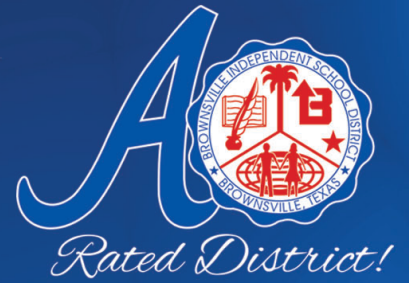


AN EARLY COLLEGE DISTRICT

BROWNSVILLE

INDEPENDENT SCHOOL DISTRICT



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2023

Brownsville Independent School District

Brownsville, Texas



Annual Comprehensive Financial Report

For

Fiscal Year Ended June 30, 2023

Prepared by: The Division of Finance

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

ANNUAL COMPREHENSIVE FINANCIAL REPORT

JUNE 30, 2023

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BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

ANNUAL COMPREHENSIVE FINANCIAL REPORT

JUNE 30, 2023

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Brownsville, Texas

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

November 14, 2023

Jessica G. Gonzalez, President,
Board of Trustees Members, and
Citizens of the Brownsville Independent School District
Brownsville, Texas 78521

Dear Ms. Gonzalez, Board Members, and Citizens:

BOARD OF EDUCATION

Jessica G. Gonzalez
President
Daniella Lopez Valdez
Vice President
Denise Garza
Secretary
Carlos A. Elizondo
Member
Eddie Garcia
Member
Frank Ortiz
Member
Minerva M. Pena
Member

Dr. Jesus H. Chavez
Interim Superintendent

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 annual comprehensive financial report of the Brownsville Independent School District (District) for the fiscal year ended June 30, 2023.

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, 2023, 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, 2023, 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

The 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.

Beliefs

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.

The District provides a full range of educational services appropriate to grade levels pre-kindergarten through twelve for its approximate 37,898 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:

- **Brownsville ISD** receives \$1.9 Million Grant for Dyslexia Program
- **Hanna Early College High School**, four students are qualified to represent the United States and compete in the global competition to design an international space settlement
- **Brownsville ISD Teacher Receives Prestigious Award.** Alma Salazar of Faulk Middle School was selected as one of 15 recipients of 2022 Humanities Texas Outstanding Teaching Award.

- **Dual Enrollment** For the fiscal year 2022-2023, three hundred Brownsville ISD dual enrollment students received associate's degrees from the Texas Southmost College



- **Veterans Memoria EHC** two freshman students, Felicity Fok and Zaviel Pineda, recently competed in the National History Day Contest, held in College Park Maryland June 10-15, 2023. They won third place against competitors from around the nation and the world, becoming the first Brownsville ISD students to medal at the National contest.



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 189,382 residents and has experienced growth of 7,522 people between the 2014 and 2023 according to the US Census Bureau. The demographics of Brownsville’s population can be summed up as mostly young but with a gradually increasing senior citizen population. The median age is 31.1 years. 29.3% 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 2023 is as follows:

• Early Ed	1,338
• Pre-K	2,026
• K-5	14,112
• 6-8	7,402
• 9-12	<u>12,210</u>
TOTAL	37,088

The projected average daily attendance (ADA) for 2023-2024 is approximately 31,268.10.

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 is experiencing an economic boom and there are many businesses in the area looking forward to opening their doors and impacting the community. With a growing healthcare and education sector, including a branch of the University of Texas, contributes to the stability of the region. Space X continues their testing phases, launching several test rockets to prepare for future successful launches. The Space X Project has a positive economic impact in Brownsville and other Rio Grande Valley communities, in employment, tourism, and in higher education.

The City experienced a significant decrease in the number of building permits between the 2022 and 2023 fiscal years. However, the City continued to experience an increase in construction value and an increase in overall total property value for the 23-fiscal year, indicating economic stability for the area.

State Economic Outlook –The state economy’s modest expansion appears to be slowing despite having some pockets of strength. Manufacturing has stagnated, the labor market has shown signs of cooling, commercial real estate activity has weakened, and banking conditions have continued to deteriorate. However, the service sector has seen continued growth, job gains remain robust, wage pressures haven’t yet abated and the housing market has begun to stabilize for services, and overall labor shortages. Texas did experience some growth and actually outranked the majority of other states in the US. Texas is expected to continue outperforming the other states but there are risks to the outcome including ongoing Covid-19 waves, constraints on supplies and prolonged high inflation.

The 88th legislature met in January 2023, several public education bills were discussed but not approved. These bills will be brought up again in their next session.

Bond Funding Update – There were no bond funding updates for the 2022-2023 fiscal year.

Financial Policies – As one of the 30th 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.

Food and Nutrition Services Department – The Food and Nutrition Services Department continues to enhance and streamline program operations in order to facilitate compliance with program requirements. The District operated the National School Lunch Program, School Breakfast Program, and the Child and Adult Care Food Program At-Risk Meal Program.



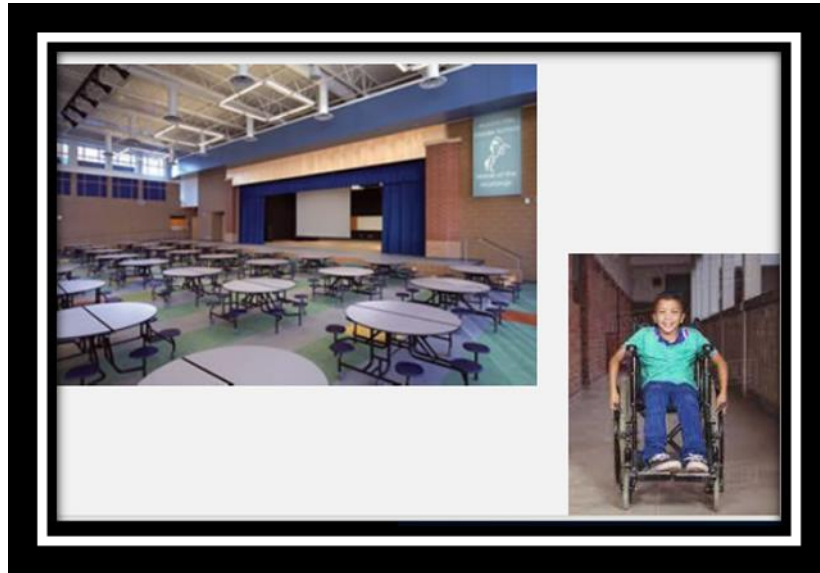
A food show for BISD students and staff was hosted by the Food & Nutrition Services Department to showcase different foods to be offered in the upcoming school year

The District served meals to students who attended face-to-face instruction. The District remains committed to ensuring that each child receives a healthy breakfast, lunch, and supper in a partnership with the Texas Department of Agriculture. The District is reimbursed based on the number of free, reduced, and paid breakfast and lunches served, as well as on the number of at-risk suppers serviced. Each year, there are changes with the federal reimbursement rates. The rates increased by 8.5% for breakfast, increased 2.6% for lunch, and increased 10% for supper from the 2021-2022 to the 2022-2023 school year.

Long-term Financial Planning – Growth in the District's tax base has continued to increase, averaging 3% annual growth from fiscal years 2014-2023. The District's fiscal 2023 taxable assessed valuation (TAV) increased comparatively to \$6.98 billion. Enrollment for fiscal year 22-23 decreased by 1.43% from fiscal year 21-22, 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. The City's unemployment rate significantly improved from 21-22, decreasing from 7.10% annual to 5.90%. Projected membership for school year 2023-24 is expected to reach 36,929

The District's tax rate for tax year 2022-2023 is \$1.20869 per \$100 valuation with a maintenance and operations rate of \$1.056800 and a Debt Service rate of \$0.151890. The 2022-2023 combined tax rate is \$0.03369 more than the fiscal year 2021-2022

The District continues to upgrade its facilities such as the Elementary Cafeteria Stages which will be upgraded with ramps to allow students in a wheelchair to access the stage. The stages of thirty-four elementary schools will benefit from this project.



State funding for the general fund is about 69% of the total general fund revenue. House Bill 3 had increased overall state funding for school districts, so the District continues to receive some benefit. Federal funding increased due to the grant for Dyslexia and Safety. 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 federal fund rate has continued to increase and is projected to continue having a slight increase in investment earning.

Awards


Association of School Business Officials International (ASBO) – On June 30, 2022, the District compiled and submitted an Annual Comprehensive Financial Report (ACFR) for consideration for ASBO's Certificate of Excellence in Financial Reporting. The District was notified that it had been awarded the certificate on April 24, 2023. This was the thirteenth time the District had submitted its financial statements for this award.

Government Finance Officers Association (GFOA) - On June 30, 2022, the District compiled and submitted an Annual Comprehensive Financial Report (ACFR) 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 October 17, 2023. This was the thirteenth 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 third 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 2021-2022 ratings based on the 2020-2021 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 annual comprehensive 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. Jesus H. Chavez, Interim
Superintendent of Schools


Mr. Alejandro Cespedes
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Brownsville Independent School District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

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 Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'John W. Hutchison'.

**John W. Hutchison
President**

A handwritten signature in black ink, reading 'Siobhán McMahon'.

**Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director**

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
Brownsville, Texas

LIST OF PRINCIPAL OFFICIALS

BOARD OF TRUSTEES

Jessica G. Gonzalez – President

Daniella Lopez-Valdez – Vice-President

Denise Garza – Secretary

Carlos A. Elizondo – Member

Eddie Garcia – Member

Frank Ortiz – Member

Minerva M. Peña – Member

ADMINISTRATORS

Dr. Rene Gutierrez, Superintendent

Dr. Nereida Cantu, Deputy Superintendent for Business & Operations

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

Alma Cardenas-Rubio, Area Assistant Superintendent

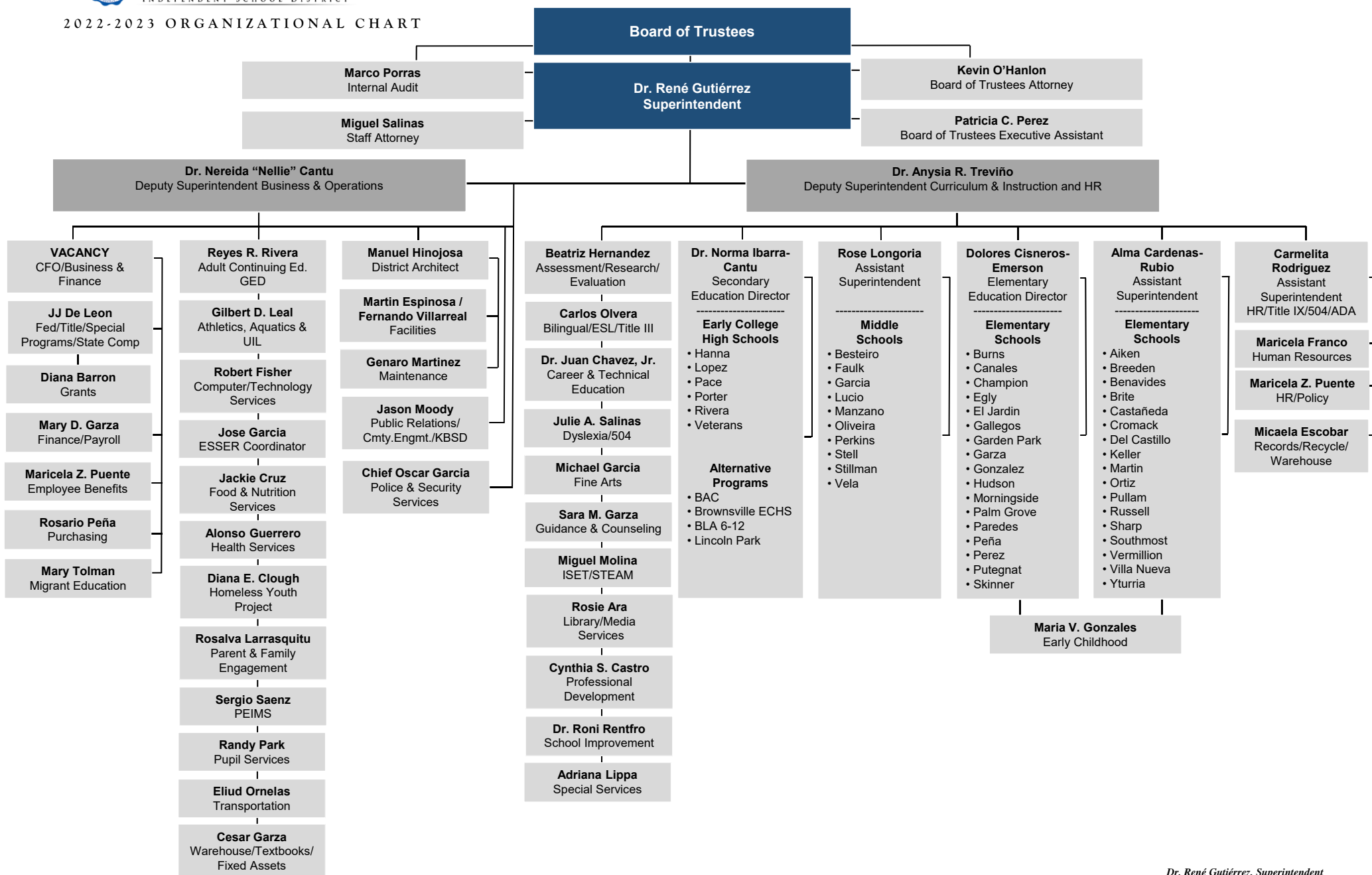
Rose Longoria, Area Assistant Superintendent

Dr. Norma Ibarra-Cantu, Director Secondary Education

Dolores Emerson, Director Elementary Education

Miguel Salinas, Staff Attorney

2022-2023 ORGANIZATIONAL CHART



CERTIFICATE OF BOARD

Brownsville Independent School District
Name of District

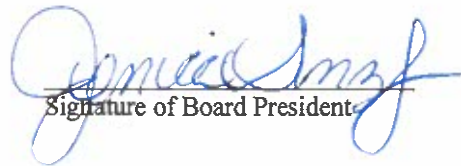
Cameron
County

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, 2023 at a meeting of the Board of Trustees of such school district on the 14th day of November, 2023.



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 Audit of the Financial Statements

Opinions

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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 is the responsibility of management and, 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.

Supplementary 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 accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2023, 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 14, 2023

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2023

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, 2023. 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 \$277,902,370 at June 30, 2023. 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 increased net position by a net amount of \$15,622,919 for the current year.
- The District's Statement of Activities reflects an increase in Net Position for Governmental Activities in the amount of \$51,644,273 for current year activity. This is a result of expenses being less than the \$600,446,473 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 \$4,886,060 or 6.13% from the prior year due to a \$90,032,858 increase in property values. The 2022-2023 total tax rate is \$1.2086905 per \$100 assessed valuation. See Exhibit B-1
- The General Fund reported a fund balance in the governmental funds financial statements this year of \$236,099,462. Approximately 55% of this total amount, \$131,104,179 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 Fiduciary Net Position 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

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

monitoring or regulatory agencies for assurance that the District is using the funds supplied in accordance/compliance with the terms of the grants.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

The primary objective of the analysis is to show whether the District has improved as a result of this year's activities. The Statement of Net Position includes all of the District's assets and liabilities 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.

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, 2023

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 two (2) Internal Service Funds. They are Funds 754-Self-Funded Insurance(United Health Care for claim runoffs) & (Blue Cross Blue Shield) and Fund 792-Self-Funded Workers Compensation. We use Internal Service funds to report activities that provide supplies and services for the District's other programs and activities. The District's combined activities for its Internal Service Funds are reported in Exhibits D-1, D-2 and D-3. These activities are also reported individually for each Internal Service Fund in Exhibits H-3, H-4 and H-5.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As mentioned earlier, Net Position is one indicator of a government's financial position. In the case of Brownsville ISD, the District's assets and deferred outflows exceeded liabilities and deferred inflows by \$277,902,370 for the year ended June 30, 2023.

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, 2023**

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

	Governmental Activities 2023	Governmental Activities 2022
Current and Other Assets	342,368,834	343,245,143
Capital Assets	429,279,969	420,719,798
Total Assets	<u>771,648,803</u>	<u>763,964,941</u>
Deferred Charge for Refunding	4,115,651	6,025,142
Deferred Resource Outflow Related to TRS OPEB	25,235,506	23,439,594
Deferred Outflow Related to TRS	67,598,508	32,607,663
Total Deferred Outflows of Resources	<u>96,949,665</u>	<u>62,072,399</u>
Long-Term Liabilities	335,089,603	315,857,744
Other Liabilities	80,482,285	83,064,156
Total Liabilities	<u>415,571,888</u>	<u>398,921,900</u>
Deferred Resource Inflow Related to TRS OPEB	155,083,314	121,728,362
Deferred Inflow Related to TRS Pension	20,040,896	78,859,607
Total Deferred Inflows of Resources	<u>175,124,210</u>	<u>200,587,969</u>
Net Position:		
Net Investment in Capital Assets	342,774,740	308,706,670
Restricted	31,177,384	26,576,300
Unrestricted	(96,049,754)	(108,755,499)
Total Net Position	<u>277,902,370</u>	<u>226,527,471</u>

At approximately 123% 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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2023

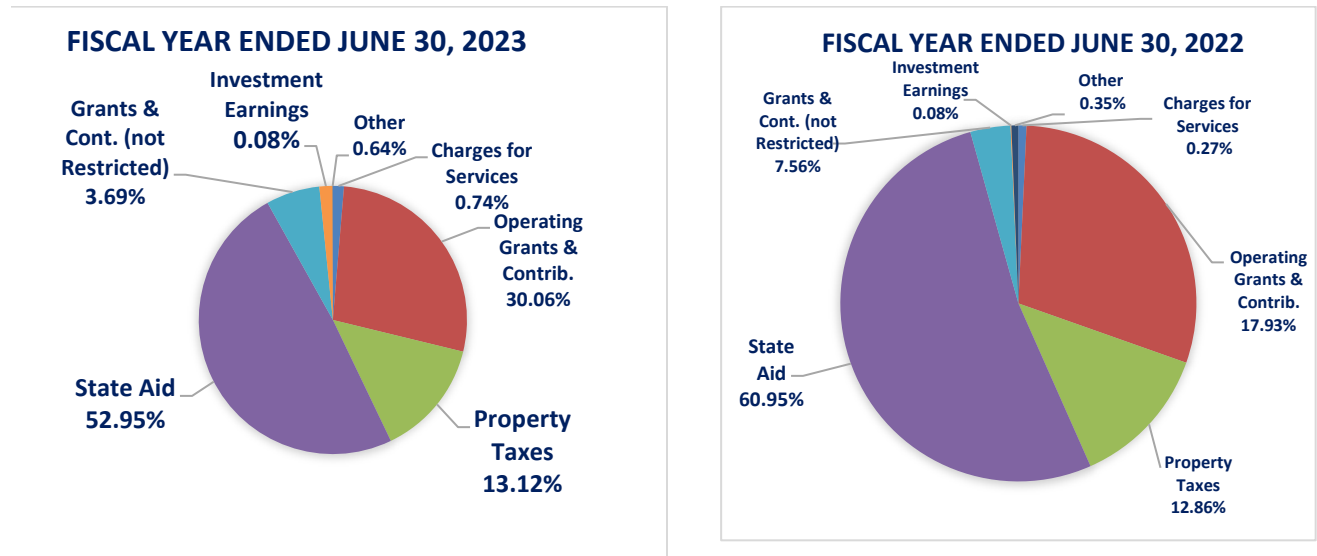
Restricted net position makes up 11.21% of total net position. It represents balances for which external constraints have been placed and includes balances for debt service, capital projects, grants and campus activities.

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 -35% of total net position.

Changes in Net Position

The District's revenue sources for fiscal year 2023 and fiscal year 2022 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, 2023 and 2022 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 \$51,644,273 for the fiscal year ended June 30, 2023.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

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

	Governmental Activities 2023	Governmental Activities 2022
Revenues:		
Program Revenues:		
Charges for Services	\$ 8,003,655	\$ 4,504,264
Operating Grants & Contributions	164,937,609	182,526,848
General Revenues:		
Maintenance and Operations Taxes	74,947,080	69,580,973
Debt Service Taxes	9,593,522	10,073,569
State Aid	294,323,911	321,587,567
Grants and Contributions (not Restricted)	38,950,078	22,432,141
Investment Earnings	9,455,352	465,132
Other	235,266	(3,881,810)
Total Revenues	<u>600,446,473</u>	<u>607,288,684</u>
Expenses:		
Instruction and Media Services	292,052,826	288,563,091
Curriculum and Instructional Staff Development	13,314,912	16,615,066
Instructional and School Leadership	35,470,743	32,202,222
Student Support Services	40,505,711	39,654,615
Food Services	41,817,069	37,403,371
Extracurricular Activities	21,633,357	20,245,334
General Administration	11,946,147	17,514,167
Maintenance, Security & Data Processing	83,804,920	71,792,198
Community Services	3,495,753	3,288,986
Debt Services	3,676,337	4,623,148
Payments to Juvenile Justice Alternative Ed. Prg.	1,370	5,373
Other Intergovernmental Charges	1,083,055	990,482
Total Expenses	<u>548,802,200</u>	<u>532,898,053</u>
Increase/ (Decrease) in Net Position	51,644,273	74,390,631
Beginning Net Position	226,527,471	150,962,709
Prior Period Adjustment	(269,374)	1,174,131
Ending Net Position	<u>\$ 277,902,370</u>	<u>\$ 226,527,471</u>

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

The District's total Governmental Activities Revenues are \$600,446,473 a 1.12% decrease of \$6,842,211 from the prior year. The largest increase was in Grants & Contributions (not Restricted) a 73.63% increase but in State Aid, a 8.48% decrease caused due to the state comptroller assigning state property values instead of the local values and the continued decrease in enrollment and attendance.

