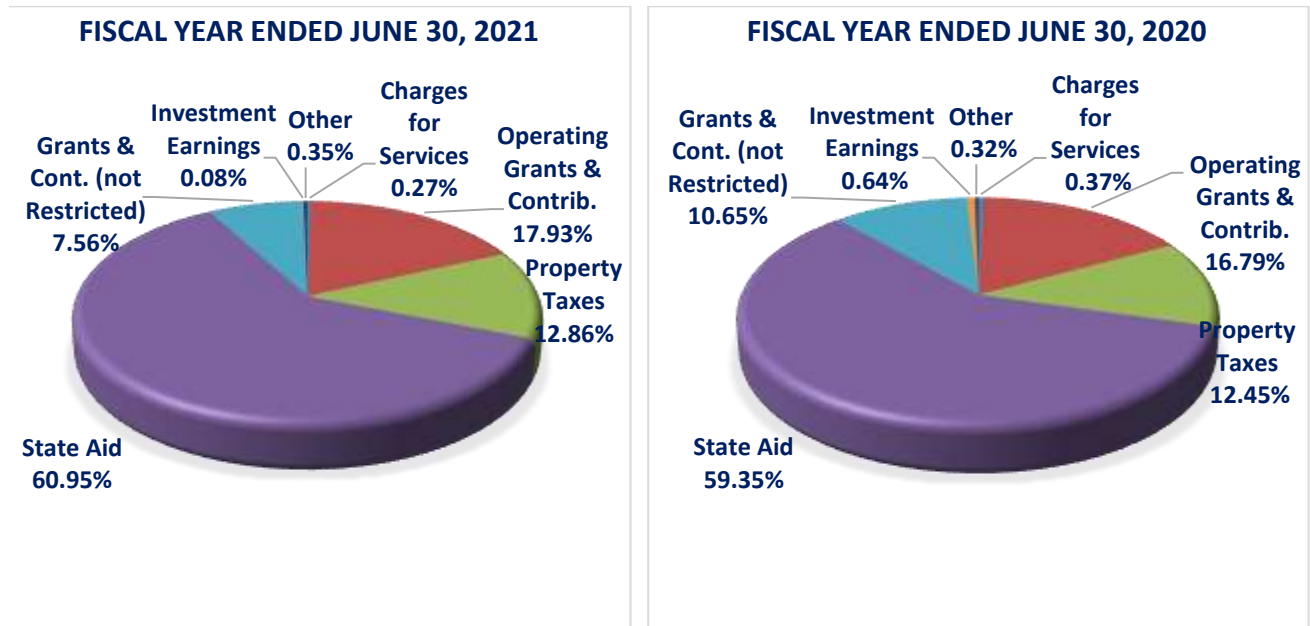
Unrestricted net position is the portion of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements and it represents about -113% of total net position.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

Changes in Net Position

The District's revenue sources for fiscal year 2021 and fiscal year 2020 are illustrated in the Chart below. State Aid made up the largest portion of the revenue, followed by Operating Grants & Contributions, and then by Property Taxes.

District Sources of Revenue



The District's changes in net position for the fiscal years ended in June 30, 2021 and 2020 are summarized on Table 2. As shown on the District's Statement of Activities, the net position of the District's governmental activities increased by \$40,773,773 for the fiscal year ended June 30, 2021.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

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

	Governmental Activities 2021	Governmental Activities 2020
Revenues:		
Program Revenues:		
Charges for Services	\$ 1,571,328	\$ 2,128,548
Operating Grants & Contributions	103,188,685	96,636,967
General Revenues:		
Maintenance and Operations Taxes	64,572,741	63,999,050
Debt Service Taxes	9,433,456	7,652,219
State Aid	350,739,545	341,577,353
Grants and Contributions (not Restricted)	43,521,015	61,319,514
Investment Earnings	477,078	3,691,478
Other	1,996,279	1,813,409
Total Revenues	<u>575,500,127</u>	<u>578,818,538</u>
Expenses:		
Instruction and Media Services	304,761,297	327,025,155
Curriculum and Instructional Staff Development	15,280,538	16,667,811
Instructional and School Leadership	35,011,114	38,785,894
Student Support Services	41,442,913	45,105,725
Food Services	30,645,191	38,290,202
Extracurricular Activities	14,661,775	17,244,449
General Administration	14,282,617	6,799,545
Maintenance, Security & Data Processing	68,651,386	68,672,983
Community Services	3,654,423	4,942,845
Debt Services	5,399,155	7,017,649
JJAEP and other intergovernmental charges	-	23,834
Other Intergovernmental Charges	935,945	912,874
Total Expenses	<u>534,726,354</u>	<u>571,488,966</u>
Increase/ (Decrease) in Net Position	40,773,773	7,329,572
Beginning Net Position	109,773,809	99,730,163
Prior Period Adjustment	415,127	2,714,074
Ending Net Position	<u>\$ 150,962,709</u>	<u>\$ 109,773,809</u>

The District’s total Governmental Activities Revenues are \$575,500,127 a 0.57% decrease of \$3,318,411 from the prior year. The largest decrease were in Grants & Contributions not Restricted a 29.1% decrease but in State Aid – Formula Grants, a 2.68% increase was realized.

The expenses for governmental activities totaled \$534,726,354 a 6.0% decrease of \$36,762,612 from the prior year. The largest decreases were in Instruction and Media Services, a 6.81% decrease and in Food Services, a 19.96% decrease that was caused primarily by disruptions from the Covid-19 Pandemic.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

THE DISTRICT’S FUNDS

As the District completed the year ended June 30, 2021, its governmental funds (as presented in the Balance Sheet) reported a combined fund balance of \$216,452,097. Included in this year’s \$20,077,457 total increase in fund balance is an increase of \$18,680,870 in the District’s General Fund and an increase of \$1,396,587 in the Debt Service Fund.

Total Revenues in the General Fund increased \$4,373,288, a 0.93% change from FY 2020 to 2021.

- Total Local and Intermediate Sources Revenue decreased \$1,443,032. This is a result of a decrease in charges for services due to Covid-19 disruptions in various services.
- State Program Revenues increased \$8,731,287 mainly as a result of a prior year reduction of state funding that was transferred to the ESSER programs.
- Federal Program Revenues decreased \$2,914,967. This is a result of a decrease in the Food Services lunch and breakfast programs that were disrupted due to the Covid-19 pandemic.

Total Expenditures in the General Fund decreased \$30,651,717 as compared to the previous year. The decrease is due mostly to the reduction of Food Services and Construction due to the Covid-19 pandemic.

The Fund Balance of the General Fund increased \$ 18,680,870 from the prior year, primarily due to revenues being slightly higher but the total expenses were substantially lower from the prior year due to Covid-19 disruptions.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

The revenue in the final amended budget in the General Fund was increased \$43.6M from the adopted budget, however actual revenue came in \$23.4M lower than the amended budget due to TEA adjustments to State Revenue. Due to Covid-19 related school closures, TEA elected to use Federal CARES Act funding to fulfill a portion of the Foundation School Program formula funding for the school year. The District received a Federal “Elementary and Secondary School Emergency Relief” (ESSER) grant in lieu of state revenue, and the same amount of expenditures were reclassified to the Federal ESSER grant. The change resulted in substantial variances to budget for both revenues and instructional expenditures, both lower in the General Fund due to the unplanned shift to the Federal grant.

Expenditures in the General Fund were \$1.5M higher than appropriations in the adopted budget and \$110.8M less than the board approved final amended budget. The variance in expenditures was due to TEA'S decision to utilize the Federal CARES Act funding for a portion of the school year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District had investments of \$422,667,112 net of depreciation, in a broad range of capital assets, including land, buildings and improvements, furniture and equipment, and vehicles. This amount represents a net increase (including additions, deductions, and depreciation) of \$695,985 over last year. (See Table 3) Refer to Note E in section IV of the Notes to the Financial Statements for more detailed information on capital assets.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

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

	Governmental Activities 2021		Governmental Activities 2020
Land	\$ 28,837,353	\$	28,526,137
Buidlings and Improvements	353,664,115		326,811,968
Furniture, Equipment	12,301,817		10,997,672
Vehicles	10,448,440		11,506,870
Construction In Progress	17,415,387		44,128,480
Net Capital Assets	\$ 422,667,112	\$	421,971,127

DEBT

As of June 30, 2021, the District had \$96,076,600 in bonds outstanding (the “Bonds”). The Obligations have been rated “Aaa” by Moody’s Investors Service, Inc. and “AAA” by Fitch Ratings by virtue of the Permanent School Fund Guarantee Program of Texas. The Obligations have been rated “Aa3” by Moody’s and “AA-” by Fitch without regard to credit enhancement.

Other District long-term obligations include compensated absences and capital leases. More detail information about the District’s long-term liabilities is presented in Notes F and G under the Notes to the Financial Statements and in the Supplemental Schedules No. 14, 15, 16, and 17 of the Statistical Section.

The District has adopted Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions. GASB Statement No. 68 requires school districts to report their portion of the unfunded (liability) or overfunded (asset) pension of the Teacher Retirement System of Texas pension plan. The District has participated in the Teacher Retirement System of Texas pension plan for years. With the implementation of GASB Statement No. 68, the costs and obligations of the state (on-behalf contributions) and the District related to the Teacher Retirement System of Texas pension plan are intended to be more transparent.

The District has adopted Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB). GASB Statement No. 75 requires school districts to report their portion of the unfunded (liability) or overfunded (asset) of the Teacher Retirement System of Texas OPEB plan. The District has participated in the Teacher Retirement System of Texas OPEB plan for years. With the implementation of GASB Statement No. 75, the costs and obligations of the state and the District related to the Teacher Retirement System of Texas OPEB plan are intended to be more transparent.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The District’s assessed property tax value for the 2021-2022 fiscal year is \$6,890,412,969 compared to the assessed value in the 2020-2021 fiscal year of \$6,358,426,031 which translates to a property value appreciation of \$531,986,938 or .084%.

The budget for the 2021-2022 fiscal year was based on a projected ADA (Average Daily Attendance) of 36,246 a decrease of 1,189 from the prior year. The budget for the 2020-2021 fiscal year was based on a projected ADA of 37,435.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

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

**Table 4
Brownsville Independent School District
Proposed 2022 General Fund Operating Revenue Budget**

	Proposed Budget 2021 - 2022
Local Sources	\$ 72,663,337
State Sources	354,525,927
Federal Sources	59,326,937
Total Operating Fund Revenues	\$ 486,516,201

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

The District recognizes and addresses the unique cultural lifestyle of South Texas with a broad selection of activities and programs for all students. These programs range from the Brownsville Early College High School to support programs for students with special needs. Limited English speaking students are served through the Bilingual or English as a Second Language program. The District has become a leader in the state by offering the designated Early College High School program to all seven BISD high schools. The Early College High School Program introduces college level learning to secondary students, with the opportunity to earn not only a high school diploma, but up to 60 college credit hours at no cost to the student or their families. The district implemented remote instruction for the safety of the students and staff due to the Covid 19 pandemic.

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

There is pride in the progress BISD has made in recent years with regard to state mandated testing. Better scores have translated into more seniors fulfilling degree requirements and graduating career-ready and college-connected. Academically, both the Southern Association of Colleges and Schools and the Texas Education Agency have accredited Brownsville public schools.

CONTACTING THE DISTRICT’S FINANCIAL MANAGEMENT

This comprehensive financial report is intended to provide our citizens, taxpayers, customers and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District’s Chief Financial Officer, at 1900 E. Price Rd-Suite 305, Brownsville, Texas 78521-2417 or by calling (956) 698-0003.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

EXHIBIT A-1

Data Control Codes	Primary Government Governmental Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 24,722,498
1120 Current Investments	181,796,495
1220 Property Taxes - Delinquent	8,701,935
1230 Allowance for Uncollectible Taxes	(261,058)
1240 Due from Other Governments	78,004,049
1250 Accrued Interest	11,059
1267 Due from Fiduciary Funds	520
1290 Other Receivables, Net	352,852
1300 Inventories	5,546,133
Capital Assets:	
1510 Land	28,837,353
1520 Buildings, Net	353,664,115
1530 Furniture and Equipment, Net	12,301,817
1540 Vehicles, Net	10,448,440
1580 Construction in Progress	17,415,387
1000 Total Assets	721,541,595
DEFERRED OUTFLOWS OF RESOURCES	
1701 Deferred Charge for Refunding	7,934,633
1705 Deferred Outflow Related to TRS Pension	47,071,002
1706 Deferred Outflow Related to TRS OPEB	18,472,058
1700 Total Deferred Outflows of Resources	73,477,693
LIABILITIES	
2110 Accounts Payable	6,873,858
2120 Short Term Debt Payable	91,844
2150 Payroll Deductions and Withholdings	8,866,561
2160 Accrued Wages Payable	35,596,197
2177 Due to Fiduciary Funds	118,469
2180 Due to Other Governments	13,879,057
2190 Due to Student Groups	814,201
2200 Accrued Expenses	5,744,423
2300 Unearned Revenue	2,553,063
Noncurrent Liabilities:	
2501 Due Within One Year: Loans, Note, Leases, etc.	29,005,817
Due in More than One Year:	
2502 Bonds, Notes, Leases, etc.	111,718,256
2540 Net Pension Liability (District's Share)	136,835,696
2545 Net OPEB Liability (District's Share)	142,944,547
2000 Total Liabilities	495,041,989
DEFERRED INFLOWS OF RESOURCES	
2605 Deferred Inflow Related to TRS Pension	28,481,633
2606 Deferred Inflow Related to TRS OPEB	120,532,957
2600 Total Deferred Inflows of Resources	149,014,590
NET POSITION	
3200 Net Investment in Capital Assets	290,684,615
Restricted:	
3820 Restricted for Federal and State Programs	18,646,880
3850 Restricted for Debt Service	12,519,325
3900 Unrestricted	(170,888,111)
3000 Total Net Position	\$ 150,962,709

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Net (Expense)
Revenue and
Changes in Net
Position

Data Control Codes	1	Program Revenues		6	
		3	4		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Gov. Governmental Activities	
Primary Government:					
GOVERNMENTAL ACTIVITIES:					
11	Instruction	\$ 292,765,075	\$ 383,600	\$ 46,699,690	\$ (245,681,785)
12	Instructional Resources and Media Services	11,996,222	199,499	3,951,590	(7,845,133)
13	Curriculum and Instructional Staff Development	15,280,538	-	3,050,681	(12,229,857)
21	Instructional Leadership	7,468,197	-	1,413,671	(6,054,526)
23	School Leadership	27,542,917	-	963,230	(26,579,687)
31	Guidance, Counseling, and Evaluation Services	22,499,817	-	2,560,022	(19,939,795)
32	Social Work Services	927,732	-	10,536	(917,196)
33	Health Services	6,412,782	-	1,791,671	(4,621,111)
34	Student (Pupil) Transportation	11,602,582	9,975	262,511	(11,330,096)
35	Food Services	30,645,191	98,639	32,069,201	1,522,649
36	Extracurricular Activities	14,661,775	90,251	60,550	(14,510,974)
41	General Administration	14,282,617	9,975	342,794	(13,929,848)
51	Facilities Maintenance and Operations	53,107,673	109,724	5,745,249	(47,252,700)
52	Security and Monitoring Services	8,210,931	-	585,010	(7,625,921)
53	Data Processing Services	7,332,782	319,198	605,514	(6,408,070)
61	Community Services	3,654,423	350,467	3,076,765	(227,191)
72	Debt Service - Interest on Long-Term Debt	5,399,155	-	-	(5,399,155)
99	Other Intergovernmental Charges	935,945	-	-	(935,945)
[TP]	TOTAL PRIMARY GOVERNMENT:	\$ 534,726,354	\$ 1,571,328	\$ 103,188,685	(429,966,341)

Data Control Codes	General Revenues:	
	Taxes:	
MT	Property Taxes, Levied for General Purposes	64,572,741
DT	Property Taxes, Levied for Debt Service	9,433,456
SF	State Aid - Formula Grants	350,739,545
GC	Grants and Contributions not Restricted	43,521,015
IE	Investment Earnings	477,078
MI	Miscellaneous Local and Intermediate Revenue	1,996,279
TR	Total General Revenues	470,740,114
CN	Change in Net Position	40,773,773
NB	Net Position - Beginning	109,773,809
PA	Prior Period Adjustment	415,127
NE	Net Position - Ending	\$ 150,962,709

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

Data Control Codes	10 General Fund	ESEA I, A Improving Basic Program	ESSER III American Rescue Plan
ASSETS			
1110 Cash and Cash Equivalents	\$ 12,609,786	\$ 239,089	\$ -
1120 Investments - Current	174,487,657	-	-
1220 Property Taxes - Delinquent	7,869,158	-	-
1230 Allowance for Uncollectible Taxes	(236,075)	-	-
1240 Due from Other Governments	42,130,070	3,205,550	18,924,205
1250 Accrued Interest	11,059	-	-
1260 Due from Other Funds	33,879,580	12,069,348	-
1290 Other Receivables	352,302	-	550
1300 Inventories	5,546,133	-	-
1000 Total Assets	<u>\$ 276,649,670</u>	<u>\$ 15,513,987</u>	<u>\$ 18,924,755</u>
LIABILITIES			
2110 Accounts Payable	\$ 4,994,325	\$ 202,616	\$ 216,964
2120 Short Term Debt Payable - Current	-	-	-
2150 Payroll Deductions and Withholdings Payable	8,866,561	-	-
2160 Accrued Wages Payable	32,556,742	1,127,412	-
2170 Due to Other Funds	6,467,445	14,183,959	18,707,791
2180 Due to Other Governments	13,065,296	-	-
2190 Due to Student Groups	15,454	-	-
2200 Accrued Expenditures	111,164	-	-
2300 Unearned Revenue	3,772	-	-
2000 Total Liabilities	<u>66,080,759</u>	<u>15,513,987</u>	<u>18,924,755</u>
DEFERRED INFLOWS OF RESOURCES			
2601 Unavailable Revenue - Property Taxes	6,636,139	-	-
2600 Total Deferred Inflows of Resources	<u>6,636,139</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3410 Inventories	5,546,133	-	-
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	18,646,880	-	-
3480 Retirement of Long-Term Debt	-	-	-
3490 Other Restricted Fund Balance	356,414	-	-
Committed Fund Balance:			
3510 Construction	9,792,517	-	-
3545 Other Committed Fund Balance	4,689,383	-	-
Assigned Fund Balance:			
3550 Construction	36,214,195	-	-
3590 Other Assigned Fund Balance	22,909,360	-	-
3600 Unassigned Fund Balance	105,777,890	-	-
3000 Total Fund Balances	<u>203,932,772</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 276,649,670</u>	<u>\$ 15,513,987</u>	<u>\$ 18,924,755</u>

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

	Other Funds	Total Governmental Funds
\$	11,809,908	\$ 24,658,783
	102,875	174,590,532
	832,777	8,701,935
	(24,983)	(261,058)
	13,744,224	78,004,049
	-	11,059
	15,343,805	61,292,733
	-	352,852
	-	5,546,133
<u>\$</u>	<u>41,808,606</u>	<u>\$ 352,897,018</u>
\$	925,351	\$ 6,339,256
	91,844	91,844
	-	8,866,561
	1,912,043	35,596,197
	21,523,136	60,882,331
	813,761	13,879,057
	798,747	814,201
	-	111,164
	2,549,291	2,553,063
<u>\$</u>	<u>28,614,173</u>	<u>129,133,674</u>
	675,108	7,311,247
<u>\$</u>	<u>675,108</u>	<u>7,311,247</u>
	-	5,546,133
	-	18,646,880
	12,519,325	12,519,325
	-	356,414
	-	9,792,517
	-	4,689,383
	-	36,214,195
	-	22,909,360
	-	105,777,890
<u>\$</u>	<u>12,519,325</u>	<u>216,452,097</u>
<u>\$</u>	<u>41,808,606</u>	<u>\$ 352,897,018</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2021

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$	216,452,097
1 The District uses internal service funds to charge the costs of certain activities, such as self-insurance and workers' compensation, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position.		573,466
2 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$785,628,108 and the accumulated depreciation was (\$363,656,981). In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position.		264,185,808
3 Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2021 capital outlays and debt principal payments is to increase net position.		46,105,163
4 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68. The net position related to TRS included a Deferred Resource Outflow in the amount of \$47,071,002, a Deferred Resource Inflow in the amount of \$28,481,633 and a net pension liability in the amount of \$136,835,696. This resulted in a (decrease) in net position.		(118,246,327)
5 Included in the items related to debt is the recognition of the District's proportionate share of the net OPEB liability required by GASB 75. The net position related to TRS included a Deferred Resource Outflow in the amount of \$18,472,058, a Deferred Resource Inflow in the amount of \$120,532,957 and a net OPEB liability in the amount of \$142,944,547. This resulted in a (decrease) in net position.		(245,005,446)
6 The 2021 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to (decrease) net position.		(20,413,299)
7 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.		7,311,247
19 Net Position of Governmental Activities	\$	150,962,709

