

Annual Comprehensive Financial Report

**For the Fiscal Year Ended
June 30, 2023**

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

955 Campbell Road, Houston, Texas 77024

Prepared By The Department of Financial Services:

**Christine A. Porter, CPA
Associate Superintendent for Finance**

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

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**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
PRINCIPAL OFFICIALS AND ADVISORS**

BOARD OF TRUSTEES

Chris Earnest, President
Partner at Compensation Advisory Partners

Lisa Alpe, Vice President
Lawyer

Caroline H. Bennett, Secretary
General Manager of Spring Branch-Memorial Sports Association/Former Educator

Courtney Anderson, Trustee
Community Volunteer/Parent

Minda Caesar, Trustee
Community Volunteer/Parent

Shannon Mahan, Trustee
Community Volunteer/Parent

John Perez, Trustee
Engineer/Owner of Cognascents Consulting

ADMINISTRATION

Jennifer Blaine, Ed. D., Superintendent of Schools

Christine A. Porter, CPA, Associate Superintendent for Finance

CONSULTANTS AND ADVISORS

Whitley Penn, LLP
Houston, Texas - Independent Auditors

Hunton Andrews Kurth, L.L.P.
Houston, Texas - Bond Counsel

Post Oak Municipal Advisors LLC
Houston, Texas - Co-Financial Advisor

Masterson Advisors LLC
Houston, Texas - Co-Financial Advisor

CERTIFICATE OF BOARD

Spring Branch Independent School District

Harris

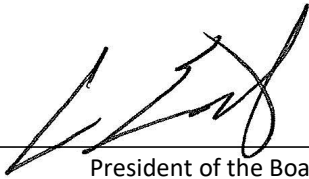
101-920

Name of School District

County

District Number

We, the undersigned, certify that the annual financial reports for the above named school district were reviewed and approved for the year ended June 30, 2023, at a meeting of the Board of Trustees of such school district on the 13th of November 2023.



President of the Board



Secretary of the Board



November 13, 2023

To the Board of Trustees and Taxpayers of the Spring Branch Independent School District:

The Texas Education Code requires that all school districts file a complete set of financial statements with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the Spring Branch Independent School District (the “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 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 Whitley Penn L.L.P., CPAs, 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 estimates 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 and that the District’s financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditors’ 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 needs 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. These reports are available in the District’s separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic 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 District

The Spring Branch Independent School District (SBISD) has a rich and vibrant history that has shaped it into the award-winning public school system it is today. Established in 1946, SBISD's mission is to inspire minds and shape lives through a commitment to providing high-quality education. With roughly 44 square miles of beautiful, wooded suburbs and lively retail and business districts located west of downtown Houston, SBISD boasts an enrollment of 33,649 students from all over the world. The district celebrates diversity with a student body consisting of 57 percent Hispanic, 27 percent White, 7 percent Asian, 6 percent African American, and 3 percent American Indian or two or more ethnicities.

About 200,000 District residents live in this region of west Houston and in the incorporated villages of Bunker Hill, Hedwig, Hilshire, Hunters Creek, Piney Point and Spring Valley. Many families have lived in the Memorial/Spring Branch area all their lives, while others are new to the area or are relocating for career reasons. Others choose to return to SBISD because it ranks high quality education as a top priority for every child. In addition, the district offers taxpayers every tax exemption allowed by Texas law, which results in lower school taxes for homeowners.

SBISD believes in preparing students to achieve success through its vision, known as [Spring Branch T-2-4](#). With a laser focus on the priorities of literacy, numeracy, student supports, and Career and Technical Education (CTE), made possible by autonomy gained from a District of Innovation status and the outstanding leadership of Superintendent of Schools, Dr. Jennifer Blaine, the district offers an expansive array of advanced placement and honors courses, as well as specialized programs in areas such as Dual Language, IB, STEM, the arts, and CTE.

SBISD is home to twenty-five elementary schools, seven traditional middle schools, and four traditional high schools, along with an array of program options. Among these options are two district charter programs including Westchester Academy for International Studies (WAIS), a middle and high school campus offering the prestigious International Baccalaureate (IB) academic program. Also available are the Academy of Choice and the Cornerstone Academy, a middle school with almost two decades of excellence.

SBISD has actively partnered with KIPP Houston and YES Prep Public Schools in the SKY program at Landrum and Northbrook middle schools since 2021. This partnership between SBISD, KIPP Houston, and YES Prep was extended in August 2015 with the opening of a YES Prep high school program for graduates of the middle school programs at Northbrook High School.

Since its establishment in 2013, the Spring Branch Academic Institute (SBAI) has become a home for students in kindergarten through 12th grade who have been identified and tested as highly gifted. This exceptional program is a first of its kind in the Houston region and is now offered at Thornwood Elementary School, Spring Forest Middle School, and Stratford High School.

In addition, Cedar Brook, Pine Shadows, and Sherwood elementary schools offer dual language programs for students from prekindergarten through fifth grade. Several secondary schools in the district also provide dual language courses.

To ensure the academic success of the youngest members of the community, the district offers both full-day prekindergarten for in-district 4-year-old students and half-day prekindergarten for qualifying, in-district 3-year-old students. [Five Schools for Early Learning](#) have been designed specifically to cater to prekindergarten classes, and some elementary schools also offer prekindergarten classes. State-eligible students attend prekindergarten at no cost, while others can attend at a competitive monthly tuition fee.

SBISD has earned a well-deserved reputation as a leading public school district, thanks to the tireless dedication and hard work of its educators, administrators, and students. This hard work has resulted in numerous awards and accolades that have firmly cemented SBISD's place as a top performer including, recognition as a 2023 HEB Excellence in Education Large District Finalist. Additionally, one campus received the coveted Special Olympics National Banner Unified Champion School title that same year.

The district continues to set the bar for academic excellence and post-secondary readiness with outstanding graduation and college acceptance rates. Student scores surpass both state and national averages in college-readiness indicators. The Class of 2023's mean SAT score of 1021 exceeded the state average, placing these students on a clear path towards success. Additionally, the district is proud of 5,693 AP course exams taken by 2,865 students in the spring of 2023. Impressive results showed that 62% of scored exams received a 3 or higher.

The Class of 2023 was awarded \$37 million in student scholarships and 77 students were honored by the College Board National Recognition Programs. Furthermore, in 2023, there was a 140% increase in the number of students who obtained industry recognized CTE certifications.

Clearly, SBISD provides their students with the best possible opportunities for growth and success. This success would not be possible without the support of the Spring Branch community.

In November 2017, Spring Branch voters made history by approving the largest bond in district history. The [\\$898.4 million 2017 Bond Program](#) rebuilds nine of the district's oldest elementary schools and one middle school, upgrades security measures across the district, revamps athletic facilities, replaces outdated equipment in music and CTE classrooms, and upgrades the aging fleet of buses. In May 2022, Spring Branch voters once again showed their commitment to the future of the district by approving a \$381.6 million bond program. The [2022 Bond Program](#) will fund improvements, including the reconstruction of the district's central CTE facility, the Guthrie Center, as well as major enhancements to the CTE facilities at Guthrie's Agricultural Science Center and numerous schools throughout the district.

Additionally, the 2022 Bond will address identified district facility needs, including additional classrooms at Valley Oaks Elementary, new building detention and code requirements after Hurricane Harvey, and lifecycle replacements of audio-visual (A/V) instructional tools districtwide. The bond will also replace devices for secondary students and devices for teachers districtwide.

With over 12,000 enthusiastic volunteers and hundreds of superlative partners, SBISD also benefits from the investment made in time and talent by our community members. In 2023, volunteer participation reached unparalleled heights, proving that SBISD's commitment to **Collective Greatness** and **Every Child** is stronger than ever. From tutoring and mentoring to classroom supports, our volunteers have truly gone above and beyond to make a positive difference in the lives of our students.

SBISD is also home to a valuable, community-donated collection of over 600 pieces of artwork and artifacts from all over the world at the privately run and financed Altharetta Yeargin Art Museum, located on the Westchester Academy for International Studies campus. The collection is valued at over \$2 million.

Visit our website at www.springbranchisd.com to learn more about how we're empowering students to achieve T-2-4.

Factors Affecting Financial Condition

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

Local Economy: The District is in Harris County approximately 10 miles West of downtown Houston. Houston, the 4th largest city in the United States, is a diverse vibrant metro with a strong economy. The District is in a desirable area of greater Houston with ongoing redevelopment. Residents of the District enjoy ready access to leading companies in key global industries including energy, life science, manufacturing, logistics and aerospace, as well as many colleges and universities, a dynamic cultural arts community, and excellent recreational opportunities.

For the fiscal years ended June 30, 2024, 2023, and 2022 taxable property values in the District increased 5.3%, 8.0% and 2.8%, respectively. The Harris County unemployment rate was 4.9% in August 2023, 4.3% in August 2022 and 6.3% in August 2021. District officials expect continued growth in the local economy and taxable property values over the long term while acknowledging the possibility of below trend growth in the near term due to the Federal Reserve's ongoing efforts to reduce inflation.

See Table 12 Demographic and Economic Statistics of this report for additional information.

Relevant Financial Policies

Budget: Budget planning is an integral part of overall program planning so that the budget effectively reflects the District's programs and activities and provides the resources to implement them. In the budget planning process, general educational goals, specific program goals, and alternatives for achieving program goals are considered, as well as input from the District and campus-level planning and decision-making committees. Budget planning and evaluation are continuous processes and are a part of each month's activities.