The expenses for governmental activities totaled \$548,802,200 a 2.98% increase of \$15,904,147 from the prior year. The largest increases were in Maintenance, Security & Data Processing, a 16.73% increase and in Food Services, a 11.80% increase that was caused due to the increase of the starting pay for non-exempt employees to \$15 per hour and the added security expenditures to address the new safety and security state requirements.

THE DISTRICT'S FUNDS

As the District completed the year ended June 30, 2023, its governmental funds (as presented in the Balance Sheet) reported a combined fund balance of \$249,601,787. Included in this year's \$1,405,571 total increase in fund balance is an increase of \$421,811 in the District's General Fund and a decrease of \$983,760 in the Debt Service Fund

Total Revenues in the General Fund decreased \$1,259,223, a 0.261% change from FY 2022 to 2023.

- Total Local and Intermediate Sources Revenue increased \$15,541,191. This is a result of an increase in property taxes and interest income.
- State Program Revenues decreased \$18,411,681. This is a result of a decrease in enrollment, attendance and assigned state property values.
- Federal Program Revenues increased \$1,611,267. This is a result of an increase in the Food Services lunch and breakfast programs, SHARS revenue and a decrease in indirect costs.

Total Expenditures in the General Fund increased \$27,251,654 as compared to the previous year. The increase is due to increase in salaries, security and safety expenditures, and construction projects.

The Fund Balance of the General Fund increased \$421,811 from the prior year, primarily due to revenues being lower but the total expenses were higher due to the increases in salaries, security and safety and construction.

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 \$4M from the adopted budget, however actual revenue came in \$12M higher than the amended budget due to assistance from the state for maintenance of equity related to COVID.

Expenditures in the General Fund were \$59.5M higher than appropriations in the adopted budget and \$52M less than the board approved final amended budget. The variance in expenditures was due to construction projects materializing in subsequent years and reclassification to ESSER funds.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District had investments of \$420,719,798 net of depreciation, in a broad range of capital assets, including land, buildings and improvements, furniture and equipment, and vehicles. This amount represents a net decrease (including additions, deductions, and depreciation) of \$1,947,314 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.

	Governmental Activities 2023	Governmental Activities 2022
Land	\$ 28,837,353	\$ 28,837,353
Buidlings and Improvements	337,764,548	356,470,409
Furniture, Equipment	17,017,874	13,169,005
Vehicles	2,714,888	3,965,601
Right-to-Use Leased Assets, Net	10,393,290	9,722,793
Construction In Progress	32,553,505	8,554,637
Net Capital Assets	<u>\$ 429,281,458</u>	<u>\$ 420,719,798</u>

DEBT

As of June 30, 2023, the District had \$66,059,000 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 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, 17 and 18 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

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

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 2023-2024 fiscal year is \$7,535,640,396 compared to the assessed value in the 2022-2023 fiscal year of \$6,980,445,827 which translates to a property value appreciation of \$555,194,569 or 7.9%.

The budget for the 2023-2024 fiscal year was based on a projected ADA (Average Daily Attendance) of 31,268 a decrease of 1,160 from the prior year. The budget for the 2022-2023 fiscal year was based on a projected ADA of 32,428.

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 2024 General Fund Operating Revenue Budget**

	Proposed Budget 2023-2024
Local Sources	\$ 88,434,339
State Sources	307,062,200
Federal Sources	57,319,441
Total Operating Fund Revenues	<u>\$ 452,815,980</u>

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.

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.

**BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

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 annual 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 ISD
STATEMENT OF NET POSITION
JUNE 30, 2023

EXHIBIT A-1

Data Control Codes	Primary Government Governmental Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 2,594,230
1120 Current Investments	249,969,236
1220 Property Taxes - Delinquent	9,176,832
1230 Allowance for Uncollectible Taxes	(275,305)
1240 Due from Other Governments	73,046,387
1250 Accrued Interest	2,552,750
1267 Due from Fiduciary Funds	15,609
1290 Other Receivables, Net	89,956
1300 Inventories	5,199,139
Capital Assets:	
1510 Land	28,837,353
1520 Buildings, Net	337,764,548
1530 Furniture and Equipment, Net	17,017,874
1540 Vehicles, Net	2,714,888
1550 Right-to-Use Leased Assets, Net	10,391,801
1580 Construction in Progress	32,553,505
1000 Total Assets	<u>771,648,803</u>
DEFERRED OUTFLOWS OF RESOURCES	
1701 Deferred Charge for Refunding	4,115,651
1705 Deferred Outflow Related to TRS Pension	67,598,508
1706 Deferred Outflow Related to TRS OPEB	25,235,506
1700 Total Deferred Outflows of Resources	<u>96,949,665</u>
LIABILITIES	
2110 Accounts Payable	11,011,936
2120 Short Term Debt Payable	79,248
2150 Payroll Deductions and Withholdings	9,398,701
2160 Accrued Wages Payable	36,484,785
2180 Due to Other Governments	16,999,261
2190 Due to Student Groups	43,817
2200 Accrued Expenses	3,254,674
2300 Unearned Revenue	3,209,863
Noncurrent Liabilities:	
2501 Due Within One Year: Loans, Note, Leases, etc.	31,122,480
Due in More than One Year:	
2502 Bonds, Notes, Loans, Leases, etc.	60,330,375
2540 Net Pension Liability (District's Share)	157,715,217
2545 Net OPEB Liability (District's Share)	85,921,531
2000 Total Liabilities	<u>415,571,888</u>
DEFERRED INFLOWS OF RESOURCES	
2605 Deferred Inflow Related to TRS Pension	20,040,896
2606 Deferred Inflow Related to TRS OPEB	155,083,314
2600 Total Deferred Inflows of Resources	<u>175,124,210</u>
NET POSITION	
3200 Net Investment in Capital Assets and Right-to-Use Lease Assets	342,774,740
Restricted:	
3820 Restricted for Federal and State Programs	17,511,098
3850 Restricted for Debt Service	13,410,788
3890 Restricted for Other Purposes	255,498
3900 Unrestricted	(96,049,754)
3000 Total Net Position	<u>\$ 277,902,370</u>

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

BROWNSVILLE ISD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes	1	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		3	4	
		Charges for	Operating	Primary Gov.
	Expenses	Services	Grants and Contributions	Governmental Activities
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
11 Instruction	\$ 281,496,134	\$ 543,612	\$ 62,363,852	\$ (218,588,670)
12 Instructional Resources and Media Services	10,556,692	339,168	7,617,437	(2,600,087)
13 Curriculum and Instructional Staff Development	13,314,912	-	6,248,671	(7,066,241)
21 Instructional Leadership	7,082,215	-	1,816,178	(5,266,037)
23 School Leadership	28,388,528	-	443,117	(27,945,411)
31 Guidance, Counseling, and Evaluation Services	21,146,220	-	13,815,606	(7,330,614)
32 Social Work Services	721,651	-	2,775	(718,876)
33 Health Services	5,982,017	-	1,681,321	(4,300,696)
34 Student (Pupil) Transportation	12,655,823	-	187,872	(12,467,951)
35 Food Services	41,817,069	1,370,543	39,700,139	(746,387)
36 Extracurricular Activities	21,633,357	3,076,148	30,119	(18,527,090)
41 General Administration	11,946,147	-	195,708	(11,750,439)
51 Facilities Maintenance and Operations	55,248,285	1,921,952	1,373,702	(51,952,631)
52 Security and Monitoring Services	9,416,601	-	502,524	(8,914,077)
53 Data Processing Services	19,140,034	301,483	15,516,626	(3,321,925)
61 Community Services	3,495,753	450,749	3,087,966	42,962
72 Debt Service - Interest on Long-Term Debt	3,676,337	-	-	(3,676,337)
81 Capital Outlay	-	-	10,353,996	10,353,996
95 Payments to Juvenile Justice Alternative Ed. Prg.	1,370	-	-	(1,370)
99 Other Intergovernmental Charges	1,083,055	-	-	(1,083,055)
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 548,802,200	\$ 8,003,655	\$ 164,937,609	(375,860,936)
Data				
Control				
Codes				
General Revenues:				
Taxes:				
MT	Property Taxes, Levied for General Purposes			74,947,080
DT	Property Taxes, Levied for Debt Service			9,593,522
SF	State Aid - Formula Grants			294,323,911
GC	Grants and Contributions not Restricted			38,950,078
IE	Investment Earnings			9,455,352
MI	Miscellaneous Local and Intermediate Revenue			235,266
TR	Total General Revenues			427,505,209
CN	Change in Net Position			51,644,273
NB	Net Position - Beginning			226,527,471
PA	Prior Period Adjustment			(269,374)
NE	Net Position - Ending			\$ 277,902,370

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

BROWNSVILLE ISD
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

Data Control Codes	10 General Fund	ESSER III ARP Act	Other Funds	Total Governmental Funds
ASSETS				
1110 Cash and Cash Equivalents	\$ 1,244,940	\$ 1,250,848	\$ 92,299	\$ 2,588,087
1120 Investments - Current	225,079,793	-	15,695,742	240,775,535
1220 Property Taxes - Delinquent	8,217,838	-	958,994	9,176,832
1230 Allowance for Uncollectible Taxes	(246,535)	-	(28,770)	(275,305)
1240 Due from Other Governments	28,917,457	21,356,282	22,772,648	73,046,387
1250 Accrued Interest	2,294,871	-	257,879	2,552,750
1260 Due from Other Funds	62,187,198	7,119,291	16,805,616	86,112,105
1290 Other Receivables	88,787	-	-	88,787
1300 Inventories	5,199,139	-	-	5,199,139
1000 Total Assets	<u>\$ 332,983,488</u>	<u>\$ 29,726,421</u>	<u>\$ 56,554,408</u>	<u>\$ 419,264,317</u>
LIABILITIES				
2110 Accounts Payable	\$ 5,873,758	\$ 2,919,308	\$ 810,466	\$ 9,603,532
2120 Short Term Debt Payable - Current	-	-	79,248	79,248
2150 Payroll Deductions and Withholdings Payable	9,398,701	-	-	9,398,701
2160 Accrued Wages Payable	27,268,114	3,128	9,213,543	36,484,785
2170 Due to Other Funds	32,628,198	26,803,985	26,664,313	86,096,496
2180 Due to Other Governments	14,226,514	-	2,772,747	16,999,261
2190 Due to Student Groups	43,817	-	-	43,817
2200 Accrued Expenditures	129,873	-	-	129,873
2300 Unearned Revenue	470,816	-	2,739,047	3,209,863
2000 Total Liabilities	<u>90,039,791</u>	<u>29,726,421</u>	<u>42,279,364</u>	<u>162,045,576</u>
DEFERRED INFLOWS OF RESOURCES				
2601 Unavailable Revenue - Property Taxes	<u>6,844,235</u>	<u>-</u>	<u>772,719</u>	<u>7,616,954</u>
2600 Total Deferred Inflows of Resources	<u>6,844,235</u>	<u>-</u>	<u>772,719</u>	<u>7,616,954</u>
FUND BALANCES				
Nonspendable Fund Balance:				
3410 Inventories	5,199,139	-	-	5,199,139
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	17,511,098	-	-	17,511,098
3480 Retirement of Long-Term Debt	-	-	13,410,788	13,410,788
3490 Regional School for the Deaf	255,498	-	-	255,498
Committed Fund Balance:				
3510 Capital Expenditures for Construction	12,971,899	-	-	12,971,899
3545 Capital Outlay, Supplies, Travel, Contr Serv	1,273,698	-	-	1,273,698
Assigned Fund Balance:				
3550 Capital Expenditures for Construction	21,043,108	-	-	21,043,108
3590 Repair, Maintenance & Other	46,740,843	-	-	46,740,843
3600 Unassigned Fund Balance	131,104,179	-	91,537	131,195,716
3000 Total Fund Balances	<u>236,099,462</u>	<u>-</u>	<u>13,502,325</u>	<u>249,601,787</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 332,983,488</u>	<u>\$ 29,726,421</u>	<u>\$ 56,554,408</u>	<u>\$ 419,264,317</u>

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

BROWNSVILLE ISD
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2023

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$ 249,601,787
1 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 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.	4,667,808
2 Capital assets and Right-to-Use Lease 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 \$824,634,422 and the accumulated depreciation was (\$403,914,624). 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 decrease net position.	307,896,347
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 capital outlays and debt principal payments is to increase net position. Similarly, the principal payments on Right-to-Use Lease Assets and SBITA Assets are not expenses, rather they are decreases in the Right-to-Use Lease Liabilities and the SBITA Liabilities. These payments must be reclassified and shown as reductions to these liabilities increasing Net Position.	59,889,081
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 \$67,598,508, a deferred resource inflow in the amount \$20,040,896, and a net pension liability in the amount of \$157,715,217. This resulted in a decrease in net position.	(110,157,605)
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 \$25,235,506, a deferred resource inflow in the amount \$155,083,314, and a net OPEB liability in the amount of \$85,921,531. This resulted in a decrease in net position.	(215,769,339)
6 The current year depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.	(25,842,663)
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(decrease) net position.	7,616,954
19 Net Position of Governmental Activities	\$ 277,902,370

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

BROWNSVILLE ISD
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes	10 General Fund	ESSER III ARP Act	Other Funds	Total Governmental Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 87,502,147	\$ -	\$ 14,203,655	\$ 101,705,802
5800 State Program Revenues	322,033,788	-	8,852,227	330,886,015
5900 Federal Program Revenues	60,219,287	39,987,159	82,127,156	182,333,602
5020 Total Revenues	469,755,222	39,987,159	105,183,038	614,925,419
EXPENDITURES:				
Current:				
0011 Instruction	224,346,819	17,420,874	45,434,185	287,201,878
0012 Instructional Resources and Media Services	3,156,891	669	7,626,596	10,784,156
0013 Curriculum and Instructional Staff Development	6,778,183	1,420,855	4,883,482	13,082,520
0021 Instructional Leadership	5,239,566	710,222	1,105,956	7,055,744
0023 School Leadership	28,566,168	51,774	391,343	29,009,285
0031 Guidance, Counseling, and Evaluation Services	8,264,331	382,528	13,433,078	22,079,937
0032 Social Work Services	695,315	652	2,123	698,090
0033 Health Services	4,508,448	96,020	1,585,301	6,189,769
0034 Student (Pupil) Transportation	12,384,639	1,111	186,761	12,572,511
0035 Food Services	42,202,061	2,085	-	42,204,146
0036 Extracurricular Activities	18,925,488	3,398	2,920,162	21,849,048
0041 General Administration	11,287,655	135,835	67,373	11,490,863
0051 Facilities Maintenance and Operations	52,571,727	509,445	864,257	53,945,429
0052 Security and Monitoring Services	9,754,193	9,393	493,131	10,256,717
0053 Data Processing Services	9,779,306	8,881,610	6,635,016	25,295,932
0061 Community Services	477,289	6,692	3,081,274	3,565,255
Debt Service:				
0071 Principal on Long-Term Liabilities	13,577,401	-	12,795,000	26,372,401
0072 Interest on Long-Term Liabilities	1,976,378	-	2,622,100	4,598,478
0073 Bond Issuance Cost and Fees	7,500	-	3,500	11,000
Capital Outlay:				
0081 Facilities Acquisition and Construction	13,749,628	10,353,996	-	24,103,624
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	1,370	-	-	1,370
0099 Other Intergovernmental Charges	1,083,055	-	-	1,083,055
6030 Total Expenditures	469,333,411	39,987,159	104,130,638	613,451,208
1200 Net Change in Fund Balances	421,811	-	1,052,400	1,474,211
0100 Fund Balance - July 1 (Beginning)	235,677,651	-	12,449,925	248,127,576
3000 Fund Balance - June 30 (Ending)	\$ 236,099,462	\$ -	\$ 13,502,325	\$ 249,601,787

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

BROWNSVILLE ISD
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, 2023

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$ 1,474,211
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 income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase(decrease) net position.	(297,722)
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 current year capital outlays and debt principal payments is to decrease the change net position. Similarly, current year principal payments on Right-to-Use Leases and SIBTAs are also reclassified as reductions to the Right-To-Use Lease Liability and the SBITA liability which will result in a decrease in the change in Net Position.	60,158,455
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 the change in net position.	(25,842,663)
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 the change in net position.	529,073
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 \$12,114,053. Contributions made before the measurement date and during 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 \$10,650,097. Finally, the proportionate share of TRS pension expense on the plan as a whole had to be recorded. The net pension expense decreased the change in net position by \$3,544,127. The net result is a decrease in the change in net position.	(2,080,171)
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 \$2,669,251. Contributions made before the measurement date and during 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 \$2,498,971. Finally, the proportionate share of TRS OPEB pension expense on the plan as a whole had to be recorded. The net OPEB expense increased the change in net position by \$17,532,810. The net result is an increase in the change in net position.	17,703,090
Change in Net Position of Governmental Activities	<u><u>\$ 51,644,273</u></u>

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

BROWNSVILLE ISD
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	Governmental Activities -
	Total Internal Service Funds
<hr/>	
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 6,141
Investments - Current	9,193,703
Other Receivables	1,169
	<hr/>
Total Assets	9,201,013
	<hr/>
LIABILITIES	
Current Liabilities:	
Accounts Payable	1,408,404
Accrued Expenses	3,124,801
	<hr/>
Total Liabilities	4,533,205
	<hr/>
NET POSITION	
Unrestricted Net Position	4,667,808
	<hr/>
Total Net Position	\$ 4,667,808
	<hr/>

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

BROWNSVILLE ISD
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Governmental Activities -
	Total Internal Service Funds
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 48,978,704
Total Operating Revenues	48,978,704
OPERATING EXPENSES:	
Payroll Costs	972
Supplies and Materials	43,053
Other Operating Costs	49,232,401
Total Operating Expenses	49,276,426
Operating Income (Loss)	(297,722)
Total Net Position July 1 (Beginning)	6,623,675
Prior Period Adjustment	(1,658,145)
Total Net Position June 30 (Ending)	\$ 4,667,808

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

BROWNSVILLE ISD
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

EXHIBIT D-3

	Governmental Activities -
	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Payments to Employees for Services	\$ 56,267,685
Cash Payments for Insurance Claims	(57,283,381)
Net Cash Used for Operating Activities	(1,015,696)
Net Decrease in Cash and Cash Equivalents	(1,015,696)
Cash and Cash Equivalents at Beginning of Year	1,021,837
Cash and Cash Equivalents at End of Year	\$ 6,141
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>	
<u>Used for Operating Activities:</u>	
Operating Income (Loss):	\$ (297,722)
Effect of Increases and Decreases in Current Assets and Liabilities:	
Decrease (increase) in Current Investments	(3,438,901)
Decrease (increase) in Due from Other Funds	10,709,012
Increase (decrease) in Accounts Payable	619,289
Increase (decrease) in Due to Other Funds	(2,785,446)
Increase (decrease) in Accrued Expenses	(5,821,928)
Net Cash Used for Operating Activities	\$ (1,015,696)

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

BROWNSVILLE ISD
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023

	Private Purpose Trust Funds	Total Custodial Funds
ASSETS		
Cash and Cash Equivalents	\$ 159,111	\$ 1,369,224
Other Receivables	1	-
Total Assets	<u>159,112</u>	<u>\$ 1,369,224</u>
LIABILITIES		
Accounts Payable	2	-
Due to Other Funds	15,609	-
Accrued Expenses	-	1,000
Total Liabilities	<u>15,611</u>	<u>1,000</u>
NET POSITION		
Net Investment in Capital Assets	152,297	1,351,814
Unrestricted Net Position	<u>(8,643)</u>	<u>16,410</u>
Total Net Position	<u>\$ 143,654</u>	<u>\$ 1,368,224</u>

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

BROWNSVILLE ISD
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Private Purpose Trust Funds	Total Custodial Funds
ADDITIONS:		
Miscellaneous Revenue - Student Activities	\$ -	\$ 1,975,453
Earnings from Temporary Deposits	3,305	682
Miscellaneous Additions	157,781	-
Total Additions	<u>161,086</u>	<u>1,976,135</u>
DEDUCTIONS:		
Payroll Costs	2,880	1,537
Professional and Contracted Services	7,360	68,602
Supplies and Materials	1,282	-
Other Deductions	158,359	1,889,586
Total Deductions	<u>169,881</u>	<u>1,959,725</u>
Change in Fiduciary Net Position	(8,795)	16,410
Total Net Position July 1 (Beginning)	<u>152,450</u>	<u>1,351,814</u>
Total Net Position June 30 (Ending)	<u><u>\$ 143,655</u></u>	<u><u>\$ 1,368,224</u></u>

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, 2023

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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Interfund activities between governmental funds appear as due to/due 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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

D. BASIS OF PRESENTATION - FUND ACCOUNTING

The District reports the following major governmental funds:

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. **ESSER III ARP Act** - 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, 2023

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, 2022. The only prepaid expenses included are for unexpired insurance policy premiums paid by June 30, 2022, 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. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. A right-to-use lease is defined as a contract that conveys control of another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. To be accounted for as a lease, the lease must meet the definition of a "long-term" lease provided in GASB 87 and must meet the capitalization level set by the Board. The right-to-use lease liability is reported in the government wide statements and in proprietary fund statements. The lease liability is calculated as the present value of the reasonably certain expected payments to be made over the term of the lease and the interest included in the lease payment is recorded as an expense. The District implemented GASB 96 for reporting Subscription-Based-Information Technology Arrangements (SBITAs). GASB 96 requires recognition of certain right-to-use subscription assets and liabilities for SBITAs in the financial statements. There were no SBITAs in the prior year that would require a restatement of the District's prior year financial statements.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. OTHER ACCOUNTING POLICIES

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. With GASB 87, the initial measure of a new right-to-use lease arrangement is reported in governmental fund types as another source during the current period. Monthly payments are reported as principal and interest payments during the reporting period in the fund level statements.