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	10 General Fund	ESEA I, A Improving Basic Program	ESSER III American Rescue Plan
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 69,654,424	\$ -	\$ -
5800 State Program Revenues	372,535,545	-	-
5900 Federal Program Revenues	34,610,258	26,324,278	17,215,297
5020 Total Revenues	<u>476,800,227</u>	<u>26,324,278</u>	<u>17,215,297</u>
EXPENDITURES:			
Current:			
0011 Instruction	232,552,311	17,166,487	4,335,316
0012 Instructional Resources and Media Services	7,553,180	1,625,508	121,739
0013 Curriculum and Instructional Staff Development	11,310,313	1,797,481	118,586
0021 Instructional Leadership	5,560,839	769,722	89,535
0023 School Leadership	25,138,793	434,159	398,603
0031 Guidance, Counseling, and Evaluation Services	18,752,930	285,863	227,929
0032 Social Work Services	888,954	-	10,536
0033 Health Services	4,277,937	1,599,110	107,207
0034 Student (Pupil) Transportation	10,866,118	-	260,929
0035 Food Services	21,597,491	-	7,092,509
0036 Extracurricular Activities	13,778,117	-	52,002
0041 General Administration	11,905,585	-	268,361
0051 Facilities Maintenance and Operations	45,899,081	328,668	3,698,101
0052 Security and Monitoring Services	7,353,020	-	154,280
0053 Data Processing Services	7,425,827	76,390	211,336
0061 Community Services	420,120	2,240,890	68,328
Debt Service:			
0071 Principal on Long-Term Debt	12,771,217	-	-
0072 Interest on Long-Term Debt	2,823,032	-	-
0073 Bond Issuance Cost and Fees	9,152	-	-
Capital Outlay:			
0081 Facilities Acquisition and Construction	16,299,395	-	-
Intergovernmental:			
0099 Other Intergovernmental Charges	935,945	-	-
6030 Total Expenditures	<u>458,119,357</u>	<u>26,324,278</u>	<u>17,215,297</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>18,680,870</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):			
7911 Capital Related Debt Issued	-	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	-
8949 Other (Uses)	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balances	18,680,870	-	-
0100 Fund Balance - July 1 (Beginning)	<u>185,251,902</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ 203,932,772</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Other Funds	Total Governmental Funds
\$	10,389,085	\$ 80,043,509
	9,127,282	381,662,827
	31,956,116	110,105,949
	51,472,483	571,812,285
	25,197,885	279,251,999
	2,204,343	11,504,770
	1,134,614	14,360,994
	554,415	6,974,511
	130,468	26,102,023
	2,046,230	21,312,952
	-	899,490
	85,354	6,069,608
	1,582	11,128,629
	23,356	28,713,356
	8,548	13,838,667
	74,433	12,248,379
	1,718,481	51,644,331
	430,731	7,938,031
	317,788	8,031,341
	767,547	3,496,885
	11,735,000	24,506,217
	3,642,370	6,465,402
	527,301	536,453
	-	16,299,395
	-	935,945
	50,600,446	552,259,378
	872,037	19,552,907
	44,790,000	44,790,000
	6,422,259	6,422,259
	(50,687,709)	(50,687,709)
	524,550	524,550
	1,396,587	20,077,457
	11,122,738	196,374,640
\$	12,519,325	\$ 216,452,097

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$	20,077,457
<p>The District uses internal service funds to charge the costs of certain activities, such as self-insurance and printing, to appropriate functions in other funds. The net (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to (decrease) net position.</p>		
		(803,112)
<p>Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2021 capital outlays and debt principal payments is to increase net position.</p>		
		45,690,036
<p>Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to (decrease) net position.</p>		
		(20,413,299)
<p>Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to (decrease) net position.</p>		
		(1,353,231)
<p>GASB 68 required that certain plan expenditures be de-expended and recorded as Deferred Resource Outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$8,710,332. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability. This caused a decrease in the change in net position totaling \$8,906,584. Finally, the proportionate share of the TRS pension expense on the plan as a whole had to be recorded. The net pension expense decreased the change in net position by \$8,981,415. The net result is a (decrease) in the change in net position.</p>		
		(9,177,667)
<p>GASB 75 required that certain plan expenditures be de-expended and recorded as Deferred Resource Outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$2,123,890. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net OPEB liability. This caused a decrease in the change in net position totaling \$2,412,168. Finally, the proportionate share of the TRS OPEB expense on the plan as a whole had to be recorded. The net OPEB expense (increased) the change in net position by \$(7,041,867). The net result is an increase in the change in net position.</p>		
		6,753,589
Change in Net Position of Governmental Activities	\$	40,773,773

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Governmental Activities -
	Total Internal Service Funds
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 63,715
Investments - Current	7,205,963
Due from Other Funds	1,550,700
Total Assets	8,820,378
LIABILITIES	
Current Liabilities:	
Accounts Payable	534,602
Due to Other Funds	2,079,051
Accrued Expenses	5,633,259
Total Liabilities	8,246,912
NET POSITION	
Unrestricted Net Position	573,466
Total Net Position	\$ 573,466

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Governmental Activities -
	Total Internal Service Funds
<hr/>	
OPERATING REVENUES:	
Local and Intermediate Sources	\$ <u>50,572,724</u>
Total Operating Revenues	<u>50,572,724</u>
OPERATING EXPENSES:	
Other Operating Costs	<u>51,375,836</u>
Total Operating Expenses	<u>51,375,836</u>
Operating Income (Loss)	(803,112)
Total Net Position - July 1 (Beginning)	<u>1,376,578</u>
Total Net Position - June 30 (Ending)	<u><u>\$ 573,466</u></u>

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT D-3

	Governmental Activities -
	Total
	Internal
	Service Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Payments for Services	\$ 53,199,052
Cash Payments for Insurance Claims	(53,141,002)
Net Cash Provided by Operating Activities	58,050
Net Increase in Cash and Cash Equivalents	58,050
Cash and Cash Equivalents at Beginning of Year	5,665
Cash and Cash Equivalents at End of Year	\$ 63,715
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Income (Loss):	\$ (803,112)
Effect of Increases and Decreases in Current Assets and Liabilities:	
Decrease (increase) in Current Investments	11,539,298
Decrease (increase) in Due from Other Funds	650,000
Decrease (increase) in Due from Internal Serv Fund	12,000,000
Decrease (increase) in Other Receivables	17,215
Increase (decrease) in Accounts Payable	(845,457)
Increase (decrease) in Due to Internal Serv Fund	(12,000,000)
Increase (decrease) in Due to Other Funds	(11,709,495)
Increase (decrease) in Accrued Expenses	1,209,601
Net Cash Provided by Operating Activities	\$ 58,050

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021

	Private Purpose Trust Funds	Total Custodial Funds
ASSETS		
Cash and Cash Equivalents	\$ 150,774	\$ 491,323
Due from Other Funds	485	117,984
Other Receivables	1	-
Total Assets	<u>151,260</u>	<u>\$ 609,307</u>
LIABILITIES		
Accounts Payable	14,462	119,214
Due to Other Funds	520	-
Accrued Expenses	-	1,000
Total Liabilities	<u>14,982</u>	<u>120,214</u>
NET POSITION		
Unrestricted Net Position	<u>136,278</u>	<u>489,093</u>
Total Net Position	<u>\$ 136,278</u>	<u>\$ 489,093</u>

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Private Purpose Trust Funds	Total Custodial Funds
ADDITIONS:		
Earnings from Temporary Deposits	\$ 354	\$ -
Miscellaneous Additions	104,438	371,780
Total Additions	104,792	371,780
DEDUCTIONS:		
Professional and Contracted Services	6,810	-
Other Deductions	98,615	526,122
Total Deductions	105,425	526,122
Change in Fiduciary Net Position	(633)	(154,342)
Total Net Position - July 1 (Beginning)	136,911	-
Prior Period Adjustment	-	643,435
Total Net Position - June 30 (Ending)	\$ 136,278	\$ 489,093

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

A. REPORTING ENTITY

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of the direct costs. The “charges for services” column include payments made by parties that purchase, use or directly benefit from goods or services provided by a given function or segment of the District. The “grants and contributions” column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function.

Examples include grants through the Department of Education, Department of Health & Human Services and Texas Education Agency. If revenue is not program revenue, it is general revenue used to support all of the District’s functions.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Interfund activities between governmental funds appear as due to/due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position and as other resources and other uses on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance and on the Proprietary Fund Statement of Revenues, Expenses and Changes in Net Position. All interfund transactions between governmental funds and between governmental funds and internal service funds are not eliminated on the government-wide statements.

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

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

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

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

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

Revenues from local sources consist primarily of property tax revenue. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

D. BASIS OF PRESENTATION - FUND ACCOUNTING

The District reports the following major governmental fund:

1. ***General Fund*** - is used to account for financial resources used for general operations. This is a budgeted fund and any fund balances are considered resources available for current operations. All revenues and expenditures not required to be accounted for in other funds, are accounted for in this fund.
2. ***ESEA I, Part A Improving Basic Program*** - is used to account for funds to help the District improve teaching and learning in high-poverty schools in particular for children failing, or most at-risk of failing, to meet challenging State academic standards.
3. ***ESSER III American Rescue Plan*** - ESSER III American Rescue Plan is used to account for federal stimulus ESSER III funds granted to LEAs through the American Rescue Plan Act to address learning loss and the disproportionate impact of the coronavirus on certain student subgroups, identify and provide homeless children and youth with services in light of challenges of COVID-19, and to enable homeless children and youth to attend school and participate fully in school activities.

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

Governmental Funds:

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. BASIS OF PRESENTATION - FUND ACCOUNTING

Proprietary Funds:

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

Fiduciary Funds:

1. ***Private Purpose Trust Funds*** - are used to account for scholarships, which have stipulations for the participants awarded; only the income may be used for a specific purpose.
2. ***Custodial Funds*** – are used to account for resources held for others in a custodial capacity.

E. OTHER ACCOUNTING POLICIES

1. For purposes of the statement of cash flows, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.
2. Inventory is valued at cost (average). The District accounts for school supply and food inventories by using the consumption method whereby expenditures are recognized only when inventory items are used. Maintenance supplies inventory is accounted for by using the purchase method whereby purchases of inventories are recognized as expenditures when the goods are received, and the transaction is vouchered. Reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Commodity inventory is offset by deferred revenue.
3. Other current assets are prepaid expenses that will benefit periods beyond June 30, 2021. The only prepaid expenses included are for unexpired insurance policy premiums paid by June 30, 2021, and which extend beyond that date. The reported prepaid insurance is equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.
4. In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.
5. Capital assets, which include land, buildings, vehicles, furniture & equipment, and construction in progress, are reported in the applicable governmental activities' columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. OTHER ACCOUNTING POLICIES

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Buildings, vehicles and furniture & equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

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

6. Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided are treated as revenues or expenditures. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net position.
7. When the District incurs an expense for which it may use either restricted or unrestricted assets, it uses the restricted assets first unless unrestricted assets will have to be returned because they were not used.
8. Accumulated compensatory absences that are expected to be liquidated with expendable available resources are reported as an expenditure and a liability in the Governmental Funds only if they have matured.
9. In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, presents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District only has one item that qualifies for reporting in this category. It is deferred charged on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

10. Net position represents the differences between assets, deferred outflows (inflows) of resources and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. OTHER ACCOUNTING POLICIES

11. Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond and grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered applied. It is the District’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.
12. Sometimes the District will fund outlays for a particular purpose from both restricted (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.
13. The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:
 - **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
 - **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
 - **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by board resolution by the Board. The Board's commitment may be modified or rescinded by a majority vote in a scheduled meeting. Board commitments cannot exceed the amount of fund balance that is greater than the sum of non-spendable and restricted fund balances since that practice would commit funds that the District does not have. Board commitments must occur before the end of the reporting period with amounts to be determined subsequently.
 - **Assigned:** This classification includes amounts that are constrained by the District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board, the Superintendent, or Superintendent’s designee.
 - **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. OTHER ACCOUNTING POLICIES

14. The Data Control Codes refer to the account code structure prescribed by TEA in the *Financial Accountability System Resource Guide*. The Texas Education Agency requires school districts to display these codes in the financial statements filed with the Agency in order to ensure accuracy in building a statewide data base for policy development and funding plans.
15. Compensated absences for the District consist of vacation days not taken during the year are not accumulated and carried over to subsequent years. Local sick leave is however, accumulated, but only paid to the employee upon retirement up to a maximum of 30 days. The estimated amount of sick leave expected to be paid at retirement during the year ended June 30, 2021, is \$806,943, and an accrual has been made. A liability for these amounts is reported in governmental funds only if they have matured, as a result of employee resignation and/or retirement.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Exhibit C-2 provides the reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the net position for governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported as liabilities in the funds. The details of capital assets and long-term debt at the beginning of the year were as follows:

Capital Assets at the Beginning of Year	Historic Cost	Accumulated Depreciation	Net Value at the Beginning of Year	Change in Net Position
Land	\$ 28,526,137	\$ -	\$ 28,526,137	
Buildings & Improvements	646,486,417	(319,674,449)	326,811,968	
Furniture & Equipment	32,910,912	(21,913,239)	10,997,673	
Vehicles	33,576,162	(22,069,293)	11,506,869	
Construction in Progress	44,128,480	-	44,128,480	
Change in Net Position				<u>\$ 421,971,127</u>
Long -Term Liabilities at the Beginning of Year			Payable at the Beginning of Year	
Bonds Payable			\$ (111,060,400)	
Less Deferred Charges			8,171,043	
Premiums/Discounts			(11,933,737)	
Notes Payable			(39,655,000)	
Capital Leases Payable			(2,552,317)	
Compensated Absences			(754,908)	
Change in Net Position				<u>(157,785,319)</u>
Net Adjustment to Net Position				<u>\$ 264,185,808</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(CONTINUED)

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

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

	Amount	Adjustments to Changes in Net Position	Change in Net Position
Adjustments to Deferred Revenue			
FY 6/30/2021 Unearned Revenue - Property Taxes	\$ 7,311,247	\$ 7,311,247	
Total Capital Outlay			\$ 7,311,247

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

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

	Amount	Adjustments to Changes in Net Position	Adjustments to Net Position
<u>Current Year Capital Outlay</u>			
Buildings & Improvements	\$ 29,460	\$ 29,460	
Furniture & Equipment	3,655,011	3,655,011	
Vehicles	739,750	739,750	
Construction in Progress	16,269,936	16,269,936	
Total Capital Outlay			\$ 20,694,157
<u>Debt Principal Payments</u>			
Bond Principal	14,233,800	14,233,800	
Less Deferred Charges	(5,384,119)	(5,384,119)	
Premium Amortization	6,450,366	6,450,366	
Note Principal	9,140,000	9,140,000	
Capital Lease Payments	1,132,417	1,132,417	
Other	(576,585)	(576,585)	
Total Principal Payments			24,995,879
Net Adjustment to Net Position			\$ 45,690,036

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(CONTINUED)

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

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

	Amount	Adjustments to Changes in Net Position	Adjustments to Net Position
<u>Adjustments to Property Tax Revenue</u>			
FY 6/30/2020 Unearned Revenue - Property Taxes	\$ (8,664,478)	\$ (8,664,478)	\$ (8,664,478)
FY 6/30/2021 Unearned Revenue - Property Taxes	7,311,247	7,311,247	7,311,247
Total			\$ (1,353,231)

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY DATA

The Board of Trustees adopts an “appropriated budget” on a basis consistent with GAAP for the General Fund, Debt Service Fund and Child Nutrition Program (which is included in the General Fund). The District is required to present the adopted and final amended budgeted revenues and expenditures for these three funds. The General Fund Budget report is presented in Exhibit G-1 and the Child Nutrition Program Budget and Debt Service Fund Budget reports are presented in Exhibit J-2 and J-3, respectively.

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

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

B. DEFICIT FUND EQUITY

At June 30, 2021, fund 753 and 754 had a deficit fund balance of \$1,685,208 and \$2,616,958, respectively. The District will be looking on making plan design changes to reduce costs, increase funding through a combination of employee/employer contributions and an infusion of funds. The District is and will continue monitoring its progress to ensure it maintains an acceptable or positive balance or complete elimination of this deficit.

C. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2021, expenditures exceeded appropriations in the following functions as noted:

<u>General Fund Function</u>	<u>Amount</u>
32 Social Work Services	\$ 16,486

IV. DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the **Depository Contract Law**. The depository bank places approved pledged securities for safekeeping and trust with counterparty’s trust department in the District’s name in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank’s dollar amount of Federal Deposit Insurance Corporation (“FDIC”) insurance.

At June 30, 2021, the carrying amount of the District’s deposits, excluding agency funds, was \$24,722,498 and the bank balance was \$25,867,621. The District’s cash deposits at June 30, 2021 and during the year were covered by FDIC insurance or by pledged collateral held by the District’s agent bank in the District’s name. The District monitors cash flows regularly when TEA funds are received to ensure that the bank pledges sufficient collateral.

District Policies and Legal Contractual Provisions Governing Deposits

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

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. DEPOSITS AND INVESTMENTS

District Policies and Legal Contractual Provisions Governing Investments

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

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

The District's temporary investments at June 30, 2021, are shown below:

Investment Type	Investment Maturities (in years)					Weighted Average Maturity Days
	Fair Value	Less Than 1	1 to 5	6 to 10	More Than 10	
Certificates of Deposit	\$ 22,000,000	\$ 22,000,000	\$ -	\$ -	\$ -	336
Texas Term Investment Pool	15,000,825	15,000,825	-	-	-	1
Lone Star Investment Pool	97,161,247	97,161,247	-	-	-	1
TexPool	591,724	591,724	-	-	-	1
Texas Class/ MBIA	47,042,699	47,042,699	-	-	-	1
Total	<u>\$ 181,796,495</u>	<u>\$ 181,796,495</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>340</u>

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

Credit Risk – In accordance with state law and the District's investment policy, investments in mutual funds and investment pools must be rated at least AAA or have an equivalent rating, commercial paper must be rated at least A-1, P-1 or have an equivalent rating, and obligations of states, agencies, counties, and cities must be at least A or its equivalent. As of June 30, 2021, the District's investments in Lone Star Investment Pool were rated AAAM by Standard and Poor's (S&P), TexPool was rated AAAM by Standard and Poor's (S&P), Texas Term was rated AA Af by Fitch, and Texas Class/MBIA was rated AAAM by Standard and Poor's Ratings Services.

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. DEPOSITS AND INVESTMENTS

Concentration of Credit Risk – The investment portfolio is diversified in terms of investment instruments and maturity scheduling to reduce risk of loss resulting from over concentration of assets in specific class of investments, specific maturity or specific issuer. As of June 30, 2021, the District had 12% of its investments in certificates of deposits in Lone Star National Bank (LSNB). These certificates of deposit were fully covered by eligible pledged securities. The District had 88% of its investments in TASB investment pools rated AAA as noted above.

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

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

Fair Value of Investments – The District categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The District measures its investments at fair value in accordance with Paragraph 41 of Statement 79 and Paragraph 11 of Statement 31, and therefore a participant’s investment in the pools are not required to be categorized within the fair value hierarchy for purposes of Paragraph 81a(2) of Statement 72.

B. PROPERTY TAXES

Property taxes are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The District levies its taxes on October 1st in conformity with Subtitle E, Texas Property Tax Code. The assessed value of the property tax roll on July 20, 2020, upon which the levy for the 2020-2021 fiscal year was based, as \$6,358,426,031. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1st of the year following the October 1st levy date. Taxes are delinquent if not paid by June 30th. Delinquent taxes are subject to both penalty and interest charges plus 15% delinquent collection fees for attorney costs.

The tax rates assessed for the year ended June 30, 2021 to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$1.025400 and \$0.150472 per \$100 valuation, respectively, for a total of \$1.175872 per \$100 valuation.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. PROPERTY TAXES

Current tax collections for the year ended June 30, 2021 were 95% of the year-end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of June 30, 2021, property taxes receivable of \$7,869,158 and \$832,777, net of estimated uncollectible taxes of \$236,075 and \$24,983, totaled \$7,633,083 and \$807,794 for the General and Debt Service Funds, respectively.

C. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund balances at June 30, 2021 consisted of the following individual fund balances:

	Due from Other Funds	Due to Other Funds
General Fund		
General Fund	\$ 720,368	\$ (720,368)
ESEA I, A Fund	2,923,361	(840,127)
ESSER III Fund	14,819,314	-
Other Funds	13,337,666	(3,238,481)
Internal Service Funds	2,078,351	(1,550,000)
Fiduciary Funds	520	(118,469)
	33,879,580	(6,467,445)
ESEA I, A Fund		
General Fund	840,127	(2,923,361)
ESSER III Fund	3,888,477	-
Other Funds	7,340,744	(11,260,598)
	12,069,348	(14,183,959)
ESSER III Fund		
General Fund	-	(14,819,314)
ESEA I, A Fund	-	(3,888,477)
	-	(18,707,791)
Other Funds		
General Fund	3,238,481	(13,337,666)
ESEA I, A Fund	11,260,598	(7,340,744)
Other Funds	844,726	(844,726)
	15,343,805	(21,523,136)
Internal Service Funds		
General Fund	1,550,000	(2,078,351)
Internal Service Funds	700	(700)
	1,550,700	(2,079,051)
Fiduciary Funds		
General Fund	118,469	(520)
	118,469	(520)
	\$ 62,961,902	\$ (62,961,902)

Balances resulted from the time lag between dates that 1) interfund goods and services are provided and/or reimbursable expenditures occur, and 2) transactions are recorded in the accounting system, and 3) payments between funds are made. Balances also result from interfund payroll transactions and end of year reclasses made between funds. Balances between General Fund and Internal Service Funds are not expected to be repaid in one year.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. DUE FROM OTHER GOVERNMENTS AND AGENCIES

Amounts due from other governments and agencies are as follows:

Fund Group	State Entitlements	Federal Grants	Other	Total
General Fund	\$ 36,826,798	\$ 5,303,272	\$ -	\$ 42,130,070
ESEA I, A Improving Basic Program	3,205,550	-	-	3,205,550
ESSER III American Rescue Plan	18,924,205	-	-	18,924,205
Other Funds	<u>12,259,509</u>	<u>759,426</u>	<u>725,289</u>	<u>13,744,224</u>
Totals	<u>\$ 71,216,062</u>	<u>\$ 6,062,698</u>	<u>\$ 725,289</u>	<u>\$ 78,004,049</u>

E. CAPITAL ASSET ACTIVITY

Capital asset activity for the District for the year ended June 30, 2021, was as follows:

	Balance 07/01/20	Primary Government				Balance 06/30/21
		Changes During Year				
		Additions	Deletions	Adjustments	Reclassifications	
Governmental activities:						
Capital assets not being depreciated						
Land	\$ 28,526,137	\$ -	\$ -	\$ 311,216	\$ -	\$ 28,837,353
Construction in progress	44,128,480	16,269,936	-	-	(42,983,029)	17,415,387
Total capital assets not being depreciated	<u>72,654,617</u>	<u>16,269,936</u>	<u>-</u>	<u>311,216</u>	<u>(42,983,029)</u>	<u>46,252,740</u>
Capital assets being depreciated						
Buildings and improvements	646,486,417	29,460	(94,347)	118,867	42,983,029	689,523,426
Furniture and equipment	32,910,912	3,655,011	(741,734)	(14,956)	-	35,809,233
Vehicles	33,576,162	739,750	-	-	-	34,315,912
Total capital assets being depreciated	<u>712,973,491</u>	<u>4,424,221</u>	<u>(836,081)</u>	<u>103,911</u>	<u>42,983,029</u>	<u>759,648,571</u>
Less accumulated depreciation for:						
Building and improvements	(319,674,449)	(16,279,209)	94,347	-	-	(335,859,311)
Equipment	(21,913,239)	(2,335,911)	741,734	-	-	(23,507,416)
Vehicles	(22,069,293)	(1,798,179)	-	-	-	(23,867,472)
Total accumulated depreciation	<u>(363,656,981)</u>	<u>(20,413,299)</u>	<u>836,081</u>	<u>-</u>	<u>-</u>	<u>(383,234,199)</u>
Total capital assets being depreciated, net	<u>349,316,510</u>	<u>(15,989,078)</u>	<u>-</u>	<u>103,911</u>	<u>42,983,029</u>	<u>376,414,372</u>
Governmental activities capital assets, net	<u>\$ 421,971,127</u>	<u>\$ 280,858</u>	<u>\$ -</u>	<u>\$ 415,127</u>	<u>\$ -</u>	<u>\$ 422,667,112</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 10,700,306
Instructional Resources and Media Services	413,718
Curriculum and Instructional Staff Development	702,444
Instructional Leadership	365,570
School Leadership	983,443
Guidance, Counseling and Evaluation Services	792,255
Social Work Services	23,370
Health Services	240,504
Student (Pupil) Transportation	514,006
Food Services	1,618,810
Extracurricular Activities	653,211
General Administration	488,489
Facilities Maintenance and Operations	2,144,698
Security and Monitoring Services	267,528
Data Processing Services	391,281
Community Services	113,666
Totals	<u>\$ 20,413,299</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. LONG-TERM OBLIGATIONS

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

Date of Issue	Description	Interest Rate Payable	Final Maturity	Amounts Original Issue	Amounts Outstanding 07/01/20	Issued	Retired	Refunded	Amounts Outstanding 06/30/21	Due Within One Year
12/22/2009	PFC Lease Revenue QS Construction Bonds, Series 2009	1.48%	2025	\$ 15,400,000	\$ 5,200,000	\$ -	\$ 1,040,000	\$ -	\$ 4,160,000	\$ 1,040,000
12/1/2010	Qualified School Construction Bonds, Series 2010A-E	0.37%	2028	25,770,000	11,670,400	-	1,458,800	-	10,211,600	1,458,800
6/5/2013	Unlimited Tax Refunding Bonds, Series 2013A	5.00%	2023	80,410,000	54,100,000	-	6,645,000	33,155,000	14,300,000	6,975,000
6/5/2013	Unlimited Tax Refunding Bonds, Series 2013B	4.00%	2024	42,300,000	28,660,000	-	5,090,000	12,385,000	11,185,000	3,585,000
6/1/2015	Unlimited Tax Refunding Bonds, Series 2015	2.00%	2030	10,295,000	6,200,000	-	-	-	6,200,000	-
6/28/2018	Unlimited Tax Refunding Bonds, Series 2018	4.00%	2024	5,230,000	5,230,000	-	-	-	5,230,000	1,665,000
9/17/2020	Unlimited Tax Refunding Bonds, Series 2020A	3.00%	2027	12,175,000	-	12,175,000	-	-	12,175,000	-
9/17/2020	Unlimited Tax Refunding Bonds, Series 2020B	4.00%	2027	32,615,000	-	32,615,000	-	-	32,615,000	-
Totals					<u>\$ 111,060,400</u>	<u>\$ 44,790,000</u>	<u>\$ 14,233,800</u>	<u>\$ 45,540,000</u>	<u>\$ 96,076,600</u>	<u>\$ 14,723,800</u>

In September 17, 2020, the District issued \$12,175,000 Series 2020A and \$32,615,000 Series 2020B Unlimited Tax Refunding Bonds to retire a portion of the outstanding bonds for the Series 2013A and 2013B Unlimited Tax Refunding Bonds. The proceeds were deposited directly into an escrow trust account and invested in obligations of the United States Government with maturities that coincide with principal and interest due dates. The investments will be adequate to retire a portion amount of refunded bonds, which had a total face value of \$12,385,000 and \$33,155,000 respectively. As a result, the refunded portion of the bonds are considered to be defeased and the liabilities have been removed from the long-term liabilities of the District. The purpose of the refunding was to lower the overall service requirements of the District. The refunding decreased the total debt service requirements by approximately \$210,000 and \$540,000, respectively and resulted in a current economic gain of \$428,030 for 2020A and \$2,521,761 for 2020B.

The District has defeased general obligation in the current year by placing the proceeds of new bonds and the District's own resources into irrevocable trust accounts to provide for all future debt service payments on the old bonds. Accordingly, those trust account assets and the liability for those defeased bonds are not included in the District's financial statements. At June 30, 2021, \$25,485,000 of defeased bonds remain outstanding, which includes \$14,300,000 and \$11,185,000 for Unlimited Tax Refunding Bonds, Series 2013A and 2013B, respectively.

The District has never defaulted on any principal and interest payments. There are a number of limitations and restrictions contained in the general obligation bond indentures. Management has indicated that the District is in compliance with all significant limitation and restrictions at June 30, 2021.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. LONG-TERM OBLIGATIONS

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

Year Ending June 30,	Bonds Payable		Total Requirements
	Principal	Interest	
2022	\$ 14,723,800	\$ 4,400,636	\$ 19,124,436
2023	15,293,800	3,837,486	19,131,286
2024	15,883,800	3,247,936	19,131,736
2025	14,423,800	2,767,336	17,191,136
2026	13,818,800	2,100,091	15,918,891
2027-2031	21,932,600	3,031,482	24,964,082
Totals	<u>\$ 96,076,600</u>	<u>\$ 19,384,967</u>	<u>\$ 115,461,567</u>

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

Date of Issue	Description	Interest Rate Payable	Final Maturity	Amounts Original Issue	Amounts Outstanding 07/01/20	Retired	Amounts Outstanding 06/30/21	Due Within One Year
06/1/2015	Maintenance Tax Notes, Series 2015	4.00%	2022	\$ 3,600,000	\$ 1,870,000	\$ 915,000	\$ 955,000	\$ 955,000
12/12/2017	Maintenance Tax Notes, Series 2017	3.00%-5.00%	2024	49,140,000	37,785,000	8,225,000	29,560,000	9,555,000
	Totals				<u>\$ 39,655,000</u>	<u>\$ 9,140,000</u>	<u>\$ 30,515,000</u>	<u>\$ 10,510,000</u>

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

Year Ending June 30,	Notes Payable		Total Requirements
	Principal	Interest	
2022	\$ 10,510,000	\$ 1,130,200	\$ 11,640,200
2023	9,935,000	702,200	10,637,200
2024	10,070,000	251,750	10,321,750
2025	-	-	-
2026	-	-	-
Totals	<u>\$ 30,515,000</u>	<u>\$ 2,084,150</u>	<u>\$ 32,599,150</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. CHANGES IN LONG-TERM LIABILITIES

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

Description	Balance 07/01/20	Issued	Retired	Refunded	Balance 06/30/21	Due Within One Year
Bonds Payable	\$ 111,060,400	\$ 44,790,000	\$(14,233,800)	\$ (45,540,000)	\$ 96,076,600	\$ 14,723,800
Note Payable	39,655,000	-	(9,140,000)	-	30,515,000	10,510,000
Capital Leases	2,552,317	-	(1,132,417)	-	1,419,900	698,355
Compensated Absences	754,908	486,295	(434,260)	-	806,943	201,736
Premium (Discount) on Bonds						
Bonds Payable 2006	220,614	-	(220,614)	-	-	-
Bonds Payable 2009	1,917,325	-	(319,554)	-	1,597,771	319,554
Bonds Payable 2010	(1,026,669)	-	205,333	-	(821,336)	(205,333)
Bonds Payable 2013	7,834,914	-	(4,477,098)	-	3,357,816	1,119,272
Bonds Payable 2015	331,675	-	(36,852)	-	294,823	36,852
Bonds Payable 2018	267,586	-	(66,896)	-	200,690	66,896
Bonds Payable 2020A	-	1,492,956	(213,279)	-	1,279,677	213,279
Bonds Payable 2020B	-	4,929,303	(704,186)	-	4,225,117	704,186
Note Payable 2015	80,585	-	(40,294)	-	40,291	40,294
Note Payable 2017	2,307,707	-	(576,926)	-	1,730,781	576,926
Net Pension Liability	140,539,681	6,837,638	(10,541,623)	-	136,835,696	-
Net OPEB Liability	184,854,403	-	(41,909,856)	-	142,944,547	-
Totals	<u>\$ 491,350,446</u>	<u>\$ 58,536,192</u>	<u>\$(83,842,322)</u>	<u>\$ (45,540,000)</u>	<u>\$ 420,504,316</u>	<u>\$ 29,005,817</u>

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

H. COMMITMENTS UNDER LEASES

Capital Leases

The District has entered into a capital lease to acquire school buses for an original cost of \$3,485,908. The interest rates for the lease is 3.45%. The lease was authorized under section 271.005 of the Local Government Code.

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

Year Ending June 30,	Total Requirements
2022	\$ 747,373
2023	746,472
2024	-
2025	-
2026	-
Total minimum lease payments	1,493,845
Less: amount representing interest	(73,945)
Present value of minimum lease payments	<u>\$ 1,419,900</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. COMMITMENTS UNDER LEASES

Operating Leases

Commitments under operating (noncapitalized) leases agreements for facilities and equipment provide for minimum future rental payments as of June 30, 2021, as follows:

Year Ending June 30,	Total Requirements
2022	\$ 1,132,120
2023	517,307
2024	262,070
2025	109,733
2026	109,733
Total Minimum Rentals	\$ 2,130,963
Rental Expenditures in Fiscal Year 2021	\$ 1,682,887

I. CONTINGENT LIABILITIES

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

Audits of all of these programs for the year ended June 30, 2021 have not been conducted. Accordingly, the District's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

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

J. DEFINED BENEFIT PENSION PLAN

Plan Description. The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution.

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

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. DEFINED BENEFIT PENSION PLAN

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

Contributions. Contribution requirements are established or amended pursuant to Article 16, Section 67 of the Texas Constitution which requires the Texas Legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code Section 821.006 prohibits benefit improvements if it increases the period of TRS' unfunded actuarial liability to greater than 31 years or, if the amortization period already exceed 31 years, the period would be increased by such action. Actuarial implications of the funding provided in this manner are determined by the System's actuary.

Employee contribution rates are set in state statute, Texas Government Code 825.402. SB12 in the 86th Legislature set contribution rates for fiscal year 2020 and fiscal year 2021. Beginning September 1, 2019, all employers are required to pay the Public Education Employer contribution of 1.5%. Contribution Rates can be found in the TRS 2020 CAFR, Note 11, on page 82.

	Contribution Rates	
	<u>2020</u>	<u>2021</u>
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	7.5%	7.5%
Employers	7.5%	7.5%
Current fiscal year employer contributions	\$	10,345,432
Current fiscal year member contributions	\$	23,408,653
2020 measurement year NECE on-behalf contributions	\$	16,972,647

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the Plan during the fiscal year reduced by the employer contributions. Employers (including public schools) are required to pay the employer contribution rate in the following instances:

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. DEFINED BENEFIT PENSION PLAN

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources or a privately sponsored source.

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

- Employers must contribute 1.5% of the member's salary ("Public Education Employer Surcharge").
- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions.

Roll Forward - The actuarial valuation was performed as of August 31, 2019. Update procedures were used to roll forward the total pension liability to August 31, 2020.

The total pension liability is determined by an annual actuarial valuation. The actuarial methods and assumptions were selected by the Board of Trustees based upon analysis and recommendations by the System's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions use for the Plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the three-year period ending August 31, 2017 and were adopted in July 2018.

The active mortality rates were based on 90 percent of the RP 2014 Employee Mortality Tables for males and females. The post-retirement mortality rates were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables with full generational projection using the ultimate improvement rates from the most recently published projection scale U-MP.

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

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-term Expected Rate	7.25%
Municipal Bond Rate as of August 2019	2.33% - Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity index's "20-Year Municipal GO AA Index."
Last year ending August 31 in Projection Period (100 years)	2119
Inflation	2.30%
Salary Increases	3.05% to 9.05% including inflation
Ad hoc Post-Employment Benefit Changes	None

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019. For a full description of these assumptions please see the TRS actuarial valuation report dated November 14, 2019.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. DEFINED BENEFIT PENSION PLAN

Discount Rate. The single discount rate used to measure the total pension liability was 7.25%. The single discount rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the statutorily require rates set by the Legislature during the 2019 legislative session. It is assumed that future employer and state contributions will be 8.50% of payroll in fiscal year 2020 gradually increasing to 9.66% of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2020, are presented in the Asset Allocations the following table from the TRS Comprehensive Annual Financial Report for 2020, page 53.

Asset Class	Target Allocation*	Long-Term Expected Arithmetic Real Rate of Return**	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
U.S.	18.00%	3.90%	0.99%
Non-U.S. Developed	13.00%	5.10%	0.92%
Emerging Markets	9.00%	5.60%	0.83%
Private Equity	14.00%	6.70%	1.41%
Stable Value			
Government Bonds	16.00%	-0.70%	-0.05%
Stable Value Hedge Funds	5.00%	1.90%	0.11%
Real Return			
Real Estate	15.00%	4.60%	1.02%
Energy and Natural Resources and Infrastructure	6.00%	6.00%	0.42%
Risk Parity			
Risk Parity	8.00%	3.00%	0.30%
Leverage			
Cash	2.00%	-1.50%	-0.03%
Asset Allocation Leverage	-6.00%	-1.30%	0.08%
Inflation Expectation			2.00%
Volatility Drag***			-0.67%
Expected Return	100.00%		7.33%

* Target allocations are based on the FY2020 policy model.

** Capital Market Assumptions come from Aon Hewitt (as of 08/31/2020).

*** The volatility drag results from the conversion between arithmetic and geometric mean returns.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. DEFINED BENEFIT PENSION PLAN

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.25%) in measuring the Net Pension Liability. The discount rate can be found in the 2020 TRS CAFR, Note 11, page 84.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Proportionate share of the net pension liability:	\$210,998,195	\$136,835,696	\$76,580,291

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the District reported a liability of \$136,835,696 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 136,835,696
State's proportionate share that is associated with the District	220,314,053
Total	\$ 357,149,749

The net pension liability was measured as of August 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2019 through August 31, 2020.

At August 31, 2020 the employer's proportion of the collective net pension liability was 0.2554908679%, which was a decrease of 0.0148654795% from its proportion measured as of August 31, 2019.

Changes Since the Prior Actuarial Valuation - There were no changes in assumptions since the prior measurement date.

In May 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (SB12) that provides for gradual contribution increases from the state, participating employers and active employees to make the pension fund actuarially sound. The increases immediately made the pension fund actuarially sound, and the Legislature approved funding for a 13th check.

All eligible members retired as of December 31, 2018, received an extra annuity check in September 2019 in either the matching amount of their monthly annuity payment or \$2,000, whichever was less.

For the year ended June 30, 2021, the District recognized pension expense of \$44,386,888 and revenue of \$26,498,889 for support provided by the State.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. DEFINED BENEFIT PENSION PLAN

At June 30, 2021, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experiences	\$ 249,851	\$ 3,818,721
Changes in actuarial assumptions	31,750,750	13,500,197
Differences between projected and actual investment earnings	2,770,121	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	3,589,948	11,162,715
Contributions paid to TRS subsequent to the measurement date	8,710,332	-
Total as of fiscal year-end	\$ 47,071,002	\$ 28,481,633

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

Fiscal year ended June 30,	Pension Expense Amount
2022	\$ 3,321,971
2023	4,144,892
2024	4,451,267
2025	748,792
2026	(2,450,711)
Thereafter	(337,174)

K. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

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

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

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

The General Appropriations Act passed by the 86th Legislature included funding to maintain TRS Care premiums at their current level through 2021. The 86th Legislature also passed SB 1682 which requires TRS to establish a contingency reserve in the TRS-Care fund equal to 60 days of expenditures. This amount is estimated at \$277,490,586 as of August 31, 2020.

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

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

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

	Contribution Rates	
	<u>2020</u>	<u>2021</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	\$	2,544,168
Current fiscal year member contributions	\$	1,975,919
2020 measurement year NECE on-behalf contributions	\$	3,840,497

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.

A supplemental appropriation was authorized by Senate Bill 1264 of the 86th Texas Legislature to provide \$2,208,137 for fiscal year 2020 and \$3,312,206 for fiscal year 2021, for consumer protections against medical and health care billing by certain out-of-network providers. Funding will be in fiscal year 2021.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

Actuarial Assumptions. The total OPEB liability in the August 31, 2019 actuarial valuation was rolled forward to August 31, 2020. 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, 2020 TRS pension actuarial valuation:

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

The active mortality rates were based on 90% of the RP-2014 Employee Mortality tables for males and females, with full generational mortality using Scale BB. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published scale (U-MP).

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2019 Rolled Forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	2.33% as of August 31, 2020
Aging Factors	Based on Plan Specific Experience
Election Rates	Normal Retirement: 65% participation prior to age 65 and 40% participation after age 65, 25% of pre-65 retirees are assumed to discontinue coverage at age 65.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Projected Salary Increases	3.05% - 9.05% including inflation
Ad-hoc Post Employment Benefit Changes	None

The initial medical trend rates were 9.00% for Medicare retirees and 7.30% for non-Medicare retirees. There was an initial prescription drug trend rate of 9.00% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 13 years.

Discount Rate. A single discount rate of 2.33% was used to measure the total OPEB liability. There was a decrease of .30% in the discount rate since the previous year. The Discount Rate can be found in the 2020 TRS CAFR on page 76. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate.

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 in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate <u>(1.33%)</u>	Discount Rate <u>(2.33%)</u>	1% Increase in Discount Rate <u>(3.33%)</u>
Proportionate share of the Net OPEB liability	\$ 171,533,129	\$ 142,944,547	\$ 120,363,670

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

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>	<u>Current Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
Proportionate share of Net OPEB liability	\$ 116,767,381	\$ 142,944,547	\$ 177,808,832

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At June 30, 2021, the District reported a liability of \$142,944,547 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	\$ 142,944,547
State's proportionate share that is associated with the District	<u>192,083,206</u>
Total	<u>\$ 335,027,753</u>

The Net OPEB Liability was measured as of August 31, 2020 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, 2019 through August 31, 2020.

At August 31, 2020 the employer's proportion of the collective Net OPEB liability was 0.3760262198% which was a decrease of 0.0148589924% from its proportion measured as of August 31, 2019.

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

- The discount rate changed from 2.63% as of August 31, 2019 to 2.33% as of August 31, 2020. This change increased the Total OPEB liability (TOL).
- The participation rate for post-65 retirees was lowered from 50% to 40%. This change lowered the Total OPEB Liability.
- The ultimate health care trend assumption was lowered from 4.50% to 4.25% as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the Total OPEB liability.