Fund Balance: Recognizing fund balance as a key in maintaining a strong financial position, the Board policy on annual operating budgets stipulates a goal of maintaining an adequate fund balance. The goal for the general fund balance is 19% of the current budget (except for non-spendable or restricted), while the goal for debt service fund balance is 15% of the current year debt service requirements.

Financial Planning: Spring Branch T-2-4 the District's transformative and groundbreaking vision is the foundation for the District's management and decision making. Spring Branch T-2-4 success results in every SBISD graduate completing a technical certificate, military training, or a two-year or four-year degree. SBISD will increase the number of students achieving T-2-4. During the budget process, expenditures to support Spring Branch T-2-4 are identified and receive top funding priority.

The District maintains a Technology Roadmap and a Long-Range Facilities Plan. Estimated taxable values are a major factor in forecasting, as the District generates approximately 83% of general fund revenue and 97% of debt service revenue from local taxes. Other major factors used in developing these forecasts include the number of students enrolled and in average daily attendance, salaries, insurance, and cost of inflationary items such as utilities and fuel. Forecasts are prepared then reviewed several times a year and shared with the Board, staff, community, and other stakeholders.

Awards and Acknowledgements


The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. To be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we plan to submit it to the GFOA to determine its eligibility for another certificate.

The TEA has awarded the District a rating of “A - Superior” on the 2022-2023 Financial Integrity Rating System of Texas (FIRST) assessment. FIRST requires Texas public schools to be accountable for their financial management practices. The District’s rating was based on performance against twenty indicators of financial accountability. The district’s numeric score on the indicators was 96 out of 100 demonstrating the quality of the District’s financial management practices and reporting system.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Financial Services Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the District’s finances. Finally, we would like to thank the residents of the District for their support of and belief in our public school system, and the teachers and campus teams who provide the quality education for which our District is known.

Respectfully submitted,


Dr. Jennifer Blaine, Ed. D.
Superintendent of Schools
Christine A. Porter, CPA
Associate Superintendent for Finance

Associate Superintendent for Finance

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

**CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN
FINANCIAL REPORTING**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Spring Branch Independent School District, Texas for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report (ACFR), whose contents conform to program standards. Such report must satisfy both accounting principles, generally accepted in the United States of America and applicable legal requirements.

Receiving the award is recognition that a school system has met the highest standards of excellence in government accounting and financial reporting.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Spring Branch Independent School District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

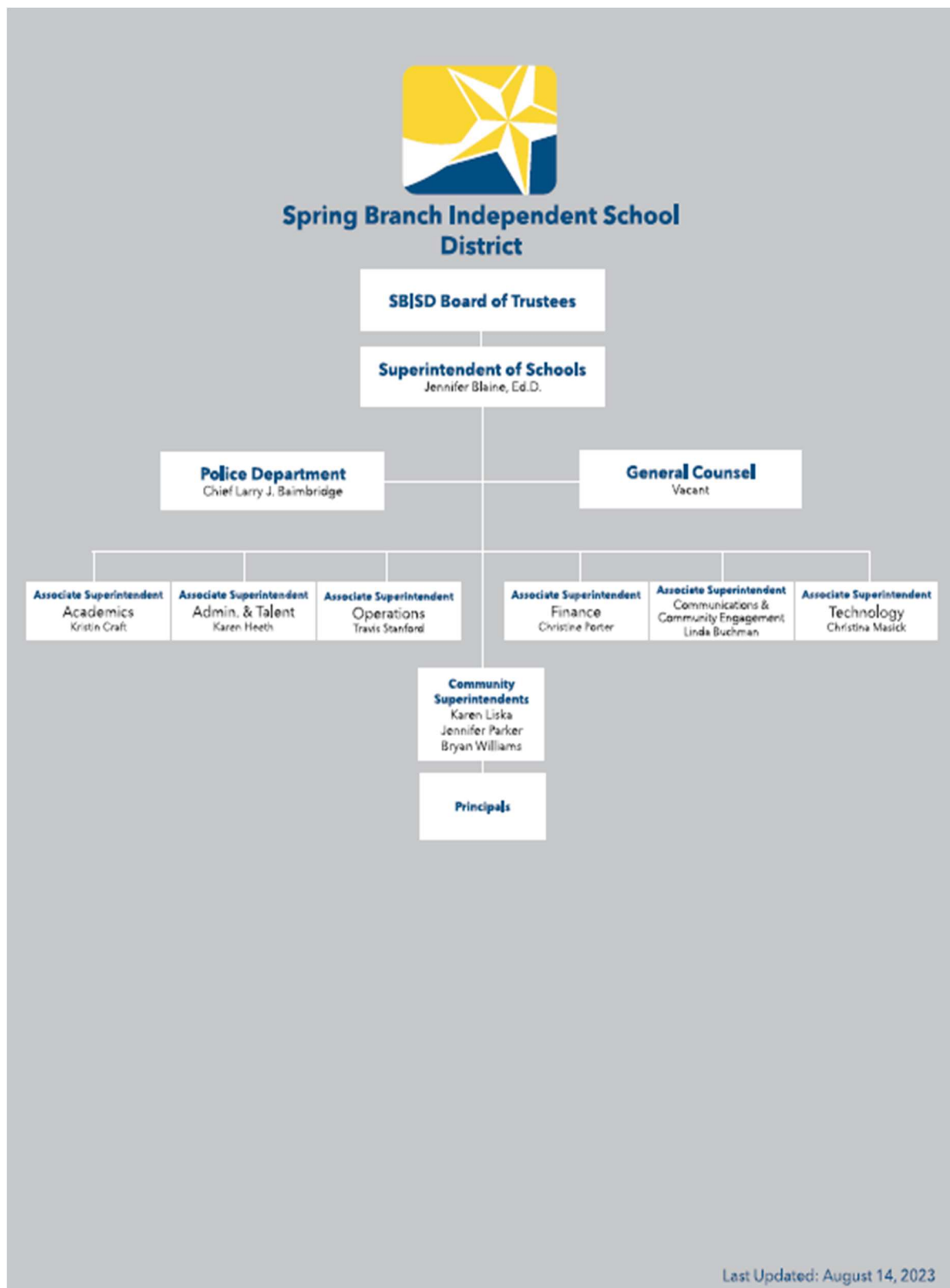
Christopher P. Morill

Executive Director/CEO

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

ORGANIZATIONAL CHART

For the Year Ended June 30, 2023



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Spring Branch Independent School District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Spring Branch 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type 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 (GAAS) 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 Auditor's 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.

Auditor's 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 auditor's 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 GAAS 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 GAAS 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 management's discussion and analysis, budgetary comparison information, pension information, and other-post employment benefit information, as 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 individual fund statements, budget comparisons, and required Texas Education Agency (TEA) schedules, 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.

To the Board of Trustees
Spring Branch Independent School District

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 individual fund statements, budget comparisons, and required TEA schedules, 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 report. The other information comprises the introductory section, statistical section, and Schedule L-1 but does not include the basic financial statements and our auditor's 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 13, 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.



Houston, Texas
November 13, 2023



SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Spring Branch Independent School District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iii to vii of this report.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$324,866,239 (net position). Of this amount, \$365,462,219 was net investment in capital assets, \$19,469,190 was restricted for debt service, \$9,974,204 was restricted for the Food Service Program and \$17,869,645 was restricted for federal and state programs, leaving the District with a deficit of \$87,909,019 in unrestricted net position. This deficit in unrestricted net position is due to the District's noncurrent liabilities of \$137,729,635 for the District's portion of the Teacher's Retirement System (TRS) net pension liability and \$69,569,985 for the District's portion of the TRS net other post-employment benefits liability.
- The District's total net position increased by \$70,449,337 because of this year's operations.
- The District's governmental funds reported combined ending fund balances of \$612,497,062 as of June 30, 2023. Non-spendable fund balances include \$2,434,795 for inventories on hand in the General Fund and Special Revenue Fund, and \$2,316,167 for prepaid items in the General Fund and Special Revenue Fund. Restricted Grant fund balances include \$11,387,596, which is primarily the Food Service Program fund balance, \$409,694,702 for Capital Projects Fund construction projects, \$34,990,290 for ongoing Debt Service Fund expenditures, and \$16,434,348 for Special Revenue Funds. Committed fund balance is \$2,357,442, which includes Campus Activity funds included in the Special Revenue Fund. Management has assigned fund balance in the General Fund of \$60,681,069 for future spending and \$2,193,500 for capital equipment. The remaining amount in unassigned fund balance of \$70,007,153 is available for spending at the government's discretion.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves, including schedules required by the District's state oversight agency, the Texas Education Agency (TEA).

Government-Wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the District. The District's government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 19 through 21), which are prepared using accounting principles that are similar to commercial enterprises. These statements provide information about the activities of the District as a whole and present a longer-term view of the District's capital assets, debt obligations, and other financial matters.

The Statement of Net Position includes all the District's assets, deferred outflow of resources, liabilities, and deferred inflows of resources at the end of the year, with the residual of these elements reported as *net position*. This difference is similar to the total owner's equity presented by a commercial enterprise. All the District's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years. Although the purpose of the District is not to accumulate net position, in general, as the amount increases, it may indicate that the financial position of the District is improving over time. To fully assess the overall health of the District, however, other factors should be considered as well, such as changes in the District's average daily attendance, property tax base and the condition of the District's capital assets.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The purpose of the Statement of Activities is to present the revenues and expenses of the District. Again, the items presented on the Statement of Activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied, and expenses are reported when incurred by the District. Thus, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

The District's revenues are divided into those provided by outside parties who share the costs of some programs, such as tuition received for summer school and grants provided by the U.S. Department of Education to assist children with disabilities or from disadvantaged backgrounds (program revenues), and revenues provided by the taxpayers or by TEA in the equalization funding processes (general revenues). Although the Statement of Activities looks different from a commercial enterprise income statement, the financial statement is different only in format, not substance.