5. Capital assets, which include land, buildings, vehicles, furniture & equipment, and construction in progress, are reported in the applicable governmental activities' columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

The right-to-use lease asset capitalization level is determined by the Board. The term of the lease must be the non-cancelable period during which the District has the right to use the tangible assets of another entity plus any periods in which either the lessee or the lessor has the sole option to extend the lease if it is reasonably certain the option will be exercised plus any periods in which either the lessee or the lessor has the sole option to terminate the lease if it is reasonably certain the option will not be exercised by that party and must not meet the definition of a short-term lease under GASB 87. If the lease is in a governmental fund, the full amount of the lease asset will be reported as an expenditure in the fund level statements the year the agreement is made. Note with existing contracts that were evaluated as leases for this year of implementation, the recording of the lease asset and liability would not be reported in governmental fund statements but would be reported in the government wide statements.

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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. OTHER ACCOUNTING POLICIES

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.
11. Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond and grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered applied. It is the District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.
12. Sometimes the District will fund outlays for a particular purpose from both restricted (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. OTHER ACCOUNTING POLICIES

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

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by board resolution by the Board. The Board's commitment may be modified or rescinded by a majority vote in a scheduled meeting. Board commitments cannot exceed the amount of fund balance that is greater than the sum of 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. These funds are carry over balances from board approved budget amendments from prior years. CE(Local).
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

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

14. The Data Control Codes refer to the account code structure prescribed by TEA in the ***Financial Accountability System Resource Guide***. The Texas Education Agency requires school districts to display these codes in the financial statements filed with the Agency in order to 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, 2023, is \$831,975, and an accrual has been made. A liability for these amounts is reported in governmental funds only if they have matured, as a result of employee resignation and/or retirement.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

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	\$ 28,837,353	\$ -	\$ 28,837,353	
Buildings & Improvements	706,338,662	(349,868,253)	356,470,409	
Furniture & Equipment	42,243,306	(29,074,301)	13,169,005	
Vehicles	27,799,177	(23,833,576)	3,965,601	
Construction in Progress	8,554,637	-	8,554,637	
Right-to-Use Leases	10,861,287	(1,138,494)	9,722,793	
Change in Net Position				\$ 420,719,798
Long-Term Liabilities at the Beginning of Year			Payable at the Beginning of Year	
Bonds Payable			\$ (81,352,800)	
Less Deferred Charges			6,025,142	
Premiums/Discounts			(9,033,707)	
Notes Payable			(20,005,000)	
Right-To-Use Leases Payable			(7,646,763)	
Compensated Absences			(810,323)	
Change in Net Position				(112,823,451)
Net Adjustment to Net Position				\$ 307,896,347

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 6/30/2023 Unearned Revenue - Property Taxes	\$ 7,616,954	\$ 7,616,954	
Total Capital Outlay			\$ 7,616,954

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

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

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

Current Year Capital Outlay	Amount	Adjustments to Changes in Net Position	Adjustments to Net Position
Buildings & Improvements	\$ 104,756	\$ 104,756	
Furniture & Equipment	8,257,366	8,257,366	
Vehicles	524,575	524,575	
Right-to-Use Leased Assets	-	-	
Construction in Progress	23,998,868	23,998,868	
Total Capital Outlay			<u>\$ 32,885,565</u>
<u>Debt Principal Payments</u>			
Bond Principal	15,293,800	15,293,800	
Less Deferred Charges	(1,909,491)	(1,909,491)	
Premium Amortization	2,831,632	2,831,632	
Note Principal	9,935,000	9,935,000	
Right-to-Use Lease Payments	1,143,601	1,143,601	
Other	(21,652)	(21,652)	
Net Adjustment to Net Position			<u>\$ 60,158,455</u>

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

	Amount	Adjustments to Changes in Net Position	Adjustments to Net Position
<u>Adjustments to Property Tax Revenue</u>			
FY 6/30/2022 Unearned Revenue - Property Taxes	\$ (7,087,881)	\$ (7,087,881)	\$ (7,087,881)
FY 6/30/2023 Unearned Revenue - Property Taxes	<u>7,616,954</u>	<u>7,616,954</u>	<u>7,616,954</u>
Total			<u>\$ 529,073</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

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.

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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. DEPOSITS AND INVESTMENTS

At June 30, 2023, the carrying amount of the District's deposits, excluding agency funds, was \$2,594,230 and the bank balance was \$4,983,033. The District's cash deposits at June 30, 2023 and during the year were covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name. The District monitors cash flows regularly when TEA funds are received to ensure that the bank pledges sufficient collateral.

District Policies and Legal Contractual Provisions Governing Deposits

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

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

District Policies and Legal Contractual Provisions Governing Investments

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

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. DEPOSITS AND INVESTMENTS

The District's temporary investments at June 30, 2023, 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	
Texas Term Investment Pool	\$ 156,199,291	\$ 156,199,291	\$ -	\$ -	\$ -	103
Lone Star Investment Pool	53,765,060	53,765,060	-	-	-	1
TexPool	615,361	615,361	-	-	-	1
Texas Class/ MBIA	39,389,524	39,389,524	-	-	-	1
Total	<u>\$ 249,969,236</u>	<u>\$ 249,969,236</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>106</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, 2023, 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.

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. The District had 100% 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.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. DEPOSITS AND INVESTMENTS

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, 2022, upon which the levy for the 2022-2023 fiscal year was based, as \$6,980,445,827. 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, 2023 to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$1.05680 and \$0.15189 per \$100 valuation, respectively, for a total of \$1.20869 per \$100 valuation.

Current tax collections for the year ended June 30, 2023 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, 2023, property taxes receivable of \$8,217,838 and \$958,994, net of estimated uncollectible taxes of \$246,535 and \$28,770, totaled \$7,971,303 and \$930,224 for the General and Debt Service Funds, respectively.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund balances at June 30, 2023 consisted of the following individual fund balances:

	Due from Other Funds	Due to Other Funds
General Fund		
General Fund	\$ 29,327,723	\$ (29,327,723)
ESSER III ARP Act Fund	13,299,852	(489)
Other Funds	19,544,014	(3,299,986)
Fiduciary Funds	15,609	-
	<u>62,187,198</u>	<u>(32,628,198)</u>
ESSER III ARP Act Fund		
General Fund	489	(13,299,852)
Other Funds	7,118,802	(13,504,133)
	<u>7,119,291</u>	<u>(26,803,985)</u>
Other Funds		
General Fund	3,299,986	(19,544,014)
ESSER III ARP Act Fund	13,504,133	(7,118,802)
Other Funds	1,497	(1,497)
	<u>16,805,616</u>	<u>(26,664,313)</u>
Fiduciary Funds		
General Fund	-	(15,609)
	<u>-</u>	<u>(15,609)</u>
	<u>\$ 86,112,105</u>	<u>\$ (86,112,105)</u>

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, 2023

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	\$ 28,437,912	\$ 479,545	\$ -	\$ 28,917,457
ESSER III ARP Act	21,356,282	-	-	21,356,282
Other Funds	22,013,483	220,005	539,160	22,772,648
Totals	<u>\$ 71,807,677</u>	<u>\$ 699,550</u>	<u>\$ 539,160</u>	<u>\$ 73,046,387</u>

E. CAPITAL ASSET ACTIVITY

Capital asset activity for the District for the year ended June 30, 2023, was as follows:

	Primary Government				
	Balance	Changes During Year			Balance
	07/01/22	Additions	Deletions	Adjustments	06/30/23
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 28,837,353	\$ -	\$ -	\$ -	\$ 28,837,353
Construction in progress	8,554,637	23,998,868	-	-	32,553,505
Total capital assets not being depreciated	37,391,990	23,998,868	-	-	61,390,858
Capital assets being depreciated:					
Buildings and improvements	706,338,662	104,756	(194,840)	(15,501)	706,233,077
Furniture and equipment	42,243,306	8,257,366	(6,012,207)	43,372	44,531,837
Vehicles	27,799,177	524,575	(4,884,143)	-	23,439,609
Totals at Historic Cost	776,381,145	8,886,697	(11,091,190)	27,871	774,204,523
Right-to-Use Leased Assets:					
Furniture and equipment	5,186,439	-	1,788,132	-	6,974,571
Vehicles	5,674,848	-	-	-	5,674,848
Total Right-to-Use Leased Assets	10,861,287	-	1,788,132	-	12,649,419
Less Accumulated Depreciation for:					
Capital Assets:					
Building and improvements	(349,868,253)	(18,810,617)	194,840	15,501	(368,468,529)
Equipment	(29,074,301)	(4,116,082)	6,012,207	(335,787)	(27,513,963)
Vehicles	(23,833,576)	(1,798,329)	4,884,143	23,041	(20,724,721)
Totals for Capital Assets	(402,776,130)	(24,725,028)	11,091,190	(297,245)	(416,707,213)
Right-to-Use Leased Assets:					
Furniture and equipment	-	(1,117,635)	-	-	(1,117,635)
Vehicles	(1,138,494)	-	-	-	(1,138,494)
Totals for Right-to-Use Lease Assets	(1,138,494)	(1,117,635)	-	-	(2,256,129)
Governmental Activities and Right-to-Use	\$ 420,719,798	\$ 7,042,902	\$ 1,788,132	\$ (269,374)	\$ 429,281,458

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. CAPITAL ASSET ACTIVITY

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 13,544,013
Instructional Resources and Media Services	523,668
Curriculum and Instructional Staff Development	889,125
Instructional Leadership	462,723
School Leadership	1,244,802
Guidance, Counseling and Evaluation Services	1,002,804
Social Work Services	29,581
Health Services	304,419
Student (Pupil) Transportation	650,608
Food Services	2,049,024
Extracurricular Activities	826,807
General Administration	618,309
Facilities Maintenance and Operations	2,714,671
Security and Monitoring Services	338,627
Data Processing Services	495,268
Community Services	148,214
Totals	<u>\$ 25,842,663</u>

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 07/01/22	Retired	Amounts Outstanding 06/30/23	Due Within One Year
12/22/2009	PFC Lease Revenue QS Construction Bonds, Series 2009	1.48%	2025	\$ 15,400,000	\$ 3,120,000	\$ 1,040,000	\$ 2,080,000	\$ 1,040,000
12/1/2010	Qualified School Construction Bonds, Series 2010A-E	0.37%	2028	25,770,000	8,752,800	1,458,800	7,294,000	1,458,800
6/5/2013	Unlimited Tax Refunding Bonds, Series 2013A	5.00%	2023	80,410,000	7,325,000	7,325,000	-	-
6/5/2013	Unlimited Tax Refunding Bonds, Series 2013B	4.00%	2024	42,300,000	7,600,000	3,730,000	3,870,000	3,870,000
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	3,565,000	1,740,000	1,825,000	1,825,000
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	7,690,000
	Totals				<u>\$ 81,352,800</u>	<u>\$ 15,293,800</u>	<u>\$ 66,059,000</u>	<u>\$ 15,883,800</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. LONG-TERM OBLIGATIONS

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, 2023, \$3,870,000 of defeased bonds remain outstanding, which includes \$3,870,000 for Unlimited Tax Refunding Bonds, Series 2013B.

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, 2023.

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

Year Ending June 30,	Bonds Payable		Total Requirements
	Principal	Interest	
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	14,273,800	1,644,366	15,918,166
2028	3,443,800	1,206,491	4,650,291
2029-2033	4,215,000	180,625	4,395,625
Totals	<u>\$ 66,059,000</u>	<u>\$ 11,146,845</u>	<u>\$ 77,205,845</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	Final	Amounts	Amounts	Retired	Amounts	Due Within
		Rate		Maturity	Original		Outstanding	
		Payable		Issue	07/01/22		06/30/23	
12/12/2017	Maintenance TaxNotes, Series 2017	3.00%-5.00%	2024	\$ 49,140,000	\$ 20,005,000	\$ 9,935,000	\$ 10,070,000	\$ 10,070,000
	Totals				\$ 20,005,000	\$ 9,935,000	\$ 10,070,000	\$ 10,070,000

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. LONG-TERM OBLIGATIONS

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

Year Ending	Notes Payable		Total
June 30,	Principal	Interest	Requirements
2024	\$ 10,070,000	\$ 251,750	\$ 10,321,750
Totals	\$ 10,070,000	\$ 251,750	\$ 10,321,750

G. CHANGES IN LONG-TERM LIABILITIES

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

Description	Balance 07/01/22	Issued	Retired	Adjustments	Balance 06/30/22	Due Within One Year
Bonds Payable	\$ 81,352,800	\$ -	\$ (15,293,800)	\$ -	\$ 66,059,000	\$ 15,883,800
Note Payable	20,005,000	-	(9,935,000)	-	10,070,000	10,070,000
Right-to-Use Leases	7,646,763	-	(1,143,601)	1,786,643	8,289,805	2,129,054
Compensated Absences	810,323	82,602	(60,950)	-	831,975	207,994
Premium (Discount) on Bonds						
Bonds Payable 2009	1,278,217	-	(319,554)	-	958,663	319,554
Bonds Payable 2010	(616,003)	-	205,333	-	(410,670)	(205,333)
Bonds Payable 2013	2,238,544	-	(1,119,272)	-	1,119,272	1,119,272
Bonds Payable 2015	257,971	-	(36,852)	-	221,119	36,852
Bonds Payable 2018	133,794	-	(66,896)	-	66,898	66,896
Bonds Payable 2020A	1,066,398	-	(213,279)	-	853,119	213,279
Bonds Payable 2020B	3,520,931	-	(704,186)	-	2,816,745	704,186
Note Payable 2017	1,153,855	-	(576,926)	-	576,929	576,926
Net Pension Liability	61,825,490	108,286,185	(12,396,458)	-	157,715,217	-
Net OPEB Liability	135,183,661	(46,314,801)	(2,947,329)	-	85,921,531	-
Totals	\$ 315,857,744	\$ 62,053,986	\$ (44,608,770)	\$ 1,786,643	\$ 335,089,603	\$ 31,122,480

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

H. RIGHT-TO-USE LEASES PAYABLE

Right-to-Use Leases

The District has entered into a lease to acquire school buses for an original cost of \$3,485,908 and \$2,188,940. The interest rates for the lease are 3.45% and 1.98%. The leases were authorized under section 271.005 of the Local Government Code.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. RIGHT-TO-USE LEASES PAYABLE

	Interest	Amounts	Amounts				Amounts	
	Rate	Original	Outstanding				Outstanding	Due Within
Description	Payable	Issue	7/1/2022	Issued	Retired	Adjustments	6/30/2023	One Year
Santander Lease 2018	3.45%	\$ 3,485,908	\$ 723,590	\$ -	\$ 722,101	\$ (1,489)	\$ -	\$ -
Santander Lease 2021	1.98%	2,188,940	1,736,734	-	421,500	-	1,315,234	429,845
Xerox and Pitney Bowes Leases			5,186,439	-	-	1,788,132	6,974,571	1,699,209
			\$ 7,646,763	\$ -	\$ 1,143,601	\$ 1,786,643	\$ 8,289,805	\$ 2,129,054

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

Year Ending	Right-to-Use Leases		Total
June 30,	Principal	Interest	Requirements
2024	\$ 2,129,054	\$ 38,786	\$ 2,167,840
2025	3,360,710	28,301	3,389,011
2026	1,669,597	18,023	1,687,620
2027	770,929	5,785	776,714
2028	359,515	2,696	362,211
Totals	\$ 8,289,805	\$ 93,591	\$ 8,383,396

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, 2023 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. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. DEFINED BENEFIT PENSION PLAN

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

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

Texas Government Code, Title 8, Section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in the manner are determined by the System's actuary.

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 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10 percent of the aggregate annual compensation paid to members of the System during the fiscal year.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 thru 2025. Contribution rates can be found in the TRS 2022 ACFR, Note 11, on page 85.

The following table shows contribution rates by type of contributor for the fiscal years 2022 and 2023 and the contributions by type of contributions reported by TRS which were received by TRS during the measurement year (TRS FY 2022). These are included in the calculation of the district's proportionate share of the net pension liability.

	Contribution Rates	
	<u>2022</u>	<u>2023</u>
Member	8.00%	8.00%
Non-Employer Contributing Entity (State)	7.75%	8.00%
Employers	7.75%	8.00%
Current fiscal year employer contributions	\$	14,010,835
Current fiscal year member contributions	\$	25,498,430
2022 measurement year NECE on-behalf contributions	\$	15,771,483

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. DEFINED BENEFIT PENSION PLAN

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

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

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

In addition to the employer contributions listed above, there is a surcharge and employer is subject to:

- All public schools, charter schools, and regional educational service centers must contribute 1.7 percent of the members' salary beginning in fiscal year 2022, gradually increasing to 2 percent in fiscal year 2025. This surcharge amount is 1.80% for fiscal year 2023.
- When employing a retiree of the Teacher Retirement System the employer shall pay an amount equal to the member contribution and the state contribution as an employment after retirement surcharge.

Net Pension Liability

Components of the net pension liability of the plan as of August 31, 2022 are disclosed below: (From TRS Annual Comprehensive Financial Report 2022, p. 86.)

<u>Components of Liability</u>	<u>Amount</u>
Total Pension Liability	\$ 243,553,045,455
Less: Plan Fiduciary Net Pension	(184,185,617,196)
Net Pension Liability	<u>\$ 59,367,428,259</u>
Net Pension as a Percentage of Total Pension Liability	75.62%

Actuarial Assumptions.

Roll Forward - The total pension liability in the August 31, 2021 actuarial valuation was determined using the following actuarial assumptions: Actuarial Assumptions can be found in the 2022 TRS ACFR, Note 11, page 87.

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. DEFINED BENEFIT PENSION PLAN

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term Expected Rate	7.00%
	3.91% - Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity index's "20-Year Municipal GO AA Index."
Municipal Bond Rate as of August 2022	
Last year ending August 31 in Projection Period (100 years)	2121
Inflation	2.30%
Salary Increases	2.95% to 8.95% 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, 2021. For a full description of these assumptions please see the TRS actuarial valuation report dated November 12, 2021.

Discount Rate. A single discount rate of 7.00 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.00 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent 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.

The long-term rate of return on pension plan investments is 7.00 percent. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2022 (see page 54 of the TRS ACFR) are summarized below:

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. DEFINED BENEFIT PENSION PLAN

<u>Asset Class*</u>	<u>Target Allocation**</u>	<u>Long-Term Expected Arithmetic Real Rate of Return***</u>	<u>Expected Contribution to Long-Term Portfolio Returns</u>
Global Equity			
U.S.	18.00%	4.60%	1.12%
Non-U.S. Developed	13.00%	4.90%	0.90%
Emerging Markets	9.00%	5.40%	0.75%
Private Equity*	14.00%	7.70%	1.55%
Stable Value			
Government Bonds	16.00%	1.00%	0.22%
Absolute Return*	0.00%	3.70%	0.00%
Stable Value Hedge Funds	5.00%	3.40%	0.18%
Real Return			
Real Estate	15.00%	4.10%	0.94%
Energy and Natural Resources and Infrastructure	6.00%	5.10%	0.37%
Commodities	0.00%	3.60%	0.00%
Risk Parity	8.00%	4.60%	0.43%
Asset Allocation Leverage			
Cash	2.00%	3.00%	0.01%
Asset Allocation Leverage	-6.00%	3.60%	-0.05%
Inflation Expectation			2.70%
Volatility Drag****			-0.91%
Expected Return	<u>100.00%</u>		<u>8.21%</u>

* Absolute Return includes Credit Sensitive Investments.

** Target allocations are based on the FY2022 policy model.

*** Capital Market Assumptions come from Aon Hewitt (as of 8/31/2022).

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

Discount Rate Sensitivity Analysis. The following table presents the District's net pension liability of the plan using the discount rate of 7.00 percent, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate.