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

For the year ended June 30, 2021, the District recognized OPEB expense of \$(5,963,452) and revenue of \$(1,333,753) for support provided by the State.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

At June 30, 2021, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experiences	\$ 7,484,520	\$ 65,418,734
Changes in actuarial assumptions	8,816,706	39,253,311
Differences between projected and actual investment earnings	46,451	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	491	15,860,912
Contributions paid to TRS subsequent to the measurement date	2,123,890	-
Total as of fiscal year-end	\$ 18,472,058	\$ 120,532,957

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 by the District in OPEB expense as follows:

Fiscal year ended June 30,	OPEB Expense Amount
2022	\$ (16,894,697)
2023	(16,900,907)
2024	(16,904,458)
2025	(16,903,486)
2026	(13,085,385)
Thereafter	(23,495,856)

Health Care Coverage

Medicare Part D. Federal legislation enacted in January 2006 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. As a result, this provision allows for the Texas Public School Retired Employee Group Program (TRS-CARE) to receive drug subsidy payments from the federal government to offset pharmacy claims paid by TRS-CARE on behalf of plan participants. GASB Statement No. 24 requires recognition of these on-behalf payments in the financial statements. Medicare Part D payments made on behalf of the District's participants for the years ended June 30, 2021, 2020 and 2019 were \$1,353,086, \$1,325,866, and \$1,138,649 respectively.

L. RISK MANAGEMENT

During the fiscal year ended June 30, 2021 the District sponsored a self-funded insurance plan to provide health care benefits to employees and their dependents. The District paid premiums of \$580 per month per employee to the Fund. Total employee contributions are required for coverage of dependents.

In accordance with state statute, the District was protected against unanticipated catastrophic individual stop-loss coverage carried through Health Care Service Corporation, a commercial insurer licensed or eligible to do business in Texas in accordance with the Texas Insurance Code. The District's current stop-loss policy is in effect from January 1, 2021 to December 31, 2021. Stop-loss coverage was in effect for individual claims exceeding \$350,000.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

L. RISK MANAGEMENT

The contract between the Brownsville Independent School District and the licensed insurer is renewable, and terms of coverage and premium costs are included in the contractual provisions. The latest financial statements available for Health Care Service Corporation are filed with the Texas State Board of Insurance, Austin, Texas, and are public records. The following is a summary of the changes in the balances of claims liabilities for the year ended June 30, 2021.

	2021	2020
Unpaid claims, beginning of the year	\$ 4,135,838	\$ 2,404,923
Incurred claims (including IBNRs)	39,524,949	33,890,961
Claim payments	(38,589,638)	(32,160,046)
Unpaid claims, end of the year	\$ 5,071,149	\$ 4,135,838

Worker's Compensation Coverage

For the year ended June 30, 2021, the District met its statutory worker's compensation obligations through participation in a Self-Funded Worker's Compensation Plan with TRISTAR Risk Management as the TPA (Third Party Administrator). This plan is authorized by Article 8309, Vernon's Annotated Texas Statutes. The District provides statutory worker's compensation benefits to its employees.

The District's and TRISTAR Risk Management are protected against higher than expected claims costs through the purchase of stop loss coverage for any claim in excess of the self-insured retention of \$450,000. For the year ended June 30, 2021, the fund purchased excess stop loss coverage from Midwest Employers Casualty Company. The fund uses an independent actuary to determine reserve adequacy and fully funds those reserves.

As of June 30, 2021, the District has reserved for estimated claims incurred, but not reported that do not exceed the required reserves. The liability reported at June 30, 2021 is based on the requirements of Governmental Accounting Standards Board No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred as of the date of the financial statements, and the amount of loss can be reasonably estimated. These liabilities include an amount for claims that have been incurred but not reported. Because actual claim liabilities depend on complex factors such as inflation, changes in legal doctrines, and damage awards, the process used in computing the liability does not necessarily result in an exact amount.

	2021	2020
Beginning claims liability	\$ 287,820	\$ 409,234
Adjustment	(248,118)	-
Current year claims & changes in estimates	894,854	453,180
Claim payments	(372,446)	(574,594)
Ending claims liability	\$ 562,110	\$ 287,820

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

M. CONSTRUCTION COMMITMENTS

At June 30, 2021, the District had the following construction commitments:

<u>Projects</u>	Estimated Project Cost	Expended Through June 30, 2021	Amount Committed
Hanna High School - Athletic Facility & Gym/Band Practice Field	\$ 9,750,000	\$ 9,123,426	\$ 37,118
Veterans High School - Visitors Restroom Facilities	893,000	888,198	58,309
Faulk Middle School - New Canopies	454,000	389,561	76,251
Stell Middle School - New Canopies	389,000	355,424	46,458
Vela Middle School - Four Lane Track Project	672,000	598,157	36,949
Canales Elementary -New Canopies	275,890	265,265	10,603
Canales Elementary - Roofing Project	1,244,000	1,148,236	95,350
Canales Elementary - Parking Lot Expansion	360,400	359,417	975
Canales Elementary - Demolition and Disposal of Portable Buildings	290,000	254,525	34,920
Cromack Elementary - New Canopies	364,000	348,354	15,188
Martin Elementary - New Canopies	447,000	388,267	58,497
El Jardin Elementary - New Canopies	133,000	126,725	6,185
El Jardin Elementary - Mini Gym	509,000	36,532	471,007
Victoria Heights Elementary - New Canopies	25,000	17,589	7,411
Villa Nueva Elementary - New Canopies	372,000	359,690	11,659
Del Castillo Elementary - New Canopies	156,000	150,550	5,210
Del Castillo Elementary - Mini Gym	509,000	42,687	465,160
Perez Elementary - Mini Gym	509,000	55,687	452,810
Palm Grove Elementary - Mini Gym	509,000	36,657	470,888
Egly Elementary - Mini Gym	509,000	60,687	448,060
Garza Elementary - Roof Replacement	92,000	68,740	22,500
Vermillion Elementary - Mini Gym	509,000	36,712	470,836
Morningside Elementary - Mini Gym	509,000	45,287	462,690
Gonzalez Elementary - Mini Gym	509,000	36,532	471,007
Aiken Elementary - New Canopies	270,000	250,320	18,775
Aiken Elementary - Mini Gym	509,000	37,782	469,820
Champion Elementary - Mini Gym	509,000	36,532	471,007
Sams Stadium - Renovation Improvement Projects	790,000	487,386	302,895
Aquatic Center - HVAC/Controls Upgrade	1,330,000	1,246,666	83,426
Intercom System Replacement Project District-Wide	210,000	163,800	44,200
Total Construction In Progress	<u>\$ 23,607,290</u>	<u>\$ 17,415,387</u>	<u>\$ 5,626,162</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

N. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

Description	General Fund	Other Funds	Total
Food Service Receipts	\$ 3,772	\$ -	\$ 3,772
Special Revenue Grants	-	2,549,291	2,549,291
Total Unearned Revenue	<u>\$ 3,772</u>	<u>\$ 2,549,291</u>	<u>\$ 2,553,063</u>

O. USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

P. SHARED SERVICES AGREEMENTS

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

Member Districts	Expenditures
BISD Special Services	\$ 5,000
Harlingen CISD	90,000
IDEA Public Schools	20,000
La Feria ISD	17,500
Los Fresnos CISD	20,000
Lyford CISD	20,000
Point Isabel ISD	10,000
Raymondville ISD	45,000
Rio Hondo ISD	12,500
San Benito CISD	71,250
South Texas ISD	2,500
Southwest Winners Foundation, Inc.	10,000
Totals	<u>\$ 323,750</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

Q. GENERAL FUND FEDERAL SOURCE REVENUES

Federally financed programs are generally accounted for in the Special Revenue Funds of the District, except for indirect costs charged to federal programs which are accounted for in the General Fund as prescribed by TEA and certain direct revenues. The District recognized in the General Fund such revenues for the year ended June 30, 2021 from various federal sources as follows:

Program or Source	CFDA Number	Amount
U.S. Department of Treasury (Fed Share of QSCB)	N/A	\$ 869,199
ROTC	12.000	411,697
Child & Adult Care Food Program	10.558	8,779,057
National School Lunch Program	10.555	11,042,672
School Breakfast Program	10.553	5,172,950
Food Distribution (USDA Commodities)	10.555	1,049,569
School Health Related Services	N/A	2,175,182
Medicaid Administrative Claiming Program	93.778	208,980
Total Programs		<u>29,709,306</u>
<i>Indirect Costs:</i>		
ESSER Grant	84.425D	406,644
ARP ESSER III	84.425U	1,336,234
Federal Adult Ed English Literacy & Civics Ed	84.002A	12,111
Federal Adult Ed & Family Literacy	84.002A	108,643
McKinney Vento Homeless Youth Program - 2020	84.196A	704
McKinney Vento Homeless Youth Program - 2021	84.196A	7,534
ESEA Title I - Part A -2020	84.010A	410,793
ESEA Title I - Part A - 2021	84.010A	756,163
ESEA Title I - Part C - 2020	84.011A	6,964
ESEA Title I - Part C - 2021	84.011A	23,752
MEP AIIMS - 2020	84.011A	1,452
MEP AIIMS - 2021	84.011A	366
IDEA B - Formula	84.027A	310,480
IDEA B - Discretionary (DEAF)	84.027A	4,559
Carl Perkins Grant for Career & Technology Ed	84.048A	24,823
IDEA B - Preschool	84.173A	3,729
ESEA Title III - Part A-L.E.P.	84.365A	50,514
ESEA Title II - Part A-Supporting Effective Instruction	84.367A	59,013
Title IV, Part A, Subpart 1	84.424A	33,097
Family Support Act AFDC Jobs	93.558	217
Project Rise (Region One Incentive Strategies for Educators)	84.374A	65,505
National School Lunch Program	10.555	1,599,442
Texas Hurricane Homeless Youth	84.938B	268
Instructional Continuity	84.377A	1,856
Project Literacy Innovations for Book Reading Opportunities (LIBRO)	84.215G	94,654
Total Indirect Costs		<u>5,319,516</u>
Total General Fund		<u>\$ 35,028,822</u>

R. PRIOR PERIOD ADJUSTMENT

During the fiscal year 2021, the District implemented GASB Statement No. 84, Fiduciary Activities. With GASB 84, the District must reclassify agency funds to the appropriate fund category and account for the expenses and revenues in new custodial funds. The change in the financial statements for the custodial funds requires that the fiduciary net position be reported. Adoption of GASB 84 required a prior period adjustment of \$643,435. The net effect of this adjustment is to increase the District's fiduciary net position.

In addition, the District had a prior period adjustment of \$415,127 to adjust the beginning balances for capital assets due to an understatement in the prior year. The net effect of this adjustment is to increase the District's net position.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 75,400,070	\$ 76,389,723	\$ 69,654,424	\$ (6,735,299)
5800 State Program Revenues	372,326,159	374,588,675	372,535,545	(2,053,130)
5900 Federal Program Revenues	8,850,000	49,252,253	34,610,258	(14,641,995)
5020 Total Revenues	456,576,229	500,230,651	476,800,227	(23,430,424)
EXPENDITURES:				
Current:				
0011 Instruction	246,471,818	251,103,337	232,552,311	18,551,026
0012 Instructional Resources and Media Services	7,606,791	8,141,024	7,553,180	587,844
0013 Curriculum and Instructional Staff Development	11,444,225	13,563,079	11,310,313	2,252,766
0021 Instructional Leadership	6,257,571	6,230,751	5,560,839	669,912
0023 School Leadership	27,524,365	27,589,607	25,138,793	2,450,814
0031 Guidance, Counseling, and Evaluation Services	19,660,780	19,693,317	18,752,930	940,387
0032 Social Work Services	876,367	872,468	888,954	(16,486)
0033 Health Services	4,869,637	4,907,748	4,277,937	629,811
0034 Student (Pupil) Transportation	11,194,571	11,299,069	10,866,118	432,951
0035 Food Services	840,000	42,408,689	21,597,491	20,811,198
0036 Extracurricular Activities	19,585,319	19,386,495	13,778,117	5,608,378
0041 General Administration	12,974,998	14,024,921	11,905,585	2,119,336
0051 Facilities Maintenance and Operations	50,661,274	64,742,917	45,899,081	18,843,836
0052 Security and Monitoring Services	8,427,616	8,433,019	7,353,020	1,079,999
0053 Data Processing Services	9,590,958	9,991,762	7,425,827	2,565,935
0061 Community Services	551,319	551,635	420,120	131,515
Debt Service:				
0071 Principal on Long-Term Debt	15,603,120	12,771,218	12,771,217	1
0072 Interest on Long-Term Debt	-	2,823,105	2,823,032	73
0073 Bond Issuance Cost and Fees	-	11,000	9,152	1,848
Capital Outlay:				
0081 Facilities Acquisition and Construction	1,290,000	48,990,770	16,299,395	32,691,375
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	150,000	351,167	-	351,167
0099 Other Intergovernmental Charges	995,500	995,500	935,945	59,555
6030 Total Expenditures	456,576,229	568,882,598	458,119,357	110,763,241
1200 Net Change in Fund Balances	-	(68,651,947)	18,680,870	87,332,817
0100 Fund Balance - July 1 (Beginning)	199,547,334	185,251,902	185,251,902	-
3000 Fund Balance - June 30 (Ending)	\$ 199,547,334	\$ 116,599,955	\$ 203,932,772	\$ 87,332,817

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2021

	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018
District's Proportion of the Net Pension Liability (Asset)	0.255490868%	0.270356347%	0.274723272%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 136,835,696	\$ 140,539,681	\$ 151,214,356
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	220,314,053	217,244,877	238,028,862
Total	<u>\$ 357,149,749</u>	<u>\$ 357,784,558</u>	<u>\$ 389,243,218</u>
District's Covered Payroll	\$ 311,158,550	\$ 299,897,314	\$ 294,068,154
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	43.98%	46.86%	51.42%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.54%	75.24%	73.74%

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2020 for year 2021, August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, August 31, 2015 for year 2016 and August 31, 2014 for year 2015.

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

FY 2018 Plan Year 2017	FY 2017 Plan Year 2016	FY 2016 Plan Year 2015	FY 2015 Plan Year 2014
0.279606459%	0.299623747%	0.3215798%	0.2187937%
\$ 89,403,082	\$ 113,223,359	\$ 113,674,179	\$ 58,442,823
149,248,658	189,314,526	185,685,560	161,268,352
<u>\$ 238,651,740</u>	<u>\$ 302,537,885</u>	<u>\$ 299,359,739</u>	<u>\$ 219,711,175</u>
\$ 297,005,183	\$ 306,121,247	\$ 303,523,981	\$ 300,405,258
30.10%	36.99%	37.45%	19.45%
82.17%	78.00%	78.43%	83.25%

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2021

	2021	2020	2019
Contractually Required Contribution	\$ 10,345,432	\$ 10,413,124	\$ 9,336,919
Contribution in Relation to the Contractually Required Contribution	(10,345,432)	(10,413,124)	(9,336,919)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 303,089,209	\$ 311,906,275	\$ 297,341,313
Contributions as a Percentage of Covered Payroll	3.41%	3.34%	3.14%

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

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

	2018	2017	2016	2015
\$	9,354,668	\$ 9,276,701	\$ 9,555,513	\$ 8,873,119
	(9,354,668)	(9,276,701)	(9,555,513)	(8,873,119)
\$	-	\$ -	\$ -	\$ -
\$	294,632,402	\$ 299,915,515	\$ 306,661,990	\$ 303,007,890
	3.18%	3.09%	3.12%	2.93%

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2021

	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.37602622%	0.390885212%	0.399702218%	\$ 0.407646941%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 142,944,547	\$ 184,854,403	\$ 199,574,976	\$ 177,270,362
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	192,083,206	245,630,156	233,931,132	\$ 214,270,036
Total	<u>\$ 335,027,753</u>	<u>\$ 430,484,559</u>	<u>\$ 433,506,108</u>	<u>\$ 391,540,398</u>
District's Covered Payroll	\$ 311,158,550	\$ 299,897,314	\$ 294,068,154	\$ 297,005,183
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	45.94%	61.64%	67.87%	\$ 59.69%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	4.99%	2.66%	1.57%	\$ 0.91%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. Therefore the amounts reported for FY 2021 are for the measurement date of August 31, 2020. The amounts for FY 2020 are for the measurement date of August 31, 2019. The amounts for FY 2019 are for the measurement date August 31, 2018. The amounts for FY 2018 are based on the August 31, 2017 measurement date.

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2021

	2021	2020	2019	2018
Contractually Required Contribution	\$ 2,544,168	\$ 2,862,264	\$ 2,749,026	\$ 2,669,480
Contribution in Relation to the Contractually Required Contribution	(2,544,168)	(2,862,264)	(2,749,026)	(2,669,480)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 303,089,209	\$ 311,905,275	\$ 297,341,313	\$ 294,632,892
Contributions as a Percentage of Covered Payroll	0.84%	0.92%	0.92%	0.91%

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

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

SPECIAL REVENUE FUNDS

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

ESEA, TITLE X, PART C-EDUCATION FOR THE HOMELESS CHILDREN AND YOUTH (206)

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

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

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

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

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

ADULT EDUCATION (ABE) - FEDERAL (220)

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

IDEA-PART B, FORMULA (224)

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

IDEA PART B, PRESCHOOL (225)

To account for funds granted for preschool children with disabilities.

IDEA PART B, DISCRETIONARY (226)

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

CAREER AND TECHNICAL – BASIC GRANT (244)

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

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

To provide financial assistance to LEAs to (1) Increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools, and (2) hold local education agencies and schools accountable for improving student academic achievement.

TEXAS READING FIRST INITIATIVE (261)

This fund is to establish reading programs for students in kindergarten through grade 3 to ensure that every student can read at grade level or above not later than the end of grade 3.

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

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

TITLE IV, PART B - 21ST CENTURY COMMUNITY LEARNING CENTERS (265)

This fund classification is to be used to account, on a project basis, for funds granted to provide opportunities for communities to establish or expand activities in community learning centers that provide opportunities for academic enrichment and additional services to students and literary and related educational development for families of students.

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

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

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

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

TITLE I SIP ACADEMY GRANT (276)

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

CORONAVIRUS RELIEF FUND (matching program) (277)

This fund is to be used as matching program (CCRF) as a first phase of a multi-phased approach towards addressing the immediate technology needs of BISD students who lack internet connectivity and hardware for distance learning as implemented in response to the COVID-19 pandemic

ENHANCING EDUCATION THROUGH TECHNOLOGY (ARRA) (279)

To account for funds granted to provide Career and Technical education to develop new and/or improve Career and Technical education

CRRSA ESSER II (281)

This fund is to be used for the coordination of preparedness and response efforts of LEA with State and local public health departments, and other relevant agencies to improve coordinated responses among such entities to prevent, prepare for and respond to coronavirus

ARP ESSER III (282)

This fund is to be used for the coordination of preparedness and response efforts of LEA with State and local public health departments, and other relevant agencies to improve coordinated responses among such entities to prevent, prepare for and respond to coronavirus. .

IDEA B ARRA (283)

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

IDEA B PRESCHOOL ARRA (284)

To account for funds granted for preschool children with disabilities

ESEA TITLE I PART A-IMPROVING BASIC PROGRAMS ARRA (285)

This fund is to be used to enable schools to provide opportunities for children to acquire the knowledge and skills to meet the challenging State performance standards developed for all children

EDUCATION JOBS FUND (287)

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

FEDERALLY FUNDED SPECIAL REVENUE FUND – LOCALLY DEFINED (288)

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

FEDERALLY FUNDED SPECIAL REVENUE FUNDS (289)

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

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

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

SHARED SERVICES ARRANGEMENTS-TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) (312)

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

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

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

SHARED SERVICES ARRANGEMENTS IDEA PART C, EARLY INTERVENTION (DEAF)(340)

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

ADVANCED PLACEMENT INCENTIVES (397)

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

STUDENT SUCCESS INITIATIVE (404)

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

STATE TEXTBOOK FUND (410)

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

STATE FUNDED SPECIAL REVENUE FUNDS (429)

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

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

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

SHARED SERVICES ARRANGEMENTS- REGIONAL DAY SCHOOL FOR THE DEAF (435)

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

CAMPUS ACTIVITY FUNDS (461)

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

LOCALLY FUNDED SPECIAL REVENUE FUNDS – LOCALLY DEFINED (498)

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

ELON MUSK FOUNDATION (496)

The foundation has awarded Cameron County school districts funds to be utilized for the enhancement and development of educational programs.

LOCALLY FUNDED SPECIAL REVENUE FUNDS (499)

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

DEBT SERVICE FUND (511)

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

INTERNAL SERVICE FUNDS

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

SELF FUNDED INSURANCE (753)

This fund is used to account for the operations of the District's self-funded insurance program, which started in October 2015. Plan ended September 2019 with pending run off claims.