The District's business-type activities include the District's tuition/fee-based self-sustaining programs, such as athletic rentals/concessions, after school programs, employee childcare, fine arts, facility rental and summer school. Business-type activities are intended to recover all or a significant portion of their costs through user fees and charges.

The District does not have any component units for which it is financially accountable.

Fund Financial Statements

Fund financial statements (starting on page 22) report the District's operations in more detail than the government-wide statements by providing information about the District's funds. For governmental activities, these statements reflect how services were financed in the short term as well as resources remaining for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how goods or services of the District were sold to employees, students and community members, and how the sales revenues covered the expenses of the goods or services. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of others.

Laws and contracts require the District to establish some programs, such as a program funded by a grant received from the U.S. Department of Education. The District's administration establishes program revenue and cost centers to help control and manage money for particular program purposes (such as campus activities).

All of the District's funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The focus of governmental funds is narrower than that of the government-wide financial statements therefore it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both, the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances for governmental funds provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four governmental funds. Information is presented separately in fund financial statements for the general, special revenue, debt service, and capital projects funds, all of which are major funds. The District adopts annual appropriations budgets at the revenue source and functional expenditure levels for its general fund, the food service program included in the special revenue fund, and debt service fund as required by TEA. Budgetary comparison schedules have been provided to demonstrate finance-related legal compliance with these budgets.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Proprietary funds - Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. There are two proprietary fund types. Enterprise funds are used to report the same function presented as business-type activities in the government-wide financial statements. The District has one business-type activity (enterprise fund), which consists of tuition-based self-sustaining programs, such as childcare and facilities rentals. The second type of proprietary fund is the internal service fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the various functions. The District has one internal service fund, the Workers' Compensation Fund. The basic proprietary fund financial statements can be found on pages 29 to 31 of this report.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The District is the fiduciary for money raised by student activities, property taxes collected on behalf of other governments, and scholarships in private-purpose funds. All the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 32 and 33. We exclude these resources from the District's government-wide financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

The notes to the financial statements (starting on page 35) provide narrative explanations or additional data needed for generally accepted full disclosure in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The District has presented the general fund budget to actual comparisons in the Required Supplementary Information found on page 85 of this report. The District's debt service fund and food service program included in the special revenue fund have appropriated budgets in accordance with requirements of TEA. Debt service fund and food service program budget to actual comparison are presented in Other Supplementary Information beginning on page 94. The food service program budget is included in this report as it is considered a perspective difference regarding required supplemental information for presentation of major special revenue fund budget comparison information in accordance with generally accepted financial reporting practices.

Government-Wide Financial Analysis

The government-wide financial statements for the District's overall financial position and operations for the fiscal years ending June 30, 2023, and June 30, 2022, are summarized as follows, based on the information included in the government-wide financial statements.

The District's total assets plus deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$324,866,239 as of June 30, 2023, an increase of \$70,449,337 from June 30, 2022. The District's total unrestricted net position, which is the total net position of the District reduced by restricted net position of \$47,313,039 and net investment in capital assets of \$365,462,219, was a deficit of \$87,909,019 on June 30, 2023.

Net position may serve over time as a useful indicator of a District's financial position. On June 30, 2023, the District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$324.9 million, an increase of \$70.4 million from June 30, 2022.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Table I - Net Position Summary

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 782,636,472	\$ 506,544,468	\$ 4,913,581	\$ 4,084,951	\$ 787,550,053	\$ 510,629,419
Capital assets	1,056,269,659	1,012,874,945	102,936	129,069	1,056,372,595	1,013,004,014
Total Assets	1,838,906,131	1,519,419,413	5,016,517	4,214,020	1,843,922,648	1,523,633,433
Total Deferred Outflows of Resources	94,437,933	64,346,724	-	-	94,437,933	64,346,724
Current liabilities	171,662,856	154,804,602	269,172	353,210	171,932,028	155,157,812
Long-term liabilities	1,323,202,195	1,041,769,671	-	-	1,323,202,195	1,041,769,671
Total Liabilities	1,494,865,051	1,196,574,273	269,172	353,210	1,495,134,223	1,196,927,483
Total Deferred Inflows of Resources	117,679,834	136,063,298	680,285	732,614	118,360,119	136,795,912
Net Position:						
Net investment in capital assets	365,359,283	314,049,336	102,936	149,071	365,462,219	314,198,407
Restricted	47,313,039	45,734,253	-	-	47,313,039	45,734,253
Unrestricted	(91,873,143)	(108,655,023)	3,964,124	2,979,125	(87,909,019)	(105,675,898)
Total Net Position	\$ 320,799,179	\$ 251,128,566	\$ 4,067,060	\$ 3,128,196	\$ 324,866,239	\$ 254,256,762

Investment in capital assets (e.g., land, buildings, furniture, and equipment) less any related debt used to acquire those assets that is still outstanding is \$365,462,219 as of June 30, 2023. Although the District's debt issuances are used primarily to acquire capital assets, it should be noted that the resources needed to repay the District's debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the District's net position of \$47,313,039 (approximately 14.6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position is a deficit of \$87,909,019.

As shown in Table II, the net position of the District's governmental activities increased \$69,510,473 for the fiscal year ended June 30, 2023. The total cost of all governmental activities this year was \$588,047,374, an increase of \$63,358,583 from the previous year. The amount that the District's taxpayers paid for governmental activities through property taxes was \$477,412,066 or 72.6%, with operating grants and contributions of \$125,442,062 or 19.1%, and state grants of \$23,824,229 or 3.6% as the next most significant sources of revenue. Other sources of revenue for governmental activities were \$3,774,801 from user charges and \$21,533,891 from interest and other income.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Table II - Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues:						
Charges for services	\$ 5,570,798	\$ 3,488,523	\$ 2,881,508	\$ 3,372,723	\$ 8,452,306	\$ 6,861,246
Operating grants and contributions	125,442,062	109,715,647	-	-	125,442,062	109,715,647
General Revenues:						
Property taxes	477,412,066	450,413,512	-	-	477,412,066	450,413,512
State grants and other grants	23,824,229	18,491,817	-	-	23,824,229	18,491,817
Interest	21,533,891	1,471,357	117,087	3,650	21,650,978	1,475,007
Other	3,774,801	11,151,620	-	-	3,774,801	11,151,620
Total Revenues	657,557,847	594,732,476	2,998,595	3,376,373	660,556,442	598,108,849
Expenses						
Instructional	268,384,472	247,677,247	-	-	268,384,472	247,677,247
Instruction resources and media	3,767,422	3,953,222	-	-	3,767,422	3,953,222
Curriculum/staff development	13,006,525	11,557,355	-	-	13,006,525	11,557,355
Instructional/leadership	7,887,633	7,626,635	-	-	7,887,633	7,626,635
School leadership	22,091,380	21,240,692	-	-	22,091,380	21,240,692
Guidance and counseling services	24,261,716	21,452,688	-	-	24,261,716	21,452,688
Social work services	129,289	170,510	-	-	129,289	170,510
Health services	4,574,993	4,277,210	-	-	4,574,993	4,277,210
Student (pupil) transportation	12,050,108	10,871,667	-	-	12,050,108	10,871,667
Child nutrition	18,689,008	16,731,806	-	-	18,689,008	16,731,806
Cocurricular/extracurricular	10,219,356	9,201,555	-	-	10,219,356	9,201,555
General administration	10,733,209	10,032,603	-	-	10,733,209	10,032,603
Plant maintenance and operations	37,180,455	35,503,673	-	-	37,180,455	35,503,673
Security and monitoring services	6,910,409	5,961,978	-	-	6,910,409	5,961,978
Data processing	10,951,740	11,307,496	-	-	10,951,740	11,307,496
Community services	4,592,614	3,878,573	-	-	4,592,614	3,878,573
Interest and fiscal charges	42,093,833	32,639,313	-	-	42,093,833	32,639,313
Facilities planning	6,384,612	2,453,020	-	-	6,384,612	2,453,020
Contracted Instructional Services	80,261,074	64,424,029	-	-	80,261,074	64,424,029
Payments to districts of SSAs	507,445	469,338	-	-	507,445	469,338
Other intergovernmental charges	3,370,081	3,258,181	-	-	3,370,081	3,258,181
Other business-type activities	-	-	2,059,731	2,267,755	2,059,731	2,267,755
Total Expenses	588,047,374	524,688,791	2,059,731	2,267,755	590,107,105	526,956,546
Excess (deficiency) before transfers	69,510,473	70,043,685	938,864	1,108,618	70,449,337	71,152,303
Increase (decrease) in net position	69,510,473	70,043,685	938,864	1,108,618	70,449,337	71,152,303
Net Position, Beginning	251,128,566	181,084,881	3,128,196	2,019,578	254,256,762	183,104,459
Prior Period Adjustment	160,140	-	-	-	160,140	-
Net Position, Ending	\$ 320,799,179	\$ 251,128,566	\$ 4,067,060	\$ 3,128,196	\$ 324,866,239	\$ 254,256,762

Revenues for the District's governmental activities increased year over year by \$62,825,371 for the fiscal year ended June 30, 2023. Primary factors causing the increase were:

- Property Tax receipts increased \$27.0 million due to increased taxable assessed values in fiscal year 2023 compared to fiscal year 2022.
- Interest earnings increased \$20.1 million as the interest rates available on short term investments were dramatically higher in fiscal year 2023 compared to fiscal year 2022.
- Operating grants and contributions increased \$15.7 million in fiscal year 2023 compared to fiscal year 2022.