	<u>1% Decrease in Discount Rate (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase in Discount Rate (8.00%)</u>
Proportionate share of the net pension liability:	\$245,345,078	\$157,715,217	\$86,687,101

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2023, the District reported a liability of \$157,715,217 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	\$ 157,715,217
State's proportionate share that is associated with the District	<u>200,654,323</u>
Total	<u>\$ 358,369,540</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. DEFINED BENEFIT PENSION PLAN

The net pension liability was measured as of August 31, 2022, 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, 2021, thru August 31, 2022.

At August 31, 2022, the employer's proportion of the collective net pension liability was 0.2656595061%, which was an increase of 0.0228872985% from its proportion measured as of August 31, 2021.

Changes In Actuarial Assumptions Since the Prior Actuarial Valuation - The actuarial assumptions and methods have been modified since the determination of the prior year's Net Pension Liability. These new assumptions were adopted in conjunction with an actuarial experience study. The primary assumption change was the lowering of the single discount rate from 7.25 percent to 7.00 percent.

Changes In Benefits - There were no changes in benefits.

For the year ended June 30, 2023, the District recognized pension expense of \$33,374,503 and revenue of \$19,180,279 for support provided by the State in the Government Wide Statement of Activities.

At June 30, 2023, 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: (The amounts shown below will be the cumulative layers from the current and prior years combined.)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experiences	\$ 2,286,858	\$ 3,438,490
Changes in actuarial assumptions	29,387,478	7,324,180
Differences between projected and actual investment earnings	15,581,759	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	8,228,360	9,278,226
Contributions paid to TRS subsequent to the measurement date	12,114,053	-
Total as of fiscal year-end	<u>\$ 67,598,508</u>	<u>\$ 20,040,896</u>

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

Fiscal year ended June 30,	Pension Expense Amount
2024	\$ 8,260,212
2025	4,375,584
2026	1,035,263
2027	18,432,739
2028	3,339,759
Thereafter	2

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

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 TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

OPEB Plan Fiduciary Net Position. Detailed information about the TRS-Care's fiduciary net position is available in the separately-issued TRS Annual Comprehensive 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.

Components of the net OPEB liability of the TRS-Care plan as of August 31, 2022, as presented in the TRS 2022 ACFR (pg. 76) are as follows:

<u>Components of Liability</u>	<u>Amount</u>
Total OPEB Liability	\$ 27,061,942,520
Less: Plan Fiduciary Net Pension	(3,117,937,218)
Net OPEB Liability	<u>\$ 23,944,005,302</u>
Net Pension as a Percentage of Total OPEB Liability	11.52%

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 plan. Optional dependent coverage is available for an additional fee.

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. There are no automatic post-employment benefit changes; including automatic COLAs.

<u>TRS-Care Monthly Premium Rates</u>		
	<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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

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 school districts based upon public school district payroll. The TRS Board of Trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, Section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public or charter school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor which were reported for the district by TRS for the measurement year. These were included in the calculation of the district's proportionate share of the net TRS-Care liability.

	Contribution Rates	
	<u>2022</u>	<u>2023</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		\$ 3,137,102
Current fiscal year member contributions		\$ 2,071,762
2022 measurement year NECE on-behalf contributions		\$ 3,595,278

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

TRS-Care received a supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$83 million in fiscal year 2022 from the Federal Rescue Plan Act (ARPA) to help defray COVID-19-related health care costs during fiscal year 2022.

Actuarial Assumptions. The actuarial valuation was performed as of August 31, 2021. Update procedures were used to roll forward the total OPEB liability to August 31, 2022. The actuarial valuation was determined using the following actuarial assumptions;

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographics assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017. The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2021 TRS pension actuarial valuation that was rolled forward to August 31, 2022.

Rates of Mortality	Rates of Disability
Rates of Retirement	General Inflation
Rates of Termination	Wage Inflation

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

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 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 mortality projection scale MP-2018.

Valuation Date	August 31, 2021 Rolled Forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.91% as of August 31, 2022
Aging Factors	Based on Plan Specific Experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Salary Increases	3.05% - 9.05% including inflation
Ad-hoc Post Employment Benefit Changes	None

The initial medical trend rates were 8.50 percent for Medicare retirees and 7.25 percent for non-Medicare retirees. There was an initial prescription drug trend rate of 8.25 percent for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25 percent over a period of 13 years.

Discount Rate. A single discount rate of 3.91 percent was used to measure the total OPEB liability. This was an increase of 1.96 percent in the discount rate since the previous year. The Discount Rate can be found in the 2023 TRS ACFR on page 77. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on these assumptions the OPEB plan's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond rate is the Fidelity "20-year Municipal GO AA Index" as of August 31, 2021 using the Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Sensitivity of the Net OPEB Liability:

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

	1% Decrease in Discount Rate (2.91%)	Discount Rate (3.91%)	1% Increase in Discount Rate (4.91%)
Proportionate share of the Net OPEB liability	\$ 101,308,299	\$ 85,921,531	\$ 73,456,274

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

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.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Proportionate share of Net OPEB liability	\$ 70,799,728	\$ 85,921,531	\$ 105,525,002

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At June 30, 2023, the District reported a liability of \$85,921,531 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	\$ 85,921,531
State's proportionate share that is associated with the District	<u>104,810,769</u>
Total	<u>\$ 190,732,300</u>

The Net OPEB Liability was measured as of August 31, 2022, 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, 2021 through August 31, 2022.

At August 31, 2022, the employer's proportion of the collective Net OPEB liability was 0.3588436014% which was an increase of 0.0083950633% from its proportion measured as of August 31, 2021.

Changes in Actuarial Assumptions Since the Prior Actuarial Valuation – The discount rate changed from 1.95 percent as of August 31, 2021 to 3.91 percent as of August 31, 2022. This change decreased 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, 2023, the District recognized OPEB expense of \$(29,907,333) and revenue of \$(14,873,494) for support provided by the State.

At June 30, 2023, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experiences	\$ 4,776,933	\$ 71,580,348
Changes in actuarial assumptions	13,087,551	59,693,168
Differences between projected and actual investment earnings	255,937	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	4,445,834	23,809,798
Contributions paid to TRS subsequent to the measurement date	2,669,251	-
Total as of fiscal year-end	<u>\$ 25,235,506</u>	<u>\$ 155,083,314</u>

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

Fiscal year ended June 30,	OPEB Expense Amount
2024	\$ (24,373,714)
2025	(24,372,786)
2026	(20,729,157)
2027	(15,796,320)
2028	(16,805,882)
Thereafter	(30,439,200)

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, 2023, 2022 and 2021 were \$1,720,961, \$1,332,928, and \$1,353,086 respectively.

L. RISK MANAGEMENT

During the fiscal year ended June 30, 2023, 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, 2023 to December 31, 2023. 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, 2023

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, 2023.

	<u>2023</u>	<u>2022</u>
Unpaid claims, beginning of the year	\$ 8,319,731	\$ 5,071,149
Adjustment	(4,439,536)	-
Incurred claims (including IBNRs)	46,475,447	55,365,960
Claim payments	<u>(48,184,001)</u>	<u>(52,117,378)</u>
Unpaid claims, end of the year	<u>\$ 2,171,641</u>	<u>\$ 8,319,731</u>

Worker's Compensation Coverage

For the year ended June 30, 2023, 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, 2023, 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, 2023, the District has reserved for estimated claims incurred, but not reported that do not exceed the required reserves. The liability reported at June 30, 2023 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.

	<u>2023</u>	<u>2022</u>
Beginning claims liability	\$ 626,997	\$ 562,110
Adjustment	213,611	-
Current year claims & changes in estimates	779,353	653,588
Claim payments	<u>(666,801)</u>	<u>(588,701)</u>
Ending claims liability	<u>\$ 953,160</u>	<u>\$ 626,997</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

M. CONSTRUCTION COMMITMENTS

At June 30, 2023, the District had the following construction commitments:

<u>Projects</u>	Estimated Project Cost	Expended Through June 30, 2023	Amount Committed
Intercom System Replacement Project District-Wide	\$ 3,426,632	\$ 2,868,118	\$ 558,514
LED Lighting for Three Schools	2,687,723	1,593,238	1,094,485
HVAC Upgrades	29,138,853	9,604,667	19,534,187
Mini Gyms HVAC and Restroom Additions Group I and Group II	11,280,468	9,531,582	1,748,886
Scoreboards for Ten Schools	153,478	141,878	11,600
Technology Center	3,847,466	2,233,544	1,613,922
Sams Stadium - Renovation Improvement Projects	5,680,401	3,983,955	1,696,446
Transportation Department New Fuel Station	1,009,924	20,778	989,146
Food and Nutrition Department Improvements	3,503,579	122,209	3,381,370
BISD Administration Parking Lot Improvements	723,001	623,293	99,708
Middle Schools Four Lane Track Projects	3,097,111	1,479,567	1,617,544
Veterans Memorial High School Stadium Improvements Phase II	199,619	38,728	160,891
Hanna High School Parking Lot Improvements	927,336	51,977	875,360
High Schools Softball Field Bleachers Improvements	122,574	71,170	51,404
Other Projects District-wide	238,214	188,802	49,412
Total Construction In Progress	<u>\$ 66,036,379</u>	<u>\$ 32,553,506</u>	<u>\$ 33,482,875</u>

N. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

<u>Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Food Service Receipts	\$ 462,489	\$ -	\$ 462,489
BISD - Fundraiser	8,327	-	8,327
Special Revenue Grants	-	2,739,047	2,739,047
Total Unearned Revenue	<u>\$ 470,816</u>	<u>\$ 2,739,047</u>	<u>\$ 3,209,863</u>

O. USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

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
Harlingen CISD	\$ 92,500
IDEA Public Schools	31,250
La Feria ISD	32,500
Los Fresnos CISD	25,000
Lyford CISD	30,000
Point Isabel ISD	6,250
Raymondville ISD	10,000
Rio Hondo ISD	12,500
San Benito CISD	65,000
Southwest Winners Foundation, Inc.	10,000
Student Alternatives Program, Inc.	2,500
Totals	<u>\$ 317,500</u>

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, 2023 from various federal sources as follows:

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

IV. DETAILED NOTES ON ALL FUNDS (CONTINUED)

Q. GENERAL FUND FEDERAL SOURCE REVENUES

Programs or Source	ALN Number	Amount
U.S. Department of Treasury (Fed Share of QSCB)	N/A	\$ 433,878
Emergency Connectivity Funding (ECF)	N/A	40,250
USDA Department of Defense	N/A	522,775
ROTC	12.000	427,160
Child & Adult Care Food Program	10.558	3,733,304
P-EBT 2022 Admin Exp Reimbursement	10.589	5,950
National School Lunch Program	10.555	20,486,963
School Breakfast Program	10.553	10,194,373
Food Distribution (USDA Commodities)	10.555	2,684,930
Supply Chain Attestation Grant	10.555	1,956,479
School Health Related Services	N/A	10,584,067
Medicaid Administrative Claiming Program	93.778	272,274
Total Programs		<u>51,342,403</u>
Indirect Costs		
ESSER Grant	84.425D	(19,964)
CRRSA ESSER II	84.425D	2,881,254
ARP ESSER III	84.425U	2,135,562
TCLAS High-Quality After-School	84.425U	13,360
TCLAS ESSER III	84.425U	3,636
ARP Homeless I	84.425W	7,209
ARP Homeless II	84.425W	6,729
Federal Adult Ed & Family Literacy	84.002A	47,784
McKinney Vento Homeless Youth Program - 2022	84.196A	624
McKinney Vento Homeless Youth Program - 2023	84.196A	7,069
ESEA Title I - Part A -2022	84.010A	86,915
ESEA Title I - Part A - 2023	84.010A	1,060,513
TTL I, 1003 ESF-Focused Support Grant	84.010A	20,304
ESEA Title I - Part C - 2022	84.011A	3,129
ESEA Title I - Part C - 2023	84.011A	13,591
IDEA B - Formula	84.027A	327,979
IDEA B - Discretionary (DEAF)	84.027A	4,093
IDEA B - Preschool	84.173A	4,225
ESEA Title III - Part A-L.E.P.	84.365A	65,852
ESEA Title II - Part A-Supporting Effective Instruction -	84.367A	90,295
Title IV, Part A, Subpart 1	84.424A	32,066
National School Lunch Program	10.555	2,001,977
IDEA B - Formula ARP 2022	84.027A	17,146
P-TECH Planning and Implementation LOI	17.258	1,876
IDEA B - Preschool ARP	84.173X	463
Nita M. Lowey 21st CCLC Cycle 11 Year 1	84.287C	63,194
Project Literacy Innovations for Book Reading Opportunities (LIBRO)	84.215G	3
Total Indirect Costs		<u>8,876,884</u>
Total General Fund		<u>\$ 60,219,287</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

R. PRIOR PERIOD ADJUSTMENT

The District had a prior period adjustment of \$269,374 to adjust the beginning balances for capital assets due to an understatement in the prior year. In addition, the District had a prior period adjustment of \$1,786,643 to adjust the beginning balances for right-to-use leases liability due to an understatement in the prior year. The net effect of this adjustment is to decrease the District's net position.

Description	Governmental Activities	Total
To adjust beginning balances in capital assets	\$ (269,374)	<u>\$ (269,374)</u>
Total per Exhibit B-1		<u><u>\$ (269,374)</u></u>

BROWNSVILLE ISD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

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	\$ 77,450,381	\$ 77,450,381	\$ 87,502,147	\$ 10,051,766
5800 State Program Revenues	315,368,392	317,898,859	322,033,788	4,134,929
5900 Federal Program Revenues	59,789,155	61,673,740	60,219,287	(1,454,453)
5020 Total Revenues	452,607,928	457,022,980	469,755,222	12,732,242
EXPENDITURES:				
Current:				
0011 Instruction	233,364,993	240,457,878	224,346,819	16,111,059
0012 Instructional Resources and Media Services	3,428,740	3,574,250	3,156,891	417,359
0013 Curriculum and Instructional Staff Development	10,884,041	8,141,426	6,778,183	1,363,243
0021 Instructional Leadership	6,023,670	5,832,509	5,239,566	592,943
0023 School Leadership	25,369,579	29,002,436	28,566,168	436,268
0031 Guidance, Counseling, and Evaluation Services	9,182,934	9,225,089	8,264,331	960,758
0032 Social Work Services	821,870	820,870	695,315	125,555
0033 Health Services	4,607,937	4,666,715	4,508,448	158,267
0034 Student (Pupil) Transportation	11,821,031	13,833,077	12,384,639	1,448,438
0035 Food Services	40,633,655	42,848,054	42,202,061	645,993
0036 Extracurricular Activities	18,576,839	20,174,987	18,925,488	1,249,499
0041 General Administration	12,191,068	11,786,800	11,287,655	499,145
0051 Facilities Maintenance and Operations	49,711,611	55,607,404	52,571,727	3,035,677
0052 Security and Monitoring Services	8,314,036	10,326,550	9,754,193	572,357
0053 Data Processing Services	9,807,074	10,277,992	9,779,306	498,686
0061 Community Services	524,812	524,605	477,289	47,316
Debt Service:				
0071 Principal on Long-Term Liabilities	15,564,650	13,577,402	13,577,401	1
0072 Interest on Long-Term Liabilities	-	1,977,248	1,976,378	870
0073 Bond Issuance Cost and Fees	-	10,000	7,500	2,500
Capital Outlay:				
0081 Facilities Acquisition and Construction	290,000	38,025,962	13,749,628	24,276,334
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	100,000	100,000	1,370	98,630
0099 Other Intergovernmental Charges	1,075,000	1,085,000	1,083,055	1,945
6030 Total Expenditures	462,293,540	521,876,254	469,333,411	52,542,843
1200 Net Change in Fund Balances	(9,685,612)	(64,853,274)	421,811	65,275,085
0100 Fund Balance - July 1 (Beginning)	235,677,651	235,677,651	235,677,651	-
3000 Fund Balance - June 30 (Ending)	\$ 225,992,039	\$ 170,824,377	\$ 236,099,462	\$ 65,275,085

BROWNSVILLE ISD
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2023

	FY 2023 <u>Plan Year 2022</u>	FY 2022 <u>Plan Year 2021</u>	FY 2021 <u>Plan Year 2020</u>
District's Proportion of the Net Pension Liability (Asset)	0.265659506%	0.242772208%	0.255490868%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 157,715,217	\$ 61,825,490	\$ 136,835,696
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	200,654,323	100,308,780	220,314,053
Total	<u>\$ 358,369,540</u>	<u>\$ 162,134,270</u>	<u>\$ 357,149,749</u>
District's Covered Payroll	\$ 309,360,797	\$ 305,066,542	\$ 311,158,550
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	50.98%	20.27%	43.98%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.62%	88.79%	75.54%

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, 2022 for year 2023, August 31, 2021 for year 2022, 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.

<u>FY 2020</u> <u>Plan Year 2019</u>	<u>FY 2019</u> <u>Plan Year 2018</u>	<u>FY 2018</u> <u>Plan Year</u>	<u>FY 2017</u> <u>Plan Year 2016</u>	<u>FY 2016</u> <u>Plan Year 2015</u>	<u>FY 2015</u> <u>Plan Year</u>
0.270356347%	0.274723272%	0.279606459%	0.299623747%	0.3215798%	0.2187937%
\$ 140,539,681	\$ 151,214,356	\$ 89,403,082	\$ 113,223,359	\$ 113,674,179	\$ 58,442,823
217,244,877	238,028,862	149,248,658	189,314,526	185,685,560	161,268,352
<u>\$ 357,784,558</u>	<u>\$ 389,243,218</u>	<u>\$ 238,651,740</u>	<u>\$ 302,537,885</u>	<u>\$ 299,359,739</u>	<u>\$ 219,711,175</u>
\$ 299,897,314	\$ 294,068,154	\$ 297,005,183	\$ 306,121,247	\$ 303,523,981	\$ 300,405,258
46.86%	51.42%	30.10%	36.99%	37.45%	19.45%
75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

BROWNSVILLE ISD
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually Required Contribution	\$ 14,010,835	\$ 12,309,894	\$ 10,345,432
Contribution in Relation to the Contractually Required Contribution	(14,010,835)	(12,309,894)	(10,345,432)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 318,724,612	\$ 310,906,529	\$ 303,089,209
Contributions as a Percentage of Covered Payroll	4.40%	3.96%	3.41%

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.

2020	2019	2018	2017	2016	2015
\$ 10,413,124	\$ 9,336,919	\$ 9,354,668	\$ 9,276,701	\$ 9,555,513	\$ 8,873,119
(10,413,124)	(9,336,919)	(9,354,668)	(9,276,701)	(9,555,513)	(8,873,119)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 311,906,275	\$ 297,341,313	\$ 294,632,402	\$ 299,915,515	\$ 306,661,990	\$ 303,007,890
3.34%	3.14%	3.18%	3.09%	3.12%	2.93%

BROWNSVILLE ISD
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2023

	FY 2023 Plan Year 2022	FY 2022 Plan Year 2021	FY 2021 Plan Year 2020
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.358843601%	0.350448538%	0.37602622%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 85,921,531	\$ 135,183,661	\$ 142,944,547
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	104,810,769	181,115,980	192,083,206
Total	<u>\$ 190,732,300</u>	<u>\$ 316,299,641</u>	<u>\$ 335,027,753</u>
District's Covered Payroll	\$ 310,661,983	\$ 305,066,604	\$ 311,158,550
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	27.66%	44.31%	45.94%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.52%	6.18%	4.99%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. The amounts for FY 2023 are for the measurement date of August 31, 2022. The amounts reported for FY 2022 are for measurement date August 31, 2021. 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 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.

FY 2020 Plan Year		FY 2019 Plan Year		FY 2018 Plan Year	
0.390885212%		0.399702218%		0.407646911%	
\$	184,854,403	\$	199,574,976	\$	177,270,362
245,630,156		233,931,132		214,270,036	
\$	430,484,559	\$	433,506,108	\$	391,540,398
\$	299,897,314	\$	294,068,154	\$	297,005,183
61.64%		67.87%		59.69%	
2.66%		1.57%		0.91%	

BROWNSVILLE ISD
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually Required Contribution	\$ 3,137,102	\$ 2,947,522	\$ 2,544,168
Contribution in Relation to the Contractually Required Contribution	(3,137,102)	(2,947,522)	(2,544,168)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 318,724,612	\$ 312,207,778	\$ 303,089,209
Contributions as a Percentage of Covered Payroll	0.98%	0.94%	0.84%

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.

2020			2019		
2018					
\$	2,862,264	\$	2,749,026	\$	2,669,480
	(2,862,264)		(2,749,026)		(2,669,480)
\$	-	\$	-	\$	-
\$	311,905,275	\$	297,341,313	\$	294,632,892
	0.92%		0.92%		0.91%

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 IX, PART C-EDUCATION FOR THE HOMELESS CHILDREN AND YOUTH (206)

This fund provides additional capacity, promote school stability, facilitate enrollment, identification, attendance, academic and overall outcomes for students experiencing homelessness.