SELF FUNDED INSURANCE (754)

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

SELF FUNDED WORKERS COMPENSATION (792)

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

Data Control Codes	206 ESEA Title X, Pt.C Homeless	212 ESEA Title I Part C Migrant	220 Adult Basic Education Federal	224 IDEA - Part B Formula
ASSETS				
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -
1120	Investments - Current	-	-	-
1220	Property Taxes - Delinquent	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-
1240	Due from Other Governments	27,155	93,214	28,864
1260	Due from Other Funds	349	-	688,849
1000	Total Assets	<u>\$ 27,504</u>	<u>\$ 106,922</u>	<u>\$ 2,952,232</u>
LIABILITIES				
2110	Accounts Payable	\$ 9,474	\$ 11,698	\$ 91
2120	Short Term Debt Payable - Current	-	-	-
2160	Accrued Wages Payable	6,485	-	1,748
2170	Due to Other Funds	11,545	95,224	27,025
2180	Due to Other Governments	-	-	-
2190	Due to Student Groups	-	-	-
2300	Unearned Revenue	-	-	-
2000	Total Liabilities	<u>27,504</u>	<u>106,922</u>	<u>28,864</u>
DEFERRED INFLOWS OF RESOURCES				
2601	Unavailable Revenue - Property Taxes	-	-	-
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted Fund Balance:				
3480	Retirement of Long-Term Debt	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 27,504</u>	<u>\$ 106,922</u>	<u>\$ 28,864</u>

225 IDEA - Part B Preschool	226 IDEA - Part B Discretionary	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	261 Texas Reading First Initiative	263 Title III, A English Lang. Acquisition	265 Title IV, B Community Learning	266 ESSER -School Emergency Relief
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
26,935	-	165,806	-	-	172,688	119,229	1,429,989
43,114	1	129,881	1,687,629	81	67,094	2,960	5,386,722
<u>\$ 70,049</u>	<u>\$ 1</u>	<u>\$ 295,687</u>	<u>\$ 1,687,629</u>	<u>\$ 81</u>	<u>\$ 239,782</u>	<u>\$ 122,189</u>	<u>\$ 6,816,711</u>
\$ -	\$ -	\$ 2,400	\$ 6,431	\$ -	\$ 5,611	\$ -	\$ 54,032
-	-	-	-	-	-	-	-
41,046	-	14,252	286,210	-	82,257	-	-
29,003	-	279,035	684,950	-	151,914	113,706	6,762,679
-	1	-	710,038	81	-	8,483	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>70,049</u>	<u>1</u>	<u>295,687</u>	<u>1,687,629</u>	<u>81</u>	<u>239,782</u>	<u>122,189</u>	<u>6,816,711</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 70,049</u>	<u>\$ 1</u>	<u>\$ 295,687</u>	<u>\$ 1,687,629</u>	<u>\$ 81</u>	<u>\$ 239,782</u>	<u>\$ 122,189</u>	<u>\$ 6,816,711</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

Data Control Codes	274 GEAR UP	276 Title I - SIP Academy Grant	277 Coronavirus Relief Fund CARES	279 Enhancing Ed Through Techn (ARRA)
ASSETS				
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1120 Investments - Current	-	-	-	-
1220 Property Taxes - Delinquent	-	-	-	-
1230 Allowance for Uncollectible Taxes	-	-	-	-
1240 Due from Other Governments	75,469	-	7,916,600	-
1260 Due from Other Funds	58,778	27,732	-	27
1000 Total Assets	<u>\$ 134,247</u>	<u>\$ 27,732</u>	<u>\$ 7,916,600</u>	<u>\$ 27</u>
LIABILITIES				
2110 Accounts Payable	\$ 2,298	\$ -	\$ -	\$ -
2120 Short Term Debt Payable - Current	96	-	-	-
2160 Accrued Wages Payable	22,501	-	-	-
2170 Due to Other Funds	108,745	2,526	7,916,600	-
2180 Due to Other Governments	607	25,206	-	27
2190 Due to Student Groups	-	-	-	-
2300 Unearned Revenue	-	-	-	-
2000 Total Liabilities	<u>134,247</u>	<u>27,732</u>	<u>7,916,600</u>	<u>27</u>
DEFERRED INFLOWS OF RESOURCES				
2601 Unavailable Revenue - Property Taxes	-	-	-	-
2600 Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted Fund Balance:				
3480 Retirement of Long-Term Debt	-	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 134,247</u>	<u>\$ 27,732</u>	<u>\$ 7,916,600</u>	<u>\$ 27</u>

283 IDEA B ARRA	284 IDEA B Preschool ARRA	285 American Rescue Reinv Act	287 Education Jobs Fund	288 Federal Fund Special Rev Loc Defined	289 Other Federal Special Revenue Funds	309 SSA Adult Basic Education	312 SSA - TANF Family Assistance
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	511,739	957,271	822,581	247,260	50,035
90	18	166	-	24,689	76,045	503,722	133,251
<u>\$ 90</u>	<u>\$ 18</u>	<u>\$ 166</u>	<u>\$ 511,739</u>	<u>\$ 981,960</u>	<u>\$ 898,626</u>	<u>\$ 750,982</u>	<u>\$ 183,286</u>
\$ -	\$ -	\$ -	\$ 251	\$ 11,245	\$ 302,033	\$ 2,500	\$ -
-	-	-	-	15,044	-	76,704	-
-	-	-	11,003	3,389	96,682	61,966	-
-	-	-	500,485	952,282	302,590	609,812	183,286
90	18	166	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	197,321	-	-
<u>90</u>	<u>18</u>	<u>166</u>	<u>511,739</u>	<u>981,960</u>	<u>898,626</u>	<u>750,982</u>	<u>183,286</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 90</u>	<u>\$ 18</u>	<u>\$ 166</u>	<u>\$ 511,739</u>	<u>\$ 981,960</u>	<u>\$ 898,626</u>	<u>\$ 750,982</u>	<u>\$ 183,286</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

Data Control Codes	315 SSA IDEA, Part B Discretionary	340 SSA - IDEA C Deaf - Early Intervention	397 Advanced Placement Incentives	404 Student Success Initiative	
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1120	Investments - Current	-	-	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-	-
1240	Due from Other Governments	11,031	-	4,769	-
1260	Due from Other Funds	57,306	-	181,550	167
1000	Total Assets	<u>\$ 68,337</u>	<u>\$ -</u>	<u>\$ 186,319</u>	<u>\$ 167</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ -
2120	Short Term Debt Payable - Current	-	-	-	-
2160	Accrued Wages Payable	50,718	-	-	-
2170	Due to Other Funds	16,171	-	-	-
2180	Due to Other Governments	-	-	-	167
2190	Due to Student Groups	-	-	-	-
2300	Unearned Revenue	1,448	-	186,319	-
2000	Total Liabilities	<u>68,337</u>	<u>-</u>	<u>186,319</u>	<u>167</u>
DEFERRED INFLOWS OF RESOURCES					
2601	Unavailable Revenue - Property Taxes	-	-	-	-
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted Fund Balance:					
3480	Retirement of Long-Term Debt	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 68,337</u>	<u>\$ -</u>	<u>\$ 186,319</u>	<u>\$ 167</u>

410 State Instructional Materials	429 Other State Special Revenue Funds	431 SSA - ABE Educational Technology	435 SSA Regional Day School - Deaf	461 Campus Activity Funds	496 Musk Foundation	499 Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ 798,747	\$ -	\$ -	\$ 798,747
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
142,840	102,424	31,064	99,559	-	-	18,853	13,744,224
278,296	445,368	230,593	185,673	-	2,214,564	75	14,013,032
<u>\$ 421,136</u>	<u>\$ 547,792</u>	<u>\$ 261,657</u>	<u>\$ 285,232</u>	<u>\$ 798,747</u>	<u>\$ 2,214,564</u>	<u>\$ 18,928</u>	<u>\$ 28,556,003</u>
\$ 70,323	\$ 25,833	\$ -	\$ -	\$ -	\$ 421,131	\$ -	\$ 925,351
-	-	-	-	-	-	-	91,844
-	1,064	10,802	186,313	-	-	-	1,912,043
142	503,321	242,123	98,919	-	-	14,428	21,523,136
-	1,429	8,732	-	-	-	546	755,591
-	-	-	-	798,747	-	-	798,747
350,671	16,145	-	-	-	1,793,433	3,954	2,549,291
<u>421,136</u>	<u>547,792</u>	<u>261,657</u>	<u>285,232</u>	<u>798,747</u>	<u>2,214,564</u>	<u>18,928</u>	<u>28,556,003</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 421,136</u>	<u>\$ 547,792</u>	<u>\$ 261,657</u>	<u>\$ 285,232</u>	<u>\$ 798,747</u>	<u>\$ 2,214,564</u>	<u>\$ 18,928</u>	<u>\$ 28,556,003</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

Data Control Codes	511 Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS		
1110 Cash and Cash Equivalents	\$ 11,011,161	\$ 11,809,908
1120 Investments - Current	102,875	102,875
1220 Property Taxes - Delinquent	832,777	832,777
1230 Allowance for Uncollectible Taxes	(24,983)	(24,983)
1240 Due from Other Governments	-	13,744,224
1260 Due from Other Funds	1,330,773	15,343,805
1000 Total Assets	<u>\$ 13,252,603</u>	<u>\$ 41,808,606</u>
LIABILITIES		
2110 Accounts Payable	\$ -	\$ 925,351
2120 Short Term Debt Payable - Current	-	91,844
2160 Accrued Wages Payable	-	1,912,043
2170 Due to Other Funds	-	21,523,136
2180 Due to Other Governments	58,170	813,761
2190 Due to Student Groups	-	798,747
2300 Unearned Revenue	-	2,549,291
2000 Total Liabilities	<u>58,170</u>	<u>28,614,173</u>
DEFERRED INFLOWS OF RESOURCES		
2601 Unavailable Revenue - Property Taxes	675,108	675,108
2600 Total Deferred Inflows of Resources	<u>675,108</u>	<u>675,108</u>
FUND BALANCES		
Restricted Fund Balance:		
3480 Retirement of Long-Term Debt	12,519,325	12,519,325
3000 Total Fund Balances	<u>12,519,325</u>	<u>12,519,325</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 13,252,603</u>	<u>\$ 41,808,606</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	206 ESEA Title X, Pt.C Homeless	212 ESEA Title I Part C Migrant	220 Adult Basic Education Federal	224 IDEA - Part B Formula
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	185,845	733,886	131,651	7,660,803
5020 Total Revenues	185,845	733,886	131,651	7,660,803
EXPENDITURES:				
Current:				
0011 Instruction	-	75,091	119,632	6,220,726
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	1,263	-	-
0021 Instructional Leadership	-	298,651	2,015	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	91,740	-	1,440,077
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	99	-	-
0052 Security and Monitoring Services	-	-	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	185,845	267,042	10,004	-
Debt Service:				
0071 Principal on Long-Term Debt	-	-	-	-
0072 Interest on Long-Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
6030 Total Expenditures	185,845	733,886	131,651	7,660,803
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
7911 Capital Related Debt Issued	-	-	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	-	-
8949 Other (Uses)	-	-	-	-
7080 Total Other Financing Sources (Uses)	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

225 IDEA - Part B Preschool	226 IDEA - Part B Discretionary	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	261 Texas Reading First Initiative	263 Title III, A English Lang. Acquisition	265 Title IV, B Community Learning	266 ESSER -School Emergency Relief
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
126,120	-	726,523	1,335,600	-	1,139,628	480,702	1,023,345
126,120	-	726,523	1,335,600	-	1,139,628	480,702	1,023,345
126,120	-	700,923	1,258,937	-	844,173	480,702	424,888
-	-	-	-	-	-	-	-
-	-	25,600	67,490	-	247,586	-	3,500
-	-	-	4,805	-	34,495	-	-
-	-	-	4,368	-	-	-	-
-	-	-	-	-	6,112	-	3,011
-	-	-	-	-	-	-	59,430
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	430,769
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	101,747
-	-	-	-	-	7,262	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
126,120	-	726,523	1,335,600	-	1,139,628	480,702	1,023,345
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	274 GEAR UP	276 Title I - SIP Academy Grant	277 Coronavirus Relief Fund CARES	279 Enhancing Ed Through Techn (ARRA)
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	350,490	41,871	10,682,350	-
5020 Total Revenues	350,490	41,871	10,682,350	-
EXPENDITURES:				
Current:				
0011 Instruction	136,988	33,361	8,959,899	-
0012 Instructional Resources and Media Services	-	-	71,818	-
0013 Curriculum and Instructional Staff Development	14,226	8,510	44,230	-
0021 Instructional Leadership	-	-	29,635	-
0023 School Leadership	-	-	56,842	-
0031 Guidance, Counseling, and Evaluation Services	188,910	-	61,324	-
0033 Health Services	-	-	4,746	-
0034 Student (Pupil) Transportation	-	-	1,582	-
0035 Food Services	-	-	23,356	-
0036 Extracurricular Activities	-	-	8,548	-
0041 General Administration	-	-	74,433	-
0051 Facilities Maintenance and Operations	-	-	1,287,023	-
0052 Security and Monitoring Services	-	-	1,085	-
0053 Data Processing Services	-	-	48,423	-
0061 Community Services	10,366	-	9,406	-
Debt Service:				
0071 Principal on Long-Term Debt	-	-	-	-
0072 Interest on Long-Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
6030 Total Expenditures	350,490	41,871	10,682,350	-
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
7911 Capital Related Debt Issued	-	-	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	-	-
8949 Other (Uses)	-	-	-	-
7080 Total Other Financing Sources (Uses)	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

283 IDEA B ARRA	284 IDEA B Preschool ARRA	285 American Rescue Reinv Act	287 Education Jobs Fund	288 Federal Fund Special Rev Loc Defined	289 Other Federal Special Revenue Funds	309 SSA Adult Basic Education	312 SSA - TANF Family Assistance
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	1,477,678	2,399,767	2,180,114	1,006,206	154,016
-	-	-	1,477,678	2,399,767	2,180,114	1,006,206	154,016
-	-	-	837,709	24,750	1,796,071	637,334	152,898
-	-	-	4,020	2,128,505	-	-	-
-	-	-	550,427	72,103	18,653	29,364	-
-	-	-	-	66,887	23,709	77,573	-
-	-	-	69,258	-	-	-	-
-	-	-	16,264	-	139,186	-	-
-	-	-	-	-	21,178	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	107,522	-	-	-
-	-	-	-	-	167,618	-	-
-	-	-	-	-	13,699	261,935	1,118
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	1,477,678	2,399,767	2,180,114	1,006,206	154,016
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	315 SSA IDEA, Part B Discretionary	340 SSA - IDEA C Deaf - Early Intervention	397 Advanced Placement Incentives	404 Student Success Initiative
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	119,462	59	-	-
5020 Total Revenues	119,462	59	-	-
EXPENDITURES:				
Current:				
0011 Instruction	119,462	59	-	-
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	-	-	-
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	-	-	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	-	-	-	-
Debt Service:				
0071 Principal on Long-Term Debt	-	-	-	-
0072 Interest on Long-Term Debt	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
6030 Total Expenditures	119,462	59	-	-
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
7911 Capital Related Debt Issued	-	-	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	-	-
8949 Other (Uses)	-	-	-	-
7080 Total Other Financing Sources (Uses)	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

410 State Instructional Materials	429 Other State Special Revenue Funds	431 SSA - ABE Educational Technology	435 SSA Regional Day School - Deaf	461 Campus Activity Funds	496 Musk Foundation	499 Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 619,277	\$ 20,119	\$ 639,396
680,362	594,055	208,142	617,704	-	-	-	2,100,263
-	-	-	-	-	-	-	31,956,116
680,362	594,055	208,142	617,704	-	619,277	20,119	34,695,775
679,352	144,593	207,272	583,093	-	613,733	20,119	25,197,885
-	-	-	-	-	-	-	2,204,343
420	45,698	-	-	-	5,544	-	1,134,614
-	16,645	-	-	-	-	-	554,415
-	-	-	-	-	-	-	130,468
-	64,995	-	34,611	-	-	-	2,046,230
-	-	-	-	-	-	-	85,354
-	-	-	-	-	-	-	1,582
-	-	-	-	-	-	-	23,356
-	-	-	-	-	-	-	8,548
-	-	-	-	-	-	-	74,433
590	-	-	-	-	-	-	1,718,481
-	322,124	-	-	-	-	-	430,731
-	-	-	-	-	-	-	317,788
-	-	870	-	-	-	-	767,547
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
680,362	594,055	208,142	617,704	-	619,277	20,119	34,695,775
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	511 Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES:		
5700 Total Local and Intermediate Sources	\$ 9,749,689	\$ 10,389,085
5800 State Program Revenues	7,027,019	9,127,282
5900 Federal Program Revenues	-	31,956,116
5020 Total Revenues	<u>16,776,708</u>	<u>51,472,483</u>
EXPENDITURES:		
Current:		
0011 Instruction	-	25,197,885
0012 Instructional Resources and Media Services	-	2,204,343
0013 Curriculum and Instructional Staff Development	-	1,134,614
0021 Instructional Leadership	-	554,415
0023 School Leadership	-	130,468
0031 Guidance, Counseling, and Evaluation Services	-	2,046,230
0033 Health Services	-	85,354
0034 Student (Pupil) Transportation	-	1,582
0035 Food Services	-	23,356
0036 Extracurricular Activities	-	8,548
0041 General Administration	-	74,433
0051 Facilities Maintenance and Operations	-	1,718,481
0052 Security and Monitoring Services	-	430,731
0053 Data Processing Services	-	317,788
0061 Community Services	-	767,547
Debt Service:		
0071 Principal on Long-Term Debt	11,735,000	11,735,000
0072 Interest on Long-Term Debt	3,642,370	3,642,370
0073 Bond Issuance Cost and Fees	527,301	527,301
6030 Total Expenditures	<u>15,904,671</u>	<u>50,600,446</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>872,037</u>	<u>872,037</u>
OTHER FINANCING SOURCES (USES):		
7911 Capital Related Debt Issued	44,790,000	44,790,000
7916 Premium or Discount on Issuance of Bonds	6,422,259	6,422,259
8949 Other (Uses)	<u>(50,687,709)</u>	<u>(50,687,709)</u>
7080 Total Other Financing Sources (Uses)	<u>524,550</u>	<u>524,550</u>
1200 Net Change in Fund Balance	1,396,587	1,396,587
0100 Fund Balance - July 1 (Beginning)	<u>11,122,738</u>	<u>11,122,738</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ 12,519,325</u>	<u>\$ 12,519,325</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 JUNE 30, 2021

	753 Self Funded Insurance UHC	754 Self Funded Insurance BCBS	792 Self Funded Workers' Compensation	Total Internal Service Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 843	\$ 58,878	\$ 3,994	\$ 63,715
Investments - Current	-	3,257,256	3,948,707	7,205,963
Due from Other Funds	-	700	1,550,000	1,550,700
Total Assets	<u>843</u>	<u>3,316,834</u>	<u>5,502,701</u>	<u>8,820,378</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	-	469,643	64,959	534,602
Due to Other Funds	1,686,051	393,000	-	2,079,051
Accrued Expenses	-	5,071,149	562,110	5,633,259
Total Liabilities	<u>1,686,051</u>	<u>5,933,792</u>	<u>627,069</u>	<u>8,246,912</u>
NET POSITION				
Unrestricted Net Position	<u>(1,685,208)</u>	<u>(2,616,958)</u>	<u>4,875,632</u>	<u>573,466</u>
Total Net Position	<u>\$ (1,685,208)</u>	<u>\$ (2,616,958)</u>	<u>\$ 4,875,632</u>	<u>\$ 573,466</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	753 Self Funded Insurance UHC	754 Self Funded Insurance BCBS	792 Self Funded Workers' Compensation	Total Internal Service Funds
OPERATING REVENUES:				
Local and Intermediate Sources	\$ 101,361	\$ 50,457,774	\$ 13,589	\$ 50,572,724
Total Operating Revenues	<u>101,361</u>	<u>50,457,774</u>	<u>13,589</u>	<u>50,572,724</u>
OPERATING EXPENSES:				
Other Operating Costs	-	49,953,621	1,422,215	51,375,836
Total Operating Expenses	<u>-</u>	<u>49,953,621</u>	<u>1,422,215</u>	<u>51,375,836</u>
Operating Income (Loss)	101,361	504,153	(1,408,626)	(803,112)
Total Net Position - July 1 (Beginning)	<u>(1,786,569)</u>	<u>(3,121,111)</u>	<u>6,284,258</u>	<u>1,376,578</u>
Total Net Position - June 30 (Ending)	<u>\$ (1,685,208)</u>	<u>\$ (2,616,958)</u>	<u>\$ 4,875,632</u>	<u>\$ 573,466</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	753 Self Funded Insurance UHC	754 Self Funded Insurance BCBS	792 Self Funded Workers' Compensation	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>				
Cash Payments for Services	\$ 102,406	\$ 49,933,888	\$ 3,162,758	\$ 53,199,052
Cash Payments for Insurance Claims	(103,540)	(49,878,689)	(3,158,773)	(53,141,002)
Net Cash Provided by (Used for) Operating Activities	(1,134)	55,199	3,985	58,050
Net Increase (Decrease) in Cash and Cash Equivalents	(1,134)	55,199	3,985	58,050
Cash and Cash Equivalents at Beginning of Year	1,977	3,679	9	5,665
Cash and Cash Equivalents at End of Year	\$ 843	\$ 58,878	\$ 3,994	\$ 63,715
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>				
<u>Provided by (Used for) Operating Activities:</u>				
Operating Income (Loss):	\$ 101,361	\$ 504,153	\$ (1,408,626)	\$ (803,112)
Effect of Increases and Decreases in Current Assets and Liabilities:				
Decrease (increase) in Current Investments	-	11,083,114	456,184	11,539,298
Decrease (increase) in Due from Other Funds	-	-	650,000	650,000
Decrease (increase) in Due from Internal Serv Fund	12,000,000	-	-	12,000,000
Decrease (increase) in Other Receivables	-	-	17,215	17,215
Increase (decrease) in Accounts Payable	-	(860,379)	14,922	(845,457)
Increase (decrease) in Due to Internal Serv Fund	-	(12,000,000)	-	(12,000,000)
Increase (decrease) in Due to Other Funds	(12,102,495)	393,000	-	(11,709,495)
Increase (decrease) in Accrued Expenses	-	935,311	274,290	1,209,601
Net Cash Provided by (Used for) Operating Activities	\$ (1,134)	\$ 55,199	\$ 3,985	\$ 58,050