Expenses for the District's governmental activities increased year over year by \$63,358,583 for the fiscal year ended June 30, 2023. A \$15.8 million increase in revenue in excess of entitlement (recapture) as well as a \$9.5 million increase in debt service payments were primary factors in the increase.

The District's combined property tax rate decreased to \$1.2688 from \$1.3043 per \$100 of assessed value. This generated tax revenues of \$477.4 million in fiscal year 2023, an increase of \$27.0 million over the 2022 fiscal year. However, the District paid the state \$80.3 million in fiscal year 2023, an increase of \$15.8 million from prior year for local revenue in excess of entitlement (recapture).

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Total cost of governmental activities includes depreciation and amortization of \$34.0 million. Capital outlay of \$87.9 million is not included in the above cost of governmental activities. In the government-wide financial statements, capital outlay is shown as an increase in the capital assets reported on the Statement of Net Position and depreciation/amortization expense is reported in the Statement of Activities in order to spread the recognition of the cost of capital assets over their estimated useful lives of the capital assets.

Net position of the District's business-type activities increased \$939 thousand in fiscal year 2023.

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of fiscal year June 30, 2023 the District's governmental funds reported:

- Combined ending fund balances were \$612,497,062, an increase of \$259,760,186 from the fiscal year ended June 30, 2022. An increase of \$9,541,103 in general fund and an increase of \$245,122,336 in the capital projects fund were the two most significant changes. Fiscal year 2023 bond issuance of \$307,375,000 for construction projects is the primary reason for fund balance increase in the capital projects fund.
- \$70,007,153 or 11% of the combined ending fund balance constitutes unassigned fund balance. The remainder of fund balance is not available because it is nonspendable, restricted, committed or assigned as follows:
 - (1) Inventory \$2,434,795
 - (2) Prepaid items \$2,316,167
 - (3) Food service \$11,387,596, excludes #2
 - (4) Capital projects \$409,694,702
 - (5) Debt service \$34,990,290
 - (6) Special revenue \$16,434,348
 - (7) Campus activity \$2,357,442, excludes #2
 - (8) Capital expenditures for equipment \$2,193,500
 - (9) Compensated absences (retirement payoff) \$10,240,000
 - (10) Subsequent year expenditures \$36,523,069
 - (11) Natural disaster response assignment \$13,918,000

The general fund is the primary operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$70,007,153 while the total fund balance was \$137,504,354.

During fiscal year 2023 the fund balance of the general fund increased by \$9,541,103.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The District budgeted a \$8,754,861 decrease in fund balance. Budgeted expenditures within each functional spending category are a cap not to be exceeded. Accordingly, actual expenditure and actual use of fund balance will be less than budgeted.

On June 30, 2023 the debt service fund had a total fund balance of \$34,990,290 all of which is restricted for the payment of debt. The net decrease in the fund balance during fiscal year 2023 in the debt service fund was (\$1,180,405) as proceeds were matched to debt service expenditures.

The special revenue fund is used to account for all financial resources restricted to, or committed for, specific purposes by a grantor. The fund balance of the special revenue fund was \$30,307,716 on June 30, 2023, an increase of \$6,277,152 from June 30, 2022. Local donations for capital improvements at campuses and technology, E-Rate funds, and state funds for childcare relief were primary contributors to the increase.

The capital projects fund is used to account for financial resources to be used for the construction and renovation of District facilities. Scope of work under 2017 and 2022 voter authorized construction and renovation programs was ongoing in fiscal year 2023. The fund balance of the District's capital projects fund was \$409,694,702 on June 30, 2023. The capital projects fund began the year with \$164,572,366 in fund balance. A fund balance increase of \$245,122,336 was due to receipts from bond sales exceeding expenditure on capital projects. Fund balance in the capital projects fund is restricted for future expenditure on capital projects.

General Fund Budgetary Highlights

Over the course of the year, District administration recommended, and the Board of Trustees approved, several revisions to budgeted revenue and appropriations. Revisions to the revenue budget are made as additional information becomes available and projections of items such as enrollment, attendance, property values, and tax collections are updated. Revisions to the appropriations budget are necessary due to staffing adjustments based on actual enrollment, changes in spending needs over the course of the year and other occurrences after the Board of Trustees' approval of the original budget.

Revenue is based on a state funding formula. The formula, at its most basic level, provides Target Revenue calculated as Weighted Average Daily Attendance (WADA) times a basic allotment. For fiscal year 2023 the amount of the basic allotment was \$6,160 per WADA. As a high property wealth Chapter 49 district, the District is required to send Local Revenue in Excess of Entitlement (recapture) back to the state. Recapture is locally assessed and collected tax dollars sent to the state to satisfy statewide school funding equalization.

The District's major budget amendments during the year are summarized as follows:

- The revenue budget increased by \$15.0 million
 - \$5.7 million increase in state funding,
 - \$4.3 million increase in federal funding primarily SHARS and grant fund indirect costs,
 - \$3.7 million increase in interest earned on temporary investments, and
 - \$1.3 million increase from all other revisions combined.
- The expenditure budget increased by \$2.8 million
 - \$9.4 million increase in recapture,
 - \$5.4 million decrease as costs were supplanted by ESSER funding, and
 - \$1.2 million net decrease from all other revisions combined.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Capital Asset and Debt Administration

Capital Assets

At June 30, 2023, the District had \$1.056 million (net of accumulated depreciation/amortization of \$401.8 million) invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance.

Table III - Capital Asset Summary

	Governmental Activities		Business- Type Activities	
	2023	2022	2023	2022
Land	\$ 26,722,980	\$ 26,837,367	\$ -	\$ -
Buildings and improvements	896,942,255	723,604,596	13,735	-
Furniture and equipment	15,253,489	8,182,470	68,446	92,889
Vehicles	11,471,098	10,528,194	20,755	36,180
Construction in progress	102,115,407	241,047,680	-	-
Right to use assets	3,764,430	2,776,443	-	-
Total Capital Assets,				
Net of Depreciation\Amortization	<u>\$ 1,056,269,659</u>	<u>\$ 1,012,976,750</u>	<u>\$ 102,936</u>	<u>\$ 129,069</u>

Additional information on the District's capital assets can be found in Note 9 on starting on page 57 of this report.

Debt

Debt-management policies seek to provide the most favorable climate for District debt projects while upholding the highest rating possible for debt instruments. Management policies include the following:

- All debt service obligations will be met when due.
- Long-term financing will be restricted to capital projects and purchases of related equipment.
- Long-term bonds will not be issued to finance current operations.
- The District will cooperate and communicate with bond-rating agencies and work toward obtaining the most favorable municipal bond rating possible.
- Outstanding obligations will be reviewed frequently to ensure the most favorable funding structure for the District.
- All necessary information and material regarding the District's financial status will be provided to the appropriate parties.

The ratio of net bonded debt to assessed valuation is a useful indicator of the District's debt position. This data is presented in the schedule "Ratios of Net General Obligation Bonded Debt Outstanding, Table 10" in the statistical section and reflects an increase in the ratio of net bonded debt to assessed value to 2.73% as of June 30, 2023 compared to 2.30% as of June 30, 2022.

At June 30, 2023, the District had \$1.1 billion in bonds outstanding including premiums on bonds at issuance, lease and subscription payables. The District continues to enjoy excellent bond ratings of Aaa by Moody's Investors Service and AAA by Standard & Poor's by virtue of the Permanent School Fund Guarantee Program. The underlying ratings not enhanced by the Permanent School Fund Guarantee Program are Aa1 by Moody's and AA from Standard and Poor's.

At June 30, 2023, the District had \$387.0 million remaining authorized but unissued bonds.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Table IV - District's Outstanding Debt

	Governmental Activities	
	2023	2022
General obligation bonds	\$ 1,103,529,724	\$ 866,871,058
Lease payable	2,069,952	2,690,508
Subscription payable	477,198	101,805
Total Outstanding Debt	\$ 1,106,076,874	\$ 869,663,371

More detailed information about the District's long-term liabilities is presented in Note 10 to the financial statements starting on page 60 of this report.

Economic Factors and Next Year's Budgets and Rates

Economic factors have a significant impact on the District's finances. Taxable property values increased 5.3% for fiscal year 2024 following an increase of 8.0% in fiscal year 2023. As of August 2023, the unemployment rate for Houston metropolitan statistical area was 4.9%, an increase from the August 2022 rate of 4.3%. Inflationary trends in the region tend to be consistent with the national consumer price index (CPI) changes. However specific trends have required significant increases in school district expenditures.

The greater Houston area continues to be an economically vibrant area. We believe the District's tax base will, in the long term, continue to grow along with the broader economy.

The District's elected and appointed officials considered many factors when setting the fiscal year 2024 combined property tax rate of \$1.0789 per \$100 of assessed value which includes a TEA mandated \$0.7744 M&O rate supporting General Fund expenditure. Fiscal year 2024 budgeted General Fund revenues net of recapture are \$346.9 million an increase of \$5.4 million or 1.6% from the fiscal year 2023 final amended budget revenues of \$341.5 million. Excluding Local Revenue in Excess of Entitlement (recapture) budgeted fiscal year 2024 General Fund expenditures of \$387.4 million increase by \$36.5 million or 10.4% from the fiscal year 2023 final amended budget expenditures of \$350.9 million. The primary factor causing the increase was the return to the General Fund of expenditures that had been supplanted by ESSER funds in the prior year. General Fund fund balance is budgeted to decrease \$36.5 million in fiscal year 2024 to \$82.5 million. Budgeted expenditure in each functional category is a spending cap that should not be exceeded. Accordingly, actual expenditure is expected to be less than budgeted expenditure and actual General Fund fund balance is expected to be more than budgeted.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions concerning the information provided in this report or requests for additional information should be addressed to the Office of the Associate Superintendent for Finance, Spring Branch Independent School District, 955 Campbell Road, Houston, Texas, 77024.