TITLE I, 1003 ESF-FOCUSED SUPPORT GRANT (211-ESF)

To account for funds granted to provide instructional support thru walkthroughs, action planning, building and adding capacity support across ELA and Math

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.

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.

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.

CCRS P-TECH PLANNING & IMPLEMENTATION (244-PTE)

The purpose of this grant is to provide students with a smooth transitional experience to postsecondary and the workforce

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

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

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

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

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

This program supports the creation of community learning centers that provide academic enrichment Opportunities during non-school hours for children, particularly students who attend high poverty and low performing schools

ACE CIS SUMMER PROGRAM (265-CIS)

Funds are to provide support before and after school in academic/enrichment activities and summer program transportation.

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

The intent and purpose of the CARES Act education funding is to prevent, prepare for and respond to the coronavirus.

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

This discretionary grant program is designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education

ARP HOMELESS I-TECHCY SUPPLEMENTAL (278)

This fund provides additional capacity, promote school stability, facilitate enrollment, identification, attendance, academic and overall outcomes for students experiencing homelessness.

ENHANCING EDUCATION THROUGH TECHNOLOGY (ARRA) (279)

To account for funds2888 granted to provide Career and Technical education to develop new and/or improve Career and Technical education

TCLASS – ESSER III (279)

The funds for the CARES Act American Rescue Plan are to be used for Servers for computer labs for Cybersecurity students, also addressing pandemic technology challenges

ARP HOMELESS II (280)

This fund provides additional capacity, promote school stability, facilitate enrollment, identification, attendance, academic and overall outcomes for students experiencing homelessness

CRRSA ESSER II (281)

The funds are to be used to prevent, prepare for and respond to the COVID 19 pandemic, including its impact on the social, emotional, mental health, and needs of students

ARP ESSER III (282)

The intent and purpose of ARP of 2021, ESSER III funding is to help safety reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on students. To provide additional resources to pay for unreimbursed costs during the coronavirus pandemic and for intensive educational supports for students not performing

TCLASS HIGH QUALITY AFTER SCHOOL (282-TCL)

The funds for the CARES Act American Rescue Plan are to be used for Servers for computer labs for Cybersecurity students, also addressing pandemic technology challenges for afterschool tutorials.

IDEA B FORMULA-ARRA (284)

This fund is to be used to support special education for children and youth with disabilities

IDEA B PRESCHOOL ARP (285)

This fund is to be used to support early intervention services preschool children ages three through five.

EDUCATION JOBS FUND (287-TIF)

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.

OPEN OUTDOORS FOR KIDS GRANTS (287-OOK)

This fund is to be used to increase awareness of the causes and lasting consequences of the US Mexican War, convert existing park in person educational programs into virtual and increase park visitations.

COVID19 SCHOOL HEALTH SUPPORT GRANT (287-C19)

Funds are to be used to sustain the safe operation of schools thru the purchase of filters and other pandemic supplies for the prevention COVID 19 pandemic

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

TRI COACHING & PROFESSIONAL DEVELOPMENT (289-TLI)

Funds are used for instructional literacy coaching to implement comprehensive high-quality instructional materials and offer continued teacher implementation support for grades K-5

TRI COACHING & PROFESSIONAL DEVELOPMENT (289-CPD)

Funds are used for instructional literacy coaching to implement comprehensive high-quality instructional materials and offer continued teacher implementation support for grades 6-12

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-ADULT BASIC EDUCATION (TNF)-FEDERAL (312)

To account for funds granted to provide or support program 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-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.

SSA 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, and TEC.

STATE TEXTBOOK FUND (410)

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

DYSLEXIA GRANT (429-054)

The purpose of this grant is to provide startup funding for innovative school level models of instruction that effectively address the educational needs of students with dyslexia

EXPANSION OF DUAL CREDIT FACULTY FOR CCRSM (429-EDC)

The purpose of this grant is to enable CCRSM campuses to partner with colleges and universities to expand the number of educators eligible to teach dual credit to enable high school students to complete an associate degree complete the Texas Cor Curriculum, and/or earn up to 60 hours of college credits toward a baccalaureate degree

JOBS AND EDUCATION FOR TEXAS (429-JET)

The purpose of this program is to provide funding for equipment to eligible education institutions for the purpose of developing career and technical education courses and may include courses offering dual-credit and technical education programs. Equipment funded through JET grants must be used to train students for jobs in high demand occupations.

BLENDED LEARNING GRANT (429-MIZ)

Funds are to support school district and open enrollment charter schools in designing implementing high quality blended learning programs in Math thru Math Innovation Zones and other subject through non math blended learning pilots.

P- TECH SUCCESS GRANT PROGRAM (429-PS2)

Funds will be used for work-based education, to provide students with real-life work experiences where they can apply academic and technical skills and develop employability skills

CCRSM P-ITECH PLANNING & IMPLEMENTATION (429-PTE)

The purpose of this grant is to provide students with a smooth transitional experience to postsecondary and the workforce

SSI-CP COHORT 3 PLANNING YR 1 (429-SSI)

The purpose of this grant is to support significant improvements in educational and developmental outcomes for children and youth to prepare them to receive an excellent education from early learning and progressing to college and a career

SCHOOL SAFETY AND SECURITY GRANT (429-SSS)

TEA will provide funding to public schools, including the School for the Blind and Visually impaired and the school for the Deaf for additional safety and security equipment

TCLASS STATE (429-TCL)

The funds for the CARES Act American Rescue Plan are to be used for Servers for computer labs for Cybersecurity students, also addressing pandemic technology challenges

TEXAS REGIONAL PATHWAYS NETWORK (TRPN) (429-TRP)

This fund is to help students to achieve college and career readiness to earn postsecondary degrees and credentials and align with current and future workforce needs.

SHARED SERVICES ARRANGEMENTS-ADULT BASIC EDUCATION (TNF)-FEDERAL (431)

To account for funds granted to provide or support program 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- 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).

SCHOOL SAFETY STANDARDS (459)

To account for funds granted to provide safety to all students by upgrading and secure fences to all schools, and provide equipment to the police department to secure the safety of all students.

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 ISD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

Data Control Codes		206 ESSA, IX, A Homeless Children Ed.	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	220 Adult Basic Education Federal
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1120	Investments - Current	-	-	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-	-
1240	Due from Other Governments	49,260	6,620,479	261,868	-
1250	Accrued Interest	-	-	-	-
1260	Due from Other Funds	44	4,229,625	-	1,495
1000	Total Assets	<u>\$ 49,304</u>	<u>\$ 10,850,104</u>	<u>\$ 261,868</u>	<u>\$ 1,495</u>
LIABILITIES					
2110	Accounts Payable	\$ 86	\$ 95,737	\$ 333	\$ -
2120	Short Term Debt Payable - Current	-	-	-	-
2160	Accrued Wages Payable	3,969	2,157,521	(19,306)	-
2170	Due to Other Funds	45,249	8,596,846	280,841	1,495
2180	Due to Other Governments	-	-	-	-
2300	Unearned Revenue	-	-	-	-
2000	Total Liabilities	<u>49,304</u>	<u>10,850,104</u>	<u>261,868</u>	<u>1,495</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	-	-	-	-
3600	Unassigned Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 49,304</u>	<u>\$ 10,850,104</u>	<u>\$ 261,868</u>	<u>\$ 1,495</u>

224 IDEA - Part B Formula	225 IDEA - Part B Preschool	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	265 Title IV, B Community Learning	266 ESSER I - Emergency Sch Relief Fund	274 GEAR UP
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,679,946	17,061	59,595	372,593	382,216	456,289	-	437,929
-	-	-	-	-	-	-	-
297,698	14,838	41,579	516,631	230,868	82,353	8,155,537	13,294
<u>\$ 1,977,644</u>	<u>\$ 31,899</u>	<u>\$ 101,174</u>	<u>\$ 889,224</u>	<u>\$ 613,084</u>	<u>\$ 538,642</u>	<u>\$ 8,155,537</u>	<u>\$ 451,223</u>
\$ -	\$ -	\$ 3,882	\$ 8,818	\$ 28,322	\$ 29,078	\$ -	\$ 3,196
-	-	-	-	-	-	-	96
1,146,007	31,366	16,709	308,610	75,419	(6,500)	-	45,377
831,637	533	80,583	571,796	509,343	507,581	8,154,969	401,947
-	-	-	-	-	8,483	568	607
-	-	-	-	-	-	-	-
<u>1,977,644</u>	<u>31,899</u>	<u>101,174</u>	<u>889,224</u>	<u>613,084</u>	<u>538,642</u>	<u>8,155,537</u>	<u>451,223</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,977,644</u>	<u>\$ 31,899</u>	<u>\$ 101,174</u>	<u>\$ 889,224</u>	<u>\$ 613,084</u>	<u>\$ 538,642</u>	<u>\$ 8,155,537</u>	<u>\$ 451,223</u>

BROWNSVILLE ISD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

Data Control Codes		278 ESSER (ARP) Homeless Children	279 ESSER III TCLAS ARP Act	280 ESSER III Homeless Children	281 ESSER II CRRSA Act Supplemental
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1120	Investments - Current	-	-	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-	-
1240	Due from Other Governments	50,189	37,992	61,685	10,066,061
1250	Accrued Interest	-	-	-	-
1260	Due from Other Funds	34	-	35	6,527
1000	Total Assets	<u>\$ 50,223</u>	<u>\$ 37,992</u>	<u>\$ 61,720</u>	<u>\$ 10,072,588</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ -	\$ 14,660	\$ 37,679
2120	Short Term Debt Payable - Current	-	-	-	-
2160	Accrued Wages Payable	8,854	-	6,614	5,034,320
2170	Due to Other Funds	41,369	37,992	40,446	5,000,589
2180	Due to Other Governments	-	-	-	-
2300	Unearned Revenue	-	-	-	-
2000	Total Liabilities	<u>50,223</u>	<u>37,992</u>	<u>61,720</u>	<u>10,072,588</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	-	-	-	-
3600	Unassigned Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 50,223</u>	<u>\$ 37,992</u>	<u>\$ 61,720</u>	<u>\$ 10,072,588</u>

283 ESSER-SUPP	284 IDEA B Formula ARP Act	285 IDEA B Preschool ARP 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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	44,380	969	34,762	235,424	355,302	498,620	50,035
-	-	-	-	-	-	-	-
-	-	-	137	-	74,508	1,708	-
<u>\$ -</u>	<u>\$ 44,380</u>	<u>\$ 969</u>	<u>\$ 34,899</u>	<u>\$ 235,424</u>	<u>\$ 429,810</u>	<u>\$ 500,328</u>	<u>\$ 50,035</u>
\$ -	\$ 15,743	\$ -	\$ -	\$ -	\$ 121,571	\$ 800	\$ -
-	-	-	-	-	-	7,353	-
-	-	-	11,003	-	97,700	75,830	-
-	28,637	966	23,896	235,424	13,069	416,345	50,035
-	-	3	-	-	-	-	-
-	-	-	-	-	197,470	-	-
<u>-</u>	<u>44,380</u>	<u>969</u>	<u>34,899</u>	<u>235,424</u>	<u>429,810</u>	<u>500,328</u>	<u>50,035</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 44,380</u>	<u>\$ 969</u>	<u>\$ 34,899</u>	<u>\$ 235,424</u>	<u>\$ 429,810</u>	<u>\$ 500,328</u>	<u>\$ 50,035</u>

BROWNSVILLE ISD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

Data Control Codes		315 SSA IDEA, Part B Discretionary	340 SSA - IDEA C Deaf - Early Intervention	397 Advanced Placement Incentives	410 State Instructional Materials
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1120	Investments - Current	-	-	-	-
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-	-
1240	Due from Other Governments	21,631	-	4,769	4,337
1250	Accrued Interest	-	-	-	-
1260	Due from Other Funds	28,138	116	198,269	451,376
1000	Total Assets	<u>\$ 49,769</u>	<u>\$ 116</u>	<u>\$ 203,038</u>	<u>\$ 455,713</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ 374,958
2120	Short Term Debt Payable - Current	-	-	-	-
2160	Accrued Wages Payable	47,108	-	-	-
2170	Due to Other Funds	1,213	116	-	-
2180	Due to Other Governments	-	-	-	-
2300	Unearned Revenue	1,448	-	203,038	80,755
2000	Total Liabilities	<u>49,769</u>	<u>116</u>	<u>203,038</u>	<u>455,713</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	-	-	-	-
3600	Unassigned Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 49,769</u>	<u>\$ 116</u>	<u>\$ 203,038</u>	<u>\$ 455,713</u>

EXHIBIT H-1 (Cont'd)

429 Other State Special Revenue Funds	431 SSA - ABE Educational Technology	435 SSA Regional Day School - Deaf	461 Campus Activity Funds	459 Other SSA Special Revenue Funds	496 Musk Foundation	499 Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ 91,537	\$ -	\$ -	\$ -	\$ 91,537
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
811,340	31,065	28,212	-	98,639	-	-	22,772,648
-	-	-	-	-	-	-	-
3,639	-	128,291	-	-	2,166,248	101,417	16,744,405
<u>\$ 814,979</u>	<u>\$ 31,065</u>	<u>\$ 156,503</u>	<u>\$ 91,537</u>	<u>\$ 98,639</u>	<u>\$ 2,166,248</u>	<u>\$ 101,417</u>	<u>\$ 39,608,590</u>
\$ 75,603	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 810,466
71,799	-	-	-	-	-	-	79,248
6,966	10,802	155,174	-	-	-	-	9,213,543
596,165	20,263	1,329	-	98,639	-	75,000	26,664,313
229	-	-	-	-	-	546	10,436
64,217	-	-	-	-	2,166,248	25,871	2,739,047
<u>814,979</u>	<u>31,065</u>	<u>156,503</u>	<u>-</u>	<u>98,639</u>	<u>2,166,248</u>	<u>101,417</u>	<u>39,517,053</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	91,537	-	-	-	91,537
-	-	-	91,537	-	-	-	91,537
<u>\$ 814,979</u>	<u>\$ 31,065</u>	<u>\$ 156,503</u>	<u>\$ 91,537</u>	<u>\$ 98,639</u>	<u>\$ 2,166,248</u>	<u>\$ 101,417</u>	<u>\$ 39,608,590</u>

BROWNSVILLE ISD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

Data Control Codes		511 Debt Service	Total Nonmajor Governmental Funds
ASSETS			
1110	Cash and Cash Equivalents	\$ 762	\$ 92,299
1120	Investments - Current	15,695,742	15,695,742
1220	Property Taxes - Delinquent	958,994	958,994
1230	Allowance for Uncollectible Taxes	(28,770)	(28,770)
1240	Due from Other Governments	-	22,772,648
1250	Accrued Interest	257,879	257,879
1260	Due from Other Funds	61,211	16,805,616
1000	Total Assets	<u>\$ 16,945,818</u>	<u>\$ 56,554,408</u>
LIABILITIES			
2110	Accounts Payable	\$ -	\$ 810,466
2120	Short Term Debt Payable - Current	-	79,248
2160	Accrued Wages Payable	-	9,213,543
2170	Due to Other Funds	-	26,664,313
2180	Due to Other Governments	2,762,311	2,772,747
2300	Unearned Revenue	-	2,739,047
2000	Total Liabilities	<u>2,762,311</u>	<u>42,279,364</u>
DEFERRED INFLOWS OF RESOURCES			
2601	Unavailable Revenue - Property Taxes	772,719	772,719
2600	Total Deferred Inflows of Resources	<u>772,719</u>	<u>772,719</u>
FUND BALANCES			
Restricted Fund Balance:			
3480	Retirement of Long-Term Debt	13,410,788	13,410,788
3600	Unassigned Fund Balance	-	91,537
3000	Total Fund Balances	<u>13,410,788</u>	<u>13,502,325</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 16,945,818</u>	<u>\$ 56,554,408</u>

BROWNSVILLE ISD
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes		206 ESSA, IX, A Homeless Children Ed.	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	220 Adult Basic Education Federal
REVENUES:					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	193,239	29,332,632	419,995	-
5020	Total Revenues	193,239	29,332,632	419,995	-
EXPENDITURES:					
Current:					
0011	Instruction	-	16,191,138	26,616	-
0012	Instructional Resources and Media Services	-	6,063,398	-	-
0013	Curriculum and Instructional Staff Development	-	2,479,017	844	-
0021	Instructional Leadership	-	591,171	325,192	-
0023	School Leadership	-	129,741	-	-
0031	Guidance, Counseling, and Evaluation Services	-	33,986	1,390	-
0032	Social Work Services	-	-	-	-
0033	Health Services	-	1,478,541	-	-
0034	Student (Pupil) Transportation	-	-	-	-
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	20,934	-	-
0052	Security and Monitoring Services	1,770	-	-	-
0053	Data Processing Services	-	-	-	-
0061	Community Services	191,469	2,344,706	65,953	-
Debt Service:					
0071	Principal on Long-Term Liabilities	-	-	-	-
0072	Interest on Long-Term Liabilities	-	-	-	-
0073	Bond Issuance Cost and Fees	-	-	-	-
6030	Total Expenditures	193,239	29,332,632	419,995	-
1200	Net Change in Fund Balance	-	-	-	-
0100	Fund Balance - July 1 (Beginning)	-	-	-	-
3000	Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

224 IDEA - Part B Formula	225 IDEA - Part B Preschool	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	265 Title IV, B Community Learning	266 ESSER 1 - Emergency Sch Relief Fund	274 GEAR UP
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
8,238,601	106,128	712,978	2,268,142	1,654,150	2,079,569	-	801,653
8,238,601	106,128	712,978	2,268,142	1,654,150	2,079,569	-	801,653
6,472,589	106,128	687,205	2,126,214	1,215,413	1,358,303	-	93,627
-	-	-	-	-	-	-	-
-	-	9,154	137,865	345,863	647,273	-	9,290
-	-	-	2,734	40,647	5,199	-	-
-	-	16,619	1,329	-	7,167	-	-
1,766,012	-	-	-	12,240	-	-	698,093
-	-	-	-	-	-	-	-
-	-	-	-	-	5,150	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	540	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	39,447	56,477	-	643
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
8,238,601	106,128	712,978	2,268,142	1,654,150	2,079,569	-	801,653
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BROWNSVILLE ISD
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes		278 ESSER (ARP) Homeless Children	279 ESSER III TCLAS ARP Act	280 ESSER III Homeless Children	281 ESSER II CRRSA Act Supplemental
REVENUES:					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	181,084	91,324	169,035	32,627,015
5020	Total Revenues	181,084	91,324	169,035	32,627,015
EXPENDITURES:					
Current:					
0011	Instruction	21,001	-	5,446	12,212,578
0012	Instructional Resources and Media Services	-	-	-	1,553,308
0013	Curriculum and Instructional Staff Development	-	91,324	-	324,994
0021	Instructional Leadership	-	-	-	35,624
0023	School Leadership	-	-	-	236,157
0031	Guidance, Counseling, and Evaluation Services	119,593	-	74,267	10,509,933
0032	Social Work Services	-	-	-	2,123
0033	Health Services	-	-	-	101,610
0034	Student (Pupil) Transportation	-	-	-	186,761
0036	Extracurricular Activities	-	-	-	26,721
0041	General Administration	-	-	-	59,873
0051	Facilities Maintenance and Operations	-	-	7,160	663,248
0052	Security and Monitoring Services	-	-	-	75,889
0053	Data Processing Services	-	-	-	6,635,016
0061	Community Services	40,490	-	82,162	3,180
Debt Service:					
0071	Principal on Long-Term Liabilities	-	-	-	-
0072	Interest on Long-Term Liabilities	-	-	-	-
0073	Bond Issuance Cost and Fees	-	-	-	-
6030	Total Expenditures	181,084	91,324	169,035	32,627,015
1200	Net Change in Fund Balance	-	-	-	-
0100	Fund Balance - July 1 (Beginning)	-	-	-	-
3000	Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

283	284	285	287	288	289	309	312
ESSER-SUPP	IDEA B	IDEA B	Education	Federal Fund	Other Federal	SSA	SSA - TANF
	Formula	Preschool	Jobs Fund	Special Rev	Special	Adult Basic	Family
	ARP Act	ARP Act		Loc Defined	Revenue Funds	Education	Assistance
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	475,084	12,610	-	2,246	1,087,837	1,570,737	-
-	475,084	12,610	-	2,246	1,087,837	1,570,737	-
-	-	-	-	-	-	-	-
-	475,084	12,610	-	-	599,631	1,292,147	-
-	-	-	-	-	-	-	-
-	-	-	-	-	233,759	34,036	-
-	-	-	-	-	8,979	60,858	-
-	-	-	-	-	-	-	-
-	-	-	-	-	208,921	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,246	-	-	-
-	-	-	-	-	3,998	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	32,549	183,696	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	475,084	12,610	-	2,246	1,087,837	1,570,737	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BROWNSVILLE ISD
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes	315 SSA IDEA, Part B Discretionary	340 SSA - IDEA C Deaf - Early Intervention	397 Advanced Placement Incentives	410 State Instructional Materials
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	427,820
5900 Federal Program Revenues	102,822	275	-	-
5020 Total Revenues	102,822	275	-	427,820
EXPENDITURES:				
Current:				
0011 Instruction	102,822	275	-	427,445
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	-	-	-
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	-	-	-
0032 Social Work Services	-	-	-	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	375
0052 Security and Monitoring Services	-	-	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	-	-	-	-
Debt Service:				
0071 Principal on Long-Term Liabilities	-	-	-	-
0072 Interest on Long-Term Liabilities	-	-	-	-
0073 Bond Issuance Cost and Fees	-	-	-	-
6030 Total Expenditures	102,822	275	-	427,820
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - July 1 (Beginning)	-	-	-	-
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