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 JUNE 30, 2021

	893 Student Activity Funds	899 Centennial Foundation CORP	Total Custodial Funds
ASSETS			
Cash and Cash Equivalents	\$ 490,323	\$ 1,000	\$ 491,323
Due from Other Funds	117,984	-	117,984
Total Assets	<u>608,307</u>	<u>1,000</u>	<u>609,307</u>
LIABILITIES			
Accounts Payable	119,214	-	119,214
Accrued Expenses	-	1,000	1,000
Total Liabilities	<u>119,214</u>	<u>1,000</u>	<u>120,214</u>
NET POSITION			
Unrestricted Net Position	489,093	-	489,093
Total Net Position	<u>\$ 489,093</u>	<u>\$ -</u>	<u>\$ 489,093</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 FOR FISCAL YEAR 2021

	893 Student Activity Funds	899 Centennial Foundation CORP	Total Custodial Funds
ADDITIONS:			
Miscellaneous Additions	\$ 371,780	\$ -	\$ 371,780
Total Additions	<u>371,780</u>	<u>-</u>	<u>371,780</u>
DEDUCTIONS:			
Other Deductions	<u>526,122</u>	<u>-</u>	<u>526,122</u>
Total Deductions	<u>526,122</u>	<u>-</u>	<u>526,122</u>
Change in Net Position	(154,342)	-	(154,342)
Net Position - July 1 (Beginning)	-	-	-
Prior Period Adjustment	<u>643,435</u>	<u>-</u>	<u>643,435</u>
Net Position - June 30 (Ending)	<u>\$ 489,093</u>	<u>\$ -</u>	<u>\$ 489,093</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 PRIVATE PURPOSE TRUST FUNDS
 JUNE 30, 2021

	810 Crimestoppers	816 Johnny & Nena Cavazos Athletic Fund	820 BISD Best Choice	821 Regional Tournaments
ASSETS				
Cash and Cash Equivalents	\$ 980	\$ 153	\$ 42,869	\$ 2,714
Due from Other Funds	-	-	-	-
Other Receivables	-	-	-	-
Total Assets	<u>980</u>	<u>153</u>	<u>42,869</u>	<u>2,714</u>
LIABILITIES				
Accounts Payable	-	-	-	-
Due to Other Funds	-	-	-	20
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>20</u>
NET POSITION				
Unrestricted Net Position	<u>980</u>	<u>153</u>	<u>42,869</u>	<u>2,694</u>
Total Net Position	<u>\$ 980</u>	<u>\$ 153</u>	<u>\$ 42,869</u>	<u>\$ 2,694</u>

822 Mile of Hope	827 Student Ambassador Program	828 Filemon Vela Memorial Scholarship	829 Superintendent Scholarship Fund	Total Private Purpose Trust Funds
\$ 62,671	\$ 6,725	\$ 6,127	\$ 28,535	\$ 150,774
-	-	-	485	485
-	-	-	1	1
<u>62,671</u>	<u>6,725</u>	<u>6,127</u>	<u>29,021</u>	<u>151,260</u>
-	-	-	14,462	14,462
500	-	-	-	520
<u>500</u>	<u>-</u>	<u>-</u>	<u>14,462</u>	<u>14,982</u>
62,171	6,725	6,127	14,559	136,278
<u>\$ 62,171</u>	<u>\$ 6,725</u>	<u>\$ 6,127</u>	<u>\$ 14,559</u>	<u>\$ 136,278</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PRIVATE PURPOSE TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	810 Crimestoppers	816 Johnny & Nena Cavazos Athletic Fund	820 BISD Best Choice	821 Regional Tournaments
ADDITIONS:				
Earnings from Temporary Deposits	\$ -	\$ -	\$ -	\$ -
Miscellaneous Additions	-	162	-	-
Total Additions	<u>-</u>	<u>162</u>	<u>-</u>	<u>-</u>
DEDUCTIONS:				
Professional and Contracted Services	-	-	-	-
Other Deductions	-	12,600	-	-
Total Deductions	<u>-</u>	<u>12,600</u>	<u>-</u>	<u>-</u>
Change in Net Position	-	(12,438)	-	-
Net Position - July 1 (Beginning)	<u>980</u>	<u>12,591</u>	<u>42,869</u>	<u>2,694</u>
Net Position - June 30 (Ending)	<u>\$ 980</u>	<u>\$ 153</u>	<u>\$ 42,869</u>	<u>\$ 2,694</u>

822 Mile of Hope	827 Student Ambassador Program	828 Filemon Vela Memorial Scholarship	829 Superintendent Scholarship Fund	Total Private Purpose Trust Funds
\$ 314	\$ -	\$ -	\$ 40	\$ 354
-	6,604	-	97,672	104,438
<u>314</u>	<u>6,604</u>	<u>-</u>	<u>97,712</u>	<u>104,792</u>
-	-	-	6,810	6,810
1,500	-	-	84,515	98,615
<u>1,500</u>	<u>-</u>	<u>-</u>	<u>91,325</u>	<u>105,425</u>
(1,186)	6,604	-	6,387	(633)
<u>63,357</u>	<u>121</u>	<u>6,127</u>	<u>8,172</u>	<u>136,911</u>
<u>\$ 62,171</u>	<u>\$ 6,725</u>	<u>\$ 6,127</u>	<u>\$ 14,559</u>	<u>\$ 136,278</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FISCAL YEAR ENDED JUNE 30, 2021

Last 10 Years	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2012 and prior years	Various	Various	\$ Various
2013	1.019100	0.073200	5,209,962,063
2014	1.040000	0.102155	5,373,232,460
2015	1.040000	0.105666	5,501,477,818
2016	1.152500	0.000000	5,287,358,457
2017	1.152500	0.000000	5,506,653,073
2018	1.152500	0.112500	5,673,933,416
2019	1.152500	0.112500	5,877,214,172
2020	1.057000	0.129706	6,309,147,101
2021 (School year under audit)	1.025400	0.150472	6,358,426,031
1000 TOTALS			

(10) Beginning Balance 7/1/2020	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2021
\$ 2,112,119	\$ -	\$ 66,219	\$ 4,050	\$ (787,648)	\$ 1,254,202
253,508	-	16,328	1,173	(276)	235,731
290,576	-	20,275	1,991	(186)	268,124
300,930	-	35,321	3,589	10,879	272,899
407,243	-	127,263	-	13,184	293,164
473,962	-	153,935	-	16,380	336,407
750,157	-	282,937	27,619	36,055	475,656
1,419,269	-	659,231	64,350	23,014	718,702
4,320,466	-	2,560,740	314,232	(76,189)	1,369,305
-	73,331,821	64,717,276	9,496,915	4,360,115	3,477,745
<u>\$ 10,328,230</u>	<u>\$ 73,331,821</u>	<u>\$ 68,639,525</u>	<u>\$ 9,913,919</u>	<u>\$ 3,595,328</u>	<u>\$ 8,701,935</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 863,001	\$ 863,001	\$ 102,558	\$ (760,443)
5800 State Program Revenues	200,000	412,000	286,865	(125,135)
5900 Federal Program Revenues	39,652,253	39,652,253	24,666,470	(14,985,783)
5020 Total Revenues	<u>40,715,254</u>	<u>40,927,254</u>	<u>25,055,893</u>	<u>(15,871,361)</u>
EXPENDITURES:				
Current:				
0035 Food Services	40,715,254	41,568,689	20,774,967	20,793,722
6030 Total Expenditures	<u>40,715,254</u>	<u>41,568,689</u>	<u>20,774,967</u>	<u>20,793,722</u>
1200 Net Change in Fund Balances	-	(641,435)	4,280,926	4,922,361
0100 Fund Balance - July 1 (Beginning)	<u>6,560,109</u>	<u>6,673,359</u>	<u>6,673,359</u>	<u>-</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ 6,560,109</u>	<u>\$ 6,031,924</u>	<u>\$ 10,954,285</u>	<u>\$ 4,922,361</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 10,263,746	\$ 10,263,746	\$ 9,749,689	\$ (514,057)
5800 State Program Revenues	5,582,035	5,582,035	7,027,019	1,444,984
5020 Total Revenues	15,845,781	15,845,781	16,776,708	930,927
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Debt	15,845,781	11,735,000	11,735,000	-
0072 Interest on Long-Term Debt	-	4,107,781	3,642,370	465,411
0073 Bond Issuance Cost and Fees	-	527,551	527,301	250
6030 Total Expenditures	15,845,781	16,370,332	15,904,671	465,661
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(524,551)	872,037	1,396,588
OTHER FINANCING SOURCES (USES):				
7911 Capital Related Debt Issued	-	44,790,000	44,790,000	-
7916 Premium or Discount on Issuance of Bonds	-	6,422,260	6,422,259	(1)
8949 Other (Uses)	-	(50,687,709)	(50,687,709)	-
7080 Total Other Financing Sources (Uses)	-	524,551	524,550	(1)
1200 Net Change in Fund Balances	-	-	1,396,587	1,396,587
0100 Fund Balance - July 1 (Beginning)	8,888,515	11,122,738	11,122,738	-
3000 Fund Balance - June 30 (Ending)	\$ 8,888,515	\$ 11,122,738	\$ 12,519,325	\$ 1,396,587

SCHEDULE 1
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NET POSITION BY COMPONENT

LAST TEN YEARS

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
Governmental Activities				
Net Investments in Capital Assets	\$ 249,760,978	\$ 265,298,588	\$ 245,196,911	\$ 241,038,741
Restricted	47,257,800	33,977,469	31,502,648	36,394,229
Unrestricted	65,775,797	54,465,766	78,378,086	24,425,409
Total Net Position	\$ 362,794,575	\$ 353,741,823	\$ 355,077,645	\$ 301,858,379

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

2016	2017	2018	2019	2020	2021
\$ 242,011,460	\$ 250,292,029	\$ 242,478,407	\$ 244,779,566	\$ 264,940,716	\$ 290,684,615
27,924,319	27,287,962	27,752,414	28,364,878	28,950,080	31,166,205
52,915,830	45,017,349	(178,492,441)	(156,571,626)	(184,116,987)	(170,888,111)
<u>\$ 322,851,609</u>	<u>\$ 322,597,340</u>	<u>\$ 91,738,380</u>	<u>\$ 116,572,818</u>	<u>\$ 109,773,809</u>	<u>\$ 150,962,709</u>

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

LAST TEN YEARS

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
Expenses				
Governmental Activities:				
11 Instruction	\$ 265,301,523	\$ 269,902,260	\$ 266,811,175	\$ 269,621,870
12 Instructional Resources & Media Services	8,150,501	8,990,567	8,638,437	8,524,749
13 Curriculum & Instructional Staff Development	13,284,303	15,764,951	16,609,958	16,372,545
21 Instructional Leadership	8,226,349	8,593,985	8,628,654	9,441,697
23 School Leadership	24,028,022	26,014,428	26,274,889	24,656,388
31 Guidance, Counseling & Evaluation Services	16,840,314	18,886,458	19,030,826	19,622,388
32 Social Work Services	621,835	1,091,761	1,077,700	888,315
33 Health Services	5,781,101	5,853,598	5,735,067	5,957,244
34 Student (Pupil) Transportation	12,927,507	12,463,068	14,171,985	12,081,900
35 Food Services	31,627,859	32,839,664	34,282,243	36,715,450
36 Extracurricular Activities	14,485,042	15,765,298	16,364,024	16,421,932
41 General Administration	17,182,090	17,589,088	12,286,474	10,962,498
51 Facilities Maintenance & Operations	46,452,947	46,463,990	48,694,091	51,688,106
52 Security & Monitoring Services	6,400,024	6,005,965	6,813,018	6,321,054
53 Data Processing Services	4,036,884	4,319,976	6,786,646	6,355,529
61 Community Services	5,111,489	5,096,028	4,084,484	3,403,224
72 Debt Service - Interest on Long-Term Debt	10,552,122	10,779,656	6,672,801	8,134,579
73 Debt Service - Bond Issuance Cost & Fees	-	988,081	9,225	424,851
95 Payments to Juvenile Justice Alternative Ed. Prg.	183,264	106,194	85,173	36,656
99 Other Intergovernmental Charges	-	-	497,968	683,723
Total Governmental Activities	491,193,176	507,515,016	503,554,838	508,314,698
Program Revenues				
Charges for Services				
Instruction	2,748,811	3,888,758	1,462,492	1,152,958
Instructional Resources & Media Services	-	-	-	-
Curriculum & Instructional Staff Development	-	-	-	-
Instructional Leadership	-	-	-	-
School Leadership	-	-	-	-
Health Services	-	-	-	-
Student (Pupil) Transportation	-	-	-	-
Food Services	1,270,219	1,304,284	1,378,468	1,012,548
Extracurricular Activities	443,271	479,685	452,846	457,270
General Administration	-	-	-	1,314,255
Facilities Maintenance & Operations	-	-	-	-
Security & Monitoring Services	-	-	-	-
Data Processing Services	-	-	-	-
Community Services	118,182	101,226	121,786	38,034
Operating Grants and Contributions	130,857,311	120,198,708	123,197,536	112,183,338
Total Governmental Activities	135,437,794	125,972,661	126,613,128	116,158,403
Net Governmental Activities				
Revenue/(Expense)	\$ (355,755,382)	\$ (381,542,355)	\$ (376,941,710)	\$ (392,156,295)

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

	2016	2017	2018	2019	2020	2021
\$	287,873,697	\$ 278,511,438	\$ 182,103,482	\$ 271,410,031	\$ 313,169,173	\$ 292,765,075
	11,059,978	9,016,634	6,221,852	10,124,421	13,855,982	11,996,222
	18,957,388	15,575,422	8,653,579	12,371,030	16,667,811	15,280,538
	9,925,641	7,337,758	4,622,505	6,843,445	8,173,785	7,468,197
	26,546,046	26,088,958	17,686,003	26,022,856	30,612,109	27,542,917
	21,524,208	21,174,072	13,398,951	21,806,268	24,574,084	22,499,817
	616,251	655,648	597,763	659,409	957,825	927,732
	6,549,128	6,328,533	4,762,955	6,274,127	7,102,036	6,412,782
	12,450,463	12,847,622	9,608,687	12,565,355	12,471,780	11,602,582
	42,353,653	39,523,074	27,141,885	37,828,274	38,290,202	30,645,191
	17,243,179	17,268,627	13,882,079	16,711,178	17,244,449	14,661,775
	16,528,266	18,027,037	13,834,611	25,380,642	6,799,545	14,282,617
	55,522,684	53,015,451	45,423,458	47,051,437	52,422,138	53,107,673
	6,982,218	7,041,332	5,248,861	7,997,248	9,005,516	8,210,931
	8,552,804	9,755,101	9,046,205	6,879,860	7,245,329	7,332,782
	3,076,921	3,436,211	2,340,438	3,440,450	4,942,845	3,654,423
	7,372,455	7,040,836	7,553,530	4,138,014	7,017,649	5,399,155
	10,305	10,750	618,078	10,750	-	-
	10,842	54,762	24,588	31,144	23,834	-
	703,868	692,050	806,984	876,102	912,874	935,945
	553,859,995	533,401,316	373,576,494	518,422,041	571,488,966	534,726,354
	881,329	627,368	660,519	297,015	754,476	383,600
	148,493	-	52,943	201,605	-	199,499
	-	51,749	-	273,606	10,805	-
	-	51,749	-	-	-	-
	-	-	52,943	-	-	-
	-	-	-	230,405	-	-
	-	51,749	-	-	10,805	9,975
	1,335,619	1,015,698	960,346	1,058,486	620,557	98,639
	657,785	702,960	667,003	516,806	229,278	90,251
	296,986	310,493	330,893	-	108,045	9,975
	5,345,744	983,226	52,943	144,003	183,677	109,724
	-	-	-	-	10,805	-
	7,721,630	3,001,428	52,943	115,203	-	319,198
	327,820	175,027	119,053	213,539	200,100	350,467
	111,274,366	98,077,724	18,573,532	76,466,939	96,636,967	103,188,685
	127,989,772	105,049,171	21,523,118	79,517,607	98,765,515	104,760,013
\$	(425,870,223)	\$ (428,352,145)	\$ (352,053,376)	\$ (438,904,434)	\$ (472,723,451)	\$ (429,966,341)

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

LAST TEN YEARS

(Unaudited)

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

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

	2016	2017	2018	2019	2020	2021
\$	(425,870,223)	\$ (428,352,145)	\$ (352,053,376)	\$ (438,904,434)	\$ (472,723,451)	\$ (429,966,341)
	60,003,866	61,915,126	64,271,317	65,415,281	63,999,050	64,572,741
	324,381	107,373	5,899,596	6,252,570	7,652,219	9,433,456
	339,056,325	322,099,125	325,928,319	327,749,035	341,577,353	350,739,545
	32,345,650	34,993,209	33,229,095	58,482,078	61,319,514	43,521,015
	483,591	1,452,734	2,942,963	5,345,300	3,691,478	477,078
	780,304	597,581	105,940	494,608	1,813,409	1,996,279
	432,994,117	421,165,148	432,377,230	463,738,872	480,053,023	470,740,114
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	7,123,894	\$ (7,186,997)	\$ 80,323,854	\$ 24,834,438	\$ 7,329,572	\$ 40,773,773

SCHEDULE 4
BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN YEARS

(Unaudited)

	2012	2013	2014	2015
General Fund				
Reserved Fund Balances:				
Investments in Inventory	\$ -	\$ -	\$ -	\$ -
Retirement of Long-Term Debt	-	-	-	-
Outstanding Encumbrances	-	-	-	-
Food Service	-	-	-	-
Other Purposes	-	-	-	-
Unreserved Designated For:				
Construction	-	-	-	-
Unreserved and Undesignated:				
Reported in the General Fund	-	-	-	-
Nonspendable Fund Balances:				
Inventories	3,580,179	3,621,302	3,834,039	3,725,535
Restricted Fund Balances:				
Federal or State Funds Grant Restriction	18,914,624	24,422,165	24,380,252	24,575,107
Retirement of Long Term Debt				5,000,000
Regional School for the Deaf	354,719	361,540	246,734	218,038
Committed Fund Balances:				
Construction	2,285,678	1,245,498	1,170,648	6,392,528
Capital Outlay & Supplies	2,142,090	2,231,900	1,659,405	2,369,146
Assigned Fund Balance:				
Construction				
Repairs, Maintenance & Other	6,311,320	6,311,320	3,283,320	3,304,675
Unassigned Fund Balance:	58,087,083	60,430,454	62,776,227	66,871,373
Total General Fund Balance	91,675,693	98,624,179	97,350,625	112,456,402
All Other Governmental Funds				
Special Revenues				
Outstanding Encumbrances	-	-	-	-
Other Restricted Fund Balance	-	-	-	-
Other Reserves	-	-	-	-
Debt Service				
Retirement of Long Term Debt	-	-	-	-
Capital Projects				
Outstanding Encumbrances	-	-	-	-
Other Purposes	-	-	-	-
Unreserved and Undesignated:				
Reported in the Capital Projects funds	-	-	-	-
Reported in Special Revenue funds	-	-	-	-
Restricted Fund Balances:				
Capital Acquisition and Contractual Obligation	9,590,034	8,507,993	6,281,065	5,543,109
Retirement of Long Term Debt	4,079,156	1,047,311	841,331	1,276,013
Other Restricted Fund Balance	-	-	-	-
Committed Fund Balances:				
Construction	-	-	-	-
Unassigned Fund Balance	-	-	-	-
Total All Other Governmental Fund Balances	13,669,190	9,555,304	7,122,396	6,819,122
Total Governmental Funds - Fund Balance	\$ 105,344,883	\$ 108,179,483	\$ 104,473,021	\$ 119,275,524
Governmental Funds				
Beginning Fund Balance	\$ 115,946,049	\$ 105,344,883	\$ 108,179,483	\$ 104,473,021
Net Change in Fund Balance	(10,601,166)	2,834,600	(3,706,462)	14,802,503
Ending Balance	\$ 105,344,883	\$ 108,179,483	\$ 104,473,021	\$ 119,275,524

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

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

	2016	2017	2018	2019	2020	2021
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	4,635,881	4,402,682	4,225,941	4,209,382	4,150,181	5,546,133
	18,942,877	18,104,266	18,254,341	18,111,339	11,347,593	18,646,880
	139,669	43,855	57,536	131,771	221,822	356,414
	5,834,327	3,138,904	71,785,833	49,894,741	19,338,622	9,792,517
	5,589,167	3,743,744	3,425,057	1,675,133	5,708,959	4,689,383
	18,252,345	22,271,058	24,358,270	32,669,491	33,452,290	36,214,195
	7,819,744	11,282,089	14,815,494	11,288,505	23,287,298	22,909,360
	69,346,794	75,436,502	79,109,837	83,615,674	87,745,137	105,777,890
	130,560,803	138,423,100	216,032,309	201,596,036	185,251,902	203,932,772
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	8,981,442	9,183,696	9,498,073	10,253,539	11,122,738	12,519,325
	-	-	-	-	-	-
	-	-	-	-	-	-
	8,981,442	9,183,696	9,498,073	10,253,539	11,122,738	12,519,325
\$	139,542,245	\$ 147,606,796	\$ 225,530,382	\$ 211,849,575	\$ 196,374,640	\$ 216,452,097
\$	119,275,524	\$ 139,542,245	\$ 147,606,796	\$ 225,530,382	\$ 211,849,575	\$ 196,374,640
	20,266,721	8,064,551	77,923,586	(13,680,807)	(15,474,935)	20,077,457
\$	139,542,245	\$ 147,606,796	\$ 225,530,382	\$ 211,849,575	\$ 196,374,640	\$ 216,452,097