BASIC FINANCIAL STATEMENTS



SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

STATEMENT OF NET POSITION

June 30, 2023

Exhibit A-1

Data Control Codes	Governmental Activities	Business-Type Activities	Total
Assets			
1110 Cash and cash equivalents	\$ 32,292,159	\$ 526,450	\$ 32,818,609
1120 Investments - current	501,301,444	3,819,602	505,121,046
1225 Property taxes receivables, net	12,950,021	-	12,950,021
1240 Due from other governments	25,275,672	-	25,275,672
1250 Accrued interest	1,369,280	-	1,369,280
1260 Internal balances	194,737	(194,737)	-
1267 Due from others	1,719,283	-	1,719,283
1290 Other receivables, net	403,238	762,266	1,165,504
1300 Inventories	3,090,673	-	3,090,673
1410 Prepaid items	2,316,567	-	2,316,567
Capital assets not subject to depreciation/amortization:			
1510 Land	26,722,980	-	26,722,980
1580 Construction in progress	102,115,407	-	102,115,407
Capital assets net of depreciation/amortization:			
1520 Buildings and improvements, net	896,942,255	13,735	896,955,990
1530 Furniture and equipment, net	15,253,489	68,446	15,321,935
1540 Vehicles, net	11,471,098	20,755	11,491,853
1550 Right to Use Assets	3,764,430	-	3,764,430
1910 Long-term investments	201,723,398	-	201,723,398
1000 Total Assets	1,838,906,131	5,016,517	1,843,922,648
Deferred Outflows of Resources			
Deferred loss on refunding	5,471,796	-	5,471,796
Deferred outflows - pension	60,528,637	-	60,528,637
Deferred outflows - other post employment benefits	28,437,500	-	28,437,500
1700 Total Deferred Outflows of Resources	94,437,933	-	94,437,933
Liabilities			
2110 Accounts payable	27,097,473	13,746	27,111,219
2140 Interest payable	19,071,772	-	19,071,772
2150 Payroll deductions and withholdings	7,284,925	-	7,284,925
2160 Accrued wages payable	32,712,248	230,775	32,943,023
2177 Due to others	2,281	-	2,281
2180 Due to other governments	83,396,454	-	83,396,454
2190 Due to others	-	9,251	9,251
2200 Accrued expenses	1,635,454	-	1,635,454
2300 Unearned revenue	462,249	15,400	477,649
Noncurrent Liabilities:			
2501 Due within one year	70,342,467	-	70,342,467
2502 Due in more than one year	1,045,560,108	-	1,045,560,108
2540 Net pension liability	137,729,635	-	137,729,635
2545 Net other post-employment benefits liability	69,569,985	-	69,569,985
2000 Total Liabilities	1,494,865,051	269,172	1,495,134,223
Deferred Inflows of Resources+B8			
Deferred inflows - leases	22,194	680,285	702,479
Deferred inflows - pensions	11,366,511	-	11,366,511
Deferred inflows - other post employment benefits	106,291,129	-	106,291,129
2600 Deferred Inflows of Resources	117,679,834	680,285	118,360,119
Net Position			
3200 Net investment in capital assets	365,359,283	102,936	365,462,219
Restricted for:			
3820 Federal and state programs	17,869,645	-	17,869,645
3820 Food service	9,974,204	-	9,974,204
3850 Debt service	19,469,190	-	19,469,190
3900 Unrestricted	(91,873,143)	3,964,124	(87,909,019)
3000 Total Net Position	\$ 320,799,179	\$ 4,067,060	\$ 324,866,239

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET ACTIVITIES
For the Year Ended June 30, 2023

Exhibit B-1
Page 1 of 2

Data Control Codes	Functions/Programs	Expenses	Program Revenue	
			Charges for Services	Operating Grants and Contributions
	Governmental Activities			
11	Instruction	\$ 268,384,472	\$ 2,511,407	\$ 52,022,958
12	Instructional Resources and Media Services	3,767,422	-	580,969
13	Curriculum and Staff Development	13,006,525	-	6,736,011
21	Instructional Leadership	7,887,633	-	812,339
23	School Leadership	22,091,380	-	1,009,266
31	Guidance, Counseling, and Evaluation Services	24,261,716	-	6,592,427
32	Social Work Services	129,289	-	1,801
33	Health Services	4,574,993	-	8,297,457
34	Student Transportation	12,050,108	-	865,734
35	Food Service	18,689,008	2,310,397	19,004,017
36	Extracurricular Activities	10,219,356	460,934	212,936
41	General Administration	10,733,209	115,000	10,351,563
51	Plant, Maintenance and Operations	37,180,455	107,534	9,682,808
52	Security and Monitoring Services	6,910,409	65,526	461,409
53	Data Processing Services	10,951,740	-	3,146,120
61	Community Services	4,592,614	-	2,698,612
72	Interest on Long-term Debt	39,813,551	-	8,259
73	Debt Issuance costs and fees	2,280,282	-	339,277
81	Facilities Repairs and Maintenance	6,384,612	-	2,110,654
91	Contracted Instructional Services	80,261,074	-	-
	Payments Related to Shared Services			
93	Arrangements	507,445	-	507,445
99	Other Intergovernmental Charges	3,370,081	-	-
TG	Total Governmental Activities	588,047,374	5,570,798	125,442,062
	Business-Type Activities			
01	Athletic rentals/concessions	674,718	691,852	-
02	Employee childcare	978,130	1,638,787	-
04	Fine arts	1,050	19,617	-
06	Facility rentals	133,421	307,564	-
07	Summer school	272,412	223,688	-
TB	Total Business-Type Activities	2,059,731	2,881,508	-
TP	Total Primary Government	\$ 590,107,105	\$ 8,452,306	\$ 125,442,062

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2023

Exhibit B-1

Page 2 of 2

Data Control Codes	Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
		Primary Government		
		Governmental Activities	Business-Type Activities	Total
	Governmental Activities			
11	Instruction	\$ (213,850,107)	\$ -	\$ (213,850,107)
12	Instructional Resources and Media Services	(3,186,453)	-	(3,186,453)
13	Curriculum and Staff Development	(6,270,514)	-	(6,270,514)
21	Instructional Leadership	(7,075,294)	-	(7,075,294)
23	School Leadership	(21,082,114)	-	(21,082,114)
31	Guidance, Counseling, and Evaluation Services	(17,669,289)	-	(17,669,289)
32	Social Work Services	(127,488)	-	(127,488)
33	Health Services	3,722,464	-	3,722,464
34	Student Transportation	(11,184,374)	-	(11,184,374)
35	Food Service	2,625,406	-	2,625,406
36	Extracurricular Activities	(9,545,486)	-	(9,545,486)
41	General Administration	(266,646)	-	(266,646)
51	Plant, Maintenance and Operations	(27,390,113)	-	(27,390,113)
52	Security and Monitoring Services	(6,383,474)	-	(6,383,474)
53	Data Processing Services	(7,805,620)	-	(7,805,620)
61	Community Services	(1,894,002)	-	(1,894,002)
72	Interest on Long-term Debt	(39,805,292)	-	(39,805,292)
73	Debt Issuance costs and fees	(1,941,005)	-	(1,941,005)
81	Facilities Repairs and Maintenance	(4,273,958)	-	(4,273,958)
91	Contracted Instructional Services	(80,261,074)	-	(80,261,074)
	Payments Related to Shared Services			
93	Arrangements	-	-	-
99	Other Intergovernmental Charges	(3,370,081)	-	(3,370,081)
TG	Total Governmental Activities	(457,034,514)	-	(457,034,514)
	Business-Type Activities			
01	Athletic rentals/concessions	-	17,134	17,134
02	Employee childcare	-	660,657	660,657
04	Fine arts	-	18,567	18,567
06	Facility rentals	-	174,143	174,143
07	Summer school	-	(48,724)	(48,724)
TB	Total Business-Type Activities	-	821,777	821,777
TP	Total Primary Government	(457,034,514)	821,777	(456,212,737)
	General Revenues, and Transfers			
	General Revenues:			
MT	Property taxes, levied for general purposes	358,682,532	-	358,682,532
DT	Property taxes, levied for debt service	118,729,534	-	118,729,534
SF	State-aid formula grants	23,824,229	-	23,824,229
IE	Investment earnings	21,533,891	117,087	21,650,978
MI	Miscellaneous	3,774,801	-	3,774,801
TR	Total General Revenues, and Transfers	526,544,987	117,087	526,662,074
CN	Change in net position	69,510,473	938,864	70,449,337
NB	Net Position - Beginning	251,128,566	3,128,196	254,256,762
PA	Prior period adjustment	160,140	-	160,140
NE	Net Position - Ending	\$ 320,799,179	\$ 4,067,060	\$ 324,866,239