429 Other State Special Revenue Funds	431 SSA - ABE Educational Technology	435 SSA Regional Day School - Deaf	461 Campus Activity Funds	459 Other SSA Special Revenue Funds	496 Musk Foundation	499 Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ 2,962,081	\$ -	\$ 468,978	\$ 95,223	\$ 3,526,282
2,147,538	-	451,243	-	98,639	-	-	3,125,240
-	-	-	-	-	-	-	82,127,156
2,147,538	-	451,243	2,962,081	98,639	468,978	95,223	88,778,678
1,074,106	-	442,600	-	-	414,256	76,951	45,434,185
62	-	-	-	-	-	9,828	7,626,596
514,397	-	-	-	-	47,222	8,444	4,883,482
35,552	-	-	-	-	-	-	1,105,956
-	-	-	-	330	-	-	391,343
-	-	8,643	-	-	-	-	13,433,078
-	-	-	-	-	-	-	2,123
-	-	-	-	-	-	-	1,585,301
-	-	-	-	-	-	-	186,761
-	-	-	2,893,441	-	-	-	2,920,162
-	-	-	-	-	7,500	-	67,373
81,565	-	-	-	88,729	-	-	864,257
401,354	-	-	-	9,580	-	-	493,131
-	-	-	-	-	-	-	6,635,016
40,502	-	-	-	-	-	-	3,081,274
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,147,538	-	451,243	2,893,441	98,639	468,978	95,223	88,710,038
-	-	-	68,640	-	-	-	68,640
-	-	-	22,897	-	-	-	22,897
\$ -	\$ -	\$ -	\$ 91,537	\$ -	\$ -	\$ -	\$ 91,537

BROWNSVILLE ISD
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes		511 Debt Service	Total Nonmajor Governmental Funds
REVENUES:			
5700	Total Local and Intermediate Sources	\$ 10,677,373	\$ 14,203,655
5800	State Program Revenues	5,726,987	8,852,227
5900	Federal Program Revenues	-	82,127,156
5020	Total Revenues	16,404,360	105,183,038
EXPENDITURES:			
Current:			
0011	Instruction	-	45,434,185
0012	Instructional Resources and Media Services	-	7,626,596
0013	Curriculum and Instructional Staff Development	-	4,883,482
0021	Instructional Leadership	-	1,105,956
0023	School Leadership	-	391,343
0031	Guidance, Counseling, and Evaluation Services	-	13,433,078
0032	Social Work Services	-	2,123
0033	Health Services	-	1,585,301
0034	Student (Pupil) Transportation	-	186,761
0036	Extracurricular Activities	-	2,920,162
0041	General Administration	-	67,373
0051	Facilities Maintenance and Operations	-	864,257
0052	Security and Monitoring Services	-	493,131
0053	Data Processing Services	-	6,635,016
0061	Community Services	-	3,081,274
Debt Service:			
0071	Principal on Long-Term Liabilities	12,795,000	12,795,000
0072	Interest on Long-Term Liabilities	2,622,100	2,622,100
0073	Bond Issuance Cost and Fees	3,500	3,500
6030	Total Expenditures	15,420,600	104,130,638
1200	Net Change in Fund Balance	983,760	1,052,400
0100	Fund Balance - July 1 (Beginning)	12,427,028	12,449,925
3000	Fund Balance - June 30 (Ending)	\$ 13,410,788	\$ 13,502,325

BROWNSVILLE ISD
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 JUNE 30, 2023

	754 Self Funded Insurance BCBS	792 Self Funded Workers' Compensation	Total Internal Service Funds
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 5,346	\$ 795	\$ 6,141
Investments - Current	6,462,885	2,730,818	9,193,703
Other Receivables	1,169	-	1,169
Total Assets	<u>6,469,400</u>	<u>2,731,613</u>	<u>9,201,013</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	1,185,556	222,848	1,408,404
Accrued Expenses	2,171,641	953,160	3,124,801
Total Liabilities	<u>3,357,197</u>	<u>1,176,008</u>	<u>4,533,205</u>
NET POSITION			
Unrestricted Net Position	<u>3,112,203</u>	<u>1,555,605</u>	<u>4,667,808</u>
Total Net Position	<u>\$ 3,112,203</u>	<u>\$ 1,555,605</u>	<u>\$ 4,667,808</u>

BROWNSVILLE ISD
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

	754 Self Funded Insurance BCBS	792 Self Funded Workers' Compensation	Total Internal Service Funds
OPERATING REVENUES:			
Local and Intermediate Sources	\$ 48,851,261	\$ 127,443	\$ 48,978,704
Total Operating Revenues	<u>48,851,261</u>	<u>127,443</u>	<u>48,978,704</u>
OPERATING EXPENSES:			
Payroll Costs	972	-	972
Supplies and Materials	43,053	-	43,053
Other Operating Costs	<u>47,277,370</u>	<u>1,955,031</u>	<u>49,232,401</u>
Total Operating Expenses	<u>47,321,395</u>	<u>1,955,031</u>	<u>49,276,426</u>
Operating Income (Loss)	1,529,866	(1,827,588)	(297,722)
Total Net Position - July 1 (Beginning)	3,240,482	3,383,193	6,623,675
Prior Period Adjustment	<u>(1,658,145)</u>	<u>-</u>	<u>(1,658,145)</u>
Total Net Position - June 30 (Ending)	<u><u>\$ 3,112,203</u></u>	<u><u>\$ 1,555,605</u></u>	<u><u>\$ 4,667,808</u></u>

BROWNSVILLE ISD
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

	754 Self Funded Insurance BCBS	792 Self Funded Workers' Compensation	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>			
Cash Payments to Employees for Services	\$ 54,763,377	\$ 1,504,308	\$ 56,267,685
Cash Payments for Insurance Claims	(54,785,287)	(2,498,094)	(57,283,381)
Net Cash Used For Operating Activities	(21,910)	(993,786)	(1,015,696)
Net Decrease in Cash and Cash Equivalents	(21,910)	(993,786)	(1,015,696)
Cash and Cash Equivalents at Beginning of Year	27,256	994,581	1,021,837
Cash and Cash Equivalents at End of Year	\$ 5,346	\$ 795	\$ 6,141
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Used for Operating Activities:</u>			
Operating Income (Loss):	\$ 1,529,866	\$ (1,827,588)	\$ (297,722)
Effect of Increases and Decreases in Current			
Assets and Liabilities:			
Decrease (increase) in Current Investments	(3,834,938)	396,037	(3,438,901)
Decrease (increase) in Due from Other Funds	10,709,012	-	10,709,012
Increase (decrease) in Accounts Payable	507,686	111,603	619,289
Increase (decrease) in Due to Other Funds	(2,785,446)	-	(2,785,446)
Increase (decrease) in Accrued Expenses	(6,148,090)	326,162	(5,821,928)
Net Cash Used for Operating			
Activities	\$ (21,910)	\$ (993,786)	\$ (1,015,696)

BROWNSVILLE ISD
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2023

	865 Custodial Fund Student Activity Acct	893 Student Activity Funds	899 Centennial Foundation Corp	Total Custodial Funds
ASSETS				
Cash and Cash Equivalents	\$ 1,368,207	\$ -	\$ 1,017	\$ 1,369,224
Total Assets	<u>1,368,207</u>	<u>-</u>	<u>1,017</u>	<u>1,369,224</u>
LIABILITIES				
Accrued Expenses	-	-	1,000	1,000
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
NET POSITION				
Net Investment in Capital Assets	1,351,814	-	-	1,351,814
Unrestricted Net Position	16,393	-	17	16,410
Total Net Position	<u>\$ 1,368,207</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ 1,368,224</u>

BROWNSVILLE ISD
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 FOR FISCAL YEAR 2023

	865 Custodial Fund Student Activity Acct	893 Student Activity Funds	899 Centennial Foundation Corp	Total Total Custodial Funds
ADDITIONS:				
Miscellaneous Revenue - Student Activities	\$ 1,975,453	\$ -	\$ -	\$ 1,975,453
Earnings from Temporary Deposits	-	665	17	682
Total Additions	<u>1,975,453</u>	<u>665</u>	<u>17</u>	<u>1,976,135</u>
DEDUCTIONS:				
Payroll Costs	1,537	-	-	1,537
Professional and Contracted Services	68,602	-	-	68,602
Other Deductions	<u>1,888,921</u>	<u>665</u>	<u>-</u>	<u>1,889,586</u>
Total Deductions	<u>1,959,060</u>	<u>665</u>	<u>-</u>	<u>1,959,725</u>
Change in Net Position	16,393	-	17	16,410
Net Position -July 1 (Beginning)	<u>1,351,814</u>	<u>-</u>	<u>-</u>	<u>1,351,814</u>
Net Position June 30 (Ending)	<u>\$ 1,368,207</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ 1,368,224</u>

BROWNSVILLE ISD
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2023

	810 Crimestoppers	816 Johnny & Nena Cavazos Athletic Fund	820 BISD Best Choice	821 Regional Tournaments
ASSETS				
Cash and Cash Equivalents	\$ 997	\$ -	\$ 41,455	\$ 3,430
Other Receivables	-	-	-	-
Total Assets	<u>997</u>	<u>-</u>	<u>41,455</u>	<u>3,430</u>
LIABILITIES				
Accounts Payable	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	980	-	41,267	2,694
Unrestricted Net Position	17	153	188	736
Total Net Position	<u>\$ 997</u>	<u>\$ 153</u>	<u>\$ 41,455</u>	<u>\$ 3,430</u>

822 Mile of Hope	827 Student Ambassador Program	828 Filemon Vela Memorial Scholarship	829 Superintenden Scholarship Fund	Total Private Purpose Trust Funds
\$ 70,742	\$ 5	\$ 6,232	\$ 36,250	\$ 159,111
-	-	-	1	1
<u>70,742</u>	<u>5</u>	<u>6,232</u>	<u>36,251</u>	<u>159,112</u>
1	-	-	1	2
-	-	-	15,609	15,609
<u>1</u>	<u>-</u>	<u>-</u>	<u>15,610</u>	<u>15,611</u>
65,910	-	6,127	35,319	152,297
4,831	5	105	(14,678)	(8,643)
<u>\$ 70,741</u>	<u>\$ 5</u>	<u>\$ 6,232</u>	<u>\$ 20,641</u>	<u>\$ 143,654</u>

BROWNSVILLE ISD
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PRIVATE PURPOSE TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

	810 Crimestoppers	816 Johnny & Nena Cavazos Athletic Fund	820 BISD Best Choice	821 Regional Tournaments
ADDITIONS:				
Earnings from Temporary Deposits	\$ 17	\$ 1	\$ 707	\$ 46
Miscellaneous Additions	-	-	-	14,906
Total Additions	17	1	707	14,952
DEDUCTIONS:				
Payroll Costs	-	-	-	2,880
Professional and Contracted Services	-	-	-	7,216
Supplies and Materials	-	-	-	-
Other Deductions	-	-	519	4,120
Total Deductions	-	-	519	14,216
Change in Net Position	17	1	188	736
Net Position -July 1 (Beginning)	980	153	41,267	2,694
Net Position June 30 (Ending)	\$ 997	\$ 154	\$ 41,455	\$ 3,430

822 Mile of Hope	827 Student Ambassador Program	828 Filemon Vela Memorial Scholarship	829 Superintenden Scholarship Fund	Total Private Purpose Trust Funds
\$ 1,185	\$ 5	\$ 105	\$ 1,239	\$ 3,305
5,646	-	-	137,229	157,781
6,831	5	105	138,468	161,086
-	-	-	-	2,880
-	-	-	144	7,360
-	-	-	1,282	1,282
2,000	-	-	151,720	158,359
2,000	-	-	153,146	169,881
4,831	5	105	(14,678)	(8,795)
65,910	-	6,127	35,319	152,450
\$ 70,741	\$ 5	\$ 6,232	\$ 20,641	\$ 143,655

BROWNSVILLE ISD
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FISCAL YEAR ENDED JUNE 30, 2023

Last 10 Years	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2014 and prior years	Various	Various	\$ Various
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	1.025400	0.150472	6,358,426,031
2022	1.039300	0.135700	6,890,412,969
2023 (School year under audit)	1.056800	0.151890	6,980,445,827
1000 TOTALS			
8000 Total Taxes Refunded Under Section 26.115, Tax Code			

(10) Beginning Balance 7/1/2022	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2023
\$ 1,522,374	\$ -	\$ 91,503	\$ 6,357	\$ (88,400)	\$ 1,336,114
253,971	-	19,989	2,031	(980)	230,971
254,324	-	26,501	-	(850)	226,973
262,943	-	34,046	-	(814)	228,083
358,010	-	71,805	7,009	2,639	281,835
470,600	-	121,620	11,872	67,209	404,317
706,548	-	239,771	29,423	19,925	457,279
1,049,100	-	420,365	61,686	29,861	596,910
3,651,094	-	2,260,815	295,192	71,105	1,166,192
-	84,576,895	70,219,192	10,092,350	(17,195)	4,248,158
<u>\$ 8,528,964</u>	<u>\$ 84,576,895</u>	<u>\$ 73,505,607</u>	<u>\$ 10,505,920</u>	<u>\$ 82,500</u>	<u>\$ 9,176,832</u>
		<u>\$ 1,232,589</u>			

BROWNSVILLE ISD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED JUNE 30, 2023

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	\$ 690,000	\$ 690,000	\$ 1,279,532	\$ 589,532
5800	State Program Revenues	200,000	200,000	119,230	(80,770)
5900	Federal Program Revenues	38,787,155	40,671,740	39,578,824	(1,092,916)
5020	Total Revenues	39,677,155	41,561,740	40,977,586	(584,154)
EXPENDITURES:					
Current:					
0035	Food Services	39,664,655	41,877,297	41,238,805	638,492
0051	Facilities Maintenance and Operations	12,500	-	-	-
6030	Total Expenditures	39,677,155	41,877,297	41,238,805	638,492
1200	Net Change in Fund Balances	-	(315,557)	(261,219)	54,338
0100	Fund Balance - July 1 (Beginning)	10,098,703	10,098,703	10,098,703	-
3000	Fund Balance - June 30 (Ending)	\$ 10,098,703	\$ 9,783,146	\$ 9,837,484	\$ 54,338

BROWNSVILLE ISD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2023

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	\$ 10,041,141	\$ 10,041,141	\$ 10,677,373	\$ 636,232
5800 State Program Revenues	5,380,959	5,380,959	5,726,987	346,028
5020 Total Revenues	15,422,100	15,422,100	16,404,360	982,260
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Liabilities	15,422,100	12,795,000	12,795,000	-
0072 Interest on Long-Term Liabilities	-	2,622,100	2,622,100	-
0073 Bond Issuance Cost and Fees	-	5,000	3,500	1,500
6030 Total Expenditures	15,422,100	15,422,100	15,420,600	1,500
1200 Net Change in Fund Balances	-	-	983,760	983,760
0100 Fund Balance - July 1 (Beginning)	12,427,028	12,427,028	12,427,028	-
3000 Fund Balance - June 30 (Ending)	\$ 12,427,028	\$ 12,427,028	\$ 13,410,788	\$ 983,760

BROWNSVILLE ISD
USE OF FUNDS REPORT - SELECT STATE ALLOTMENT PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2023

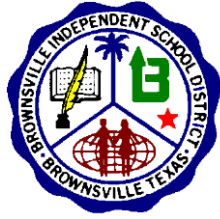
Section A: Compensatory Education Programs

AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$53,846,386
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year.	\$25,647,297

Section B: Bilingual Education Programs

AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$7,818,824
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year.	\$4,752,077

STATISTICAL SECTION



Government-Wide Information

SCHEDULE 1
BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT

LAST TEN YEARS

(Unaudited)

	Fiscal Year			
	2014	2015	2016	2017
Governmental Activities				
Net Investments in Capital Assets	\$ 245,196,911	\$ 241,038,741	\$ 242,011,460	\$ 250,292,029
Restricted	31,502,648	36,394,229	27,924,319	27,287,962
Unrestricted	78,378,086	24,425,409	52,915,830	45,017,349
Total Net Position	<u>\$ 355,077,645</u>	<u>\$ 301,858,379</u>	<u>\$ 322,851,609</u>	<u>\$ 322,597,340</u>

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

2018	2019	2020	2021	2022	2023
\$ 242,478,407	\$ 244,779,566	\$ 264,940,716	\$ 290,684,615	\$ 308,706,670	\$ 342,774,740
27,752,414	28,364,878	28,950,080	31,166,205	26,576,300	31,177,384
(178,492,441)	(156,571,626)	(184,116,987)	(170,888,111)	(108,755,499)	(96,049,754)
\$ 91,738,380	\$ 116,572,818	\$ 109,773,809	\$ 150,962,709	\$ 226,527,471	\$ 277,902,370

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

LAST TEN YEARS

(Unaudited)

	Fiscal Year			
	2014	2015	2016	2017
Expenses				
Governmental Activities:				
11 Instruction	\$ 266,811,175	\$ 269,621,870	\$ 287,873,697	\$ 278,511,438
12 Instructional Resources & Media Services	8,638,437	8,524,749	11,059,978	9,016,634
13 Curriculum & Staff Development	16,609,958	16,372,545	18,957,388	15,575,422
21 Instructional Leadership	8,628,654	9,441,697	9,925,641	7,337,758
23 School Leadership	26,274,889	24,656,388	26,546,046	26,088,958
31 Guidance, Counseling & Evaluation Services	19,030,826	19,622,388	21,524,208	21,174,072
32 Social Work Services	1,077,700	888,315	616,251	655,648
33 Health Services	5,735,067	5,957,244	6,549,128	6,328,533
34 Student (Pupil) Transportation	14,171,985	12,081,900	12,450,463	12,847,622
35 Food Services	34,282,243	36,715,450	42,353,653	39,523,074
36 Cocurricular/Extracurricular Activities	16,364,024	16,421,932	17,243,179	17,268,627
41 General Administration	12,286,474	10,962,498	16,528,266	18,027,037
51 Plant Maintenance & Operations	48,694,091	51,688,106	55,522,684	53,015,451
52 Security & Monitoring Services	6,813,018	6,321,054	6,982,218	7,041,332
53 Data Processing Services	6,786,646	6,355,529	8,552,804	9,755,101
61 Community Services	4,084,484	3,403,224	3,076,921	3,436,211
72 Debt Service - Interest on Long-Term Debt	6,672,801	8,134,579	7,372,455	7,040,836
73 Debt Service - Bond Issuance Cost & Fees	9,225	424,851	10,305	10,750
Facilities Acquisition & Construction	-	-	-	-
81 Capital Outlay	-	-	-	-
95 Payments to Juvenile Justice Alternative Ed. Prg.	85,173	36,656	10,842	54,762
99 Other Intergovernmental Charges	497,968	683,723	703,868	692,050
Total Governmental Activities	503,554,838	508,314,698	553,859,995	533,401,316
Program Revenues				
Charges for Services				
Instruction	1,462,492	1,152,958	881,329	627,368
Instructional Resources & Media Services	-	-	148,493	-
Curriculum & Staff Development	-	-	-	51,749
Instructional Leadership	-	-	-	51,749
School Leadership	-	-	-	-
Guidance, Counseling & Evaluation Services	-	-	-	-
Social Work Services	-	-	-	-
Health Services	-	-	-	-
Student (Pupil) Transportation	-	-	-	51,749
Food Services	1,378,468	1,012,548	1,335,619	1,015,698
Extracurricular Activities	452,846	457,270	657,785	702,960
General Administration	-	1,314,255	296,986	310,493
Facilities Maintenance & Operations	-	-	5,345,744	983,226
Security & Monitoring Services	-	-	-	-
Data Processing Services	-	-	7,721,630	3,001,428
Community Services	121,786	38,034	327,820	175,027
Debt Service - Interest on Long Term Debt	-	-	-	-
Debt Service - Bond Issuance Cost & Fees	-	-	-	-
Facilities Acquisition & Construction	-	-	-	-
Operating Grants and Contributions	123,197,536	112,183,338	111,274,366	98,077,724
Total governmental Activities				
Program Revenues	126,613,128	116,158,403	127,989,772	105,049,171
Net Governmental Activities				
Revenue/(Expense)	\$ (376,941,710)	\$ (392,156,295)	\$ (425,870,223)	\$ (428,352,145)