SCHEDULE 5
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 GOVERNMENTAL FUND REVENUES BY SOURCE

LAST TEN YEARS

(Unaudited)

Fiscal Year	Local and Intermediate Sources			State Programs			Federal Programs	Total
	Property Tax	Tuition	Other	Per Capital and Foundation	On-behalf TRS Payments	Other		
2012	\$ 55,593,851	\$ 531,514	\$ 4,475,483	\$ 287,696,627	\$ 15,503,634	\$ 19,497,233	\$ 113,720,690	\$ 497,019,032
2013	56,749,224	407,491	5,631,672	295,951,155	15,058,467	14,101,730	111,416,620	499,316,359
2014	60,692,413	491,150	3,214,341	313,983,308	17,721,025	16,008,349	100,640,073	512,750,659
2015	63,245,041	422,740	8,055,993	313,364,195	14,605,756	23,020,183	98,465,742	521,179,651
2016	61,717,061	386,110	16,910,067	347,071,720	14,260,807	7,768,744	102,723,505	550,838,014
2017	62,735,983	334,899	8,103,261	339,209,198	14,011,862	7,283,800	90,345,670	522,024,672
2018	70,012,429	316,593	5,592,225	334,795,510	18,583,924	12,569,475	90,605,806	532,475,962
2019	72,087,652	267,380	8,133,091	327,749,035	18,323,640	11,608,949	91,403,856	529,573,603
2020	73,316,261	311,490	5,550,479	341,577,353	20,519,286	21,901,012	95,968,012	559,143,893
2021	77,201,406	323,750	2,518,352	350,739,545	19,628,145	11,295,137	110,105,949	571,812,285

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

SCHEDULE 6
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 GOVERNMENTAL FUND EXPENDITURES BY FUNCTION

LAST TEN YEARS

(unaudited)

Fiscal Year	Instruction and Instructional Related Services	Instructional and School Leadership	Support Services Student (Pupil)	Administrative Support Services	Support Services Nonstudent Based	Ancillary Services
2012	\$ 274,860,076	\$ 30,971,427	\$ 79,014,692	\$ 12,189,912	\$ 54,785,063	\$ 4,899,149
2013	282,773,835	33,216,052	83,561,653	13,069,858	54,821,958	4,882,569
2014	281,731,329	33,530,581	90,438,173	12,256,430	61,794,211	4,054,267
2015	286,338,153	33,178,190	91,425,262	10,848,462	64,381,586	3,348,237
2016	293,376,597	33,492,956	95,392,172	12,128,094	69,604,799	2,822,065
2017	282,515,570	30,996,737	95,642,235	11,058,621	68,270,012	3,168,242
2018	274,275,240	31,527,518	92,886,193	10,776,126	65,289,292	3,293,599
2019	275,418,177	30,595,137	93,688,920	10,184,174	62,570,420	3,194,964
2020	307,442,730	34,384,800	89,318,447	11,387,147	63,563,749	4,509,320
2021	305,117,763	33,076,534	81,962,702	12,248,379	67,613,703	3,496,885

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

Note: Operating expenditures excludes capital outlay (Function 81)

Debt Service Principal	Debt Service Interest and Other	Capital Outlay	Inter-Governmental Charges	Total Governmental Fund Expenditures	Ratio of Debt Service to Operating Expenditures
\$ 10,530,000	\$ 10,697,044	\$ 19,224,060	\$ 183,265	\$ 497,354,688	4.44%
10,950,000	11,342,447	1,619,259	106,194	496,343,825	4.51%
13,385,000	6,707,718	4,561,151	583,141	509,042,001	3.99%
12,260,000	8,420,352	1,818,006	720,379	512,738,627	4.05%
13,075,000	7,483,243	3,994,366	714,710	532,084,002	3.90%
13,813,017	7,154,050	7,438,072	746,812	520,803,368	4.08%
12,851,420	8,989,398	7,141,510	831,572	507,861,868	4.36%
17,237,129	9,895,952	29,374,196	907,246	533,066,315	5.39%
23,610,874	7,831,343	31,633,713	936,708	574,618,830	5.79%
24,506,217	7,001,855	16,299,395	935,945	552,259,378	5.88%

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

LAST TEN YEARS

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

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

	2016	2017	2018	2019	2020	2021
\$	18,754,011	\$ 1,221,302	\$ 24,614,092	\$ (3,492,711)	\$ (15,474,936)	\$ 19,552,907
	-	-	54,370,000	-	-	-
	-	2,249,419	-	-	-	44,790,000
	-	-	-	-	-	-
	-	-	-	3,485,908	-	-
	22,386,086	10,988,211	1,113,127	1,251,372	-	-
	-	-	4,439,863	-	-	6,422,259
	-	-	-	-	-	-
	(22,386,086)	(10,988,211)	(1,113,127)	(14,925,375)	-	-
	-	-	(5,500,369)	-	-	(50,687,709)
	-	2,249,419	53,309,494	(10,188,095)	-	524,550
	-	-	-	-	-	-
\$	18,754,011	\$ 3,470,721	\$ 77,923,586	\$ (13,680,806)	\$ (15,474,936)	\$ 20,077,457

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

LAST TEN YEARS

(unaudited)

Fiscal Year	Average Daily Attendance*	Instruction and Instructional Related Services	Instructional and School Leadership	Support Services Student (Pupil)	Administrative Support Services	Support Services Nonstudent Based
2012	45,672	\$ 6,018	\$ 678	\$ 1,730	\$ 267	\$ 1,200
2013	45,393	6,189	733	1,827	287	1,208
2014	45,385	6,208	739	1,993	270	1,362
2015	44,451	6,442	746	2,057	244	1,448
2016	43,898	6,683	763	2,173	276	1,586
2017	43,129	6,550	719	2,218	256	1,583
2018	41,602	6,593	758	2,233	259	1,569
2019	40,287	6,836	759	2,326	253	1,553
2020	38,846	7,914	885	2,299	293	1,636
2021	37,691	8,095	878	2,175	325	1,794

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

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

Ancillary Services	Debt Service Principal	Debt Service Interest and Other	Capital Outlay	Inter-Governmental Charges	Total
\$ 107	\$ 231	\$ 234	\$ 421	\$ 4	\$ 10,890
108	241	250	36	2	10,881
89	295	148	100	13	11,217
75	276	189	41	16	11,535
64	297	170	91	16	12,119
73	320	166	172	17	12,075
79	309	216	172	20	12,208
79	428	246	729	23	13,232
116	608	202	814	24	14,792
93	650	186	432	25	14,652

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

LAST TEN YEARS

(Unaudited)

Fiscal Year	Assessed Value			Estimated Actual Value	Ratio of Total Assessed To Total Estimated Actual Value	*Total Direct Tax Rate
	Real Property	Personal Property	Total			
2012	\$ 4,433,212,093	\$ 618,712,839	\$ 5,051,924,932	\$ 6,214,354,595	81.29%	\$ 1.092300
2013	4,573,692,652	636,269,411	5,209,962,063	6,343,330,587	82.13%	1.092300
2014	4,659,456,875	713,775,585	5,373,232,460	6,543,041,297	82.12%	1.142155
2015	4,788,620,905	712,856,913	5,501,477,818	6,711,375,439	81.97%	1.145666
2016	4,608,516,654	678,841,803	5,287,358,457	6,754,535,129	78.28%	1.152500
2017	4,796,521,548	710,131,525	5,506,653,073	7,022,222,876	78.42%	1.152500
2018	4,921,883,465	752,049,951	5,673,933,416	7,168,346,586	79.15%	1.265000
2019	5,096,094,169	781,120,003	5,877,214,172	7,417,022,413	79.24%	1.265000
2020	5,466,169,857	842,977,244	6,309,147,101	7,896,876,428	79.89%	1.186706
2021	5,576,676,653	781,749,378	6,358,426,031	8,868,898,359	71.69%	1.175872

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

SCHEDULE 10
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN YEARS

(Unaudited)

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 54,109,128	\$ 49,935,751	92.29%	\$ 3,886,649	\$ 53,822,399	99.47%
2013	55,837,551	51,176,905	91.65%	3,857,873	55,034,779	98.56%
2014	60,188,474	55,499,749	92.21%	3,867,504	59,367,253	98.64%
2015	61,793,473	57,727,162	93.42%	3,525,967	61,253,129	99.13%
2016	59,728,676	56,897,913	95.26%	3,644,902	60,542,815	101.36%
2017	62,358,030	58,215,304	93.36%	3,610,377	61,825,681	99.15%
2018	70,330,581	65,564,161	93.22%	3,655,407	69,219,568	98.42%
2019	72,811,142	67,782,029	93.09%	3,591,201	71,373,229	98.03%
2020	73,467,340	68,910,148	93.80%	2,772,451	71,682,599	97.57%
2021	73,331,821	72,935,383	99.46%	-	72,935,383	99.46%

Source: Brownsville Independent School District Annual Financial and Compliance Reports

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

LAST TEN YEARS

(Unaudited)

Fiscal Year	Tax Rates (Per \$100 of Assessed Value)			Tax Levies		
	General Fund	Debt Service Fund	Total	General Fund	Debt Service Fund	Original Levy Total
2012	\$ 1.019100	\$ 0.073200	\$ 1.092300	\$ 50,483,026	\$ 3,626,102	\$ 54,109,128
2013	1.019100	0.073200	1.092300	52,095,620	3,741,931	55,837,551
2014	1.040000	0.102155	1.142155	54,805,181	5,383,293	60,188,474
2015	1.040000	0.105666	1.145666	56,094,193	5,699,280	61,793,473
2016	1.152500	-	1.152500	59,728,676	-	59,728,676
2017	1.152500	-	1.152500	62,358,030	-	62,358,030
2018	1.152500	0.112500	1.265000	64,075,886	6,254,696	70,330,581
2019	1.152500	0.112500	1.265000	66,335,843	6,475,299	72,811,142
2020	1.057000	0.129706	1.186706	65,437,419	8,029,922	73,467,340
2021	1.025400	0.150472	1.175872	63,947,820	9,384,002	73,331,821

Source: Brownsville Independent School District Annual Financial and Compliance Reports

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

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

LAST TEN YEARS

(Unaudited)

Fiscal Year	Tax Year	Direct Tax Rate	Overlapping Tax Rates						Total Direct and Overlapping Tax Rate
		Brownsville Independent School District	South Texas ISD	City of Brownsville	Brownsville Navigation District	Cameron County	Drainage District #1	Texas Southmost College	
2012	2011	\$ 1.092300	\$ 0.049200	\$ 0.700613	\$ 0.046830	\$ 0.384291	\$ 0.031100	\$ 0.164026	\$ 2.468360
2013	2012	1.092300	0.049200	0.700613	0.045200	0.384291	0.030600	0.162935	2.465139
2014	2013	1.142155	0.049200	0.700613	0.043000	0.384291	0.029700	0.162935	2.511894
2015	2014	1.145666	0.049200	0.700613	0.042000	0.399291	0.029500	0.164094	2.530364
2016	2015	1.152500	0.049200	0.700613	0.040667	0.399291	0.030450	0.164094	2.536815
2017	2016	1.152500	0.049200	0.700613	0.035920	0.407743	0.030450	0.158224	2.534650
2018	2017	1.265000	0.049200	0.700613	0.035920	0.410803	0.032000	0.162407	2.655943
2019	2018	1.265000	0.049200	0.700613	0.035920	0.416893	0.033000	0.162407	2.663033
2020	2019	1.186706	0.049200	0.700613	0.035920	0.436893	0.033000	0.162407	2.604739
2021	2020	1.175872	0.049200	0.697964	0.029778	0.436893	0.033000	0.162407	2.585114

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

SCHEDULE 13
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Prior

(Unaudited)

Taxpayer	Type of Business	Fiscal Year 2021	
		Tax Year 2020 Assessed Valuation	Total Assessed Valuation
CBL/Sunrise Commons LP	Real Estate/Shopping Mall	\$ 53,315,395	0.84%
Columbia Valley Healthcare Sys LP	Hospital	27,533,261	0.43%
VHS Brownsville Hospital Company LLC	Hospital	26,091,179	0.41%
Sharyland Utilities LP	Utilities	25,932,420	0.41%
AEP Texas Central Co	Utilities	23,845,001	0.38%
KIMCO Brownsville LP	Land/Improvements	22,027,195	0.35%
H E Butt Grocery Co	Grocery	21,928,258	0.34%
Rich-Seapak Corp.	Retail Store	21,402,373	0.34%
TRICO Products Corp.	Manufacturer	18,899,069	0.30%
101 S Twin Creek LLC	Real Estate	17,817,901	0.28%
Southwestern Bell Telephone	Telephone Utility	-	
Clearview Morrison LP	Real Estate	-	
Wal-Mart Real Estate Business TR	Real Estate/Retail Store	-	
Wal-Mart Stores Inc.	Retail Store	-	
Totals		<u>\$ 258,792,052</u>	4.07%

Source: Cameron Appraisal District

Fiscal Year 2012

Tax Year 2011 Assessed Valuation	Total Assessed Valuation
\$ 38,734,331	0.77%
29,338,753	0.58%
-	
-	
-	
18,616,577	0.37%
13,956,438	0.28%
15,394,691	0.30%
19,249,470	0.38%
-	
15,987,230	0.28%
14,277,286	0.28%
22,189,628	0.44%
17,955,871	0.36%
<u>\$ 205,700,275</u>	4.04%

SCHEDULE 14
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 OUTSTANDING DEBT BY TYPE

LAST TEN YEARS

(Unaudited)

Fiscal Year	General Obligation Bonds	Refunding Bonds	Notes Payable	Capital Appreciation Bonds	Discounts/ Premiums and Other Adj.
2012	\$ 106,200,000	\$ 68,620,000	\$ 4,400,000	\$ 36,110,000	\$ -
2013	17,030,000	146,940,000	3,735,000	33,940,000	-
2014	10,725,000	142,605,000	3,045,000	31,885,000	-
2015	5,490,000	138,460,000	5,925,000	29,595,000	-
2016	-	134,155,000	5,180,000	27,060,000	-
2017	-	124,000,000	4,405,000	24,640,000	18,055,689
2018	-	114,670,000	52,740,000	22,068,000	16,768,615
2019	-	105,410,000	48,440,000	19,369,200	13,910,260
2020	-	94,190,000	39,655,000	16,870,400	11,933,737
2021	-	81,705,000	30,515,000	14,371,600	9,957,214

Source: Brownsville Independent School District Annual Financial and Compliance Reports

Capital Leases	Total Debt	Ratio of Total Debt to Estimated Actual Property Value	Total Debt Per Average Daily Membership
\$ -	\$ 215,330,000	3.47%	\$ 4332
-	201,645,000	3.18%	4085
-	188,260,000	2.88%	3813
-	179,470,000	2.67%	3709
-	166,395,000	2.46%	3485
1,783,231	172,883,920	2.46%	3688
1,351,812	207,598,427	2.90%	4555
3,659,391	190,788,851	2.57%	4297
2,552,317	165,201,454	2.09%	3839
1,420,801	137,969,615	1.56%	3385

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

As of June 30, 2021

(Unaudited)

<u>Political Subdivision</u>	<u>Net Debt Amounts</u>	<u>As of</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Brownsville Navigation District	\$ 825,000 *	6/30/2021	76.12%	\$ 627,990
City of Brownsville	171,080,000 *	6/30/2021	87.70%	150,037,160
Cameron County	187,310,000 *	6/30/2021	37.05%	69,398,355
Paseo De La Resaca MUD #1	1,664,587 *	6/30/2021	100.00%	1,664,587
Paseo De La Resaca MUD #2	2,643,221 *	6/30/2021	100.00%	2,643,221
Paseo De La Resaca MUD #3	2,792,192 *	6/30/2021	100.00%	2,792,192
Rancho Viejo, Town of	2,962,000 *	6/30/2021	60.48%	1,791,418
Texas Southmost College	31,045,000 *	6/30/2021	55.28%	17,161,676
Valley MUD #2	7,971,000 *	6/30/2021	71.51%	5,700,062
Total Overlapping Debt:				<u>251,816,661</u>
 Brownsville ISD		 6/30/2021		 <u>112,220,000 *</u>
Total Direct and Overlapping Debt				<u>\$ 364,036,661</u>
Total Direct and Overlapping Debt % of A.V.:				5.61%
Total Direct and Overlapping Debt per Capita:				\$ 2,549

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

Sources:
 Municipal Advisory Council of Texas

SCHEDULE 16
BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF LEGAL DEBT MARGIN

LAST TEN YEARS

(Unaudited)

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

Source: Brownsville Independent School District Annual Financial and Compliance Reports

2016	2017	2018	2019	2020	2021
\$ 5,287,358,457	\$ 5,506,653,073	\$ 5,673,933,416	\$ 5,877,214,172	\$ 6,309,147,101	\$ 6,358,426,031
\$ 528,735,846	\$ 550,665,307	\$ 567,393,342	\$ 587,721,417	\$ 630,914,710	\$ 635,842,603
161,215,000	148,640,000	136,738,000	124,779,200	111,060,400	96,076,600
8,981,442	9,183,696	9,498,073	10,253,538	11,122,738	12,519,325
152,233,558	139,456,304	127,239,927	114,525,662	99,937,662	83,557,275
\$ 376,502,288	\$ 411,209,003	\$ 440,153,414	\$ 473,195,756	\$ 530,977,048	\$ 552,285,329
71.21%	74.67%	77.57%	80.51%	84.16%	86.86%

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

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Membership	Estimated Actual Value	Total Bonded Debt	Discounts / Premiums and Other Adj	Debt Service Fund Balance	Net Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Average Daily Membership
2012	49,703	\$ 6,214,354,595	\$ 215,330,000	\$ -	\$ 4,079,156	\$ 211,250,844	3.40%	\$ 4,250
2013	49,361	6,343,330,587	201,645,000	-	1,047,311	200,597,689	3.16%	4,064
2014	49,370	6,543,041,297	188,260,000	-	(4,158,669)	192,418,669	2.94%	3,897
2015	48,388	6,711,375,439	179,470,000	-	1,276,013	178,193,987	2.66%	3,683
2016	47,749	6,754,535,129	166,395,000	-	8,981,442	157,413,558	2.33%	3,297
2017	46,880	7,022,222,876	153,045,000	18,055,689	9,183,696	161,916,993	2.31%	3,454
2018	45,578	7,168,346,586	189,478,000	16,768,615	9,498,073	196,748,542	2.74%	4,317
2019	44,402	7,417,022,413	173,219,200	13,910,260	10,253,538	176,875,922	2.38%	3,984
2020	43,028	7,896,876,428	150,715,400	11,933,737	11,122,738	151,526,399	1.92%	3,522
2021	40,765	8,868,898,359	126,591,600	9,957,214	12,519,325	124,029,489	1.40%	3,043

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

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

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

LAST TEN YEARS

(Unaudited)

Fiscal Year	Principal	Interest*	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service To General Fund Expenditures
2012	\$ 10,530,000	\$ 10,664,565	\$ 21,194,565	\$ 399,397,970	5.31%
2013	10,950,000	10,234,547	21,184,547	406,605,978	5.21%
2014	13,385,000	6,698,494	20,083,494	430,958,479	4.66%
2015	12,260,000	8,159,105	20,419,105	436,307,577	4.68%
2016	13,075,000	7,472,938	20,547,938	456,046,053	4.51%
2017	13,350,000	7,139,128	20,489,128	453,921,223	4.51%
2018	12,420,000	8,322,520	20,742,520	448,602,997	4.62%
2019	16,058,800	9,845,798	25,904,598	476,811,855	5.43%
2020	22,503,800	7,709,409	30,213,209	488,771,075	6.18%
2021	23,373,800	6,380,086	29,753,886	458,166,889	6.49%

Source: Brownsville Independent School District Annual Financial and Compliance Reports

Note: *Excludes Other Fees

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

(Unaudited)

Employer	2021			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Brownsville ISD	6,264	1	9.11%	7,708	1	5.91%
Maximus *	1,867	2	2.71%	-	-	-
Keppel Amfels	-	-	-	2,900	2	2.22%
Caring for You Home Health	-	-	-	2,635	3	2.02%
UT Brownsville/TSC	-	-	-	2,343	4	1.80%
Cameron County *	1,753	3	2.55%	2,040	5	1.56%
City of Brownsville *	1,200	4	1.74%	1,200	6	0.92%
Key Automotive Accessories Inc. *	1,000	5	1.45%	-	-	-
Valley Baptist Medical Center *	827	6	1.20%	-	-	-
Valley Regional Medical Center *	754	7	1.10%	786	10	0.60%
Brownsville PUB *	577	8	0.84%	-	-	-
Worldwide Digital *	500	9	0.73%	-	-	-
Texas Southmost College *	280	10	0.41%	-	-	-
Abundant Life Home Health	-	-	-	1,200	7	0.92%
Walmart	-	-	-	1,055	8	0.81%
HEB	-	-	-	975	9	0.75%
Total	15,022		21.89%	22,842		17.52%

Sources:

City of Brownsville, Texas
 Workforce Solutions Cameron

* Due to COVID-19, an updated current number of employees for 2020 - 2021 could not be verified for some employers. Brownsville ISD employee data and total city employment have been verified and updated for 2020 - 2021.