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2023

Exhibit C-1

Page 1 of 2

Data Control Codes		General Fund	Special Revenue Fund	Debt Service Fund
Assets				
1110	Cash and cash equivalents	\$ 10,701,902	\$ 7,701,119	\$ 95,420
1120	Current investments	226,714,700	10,082,617	35,296,865
	Receivables:			
1220	Property taxes - delinquent	14,724,934	-	4,459,452
1230	Allowance for uncollectible taxes (credit)	(4,841,502)	-	(1,392,863)
1240	Receivables from other governments	6,824,817	17,839,208	-
1250	Accrued interest	380,935	-	104,282
1260	Due from other funds	816,764	1,021,045	-
1290	Other receivables	1,813,640	308,881	-
1300	Inventories	2,415,923	674,750	-
1410	Prepaid items	2,206,709	109,458	-
1910	Long-term investments	11,173,496	-	-
1000	Total Assets	\$ 272,932,318	\$ 37,737,078	\$ 38,563,156
Liabilities, Deferred Inflows of Resources and Fund Balance				
	Liabilities:			
2110	Accounts payable	\$ 1,965,202	\$ 1,942,566	\$ -
2150	Payroll deductions and withholdings	7,252,272	32,653	-
2160	Accrued wages payable	28,337,486	4,345,152	-
2170	Due to other funds	647,827	989,511	-
2180	Payable to other governments	83,396,037	417	-
2190	Due to student and employee groups	-	2,281	-
2200	Accrued expenditures	1,635,454	-	-
2300	Unearned revenue	345,467	116,782	-
2000	Total Liabilities	123,579,745	7,429,362	-
	Deferred Inflows of Resources			
	Unavailable revenue - property taxes	11,848,219	-	3,572,866
2600	Deferred Inflows of Resources	11,848,219	-	3,572,866
	Fund Balance:			
	Nonspendable:			
3410	Inventories	2,415,923	18,872	-
3430	Prepaid items	2,206,709	109,458	-
	Restricted:			
3450	Grant funds	-	11,387,596	-
3470	Capital acquisitions and obligations	-	-	-
3480	Debt service	-	-	34,990,290
3490	Other	-	16,434,348	-
	Committed:			
3545	Other	-	2,357,442	-
	Assigned:			
3570	Capital expenditures for equipment	2,193,500	-	-
3590	Other	60,681,069	-	-
	Unassigned:			
3600	Unassigned	70,007,153	-	-
3000	Total Fund Balances	137,504,354	30,307,716	34,990,290
4000	Total Liabilities, Deferred Inflows, and Fund Balances	\$ 272,932,318	\$ 37,737,078	\$ 38,563,156

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2023

Exhibit C-1
Page 2 of 2

Data Control Codes		Capital Projects Fund	Total Governmental Funds
Assets			
1110	Cash and cash equivalents	\$ 10,220,822	\$ 28,719,263
1120	Current investments	229,207,262	501,301,444
	Receivables:		
1220	Property taxes - delinquent	-	19,184,386
1230	Allowance for uncollectible taxes (credit)	-	(6,234,365)
1240	Receivables from other governments	-	24,664,025
1250	Accrued interest	1,495,710	1,980,927
1260	Due from other funds	-	1,837,809
1290	Other receivables	-	2,122,521
1300	Inventories	-	3,090,673
1410	Prepaid items	-	2,316,167
1490	Long-term investments	190,549,902	201,723,398
1000	Total Assets	\$ 431,473,696	\$ 780,706,248
Liabilities, Deferred Inflows of Resources and Fund Balance			
	Liabilities:		
2110	Accounts payable	\$ 21,743,650	\$ 25,651,418
2150	Payroll deductions and withholdings	-	7,284,925
2160	Accrued wages payable	29,610	32,712,248
2170	Due to other funds	5,734	1,643,072
2180	Payable to other governments	-	83,396,454
2190	Due to student and employee groups	-	2,281
2200	Accrued expenditures	-	1,635,454
2300	Unearned revenue	-	462,249
2000	Total Liabilities	21,778,994	152,788,101
	Deferred Inflows of Resources		
	Unavailable revenue - property taxes	-	15,421,085
2600	Deferred Inflows of Resources	-	15,421,085
	Fund Balance:		
	Nonspendable:		
3410	Inventories	-	2,434,795
3430	Prepaid items	-	2,316,167
	Restricted:		
3450	Grant funds	-	11,387,596
3470	Capital acquisitions and obligations	409,694,702	409,694,702
3480	Debt service	-	34,990,290
3490	Other	-	16,434,348
	Committed:		
3545	Other	-	2,357,442
	Assigned:		
3570	Capital expenditures for equipment	-	2,193,500
3590	Other	-	60,681,069
	Unassigned:		
3600	Unassigned	-	70,007,153
3000	Total Fund Balances	409,694,702	612,497,062
4000	Total Liabilities, Deferred Inflows, and Fund Balances	\$ 431,473,696	\$ 780,706,248



SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
June 30, 2023

Exhibit C-2

Data Control Codes		
	Total Fund Balance, Governmental Funds	\$ 612,497,062
	Amounts reported for governmental activities in the statement of Net position are different because:	
1	Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	1,056,269,659
2	Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, these property taxes and related penalty and interest amounts (net of allowance for uncollectible accounts).	15,421,085
	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. Long-term liabilities at year-end consist of:	
3	General obligation bonds	(1,020,800,000)
4	Premiums on issuance	(82,729,724)
5	Leases payable	(2,069,952)
6	IT agreements	(477,198)
7	Accrued compensated absences	(9,825,701)
8	Accrued interest payable	(19,071,772)
9	Net pension liability	(137,729,635)
10	Net other post employment liability	(69,569,985)
11	Deferred loss on refunding	5,471,796
12	Deferred outflow related to TRS pension	60,528,637
13	Deferred outflow related to TRS OPEB	28,437,500
14	Deferred inflow related to leases	(22,194)
15	Deferred inflow related to TRS pension	(11,366,511)
16	Deferred inflow related to TRS OPEB	(106,291,129)
17	Arbitrage payable	(1,409,369)
18	Addition of Internal Service fund net position	3,536,610
19	Total Net Position - Governmental Activities (See A-1)	<u>\$ 320,799,179</u>

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023

Exhibit C-3

Page 1 of 2

Data Control Codes		General Fund	Special Revenue Fund	Debt Service Fund
Revenues				
5700	Local, intermediate, and out-of-state	\$ 365,797,439	\$ 10,267,619	\$ 118,851,864
5800	State program revenues	42,897,185	2,119,928	1,595,816
5900	Federal program revenues	18,099,285	95,072,409	-
5020	Total Revenues	426,793,909	107,459,956	120,447,680
Expenditures				
Current:				
0011	Instruction	198,223,758	48,179,846	-
0012	Instruction resources and media services	3,276,880	567,105	-
0013	Curriculum and instructional staff development	7,477,705	6,217,087	-
0021	Instructional leadership	7,341,111	812,340	-
0023	School leadership	22,027,414	870,207	-
0031	Guidance, counseling and evaluation services	18,025,516	6,973,153	-
0032	Social work services	131,917	761	-
0033	Health services	4,231,416	480,944	-
0034	Student transportation	10,008,640	810,399	-
0035	Food services	16,823	20,058,316	-
0036	Extracurricular activities	7,419,052	900,066	-
0041	General administration	10,728,427	76,307	-
0051	Facilities maintenance and operations	28,309,548	9,025,413	-
0052	Security and monitoring services	7,149,828	357,662	-
0053	Data processing services	7,737,807	1,915,130	-
0061	Community services	1,368,166	2,040,893	-
Debt service:				
0071	Principal on long-term debt	620,556	232,756	82,390,000
0072	Interest on long-term debt	105,590	40,823	39,245,361
0073	Bond issuance costs and fees	-	-	23,104
Capital outlay:				
0081	Capital outlay	119,463	1,169,030	-
Intergovernmental:				
0091	Contracted instructional services	80,261,074	-	-
0093	Payments related to shared services arrangements	-	507,445	-
0099	Other intergovernmental charges	3,370,081	-	-
6030	Total Expenditures	417,950,772	101,235,683	121,658,465
1100	Excess (deficiency) of revenues over expenditures	8,843,137	6,224,273	(1,210,785)
Other Financing Sources (Uses)				
7911	Issuance of capital related debt	-	-	-
7912	Sale of real or personal property	89,817	52,879	-
7915	Transfers in	-	-	30,380
7916	Premium or discount on issuance of bonds	-	-	-
7949	Other resources - SBITA	608,149	-	-
8911	Transfers out	-	-	-
7080	Total Other Financing Sources (Uses)	697,966	52,879	30,380
1200	Net change in fund balances	9,541,103	6,277,152	(1,180,405)
0100	Fund Balances - Beginning	127,803,111	24,030,564	36,170,695
1300	Prior period adjustment	160,140	-	-
3000	Fund Balances - Ending	\$ 137,504,354	\$ 30,307,716	\$ 34,990,290