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

	2018		2019		2020		2021		2022		2023
\$	182,103,482	\$	271,410,031	\$	313,169,173	\$	292,765,075	\$	278,182,606	\$	281,496,134
	6,221,852		10,124,421		13,855,982		11,996,222		10,380,485		10,556,692
	8,653,579		12,371,030		16,667,811		15,280,538		16,615,066		13,314,912
	4,622,505		6,843,445		8,173,785		7,468,197		6,673,091		7,082,215
	17,686,003		26,022,856		30,612,109		27,542,917		25,529,131		28,388,528
	13,398,951		21,806,268		24,574,084		22,499,817		20,178,521		21,146,220
	597,763		659,409		957,825		927,732		850,716		721,651
	4,762,955		6,274,127		7,102,036		6,412,782		6,831,093		5,982,017
	9,608,687		12,565,355		12,471,780		11,602,582		11,794,285		12,655,823
	27,141,885		37,828,274		38,290,202		30,645,191		37,403,371		41,817,069
	13,882,079		16,711,178		17,244,449		14,661,775		20,245,334		21,633,357
	13,834,611		25,380,642		6,799,545		14,282,617		17,514,167		11,946,147
	45,423,458		47,051,437		52,422,138		53,107,673		51,121,223		55,248,285
	5,248,861		7,997,248		9,005,516		8,210,931		8,248,691		9,416,601
	9,046,205		6,879,860		7,245,329		7,332,782		12,422,284		19,140,034
	2,340,438		3,440,450		4,942,845		3,654,423		3,288,986		3,495,753
	7,553,530		4,138,014		7,017,649		5,399,155		4,623,148		3,676,337
	618,078		10,750		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	24,588		31,144		23,834		-		5,373		1,370
	806,984		876,102		912,874		935,945		990,482		1,083,055
	373,576,494		518,422,041		571,488,966		534,726,354		532,898,053		548,802,200
	660,519		297,015		754,476		383,600		769,497		543,612
	52,943		201,605		-		199,499		374,074		339,168
	-		273,606		10,805		-		-		-
	-		-		-		-		-		-
	52,943		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		230,405		-		-		-		-
	-		-		10,805		9,975		-		-
	960,346		1,058,486		620,557		98,639		325,245		1,370,543
	667,003		516,806		229,278		90,251		2,111,657		3,076,148
	330,893		-		108,045		9,975		-		-
	52,943		144,003		183,677		109,724		-		1,921,952
	-		-		10,805		-		-		-
	52,943		115,203		-		319,198		276,490		301,483
	119,053		213,539		200,100		350,467		647,301		450,749
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	18,573,532		76,466,939		96,636,967		103,188,685		182,526,848		164,937,609
	21,523,118		79,517,607		98,765,515		104,760,013		187,031,112		172,941,264
\$	(352,053,376)	\$	(438,904,434)	\$	(472,723,451)	\$	(429,966,341)	\$	(345,866,941)	\$	(375,860,936)

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

LAST TEN YEARS

(Unaudited)

	Fiscal Year			
	2013	2014	2015	2016
Net Governmental Activities Revenue /(Expense)	\$ (381,542,355)	\$ (376,941,710)	\$ (392,156,295)	\$ (425,870,223)
General Revenues:				
Property Taxes -General	51,667,559	54,502,908	55,754,451	60,003,866
Property Taxes - Debt Service	3,628,836	5,232,438	5,564,404	324,381
State Aid	274,519,456	302,120,081	301,400,912	339,056,325
Grants & Contributions not Restricted	41,819,943	23,079,786	35,977,053	32,345,650
Investment Earnings	255,274	113,084	151,314	483,591
Miscellaneous	1,256,425	1,083,375	5,044,713	780,304
Total General Revenues	373,147,493	386,131,672	403,892,847	432,994,117
Special and Extraordinary Item-Resource:				
Special Item	-	-	-	-
Special - (Use)	-	-	-	-
Extraordinary Item - resource	-	-	-	-
Total Special and Extraordinary Item-Resource	-	-	-	-
Change in Net Position	\$ (8,394,862)	\$ 9,189,962	\$ 11,736,552	\$ 7,123,894

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

2017	2018	2019	2020	2021	2022	2023
\$ (428,352,145)	\$ (352,053,376)	\$ (438,904,434)	\$ (472,723,451)	\$ (429,966,341)	\$ (345,866,941)	\$ (375,860,936)
61,915,126	64,271,317	65,415,281	63,999,050	64,572,741	69,580,973	74,947,080
107,373	5,899,596	6,252,570	7,652,219	9,433,456	10,073,569	9,593,522
322,099,125	325,928,319	327,749,035	341,577,353	350,739,545	321,587,567	294,323,911
34,993,209	33,229,095	58,482,078	61,319,514	43,521,015	22,432,141	38,950,078
1,452,734	2,942,963	5,345,300	3,691,478	477,078	465,132	9,455,352
597,581	105,940	494,608	1,813,409	1,996,279	(3,881,810)	235,266
421,165,148	432,377,230	463,738,872	480,053,023	470,740,114	420,257,572	427,505,209
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ (7,186,997)	\$ 80,323,854	\$ 24,834,438	\$ 7,329,572	\$ 40,773,773	\$ 74,390,631	\$ 51,644,273



Fund Information

SCHEDULE 4
BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN YEARS

(Unaudited)

	2014	2015	2016	2017
General Fund				
Nonspendable Fund Balances:				
Inventories	\$ 3,834,039	\$ 3,725,535	\$ 4,635,881	\$ 4,402,682
Restricted Fund Balances:				
Federal or State Funds Grant Restriction	24,380,252	24,575,107	18,942,877	18,104,266
Retirement of Long Term Debt	-	5,000,000	-	-
Regional School for the Deaf	246,734	218,038	139,669	43,855
Committed Fund Balances:				
Construction	1,170,648	6,392,528	5,834,327	3,138,904
Capital Outlay & Supplies	1,659,405	2,369,146	5,589,167	3,743,744
Assigned Fund Balance:				
Construction	-	-	18,252,345	22,271,058
Repairs, Maintenance & Other	3,283,320	3,304,675	7,819,744	11,282,089
Unassigned Fund Balance	62,776,227	66,871,373	69,346,794	75,436,502
Total General Fund Balance	97,350,625	112,456,402	130,560,803	138,423,100
All Other Governmental Funds				
Restricted Fund Balances:				
Capital Acquisition and Contractual Obligation	6,281,065	5,543,109	-	-
Retirement of Long Term Debt	841,331	1,276,013	8,981,442	9,183,696
Other Restricted Fund Balance	-	-	-	-
Committed Fund Balances:				
Construction	-	-	-	-
Unassigned Fund Balance	-	-	-	-
Total All Other Governmental Fund Balances	7,122,396	6,819,122	8,981,442	9,183,696
Total Government Funds - Fund Balance	\$ 104,473,021	\$ 119,275,524	\$ 139,542,245	\$ 147,606,796
Government Funds				
Beginning Fund Balance	\$ 108,179,483	\$ 104,473,021	\$ 119,275,524	\$ 139,542,245
Net Change in Fund Balance	(3,706,462)	14,802,503	20,266,721	8,064,551
Ending Balance	\$ 104,473,021	\$ 119,275,524	\$ 139,542,245	\$ 147,606,796

Source: The District's Governmental Funds Balance Sheets (Exhibit C-1) and Combined Statements of Revenues, Expenditures and Changes in Fund Balances (Exhibit C-3).

	2018	2019	2020	2021	2022	2023
\$	4,225,941	\$ 4,209,382	\$ 4,150,181	\$ 5,546,133	\$ 6,086,709	\$ 5,199,139
	18,254,341	18,111,339	11,347,593	18,646,880	13,801,697	17,511,098
	-	-	-	-	-	-
	57,536	131,771	221,822	356,414	347,575	255,498
	71,785,833	49,894,741	19,338,622	9,792,517	14,302,986	12,971,899
	3,425,057	1,675,133	5,708,959	4,689,383	2,841,075	1,273,698
	24,358,270	32,669,491	33,452,290	36,214,195	26,099,905	21,043,108
	14,815,494	11,288,505	23,287,298	22,909,360	39,997,471	46,740,843
	79,109,837	83,615,674	87,745,137	105,777,890	132,200,233	131,104,179
	216,032,309	201,596,036	185,251,902	203,932,772	235,677,651	236,099,462
	-	-	-	-	-	-
	9,498,073	10,253,539	11,122,738	12,519,325	12,427,028	13,410,788
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	22,897	91,537
	9,498,073	10,253,539	11,122,738	12,519,325	12,449,925	13,502,325
\$	225,530,382	\$ 211,849,575	\$ 196,374,640	\$ 216,452,097	\$ 248,127,576	\$ 249,601,787
\$	147,606,796	\$ 225,530,382	\$ 211,849,575	\$ 196,374,640	\$ 216,452,097	\$ 248,127,576
	77,923,586	(13,680,807)	(15,474,935)	20,077,457	31,675,479	1,474,211
\$	225,530,382	\$ 211,849,575	\$ 196,374,640	\$ 216,452,097	\$ 248,127,576	\$ 249,601,787

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		
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	11,086,995	110,314,091	571,812,285
2022	77,968,078	320,150	8,119,927	321,587,567	18,984,898	10,654,916	195,598,258	633,233,795
2023	82,482,404	317,500	18,905,898	294,323,911	18,542,928	18,019,177	182,333,602	614,925,419

Source: The District's Governmental Funds Statements of Revenues, Expenditures, and Changes in Fund Balances (Exhibit C-3) 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
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
2022	325,426,680	34,249,258	103,805,150	22,185,004	75,017,104	3,477,321
2023	311,068,554	36,065,029	105,593,501	11,490,863	89,498,078	3,565,255

Source: The District's Annual Comprehensive Financial Report - Governmental Funds Statements of Revenues, Fund Expenditures, and Changes in Balances (Exhibit C-3).

Note: Operating expenditures used to compute the debt service ratio excludes the total Capital Outlay of \$32,885,565, which is the acquisition of capital assets.

	Debt Service Principal	Debt Service Interest and Other	Capital Outlay	Inter- Governmental Charges	Total Governmental Fund Expenditures	Ratio of Debt Service to Noncapital Expenditures
\$	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	5.93%
	26,382,316	5,598,580	8,031,986	995,855	605,169,254	5.44%
	26,372,401	4,609,478	24,103,624	1,084,425	613,451,208	5.34%

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

LAST TEN YEARS

(Unaudited)

	2014	2015	2016	2017
Excess of Revenues Over (Under) Expenditures	\$ 3,708,654	\$ 8,441,025	\$ 18,754,011	\$ 1,221,302
Other Financing Sources (Uses)				
Issuance of Bonds	-	13,895,000	-	-
Capital-Related Debt Issued	-	-	-	2,249,419
Sale of Real and Personal Property	-	-	-	-
Right-to-Use Leases	-	-	-	-
Non-Current Loans	-	-	-	-
Transfers In	3,000,000	3,000,000	22,386,086	10,988,211
Premium or Discount on Issuance of Bonds	-	875,136	-	-
Other Resources	-	-	-	-
Transfers Out	(3,000,000)	(3,000,000)	(22,386,086)	(10,988,211)
Other Uses	-	(10,665,750)	-	-
Total Other Financing Sources (Uses)	-	4,104,386	-	2,249,419
Special Items	-	-	-	-
Net Change in Fund Balances	\$ 3,708,654	\$ 12,545,411	\$ 18,754,011	\$ 3,470,721

Source: The District's Governmental Funds Balance Sheet and Combined Statements of Revenues
Expenditures and Changes in Fund Balance (Exhibit C-3).

2018	2019	2020	2021	2022	2023
\$ 24,614,092	\$ (3,492,711)	\$ (15,474,936)	\$ 19,552,907	\$ 28,064,541	\$ 1,474,211
54,370,000	-	-	-	-	-
-	-	-	44,790,000	-	-
-	-	-	-	-	-
-	-	-	-	2,188,940	-
-	3,485,908	-	-	-	-
1,113,127	1,251,372	-	-	-	-
4,439,863	-	-	6,422,259	-	-
-	-	-	-	-	-
(1,113,127)	(14,925,375)	-	-	-	-
(5,500,369)	-	-	(50,687,709)	-	-
53,309,494	(10,188,095)	-	524,550.00	2,188,940.00	-
-	-	-	-	-	-
\$ 77,923,586	\$ (13,680,806)	\$ (15,474,936)	\$ 20,077,457	\$ 30,253,481	\$ 1,474,211

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
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
2022	34,610	9,403	990	2,999	641	2,167
2023	32,428	9,593	1,112	3,256	354	2,760

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
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
100	762	162	232	29	17,485
110	813	142	743	33	18,917



Revenue Capacity Information

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			
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
2022	6,125,587,945	764,825,024	6,890,412,969	9,496,256,218	72.56%	1.175000
2023	6,080,299,197	900,146,630	6,980,445,827	10,173,784,574	68.61%	1.208690

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			Amount	Percentage of Levy
2014	\$ 60,188,474	\$ 55,499,749	92.21%	\$ 3,900,977	\$ 59,400,726	98.69%
2015	61,793,473	57,727,162	93.42%	3,565,621	61,292,782	99.19%
2016	59,728,676	56,897,913	95.26%	3,709,211	60,607,124	101.47%
2017	62,358,030	58,215,304	93.36%	3,717,816	61,933,120	99.32%
2018	70,330,581	65,564,161	93.22%	3,854,158	69,418,319	98.70%
2019	72,811,142	67,782,029	93.09%	3,919,681	71,701,709	98.48%
2020	73,467,340	68,910,148	93.80%	3,290,236	72,200,384	98.28%
2021	73,331,821	72,935,383	99.46%	1,973,489	74,908,872	102.15%
2022	80,165,874	75,354,890	94.00%	2,144,981	77,499,871	96.67%
2023	84,576,895	79,455,312	93.94%	-	79,455,312	93.94%

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
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
2022	1.039300	0.135700	1.175000	70,907,565	9,258,309	80,165,874
2023	1.056800	0.151890	1.208690	73,948,540	10,628,356	84,576,895

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	
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
2022	2021	1.175000	0.049200	0.697113	0.029955	0.436893	0.033500	0.154635	2.576296
2023	2022	1.208690	0.049200	0.691919	0.029658	0.436893	0.032377	0.144916	2.593653

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 2023		Fiscal Year 2014	
		Tax Year 2022	Total Assessed Valuation	Tax Year 2013	Total Assessed Valuation
		Assessed Valuation		Assessed Valuation	
Wal-Mart Stores Inc.	Retail Store	\$ 68,787,089	0.99%	\$ 15,997,895	0.30%
CBL SM BROWNSVILLE LLC	Real Estate/Shopping Mall	42,317,255	0.61%	40,644,958	0.76%
AEP Texas INC	Utilities	29,549,155	0.42%	16,330,481	0.30%
Sharyland Utilities LP	Utilities	28,849,350	0.41%	-	0.00%
Columbia Valley Healthcare Sys LP	Hospital	26,917,657	0.39%	29,319,090	0.55%
VHS Brownsville Hospital Company LLC	Hospital	26,091,179	0.37%	29,197,693	0.54%
Brownsville Portfolio LLC	Agent Solutions	22,739,159	0.33%	-	
Rich-Seapak Corp.	Retail Store	21,247,034	0.30%	15,461,629	0.29%
KIMCO Brownsville LP	Land/Improvements	21,125,227	0.30%	16,630,425	
H E Butt Grocery Co	Utilities	19,038,979	0.27%	14,921,067	
		-			
Wal-Mart Real Estate Business TR	Real Estate/Retail Store	-		22,422,227	0.42%
Comcast Corporation	Telecommunications			60,504,605	1.13%
Totals		<u>\$ 306,662,084</u>	4.39%	<u>\$ 261,430,070</u>	4.28%

Source: Cameron Appraisal District



Debt Capacity Information

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.	Leases	Total Debt	Ratio of Total Debt to Estimated Actual Property Value	Total Debt Per Average Daily Membership
2014	\$ 10,725,000	\$ 142,605,000	\$ 3,045,000	\$ 31,885,000	\$ -	\$ -	\$ 188,260,000	2.88%	3813
2015	5,490,000	138,460,000	5,925,000	29,595,000	-	-	179,470,000	2.67%	3709
2016	-	134,155,000	5,180,000	27,060,000	-	-	166,395,000	2.46%	3485
2017	-	124,000,000	4,405,000	24,640,000	18,055,689	1,783,231	172,883,920	2.46%	3688
2018	-	114,670,000	52,740,000	22,068,000	16,768,615	1,351,812	207,598,427	2.90%	4555
2019	-	105,410,000	48,440,000	19,369,200	13,910,260	3,659,391	190,788,851	2.57%	4297
2020	-	94,190,000	39,655,000	16,870,400	11,933,737	2,552,317	165,201,454	2.09%	3839
2021	-	81,705,000	30,515,000	14,371,600	11,905,630	1,419,900	139,917,130	1.58%	3385
2022	-	69,480,000	20,005,000	11,872,800	9,033,707	7,646,763	118,038,270	1.24%	2935
2023	-	56,685,000	10,070,000	9,374,000	6,202,075	8,289,805	90,620,880	0.89%	2391

Source: Brownsville Independent School District Annual Financial and Compliance Reports

SCHEDULE 15
DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION BONDS

As of June 30, 2023

(Unaudited)

Political Subdivision	Net Debt Amounts		As of	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
City of Brownsville	\$ 161,442,000	*	6/30/2023	86.57%	\$ 139,760,339
Cameron County	200,945,000	*	6/30/2023	35.66%	71,656,987
Paseo De La Resaca MUD #1	2,016,670	*	6/30/2023	100.00%	2,016,670
Paseo De La Resaca MUD #2	3,429,400	*	6/30/2023	100.00%	3,429,400
Paseo De La Resaca MUD #3	3,178,930	*	6/30/2023	100.00%	3,178,930
Rancho Viejo, Town of	2,657,000	*	6/30/2023	60.37%	1,604,031
Texas Southmost College	22,425,000	*	6/30/2023	53.16%	11,921,130
Valley MUD #2	7,075,000	*	6/30/2023	71.21%	5,038,108
Total Overlapping Debt:					<u>238,605,595</u>
Brownsville ISD			6/30/2023		<u>66,755,000</u>
Total Direct and Overlapping Debt:					<u>\$ 305,360,595</u>

Total Direct and Overlapping Debt % of A.V.:	4.58%
Total Direct and Overlapping Debt per Capita:	1,790

*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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Assessed Valuation	\$ 5,373,232,460	\$ 5,501,477,818	\$ 5,287,358,457	\$ 5,506,653,073	\$ 5,673,933,416	\$ 5,877,214,172	\$ 6,309,147,101	\$ 6,358,426,031	\$ 6,890,412,969	\$ 6,980,445,827
Debt Limit - 10% of Assessed Valuation	\$ 537,323,246	\$ 550,147,782	\$ 528,735,846	\$ 550,665,307	\$ 567,393,342	\$ 587,721,417	\$ 630,914,710	\$ 635,842,603	\$ 689,041,297	\$ 698,044,583
General Obligation Bonds	185,215,000	173,545,000	161,215,000	148,640,000	136,738,000	124,779,200	111,060,400	96,076,600	81,352,800	66,059,000
Deduct Amount Available in Debt Service Fund	(4,158,669)	1,276,013	8,981,442	9,183,696	9,498,073	10,253,538	11,122,738	12,519,325	12,427,028	13,410,788
Applicable Debt	189,373,669	172,268,987	152,233,558	139,456,304	127,239,927	114,525,662	99,937,662	83,557,275	68,925,772	52,648,212
Legal Debt Margin	\$ 347,949,577	\$ 377,878,795	\$ 376,502,288	\$ 411,209,003	\$ 440,153,414	\$ 473,195,756	\$ 530,977,048	\$ 552,285,329	\$ 620,115,525	\$ 645,396,371
Debt Margin as a Percentage of the Debt Limit	64.76%	68.69%	71.21%	74.67%	77.57%	80.51%	84.16%	86.86%	90.00%	92.46%

Source: Brownsville Independent School District Annual Financial and Compliance Reports

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
2014	49,370	\$ 6,543,041,297	\$ 185,215,000	\$ -	\$ (4,158,669)	\$ 189,373,669	2.89%	3,836
2015	48,388	6,711,375,439	173,545,000	-	1,276,013	172,268,987	2.57%	3,560
2016	47,749	6,754,535,129	161,215,000	-	8,981,442	152,233,558	2.25%	3,188
2017	46,880	7,022,222,876	148,640,000	18,055,689	9,183,696	157,511,993	2.24%	3,360
2018	45,578	7,168,346,586	136,738,000	16,768,615	9,498,073	144,008,542	2.01%	3,160
2019	44,402	7,417,022,413	124,779,200	13,910,260	10,253,538	128,435,922	1.73%	2,893
2020	43,028	7,896,876,428	111,060,400	11,933,737	11,122,738	111,871,399	1.42%	2,600
2021	40,765	8,868,898,359	96,076,600	12,265,630	12,519,325	95,822,905	1.08%	2,351
2022	38,448	9,496,256,218	81,352,800	9,033,707	12,427,028	77,959,479	0.82%	2,028
2023	37,898	10,173,784,574	66,059,000	6,202,075	13,410,788	58,850,287	0.58%	1,553

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
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	458,119,356	6.49%
2022	25,233,800	5,530,836	30,764,636	442,081,757	6.96%
2023	25,228,800	4,539,686	29,768,486	469,333,411	6.34%