SCHEDULE 20
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 CONSTRUCTION AND PROPERTY VALUES

LAST TEN YEARS

(Unaudited)

Fiscal Year	Number of Permits	Construction Value	Total Property Value
2012	2,199	\$ 99,224,922	\$ 6,346,048,820
2013	2,253	102,828,701	6,545,060,836
2014	2,250	127,653,569	6,718,176,451
2015	2,126	135,824,830	6,880,163,964
2016	2,276	99,859,788	7,033,870,915
2017	2,812	82,403,486	7,176,681,883
2018	2,603	88,629,362	7,420,534,222
2019	1,922	104,678,992	7,914,031,955
2020	2,260	882,303,983	9,235,302,860
2021	2,357	106,017,221	9,607,014,380

Source: Cameron County Appraisal District Certified Entity Totals Report

SCHEDULE 21
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN YEARS

(Unaudited)

Year	Population *	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	Education Levels In Years of Formal Schooling	Personal School Enrollment	Unemployment Rate
2012	175,023	\$ 2,257,797	\$ 12,900	29.5	60.3% - High School - Bachelor's Degree 15.0%	49,271	10.50%
2013	180,097	2,441,395	13,556	29.5	61.8% - High School - Bachelor's Degree 15.7%	49,274	10.30%
2014	181,860	2,576,411	14,167	29.3	64.3% - High School - Bachelor's Degree 18.4%	48,248	8.10%
2015	183,046	2,585,342	15,597	29.8	63.1% - High School - Bachelor's Degree 17.2%	48,269	7.10%
2016	183,887	2,638,592	14,770	29.8	63.1% - High School - Bachelor's Degree 17.2%	47,749	7.30%
2017	183,823	2,669,073	14,489	30.6	64.1% - High School - Bachelor's Degree 17.5%	46,880	7.30%
2018	183,299	2,691,379	14,683	30.7	63.8% - High School - Bachelor's Degree 18.0%	45,578	6.20%
2019	183,392	2,756,382	15,030	30.3	64.1% - High School - Bachelor's Degree 18.8%	44,402	6.30%
2020	182,781	2,832,192	15,495	31.1	67.9% - High School - Bachelor's Degree 19.1%	43,028	8.52%
2021	186,738	3,090,701	16,551	31.1 **	67.9% - High School - Bachelor's Degree ** 19.1%	40,765	10.46%

*Population Estimates - U.S. Census Bureau

Sources:

City of Brownsville, Texas

Texas Workforce Commission

U.S. Census Bureau

Brownsville Independent School District: PEIMS Department

** Due to COVID-19's delay of the Census 2020 data results, the median age and education levels in years of formal schooling could not be verified for 2020 - 2021.

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

LAST TEN YEARS

(Unaudited)

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

Source: Brownsville Independent School District: PEIMS Department

2016	2017	2018	2019	2020	2021
3,177	3,022	2,953	2,908	2,857	2,750
660	617	617	626	631	621
205	206	190	190	179	176
10	9	9	9	10	12
794	681	775	772	774	746
2,402	2,304	2,108	2,108	2,037	1,959
7,214	6,840	6,652	6,613	6,487	6,264
44.0%	44.20%	44.40%	44.00%	44.00%	43.90%
9.2%	9.00%	9.30%	9.50%	9.70%	9.90%
2.8%	3.00%	2.90%	2.90%	2.80%	2.80%
0.1%	0.10%	0.10%	0.10%	0.20%	0.20%
10.5%	10.00%	11.70%	11.70%	11.90%	11.90%
33.3%	33.70%	31.70%	31.90%	31.40%	31.30%
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

SCHEDULE 23
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF TEACHER INFORMATION

LAST TEN YEARS

(Unaudited)

Fiscal Year	Bachelor's Degree		Master's Degree		Doctorate		Average Teacher's Salary
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	
2012	\$ 40,350	\$ 58,952	\$ 43,350	\$ 61,452	\$ 44,100	\$ 62,202	\$ 49,104
2013	40,350	58,266	43,350	60,766	44,100	61,516	49,104
2014	41,056	58,086	44,056	61,086	44,806	61,836	50,331
2015	41,056	58,586	44,056	61,086	44,806	61,836	49,537
2016	41,672	60,329	44,672	62,829	45,422	63,579	49,536
2017	41,950	62,058	44,950	64,558	45,700	65,308	49,976
2018	42,260	64,822	43,760	66,322	46,010	67,072	52,759
2019	43,119	66,135	44,619	68,635	46,869	69,385	55,814
2020	45,025	69,895	46,525	72,395	48,775	73,145	58,958
2021	46,525	70,666	-	-	-	-	59,641

Sources:

Brownsville Independent School District: Human Resources Department

Brownsville Independent School District: PEIMS Department

Note:

Minimum and Maximum salaries are based on the BISD Hiring Schedule from each applicable year. In 2020 - 2021, BISD Human Resources revised their Compensation Plan to reflect only base new hire salaries. The Master's Degree and Doctorate amounts were removed from the BISD Hiring Schedule and Compensation Plan.

Minimum and Maximum are based on zero years of experience to 35+ years.

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

Average Years of Experience	Bachelor's Education	Master's Education
12.5	86.4%	12.7%
12.5	86.4%	12.7%
13.4	81.8%	16.7%
13.1	82.0%	16.3%
13.3	86.5%	16.7%
14.0	80.0%	18.4%
14.4	79.5%	18.8%
14.8	79.5%	18.9%
15.2	79.4%	18.8%
15.5	79.9%	18.2%

SCHEDULE 24
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF ATTENDANCE AND MEMBERSHIP

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Attendance	Average Daily Membership	Percentage of Attendance
2012	45,676	49,703	91.90%
2013	45,393	49,361	91.96%
2014	45,385	49,370	91.93%
2015	44,451	48,388	91.86%
2016	43,898	47,749	91.93%
2017	43,129	46,880	92.00%
2018	40,324	45,578	88.47%
2019	40,287	44,402	90.73%
2020	38,846	43,028	90.28%
2021	37,691	40,765	92.46%

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

Percentage of Daily Attendance was calculated by dividing Average Daily Attendance by Average Daily Membership. Average Daily Membership is our Peak Number of Students annually.

SCHEDULE 25
 BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 OPERATING STATISTICS

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Attendance	Operating Expenditures	Cost per Pupil	Percent Change	Operating Expenses	Cost per Pupil	Percent Change
2012	45,676	\$ 379,025,453	\$ 8,298	-4.91%	\$ 480,457,790	\$ 10,519	-5.35%
2013	45,393	401,453,099	8,846	6.57%	495,641,085	10,919	3.80%
2014	45,385	423,742,859	9,337	5.55%	496,289,671	10,935	0.15%
2015	44,451	429,896,609	9,671	3.58%	499,034,889	11,227	2.67%
2016	43,898	446,526,807	10,172	5.18%	545,762,525	12,433	9.36%
2017	43,129	445,736,339	10,335	1.60%	525,602,918	12,187	-1.98%
2018	41,602	434,772,271	10,451	1.12%	364,573,314	8,763	-28.09%
2019	40,287	435,166,725	10,802	3.36%	513,366,031	12,743	45.41%
2020	38,846	444,952,837	11,454	6.04%	563,534,609	14,507	13.84%
2021	37,691	426,216,561	11,308	1.28%	528,391,254	14,019	-3.36%

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

SCHEDULE 26
BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF STUDENT INFORMATION

LAST TEN YEARS

(unaudited)

Fiscal Year	Teacher / Student Ratio	Percentage of Free and Reduced Lunch	No. of Economically Disadvantaged Students	Percentage of Economically Disadvantaged Students
2012	15.0	90%	47,633	96.0%
2013	15.0	90%	47,633	96.0%
2014	15.4	90%	47,152	96.0%
2015	15.6	90%	47,403	96.1%
2016	14.8	90%	45,732	94.7%
2017	15.0	90%	45,133	94.7%
2018	15.5	90%	44,912	96.0%
2019	15.4	90%	43,618	95.8%
2020	15.0	90%	38,485	89.5%
2021	15.2	90%	39,260	88.5%

Source: 2018-2019 Texas Academic Performance Reports
Prior to the 2012-13 school year, TAPR was known as the Academic Excellence Indicator System (AEIS) reports. Reports for school years 2008-09 through 2011-12 are available in the AEIS Archives.

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

SCHEDULE 27
BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF SCHOOL BUILDINGS

(Unaudited)

HIGH SCHOOLS			ELEMENTARY SCHOOLS				
Year Built	Estimated Square Footage	Maximum Capacity	Year Built	Estimated Square Footage	Maximum Capacity		
HANNA	1967	420,776	3,225	AIKEN	1996	92,371	858
LOPEZ	1994	325,628	2,200	BENAVIDES	1998	80,417	858
PACE	1975	301,286	2,700	BRITE	2006	88,586	770
PORTER	1974	327,069	2,600	BREEDEN	2012	74,279	858
RIVERA	1988	390,500	2,750	BURNS	1983	97,236	990
VETERANS MEMORIAL		314,358	2,075	CANALES	1948	107,910	1,012
TOTAL		<u>2,079,617</u>	<u>15,550</u>	CASTAÑEDA	1999	71,908	704
				CHAMPION	2001	82,658	858
				CROMACK	1952	78,088	1,078
				DEL CASTILLO	1978	47,421	594
				EGLY	1976	80,022	1,254
				EL JARDIN	1925	79,595	902
				GALLEGOS	2001	82,657	814
				GARDEN PARK	1960	73,775	902
				GARZA	1977	65,661	836
				GONZALEZ	1986	80,216	1,034
				HUDSON	1998	85,145	946
				KELLER	2009	88,598	836
				LONGORIA	1929	44,917	440
				MARTIN	1953	69,363	814
				MORNINGSIDE	1986	74,095	924
				ORTIZ	2004	82,752	704
				PALM GROVE	1976	61,565	682
				PAREDES	2002	82,644	726
				PENA	2009	89,996	792
				PEREZ	1974	65,896	836
				PULLAM	2009	91,722	902
				PUTEGNAT	1915	61,563	638
				RESACA	1931	30,722	418
				RUSSELL	1921	90,074	946
				SHARP	1931	53,804	616
				SKINNER	1925	71,622	902
				SOUTHMOST	1988	66,140	638
				VERMILLION	1980	84,477	1,188
				VICTORIA HEIGHTS	1926	45,303	462
				VILLA NUEVA	1935	63,291	704
				YTURRIA	1992	65,307	704
				TOTAL		<u>2,751,796</u>	<u>30,140</u>

MIDDLE SCHOOLS		
Year Built	Estimated Square Footage	Maximum Capacity
BESTEIRO	1994	153,232
FAULK	1956	104,407
GARCIA	2002	120,927
LUCIO	1997	127,022
MANZANO	2010	137,237
OLIVEIRA	1979	124,443
PERKINS	1987	140,105
STELL	1856	114,316
STILLMAN	2004	131,860
VELA	1990	132,346
TOTAL		<u>1,285,895</u>
TOTAL		<u>12,100</u>

SPECIAL CAMPUSES		
Year Built	Estimated Square Footage	Maximum Capacity
Brownsville Academic Center	59,334	775
Brownsville Learning Academy	N/A	975
Lincoln Park	45,375	350
Early College High School	39,380	350
TOTAL	<u>144,089</u>	<u>2,450</u>

Source: BISD Facilities Studies August/September 2011 (Reviewed and updated October 2021)

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT

MISCELLANEOUS STATISTICS

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

As of June 30, 2021, it included such programs as follows:

Adult Continuing Education

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

Brownsville Academic Center (BAC)

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

Brownsville Learning Academy (BLA)

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

Juvenile Justice Alternative Education Programs (JJAEP)

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

Lincoln Park School

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



Cascos & Associates, PC

Certified Public Accountants
Audit/Accounting/Tax/Consulting

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Brownsville Independent School District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 18, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain matters that we have reported to management of the District in a separate letter dated November 18, 2020.

Purpose of this Report

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



Cascos & Associates, PC
Brownsville, Texas
November 18, 2021



Cascos & Associates, PC

Certified Public Accountants
Audit/Accounting/Tax/Consulting

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

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

Report on Compliance for Each Major Federal Program

We have audited the Brownsville Independent School District's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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



Cascos & Associates, PC
Brownsville, Texas
November 18, 2021

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF DEFENSE			
<i>Direct Programs:</i>			
R.O.T.C.	12.000	N/A	\$ 411,697
Total U.S. Department of Defense			<u>411,697</u>
U.S. DEPARTMENT OF JUSTICE			
<i>Passed Through COPS Office STOP School Violence: School Violence Prevention Program (SVPP):</i>			
Public Safety Partnership and Community Policing Grants	16.710	2018SVWX0050	107,522
Total U.S. Department of Justice			<u>107,522</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Texas Workforce Commission:</i>			
Family Support Act AFDC Jobs 2019	93.558	2418ALA000	1,335
Family Support Act AFDC Jobs 2020	93.558	2418ALAB00	152,898
Total Passed Through Texas Workforce Commission			<u>154,233</u>
<i>Passed Through Texas Health and Human Services Commission:</i>			
Medical Administrative Claiming Program - MAC	93.778	529-07-0157-00061	208,980
Total Passed Through Texas Health and Human Services Commission			<u>208,980</u>
Total U.S. Department of Health and Human Services			<u>363,213</u>
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through Texas Workforce Commission:</i>			
Federal Adult Education English Literacy & Civics Education 2019	84.002A	2418ALA000	1,569
Federal Adult Education English Literacy & Civics Education 2020	84.002A	2418ALAB00	27,671
Federal Adult Education English Literacy & Civics Education 2021	84.002A	2418ALAC00	114,521
Federal Adult Education & Family Literacy 2019	84.002A	2418ALA000	8,797
Federal Adult Education & Family Literacy 2020	84.002A	2418ALAB00	(168,806)
Federal Adult Education & Family Literacy 2021	84.002A	2418ALAC00	1,274,859
Total Passed Through Texas Workforce Commission			<u>1,258,611</u>
<i>Passed Through Texas Education Agency:</i>			
ESEA Title I, Part A 2020	84.010A	20610101031901	9,677,487
ESEA Title I, Part A 2021	84.010A	21610101031901	17,813,746
Total CFDA Number 84.010A			<u>27,491,233</u>
ESEA Title I, Ed. For Migrant Child 2020	84.011A	20615001031901	164,048
ESEA Title I, Ed. For Migrant Child 2021	84.011A	21615001031901	559,557
MEP AIIMS 2020	84.011A	196150207110001	34,204
AIIMS PILOT 2021	84.011A	216150207110001	8,611
Total CFDA Number 84.011A			<u>766,420</u>
IDEA B - Formula 2020 ²	84.027A	206600010319016600	2,828,680
IDEA B - Formula 2021 ²	84.027A	216600010319016600	5,142,603
IDEA B - Discretionary (DEAF) 2020 ²	84.027A	206600010319016673	16,610
IDEA B - Discretionary (DEAF) 2021 ²	84.027A	216600010319016673	107,411
Total CFDA Number 84.027A			<u>8,095,304</u>
Carl Perkins Grant for Career & Technology Education 2020	84.048A	20420006031901	4,658
Carl Perkins Grant for Career & Technology Education 2021	84.048A	21420006031901	746,688
Total CFDA Number 84.048A			<u>751,346</u>
IDEA B - Preschool 2020 ²	84.173A	206610010319016610	42,002
IDEA B - Preschool 2021 ²	84.173A	216610010319016610	87,847
Total CFDA Number 84.173A			<u>129,849</u>
IDEA C - Early Intervention 2021	84.181A	213911010319013911	59
Total CFDA Number 84.181A			<u>59</u>
ESEA Title III-Limited English Proficiency (LEP) 2020	84.365A	20671001031901	167,596
ESEA Title III-Limited English Proficiency (LEP) 2021	84.365A	21671001031901	1,022,546
Total CFDA Number 84.365A			<u>1,190,142</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
ESEA Title II, Part A-Supporting Effective Instruction 2020	84.367A	20694501031901	254,610
ESEA Title II, Part A-Supporting Effective Instruction 2021	84.367A	21694501031901	<u>1,140,002</u>
Total CFDA Number 84.367A			<u>1,394,612</u>
Instructional Continuity	84.377A	17610740031901	<u>43,728</u>
Total CFDA Number 84.377A			<u>43,728</u>
Title IV, Part A, Subpart I	84.424A	20680101031901	1,709,769
Title IV, Part A, Subpart I	84.424A	21680101031901	<u>497,405</u>
Total CFDA Number 84.424A			<u>2,207,174</u>
Texas Hurricane Homeless Youth	84.938B	19513701031901	<u>6,305</u>
Total CFDA Number 84.938B			<u>6,305</u>
RLOC LOCAL MATCH REIMB PROG	21.019	52202002	<u>11,900,208</u>
Total CFDA Number 21.019			<u>11,900,208</u>
COVID-19 - ESSER CARES Grant	84.425D	20521001031901	1,429,990
COVID-19 - ARP ESSER III	84.425U	S425U210042	<u>18,551,531</u>
Total CFDA Number 84.425			<u>19,981,521</u>
Total Passed Through Texas Education Agency			<u>73,957,901</u>
<i>Passed Through Education Service Center Region 10:</i>			
ESEA Title III Subtitle B - Ed. for the Homeless Children & Youth 2020	84.196A	204600057110011	16,587
ESEA Title III Subtitle B - Ed. for the Homeless Children & Youth 2021	84.196A	214600057110011	<u>177,497</u>
Total CFDA Number 84.196A			<u>194,084</u>
Total Passed Through Education Service Center Region 10			<u>194,084</u>
<i>Passed Through University of Texas Rio Grande Valley</i>			
Engaging History and Citizenship (EHC)-2021	84.422B	U422B180065(2)	<u>157,671</u>
Total CFDA Number 84.422B			<u>157,671</u>
GEAR UP (Gaining Early Awareness & Readiness for Undergraduate Pgms) 2020	84.334A	P334A170097(02)	118,646
GEAR UP (Gaining Early Awareness & Readiness for Undergraduate Pgms) 2021	84.334A	P334A170097(02)	<u>231,843</u>
Total CFDA Number 84.334A			<u>350,489</u>
Total Passed Through University of Texas Rio Grande Valley			<u>508,160</u>
<i>Passed Through Texas Southmost College:</i>			
21ST Century Community Learning Center, Cycle 10 Year 1	84.287C	196950267110052	96,059
21ST Century Community Learning Center, Cycle 10 Year 1	84.287C	196950267110052	<u>384,643</u>
Total CFDA Number 84.287C			<u>480,702</u>
Total Passed Through Texas Southmost College			<u>480,702</u>
<i>Passed Through Education Service Center (ESC-1):</i>			
Project RISE (Region One Incentive Strategies for Educators)-2020	84.374A	U374A160002-19	743,364
Project RISE (Region One Incentive Strategies for Educators)-2021	84.374A	U374A160002-19	<u>799,819</u>
Total CFDA Number 84.374A			<u>1,543,183</u>
Total Passed Through Education Service Center (ESC-1)			<u>1,543,183</u>
Discretionary:			
Project Literacy Innovations for Book Reading Opportunities (LIBRO)	84.215G	S215G180018	<u>2,229,227</u>
Total Discretionary			<u>2,229,227</u>
Total U.S. Department of Education			<u>80,171,868</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Texas Education Agency:</i>			
School Breakfast Program ¹	10.553	71401601	5,172,950
National School Lunch Program ¹	10.555	71301601	<u>11,042,672</u>
Total Passed Through Texas Education Agency			<u>16,215,622</u>
<i>Passed Through Texas Department of Agriculture:</i>			
National School Lunch Program - Non-cash assistance ¹	10.555		1,049,569
Child and Adult Care Food Program	10.558		<u>8,779,057</u>
Total Passed Through Texas Department of Agriculture			<u>9,828,626</u>
Total U.S. Department of Agriculture			<u>26,044,248</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 107,098,548</u>

¹ Total Child Nutrition Cluster - \$17,265,191

² Total Special Education Cluster (IDEA) - \$ 8,225,153

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2021

1. GENERAL

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

In accordance with TEA instructions, federal funds for the School Health and Related Services (SHARS) have been excluded from the Schedule of Expenditures of Federal Awards.

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

2. BASIS OF ACCOUNTING AND PRESENTATION

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

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

3. PASS-THROUGH EXPENDITURES

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

4. INDIRECT COSTS

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

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

Governmental Funds (Exhibit C-3)	\$ 110,105,949
QSCB 2010A-E Subsidy	(869,199)
School health and related services revenue	(2,175,182)
CRF - Federal Funds	<u>36,980</u>
Federal expenditures per the Schedule of Expenditures of Federal Awards (Exhibit K-1)	<u>\$ 107,098,548</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2021

I. Summary of the Auditors' Results:

Financial Statements

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

Federal Awards

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

Major programs are as follows:

<u>CFDA Numbers:</u>	<u>Name of Federal Program or Cluster:</u>
84.425D & 84.425U	Education Stabilization Fund (ESSER I & ESSER III)
84.027A & 84.173A	Special Education Cluster (IDEA)
21.019	Coronavirus Relief Fund
10.553 & 10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	\$3,000,000
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Low risk auditee:	Yes
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II. Financial Statement Findings

None reported.

III. Federal Award Findings and Questioned Costs

None reported.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021

None.