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023

Exhibit C-3

Page 2 of 2

Data Control Codes		Capital Projects Fund	Total Governmental Funds
Revenues			
5700	Local, intermediate, and out-of-state	\$ 12,303,152	\$ 507,220,074
5800	State program revenues	-	46,612,929
5900	Federal program revenues	-	113,171,694
5020	Total Revenues	12,303,152	667,004,697
Expenditures			
Current:			
0011	Instruction	261,556	246,665,160
0012	Instruction resources and media services	-	3,843,985
0013	Curriculum and instructional staff development	-	13,694,792
0021	Instructional leadership	-	8,153,451
0023	School leadership	-	22,897,621
0031	Guidance, counseling and evaluation services	-	24,998,669
0032	Social work services	-	132,678
0033	Health services	-	4,712,360
0034	Student transportation	2,612,914	13,431,953
0035	Food services	-	20,075,139
0036	Extracurricular activities	200,302	8,519,420
0041	General administration	-	10,804,734
0051	Facilities maintenance and operations	-	37,334,961
0052	Security and monitoring services	-	7,507,490
0053	Data processing services	-	9,652,937
0061	Community services	-	3,409,059
Debt service:			
0071	Principal on long-term debt	-	83,243,312
0072	Interest on long-term debt	-	39,391,774
0073	Bond issuance costs and fees	2,047,525	2,070,629
Capital outlay:			
0081	Capital outlay	87,094,845	88,383,338
Intergovernmental:			
0091	Contracted instructional services	-	80,261,074
0093	Payments related to shared services arrangements	-	507,445
0099	Other intergovernmental charges	-	3,370,081
6030	Total Expenditures	92,217,142	733,062,062
1100	Excess (deficiency) of revenues over expenditures	(79,913,990)	(66,057,365)
Other Financing Sources (Uses)			
7911	Issuance of capital related debt	307,375,000	307,375,000
7912	Sale of real or personal property	-	142,696
7915	Transfers in	-	30,380
7916	Premium or discount on issuance of bonds	17,691,706	17,691,706
7949	Other resources - SBITA	-	608,149
8911	Transfers out	(30,380)	(30,380)
7080	Total Other Financing Sources (Uses)	325,036,326	325,817,551
1200	Net change in fund balances	245,122,336	259,760,186
0100	Fund Balances - Beginning	164,572,366	352,576,736
1300	Prior period adjustment	-	160,140
3000	Fund Balances - Ending	\$ 409,694,702	\$ 612,497,062

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

Exhibit C-4

**Data Control
Codes**

Net change in fund balances - total governmental funds (from C-3)		\$ 259,760,186
Amounts reported for governmental activities in the statement of activities (B-1) are different because:		
1	Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization.	
	Capital expenditures reclassified to assets.	87,910,840
	Depreciation\Amortization expense charged to each function in the Statement of Activities	(33,965,501)
2	Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain (loss) on the sale of the assets. Thus, the change in net position differs from the change in fund balance by the cost of the asset sold.	(10,652,430)
3	Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	5,076,781
4	Repayment of bond principal and lease payments are expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.	82,390,000
5	Proceeds from issuance of long-term debt is reported as an other financing source in the governmental funds. In the government-wide financial statements, proceeds are treated as an increase in long-term	(307,375,000)
6	Proceeds from issuance subscription arrangement is reported as an other financing source in the governmental funds. In the government-wide financial statements, proceeds are treated as an increase in long-term liabilities.	(608,149)
7	Premium from issuance of long-term debt is reported as an other financing source in the governmental funds. In the government-wide financial statements, proceeds are treated as an increase in long-term liabilities.	(17,691,706)
8	Repayment of lease payable	620,556
9	Repayment of subscription based I.T. arrangements	232,756
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
10	Changes in net pension and OPEB liabilities, and related deferred outflows and inflows of resources	4,121,873
11	Change in interest payable not recognized in fund statements	(4,548,306)
12	Decrease in accrued compensated absences	149,573
13	Amortization of bond premiums	6,018,040
14	Amortization on deferred loss on refunding	(691,795)
15	Arbitrage interest	(1,409,369)
17	Internal service funds are used by management to charge the costs of certain activities, such as insurance and printing, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental funds.	172,124
Change in net position of governmental activities		\$ 69,510,473

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2023
Exhibit D-1

	Business-Type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Assets		
Current Assets:		
Cash and cash equivalents	\$ 526,450	\$ 3,572,896
Investments	3,819,602	-
Receivables:		
Due from other funds	46,299	-
Lease receivables	720,506	-
Other receivables	41,760	-
Prepaid items	-	400
Total Current Assets	<u>5,154,617</u>	<u>3,573,296</u>
Non-Current Assets:		
Building and improvements	13,764	-
Furniture and equipment	241,118	44,350
Vehicles	246,042	147,500
Accumulated depreciation/amortization - buildings and improvements	(29)	-
Accumulated depreciation/amortization - vehicles	(225,287)	(147,500)
Accumulated depreciation/amortization - furniture and equipment	(172,672)	(44,350)
Total Non-Current Assets	<u>102,936</u>	<u>-</u>
Total Assets	<u>5,257,553</u>	<u>3,573,296</u>
Liabilities		
Current Liabilities:		
Accounts payable	13,746	36,686
Accrued wages payable	230,775	-
Due to other funds	241,036	-
Due to others	9,251	-
Unearned revenue	15,400	-
Total Current Liabilities	<u>510,208</u>	<u>36,686</u>
Total Liabilities	<u>510,208</u>	<u>36,686</u>
Deferred Inflows of Resources		
Deferred Inflows - leases	680,285	-
Deferred Inflows of Resources	<u>680,285</u>	<u>-</u>
Net Position		
Investment in capital assets	102,936	-
Unrestricted net position	3,964,124	3,536,610
Total Net Position	<u>\$ 4,067,060</u>	<u>\$ 3,536,610</u>

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2023

Exhibit D-2

	Business-Type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Operating Revenues		
Local and intermediate sources	\$ 2,881,508	\$ 445
Interfund services provided and used	-	1,410,377
Total Operating Revenues	<u>2,881,508</u>	<u>1,410,822</u>
Operating Expenses		
Payroll costs	1,272,380	267,451
Purchased and contracted services	23,534	81,338
Supplies and materials	324,807	62,574
Claims expense and other operating expenses	399,114	827,335
Depreciation/amortization	39,896	-
Total Operating Expenses	<u>2,059,731</u>	<u>1,238,698</u>
Operating Income (Loss)	<u>821,777</u>	<u>172,124</u>
Non-Operating Revenues		
Investment earnings	<u>117,087</u>	<u>-</u>
Total Non-Operating Revenues	<u>117,087</u>	<u>-</u>
Change in net position	938,864	172,124
Net Position		
Total Net Position - Beginning	<u>3,128,196</u>	<u>3,364,486</u>
Total Net Position - Ending	<u>\$ 4,067,060</u>	<u>\$ 3,536,610</u>

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
Exhibit D-3
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Cash Flows from Operating Activities:		
Cash received from customers	\$ 2,855,218	\$ -
Receipts from interfund charges for insurance services	-	1,458,521
Payments to suppliers for goods and services	(517,862)	(977,784)
Payments to employees	(1,369,901)	(267,451)
Net Cash Provided by (Used for) Operating Activities	967,455	213,286
Cash Flows from Capital and Related Financing Activities:		
Acquisition of capital assets	(13,763)	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	(13,763)	-
Cash Flows from Investing Activities:		
Interest on investments	117,087	-
Net Cash Provided by Investing Activities	117,087	-
Net increase (decrease) in cash and cash equivalents	1,070,779	213,286
Cash and Investments - Beginning of Year	3,275,273	3,359,610
Cash and Investments - End of Year	\$ 4,346,052	\$ 3,572,896
Reconciliation to Balance Sheet:		
Cash and investments	\$ 526,450	\$ 3,572,896
Investments	3,819,602	-
Cash and Cash Equivalents per Balance Sheet	\$ 4,346,052	\$ 3,572,896
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Operating income (loss)	\$ 821,777	\$ 172,124
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation/amortization	39,896	-
Change in Assets and Liabilities:		
Decrease (increase) in interfund receivables	(4,402)	-
Decrease (increase) in receivable	29,654	47,699
Decrease (increase) in Prepaid Items	1,050	(400)
Increase (decrease) in accounts payable	13,746	(6,137)
Increase (decrease) in accrued wages payable	(97,521)	-
Increase (decrease) in interfund payables	215,847	-
Increase (decrease) in Due to Others	1,037	-
Increase (decrease) in unearned revenue	(1,300)	-
Increase (decrease) in unavailable inflows	(52,329)	-
Net Cash Provided by (Used for) Operating Activities	\$ 967,455	\$ 213,286

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
Exhibit E-1
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2023

	Private Purpose Trust Fund	Custodial Funds	
		Students Activity Fund	Property Tax Collections
Assets			
Cash and cash equivalents	\$ -	\$ -	\$ 63,455
Investments	234,034	4,742,831	-
Other receivables	9,875	12,386	-
Prepaid items	-	11,815	-
Total Assets	<u>243,909</u>	<u>4,767,032</u>	<u>63,455</u>
Liabilities			
Accounts payable	-	23,331	-
Payroll deductions and withholding	-	601,775	-
Due to others	-	1,729,158	134
Total Liabilities	<u>-</u>	<u>2,354,264</u>	<u>134</u>
Net Position			
Restricted - other	<u>\$ 243,909</u>	<u>\$ 2,412,768</u>	<u>\$ 63,321</u>

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2023
Exhibit E-2

	Private Purpose Trust Fund	Custodial Funds	
		Student Activitiy Fund	Property Tax Collections
Additions			
Gifts and contributions	\$ 3,000	\$ 2,588,357	\$ -
Property tax collections	-	-	33,907,860
Earnings on investments	8,451	199,686	-
Total Additions	<u>11,451</u>	<u>2,788,043</u>	<u>33,907,860</u>
Deductions			
Community service	-	2,644,223	-
General administration	-	-	33,915,989
Total Deductions	<u>-</u>	<u>2,644,223</u>	<u>33,915,989</u>
Change in net position	11,451	143,820	(8,129)
Net Position - Beginning of Year	232,458	2,268,948	-
Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>71,450</u>
Net Position - End of Year	<u>\$ 243,909</u>	<u>\$ 2,412,768</u>	<u>\$ 63,321</u>



Note 1 - Summary of Significant Accounting Policies

The Spring Branch Independent School District (the "District") is an independent public educational agency operating under applicable laws and regulations of the State of Texas. The District is autonomously governed by a seven-member Board of Trustees elected by the District's residents.