Source: Brownsville Independent School District Annual Financial and Compliance Reports

Note: *Excludes Other Fees



Demographic and Economic Information

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

(Unaudited)

EMPLOYER	2023			2014		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Brownsville ISD	6,135	1	8.36%	7,708	1	5.91%
Maximus *	550	-	0.75%	-	-	0.00%
Keppel Amfels	1,450	5	1.98%	1,400	5	2.22%
Caring for you Home Health	2,300	2	3.14%	2,635	2	2.02%
UT Brownsville/TSC	1,375	4	1.87%	1,625	4	1.80%
Cameron County *	1,860	3	2.54%	2,040	3	1.56%
City of Brownsville *	1,152	6	1.57%	1,200	6	0.92%
SpaceX	1,260	-	1.72%	-	-	0.00%
Valley Baptist Medical Center *	903	-	1.23%	-	-	0.00%
Valley Regional Medical Center *	850	10	1.16%	786	10	0.60%
Brownsville PUB *	554	-	0.76%	-	-	0.00%
Idea Public Schools	901	-	1.23%	-	-	0.00%
Abundant Life Home Health	1,064	7	1.45%	1,200	7	0.92%
Walmart	1,055	8	1.44%	1,055	8	0.81%
HEB	975	9	1.33%	975	9	0.75%
Total	22,384		30.52%	20,624		17.51%

Sources:

Department of Economic Development, Brownsville Community Improvement Corporation, 2022

school year. Brownsville ISD employee data and total city employment have been verified and updated for 2022-2023

SCHEDULE 20
BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
CONSTRUCTION AND PROPERTY VALUES

LAST TEN YEARS

(Unaudited)

Fiscal Year	Number of Permits	Construction Value	Total Property Value
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
2022	1,894	109,402,908	10,278,248,770
2023	533	123,272,530	13,388,546,057

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
2014	181,860	\$ 2,576,411	\$ 14,167	29.3	64.3% - High School 18.4% - Bachelor's Degree	48,248	8.10%
2015	183,046	2,585,342	15,597	29.8	63.1% - High School 17.2% - Bachelor's Degree	48,269	7.10%
2016	183,887	2,638,592	14,770	29.8	63.1% - High School 17.2% - Bachelor's Degree	47,749	7.30%
2017	183,823	2,669,073	14,489	30.6	64.1% - High School 17.5% - Bachelor's Degree	46,880	7.30%
2018	183,299	2,691,379	14,683	30.7	63.8% - High School 18.0% - Bachelor's Degree	45,578	6.20%
2019	183,392	2,756,382	15,030	30.3	64.1% - High School 18.8% - Bachelor's Degree	44,402	6.30%
2020	182,781	2,832,192	15,495	31.1	67.9% - High School 19.1% - Bachelor's Degree	43,028	8.52%
2021	186,738	3,090,701	16,551	31.1	67.9% - High School 19.1% - Bachelor's Degree	40,765	10.46%
2022	187,831	3,213,413	17,108	30.9	66.8% - High School 14.4% - Bachelor's Degree	38,448	7.10%
2023	189,382	3,448,078	18,207	31.1	68.0% - High School 20.5% - Bachelor's Degree	37,088	5.90%

*Population Estimates - U.S. Census Bureau

Sources:

City of Brownsville, Texas

Texas workforce Commission

U.S. Census Bureau

Brownsville Independent School District: PEIMS Department

Rio South Texas Economic Council



Operating Information

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

LAST TEN YEARS

(Unaudited)

Classification	2014	2015	2016	2017
Number of Employees				
Teachers	3,157	3,251	3,177	3,022
Professional Support	654	683	660	617
Campus Administration	192	205	205	206
Central Administration	10	11	10	9
Educational Aides	763	788	794	681
Auxiliary Staff	2,407	2,503	2,402	2,304
Total Employees	7,183	7,441	7,214	6,840
Percent of Total				
Teachers	44.0%	44.0%	44.0%	44.20%
Professional Support	9.1%	9.1%	9.2%	9.00%
Campus Administration	2.7%	2.7%	2.8%	3.00%
Central Administration	0.1%	0.1%	0.1%	0.10%
Educational Aides	10.6%	10.6%	10.5%	10.00%
Auxiliary Staff	33.5%	33.5%	33.3%	33.70%
	100.00%	100.00%	100.00%	100.00%

Source: Brownsville Independent School District: PEIMS Department

2018	2019	2020	2021	2022	2023
2,953	2,908	2,857	2,750	2,655	2,573.1
617	626	631	621	619	591.2
190	190	179	176	157	135.5
9	9	10	12	11	9.0
775	772	774	746	713	728.3
2,108	2,108	2,037	1,959	1,967	1,896.3
6,652	6,613	6,487	6,264	6,122	5,933

44.40%	44.00%	44.00%	43.90%	43.40%	43.4%
9.30%	9.50%	9.70%	9.90%	10.10%	10.0%
2.90%	2.90%	2.80%	2.80%	2.60%	2.3%
0.10%	0.10%	0.20%	0.20%	0.20%	0.2%
11.70%	11.70%	11.90%	11.90%	11.60%	12.3%
31.70%	31.90%	31.40%	31.30%	32.10%	32.0%
100.00%	100.00%	100.00%	100.00%	100.00%	100.20%

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	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Salary	
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	48,025	73,666	48,775	74,416		59,641
2022	53,000	74,368	54,500	77,368	55,250	78,118		61,818
2023	53,000	73,639	54,500	76,639	55,250	77,389		63,399

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.

Master's Degree Minimum is with a Master's in a non-approved teaching field. Master's Degree Maximum is with a Master's in an approved teaching field. Doctorate Degree Minimum includes a Master's Degree in a non-approved teaching field. Doctorate Degree Maximum includes a Master's Degree in an approved teaching field.

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
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%
15.6	78.9%	19.0%
15.5	78.3%	18.5%

SCHEDULE 24
BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF ATTENDANCE AND MEMBERSHIP

LAST TEN YEARS

(Unaudited)

<u>Fiscal Year</u>	<u>Average Daily Attendance</u>	<u>Average Daily Membership</u>	<u>Percentage of Attendance</u>
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%
2022	34,610	38,448	90.02%
2023	33,053	37,898	87.22%

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
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%
2022	32,428	417,184,803	12,865	13.77%	528,269,532	16,291	16.20%
2023	33,053	438,938,079	13,280	3.22%	544,006,858	16,459	1.03%

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
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%	39,620	88.5%
2022	14.5	90%	34,407	89.5%
2023	14.7	90%	33,785	89.2%

Sources: Brownsville Independent School District: PEIMS Department

Percentage of Free and Reduced Lunch is based on our Food & Nutrition Services Department.

SCHEDULE 27
BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF SCHOOL BUILDINGS

(Unaudited)

	Year Built	Estimated Square Footage	Maximum Capacity		Year Built	Estimated Square Footage	Maximum Capacity
HIGH SCHOOLS				ELEMENTARY SCHOOLS			
HANNA	1967	418,806	3,225	AIKEN	1996	83,419	858
LOPEZ	1994	325,628	2,200	BENAVIDES	1999	80,417	858
PACE	1975	301,286	2,700	BREEDEN	2011	102,165	770
PORTER	1974	327,069	2,600	BRITE	2007	88,586	858
RIVERA	1988	359,478	2,750	BURNS	1983	99,284	990
VETERANS MEMORIAL	2014	362,222	2,075	CANALES	1949	76,988	1,012
TOTAL		2,094,489	15,550	CASTANEDA	2000	71,847	704
				CHAMPION	2001	82,658	858
MIDDLE SCHOOLS				CROMACK	1953	78,088	1,078
BESTEIRO	1994	161,556	1,350	DEL CASTILLO	1974	47,421	594
FAULK	1956	113,862	1,075	EGLY	1976	80,046	1,254
GARCIA	2002	120,927	1,175	EL JARDIN	1925	79,595	902
LUCIO	1997	117,889	1,150	GALLEGOS	2001	82,657	814
MANZANO	2011	137,237	1,025	GARDEN PARK	1971	76,475	902
OLIVEIRA	1978	124,443	1,300	GARZA	1976	65,661	836
PERKINS	1987	139,505	1,300	GONZALEZ	1985	81,669	1,034
STELL	1956	116,716	1,275	HUDSON	1998	86,553	946
STILLMAN	2004	131,860	1,075	KELLER	2009	88,598	836
VELA	1990	132,346	1,375	MARTIN	1953	69,363	814
TOTAL		1,296,341	12,100	MORNINGSIDE	1986	74,095	924
				ORTIZ	2004	82,752	704
SPECIAL CAMPUSES				PALM GROVE	1976	61,565	682
Brownsville Academic Center	2011	65,114	775	PAREDES	2002	82,644	726
Brownsville Learning Academy/CTE	1951	94,467	975	PENA	2009	89,996	792
Lincoln Park	1979	45,892	350	PEREZ	1974	65,896	836
Early College High School	2011	39,380	350	PULLAM	2009	91,722	902
TOTAL		244,853	2,450	PUTEGNAT	1915	61,536	638
				RUSSELL	1921	94,922	946
				SHARP	1931	53,804	616
				SKINNER	1925	71,622	902
				SOUTHMOST	1988	66,728	638
				VERMILLION	1980	84,293	1,188
				VILLA NUEVA	1935	63,291	704
				YTURRIA	1992	65,307	704
				TOTAL		2,631,663	28,820
				NOT IN USE			
				LONGORIA	1929	45,249	440
				RESACA	1931	30,722	418
				VICTORIA HEIGHTS	1926	45,303	462
				TOTAL		121,274	1,320

Source: BISD Facilities Department

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, 2023, 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, 2023, 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 14, 2023.

Report on 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a significant deficiency.

Report on 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2023-001.

District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

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

Cascos & Associates, PC
Brownsville, Texas
November 14, 2023



Cascos & Associates, PC

Certified Public Accountants

Audit/Accounting/Tax/Consulting

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Brownsville Independent School District's (the District) compliance with the types of compliance requirements identified as subject to audit 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, 2023. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 14, 2023

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number (ALN)	Pass Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF DEFENSE			
<i>Direct Programs:</i>			
R.O.T.C.	12.000	N/A	\$ 427,160
Total U.S. Department of Defense			<u>427,160</u>
U.S. DEPARTMENT OF LABOR			
<i>Passed Through Texas Education Agency:</i>			
2021-2023 CCRSM P-Tech Planning And Implementation LOI	17.258	213933027110001	28,509
2021-2023 CCRSM P-Tech Planning And Implementation LOI	17.258	213933027110002	<u>15,182</u>
Total U.S. Department of Labor			<u>43,691</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Texas Health and Human Services Commission:</i>			
Medical Administrative Claiming Program - MAC	93.778	529-07-0157-00061	<u>272,274</u>
Total Passed Through Texas Health and Human Services Commission			<u>272,274</u>
Total U.S. Department of Health and Human Services			<u>272,274</u>
U.S. DEPARTMENT OF EDUCATION			
Federal Adult Education & Family Literacy 2022	84.002A	2418ALAD00	159,433
Federal Adult Education & Family Literacy 2023	84.002A	2418ALAE00	<u>1,459,088</u>
Total Passed Through Texas Workforce Commission			<u>1,618,521</u>
<i>Passed Through Texas Education Agency:</i>			
ESEA Title I, Part A 2022	84.010A	22610101031901	2,270,164
ESEA Title I, Part A 2023	84.010A	23610101031901	27,699,875
2021-2023 TTL I, 1003 ESF-Focused Support Grant	84.010A	226101577110052	<u>530,326</u>
Total ALN 84.010A			<u>30,500,365</u>
ESEA Title I, Ed. For Migrant Child 2022	84.011A	22615001031901	81,740
ESEA Title I, Ed. For Migrant Child 2023	84.011A	23615001031901	<u>354,975</u>
Total ALN 84.011A			<u>436,715</u>
IDEA B - Formula 2022 ²	84.027A	226600010319016600	1,770,140
IDEA B - Formula 2023 ²	84.027A	236600010319016600	6,796,440
IDEA B - Formula - ARP 2022 ²	84.027A	225350010319015350	447,850
IDEA B - Formula - ARP 2023 ²	84.027A	225350020319015350	44,380
IDEA B - Discretionary (DEAF) 2023 ²	84.027A	236600110319016673	<u>106,915</u>
Total ALN 84.027A			<u>9,165,725</u>
Carl Perkins Grant for Career & Technology Education 2022	84.048A	22420006031901	11,063
Carl Perkins Grant for Career & Technology Education 2023	84.048A	23420006031901	<u>660,101</u>
Total ALN 84.048A			<u>671,164</u>
IDEA B - Preschool 2022 ²	84.173A	226610010319016610	22,694
IDEA B - Preschool 2023 ²	84.173A	236610010319016610	87,659
IDEA B - Preschool ARP 2022 ²	84.173X	225360010319015360	12,104
IDEA B - Preschool ARP 2023 ²	84.173X	225360020319015360	<u>969</u>
Total ALN 84.173A			<u>123,426</u>
IDEA C - Early Intervention 2023	84.181A	233911010319013911	275
Total ALN 84.181A			<u>275</u>
2021-2022 NITA M. LOWEY 21st CCLC Cycle 11 Year 1	84.287C	226950307110008	185,824
2021-2022 NITA M. LOWEY 21st CCLC Cycle 11 Year 2	84.287C	236950307110009	<u>1,464,770</u>
Total ALN 84.287C			<u>1,650,594</u>
ESEA Title III Subtitle B-Ed. For the Homeless Children and Youth-2021	84.196A	224600057110074	16,296
ESEA Title III Subtitle B-Ed. For the Homeless Children and Youth-2022	84.196A	234600057110011	<u>184,636</u>
Total ALN 84.196A			<u>200,932</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number (ALN)	Pass Through Entity Identifying Number	Federal Expenditures
ESEA Title III-Limited English Proficiency (LEP) 2022	84.365A	22671001031901	246,774
ESEA Title III-Limited English Proficiency (LEP) 2023	84.365A	23671001031901	1,473,228
Total ALN 84.365A			<u>1,720,002</u>
ESEA Title II, Part A-Supporting Effective Instruction 2022	84.367A	22694501031901	30,467
ESEA Title II, Part A-Supporting Effective Instruction 2023	84.367A	23694501031901	2,327,969
Total ALN 84.367A			<u>2,358,436</u>
LEP Summer School	84.369A	69552002	80,386
Total ALN 84.369A			<u>80,386</u>
2021-2022 TRI-COACHING and PD K-5	84.371C	216470027110004	37,665
2022-2023 TRI - K TO G5 CONTINUATION	84.371C	226470027110002	39,588
2021-2022 TRI-COACHING and PD 6-12	84.371C	216470037110002	51,242
2022-2023 TRI - G6 TO G12 CONTINUATION	84.371C	226470037110002	73,470
Total ALN 84.371C			<u>201,965</u>
Title IV, Part A, Subpart I	84.424A	22680101031901	22,346
Title IV, Part A, Subpart I	84.424A	23680101031901	815,208
Total ALN 84.424A			<u>837,554</u>
CRRSA ESSER II	84.425D	21521001031901	35,488,305
ARP ESSER III	84.425U	21528001031901	41,787,129
TCLAS-ESSER III	84.425U	21528042031901	94,960
TCLAS HIGH-QUALITY AFTER-SCHOOL	84.425U	215280587110023	348,952
ARP HOMELESS I-TEHCY SUPPLEMENTAL	84.425W	215330017110011	188,292
ARP HOMELESS II	84.425W	21533002031901	175,764
Total ALN 84.425			<u>78,083,402</u>
Total Passed Through Texas Education Agency			<u>126,030,941</u>
<i>Passed Through University of Texas Rio Grande Valley:</i>			
GEAR UP (Gaining Early Awareness & Readiness for Undergraduate Pgms)-2022	84.334A	P334A170097(02)	18,995
GEAR UP (Gaining Early Awareness & Readiness for Undergraduate Pgms)-2023	84.334A	P334A170097(02)	366,743
Total ALN 84.334A			<u>385,738</u>
Total Passed Through University of Texas Rio Grande Valley			<u>385,738</u>
<i>Passed Through Communities in Schools:</i>			
2021-2022 Nita M. Lowey 21st CCLC Cycle 11 Year 1	84.287C	701-21-102	2,050
Total Passed Through Communities in Schools			<u>2,050</u>
<i>Passed Through Texas Southmost College:</i>			
21ST Century Community Learning Center, Cycle 10 Year 1	84.287C	196950267110052	77,902
21ST Century Community Learning Center, Cycle 10 Year 1	84.287C	196950267110052	412,218
Total Passed Through Texas Southmost College			<u>490,120</u>
Total ALN 84.287C			<u>492,170</u>
<i>Passed Through Education Service Center (ESC-1):</i>			
GEAR UP (Gaining Early Awareness & Readiness for Undergraduate Pgms)-2022	84.334A	P334A210014	96,554
GEAR UP (Gaining Early Awareness & Readiness for Undergraduate Pgms)-2023	84.334A	P334A210014	319,361
Total ALN 84.334A			<u>415,915</u>
Total Passed Through Education Service Center (ESC-1):			<u>415,915</u>
<i>Discretionary:</i>			
Project Literacy Innovations for Book Reading Opportunities (LIBRO)	84.215G	S215G180018	2,249
Total ALN 84.215G			<u>2,249</u>
Total U.S. Department of Education			<u>128,945,534</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number (ALN)	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	10,194,373
National School Lunch Program ¹	10.555	71301601	22,488,940
Total Passed Through Texas Education Agency			<u>32,683,313</u>
<i>Passed Through Texas Department of Agriculture:</i>			
National School Lunch Program - Non-cash assistance ¹	10.555	N/A	3,207,705
Child and Adult Care Food Program	10.558	N/A	3,733,304
Supply Chain Attestation Grant	10.555	N/A	1,956,479
Total Passed Through Texas Department of Agriculture			<u>8,897,488</u>
Total U.S. Department of Agriculture			<u>41,580,801</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 171,269,460</u>

¹ Total Child Nutrition Cluster - \$37,847,497

² Total Special Education Cluster (IDEA) - \$ 9,289,151

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

1. GENERAL

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

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

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

2. BASIS OF ACCOUNTING AND PRESENTATION

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

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

3. PASS-THROUGH EXPENDITURES

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

4. INDIRECT COSTS

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

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

Federal revenues per the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds (Exhibit C-3)	\$ 182,333,602
QSCB 2010A-E Subsidy	(433,879)
School health and related services revenue	<u>(10,630,263)</u>
Federal expenditures per the Schedule of Expenditures of Federal Awards (Exhibit K-1)	<u>\$ 171,269,460</u>

BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

I. Summary of the Auditors' Results:

Financial Statements

Type of auditors' report on financial statements in accordance with GAAP:	Unmodified
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Internal control over financial reporting:	
Material weakness(es) identified:	No

Significant deficiencies identified that are not considered to be material weaknesses:	2023-001
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Noncompliance material to the financial statements noted?	No
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Federal and State 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
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Type of auditors' report on compliance with major programs:	Unmodified
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Any audit findings which are required to be reported in accordance with 2 CRF 200.516(a):	No
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Major programs are as follows:

Federal

<u>Name of Federal Program:</u>	<u>ALN:</u>
Education Stabilization Fund	84.425D, 84.425U, 84.425W

Dollar threshold used to distinguish between Type A and Type B federal programs:	\$3,000,000
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Low risk auditee:	Yes
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BROWNSVILLE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

II. Financial Statement Findings

Finding 2023-001

Significant Deficiency

Criteria:

Per the Texas Education Agency (TEA), the District should use object code 6512 Right-to-Use Liability – Principal to classify expenditures to retire the principal of long-term lease liabilities for leases with a term greater than 12 months and object 6650-6659 to classify Right-to-Use Asset expenditures. Additionally, function 71 should be used for costs for the payment of debt principal and interest.

Condition:

The District did use the correct function or object codes for the Right-to-Use principal and asset expenditures to ensure the District's financial reporting is accurate and complete in accordance with TEA.

Cause:

The District has not dedicated and prioritized the necessary staff time or resources, including training for staff, to ensure its financial reporting was accurate and complete.

Effect:

Inaccurate financial reports limit access to financial information used by the District's officials, the public, state and federal agencies and other interested parties.

Recommendation:

We recommend the District adhere to TEA and establish internal controls to ensure the District records the necessary entries on a timely basis. Additionally, we recommend the District provide adequate training for staff for financial accounting and reporting to ensure compliance with reporting requirements.

Management's views:

Management agrees with the finding. See corrective action plan.

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, 2023

None.



AN EARLY COLLEGE DISTRICT

BROWNSVILLE

INDEPENDENT SCHOOL DISTRICT

Corrective Action Plan

Finding 2023-001

Significant Deficiency

Individual responsible
for corrective actions:

Ms. Mary D. Garza, Director for Finance/Budget

Date corrective action
will be implemented:

FY 2023-2024

Corrective action plan:

The district implemented the Function 71 and object code 6512 and 6522 for principal and interest respectively to account for long-term leases in the fiscal year 2023-2024.