The District prepares its basic financial statements in conformity with U.S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement on Auditing Standards No. 69*, as amended by *Statement on Auditing Standards No.'s 91 and 93* of the American Institute of Certified Public Accountants; and it complies with the most recent requirements of the Texas Education Agency's *Financial Accountability System Resource Guide* (the "Resource Guide" or FASRG) and the requirements of contracts and grants of agencies from which it receives funds.

The following is a summary of the most significant accounting policies.

A. Reporting Entity

The District is considered an independent entity for financial reporting purposes and is considered a primary government. The Board of Trustees (the "Board") is elected by the public and has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by the GASB in its Statement No. 61, *The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34*. The District is not financially accountable for any other organizations; therefore, no component units are included within the reporting entity. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding entities.

As required by U.S. generally accepted accounting principles, these basic financial statements have been prepared, based on considerations regarding the potential for inclusion of other entities, organizations, or functions, as part of the District's financial reporting entity. The District has implemented GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The District receives support from various Parent Teacher Associations (PTA), booster clubs and foundation organizations. None of these organizations meet the criteria specified by GASB No. 39 to be included in the District's financial statements. Therefore, there are no component units included within the reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the District's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the District is part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the District's financial reporting entity status is that of a primary government are: that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments.

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 all of the Spring Branch Independent School District operating activities and activities other than the District's fiduciary activities. For the most part, the effect of interfund activities has been removed from these statements. Governmental activities include programs supported primarily by taxes, state foundation funds, grants and other intergovernmental revenues. The District's business-type activities rely to a significant extent on fees and charges for support.

Note 1 - Summary of Significant Accounting Policies (continued)

B. Government-Wide and Fund Financial Statements (continued)

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of direct costs. The "Charges for Services" column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the District. Examples include school lunch charges, etc. The "Operating Grants and Contributions" column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act (ESEA). If a revenue is not a program revenue, it is a general revenue used to support all of the District's functions. Property taxes are considered general revenues.

Interfund activities between governmental funds and proprietary funds appear as "Due To/Due From" on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position. All interfund transactions between governmental funds are eliminated on the government-wide statements except for internal services provided. Interfund activities between governmental funds and the enterprise fund remain on the government-wide statements and appear on the government-wide Statement of Net Position as internal balances.

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 all governmental and enterprise funds to be major and reports their financial condition and results of operations in a separate column.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 non-operating.

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 trust 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. Property taxes are recognized as revenues in the year for which they are levied. 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. 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 are recognized for compensated absences and claims and judgments when amounts are due and payable. The District considers all revenues available if they are collectible within sixty days after year-end.

Note 1 - Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the state are recognized under the susceptible-to-accrual concept. 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 revenues 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 unearned 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 Funds 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. The fund balance is segregated into net investment in capital assets, restricted net position, and unrestricted net position.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first when appropriate, and then unrestricted resources as they are needed.

D. Fund Accounting

The accounts of the District are organized on the basis of funds in accordance with the provisions of the Resource Guide. Each fund is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses. For financial statement presentation, the District's fund financial statements provide more detailed information about the District's funds-not the District as a whole. All of the District's governmental and enterprise funds are considered major funds in accordance with generally accepted financial reporting criteria.

Governmental Funds:

General Fund - The General Fund is the government's primary operating fund. It is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, state funding under the Foundation School Program, interest earnings on fund investments, and federal source revenues. Expenditures include all costs associated with the daily operations of the District, except for specific programs funded by the federal or state government, food service, debt service and capital projects.

Special Revenue Fund - The Special Revenue Fund is used to account for all financial resources restricted to, or designated for, specific purposes by a grantor. Specifically, this type of fund is used to account for the District's food service program, including local and federal revenue sources, for federally financed programs (grants) where unused balances are returned to the grantor at the close of specified project periods and other revenue specific programs. Project accounting is employed to maintain integrity for the various sources of revenues. Resources accounted for in these programs are awarded to the District for the purpose of accomplishing specific educational tasks as defined by grantors in contracts or other agreements.

Note 1 - Summary of Significant Accounting Policies (continued)

D. Fund Accounting (continued)

Governmental Funds:

Debt Service Fund - The Debt Service Fund is used to account for the payment of interest and principal on all bonds of the District. The primary sources of revenue for debt service is local property taxes.

Capital Projects Fund - The Capital Projects Fund is used to account for the expenditures of resources accumulated from sales of bonds and related interest earnings for the renovation, acquisition and construction of school facilities.

Proprietary Funds:

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

Enterprise Fund - The Enterprise fund is used to account for revenues and expenses related to the District's tuition/fee-based self-sustaining programs such as Employee Child Care, and Facilities Rentals. The District accounts for revenues and expenses related to services provided to parties inside the District. Revenues are received based on fees charged for services. Expenses include payments to employees and charges incurred in administering the programs.

Internal Service Fund - The district's internal service fund is used to account for the operations of the District's partially self-funded workers' compensation plan, which is supported by employer contributions. Expenses include plan benefit payments to employees and charges incurred in administering the plan.

Fiduciary Funds:

Private Purpose Trust Funds - Funds set up for handling specific scholarship money received by the District.

Custodial Funds - The Custodial Funds are used to account for activities of student groups, the employee's medical flexible spending accounts and for property tax collections for other governments. The Custodial Funds accounts for resources held in a custodial capacity by the District and consists of funds that are property of students and others and cannot be used by the District in operations.

E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, money markets, balances in private-managed public funds investment pools (TexPool, TexSTAR and LOGIC), and short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the Statement of Cash Flows, the Proprietary Fund Types consider temporary investments, with maturity of three months or less when purchased, to be cash equivalents. For cash management purposes, the District transfers balances to either a money market mutual fund or an externally pooled investment account. The cash is transferred back to the District as needed.

Note 1 - Summary of Significant Accounting Policies (continued)

E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)

2. Investments

Investments consist largely of certificates of deposit, commercial paper, U.S. government agency securities, corporation obligation short-term and government investment pools. The District's investments are carried at fair value based on quoted market prices at year-end, in accordance with U.S. generally accepted accounting principles. Investments having a maturity of three months or less are reported as cash and cash equivalents.

The District categorizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: 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. The District's local government investment pools are recorded at amortized costs as permitted by GASB Statement No. 79 *Certain Investment Pools and Pool Participants*.

The three levels of fair value hierarchy that describes the inputs that are used to measure assets and liabilities are:

- Level 1 inputs are quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. The District estimates the fair value of the investments using inputs such as interest rates and yield curves that are observable at commonly quoted intervals.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Fair values are provided by Hilltop Securities Asset Management, LLC (HSAM). HSAM's source for pricing government securities (Treasuries and agencies) and most commercial paper is SVC, a subsidiary of SS&C and an information aggregator. SVC uses a number of sources for their pricing data, with most government securities and commercial paper pricing provided by Interactive Data Corp (IDC), an independent third-party pricing service, which is the largest source provider of fixed income pricing. Interactive Data's evaluations are based on market data. Interactive Data utilizes evaluated pricing models that vary by asset class and incorporate available trade, bid and other market information.

Because many fixed income securities do not trade on a daily basis, Interactive Data's evaluated pricing applications apply available information as applicable through processes such as benchmark curves, benchmarking of like securities, sector groupings, and matrix pricing, to prepare evaluations. SVC and/or IDC provide some, but not all, of the commercial paper (CP) pricing, while HSAM estimates other CP prices based on comparable market offers of similar issuers with comparable credit ratings and maturity dates. All pricing and fair values are based on Level 2 inputs.

Note 1 - Summary of Significant Accounting Policies (continued)

E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)

3. Short-Term Interfund Receivables/Payables

During the course of operations, transactions occur between individual funds for specified purposes. These receivables and payables are classified as “due from other funds” or “due to other funds” on the combined fund balance sheets.

4. Inventories and prepaid items

Inventories consisting of supplies and materials are stated at first-in, first-out method and they include consumable transportation, instructional, food consumables and various other supplies. Inventories of governmental funds are valued at cost and expenditures are recorded when the supplies and materials are used or consumed (consumption method) rather than when purchased. Inventories of food commodities are recorded at fair value supplied by the Texas Department of Human Services on the date received. Commodity inventory is recorded at fair values supplied by the Texas Department of Human Services. Although commodities are received at no cost, their fair value is supplied by the State and recorded as inventory and revenue when received in the government funds. A portion of fund balance is non-spendable to reflect minimum inventory quantities considered necessary for the District’s continuing operations, generally in an amount equal to inventory values on hand at the end of the year.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

5. Capital Assets

Capital Assets, which include land, buildings, furniture and equipment, are reported in the applicable governmental or business-type activities column 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 of two years or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed (except for intangible right-to-use lease assets). Costs of the Facilities Acquisition and Construction function that relate to overall planning of District facilities, managing overall District assets and overall construction projects are treated as period costs and are not capitalized unless related to specific assets. Donated capital assets are recorded at acquisition value at the date of donation. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at their acquisition value on the date donated.

Note 1 - Summary of Significant Accounting Policies (continued)

E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)

5. Capital Assets (continued)

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. When assets are retired or otherwise disposed of, the related costs or other recorded amounts are removed. Buildings, furniture and equipment of the District are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Infrastructure	50
Buildings	40
Building Improvements	15 - 40
Temporary Buildings	40
Buses	15
Vehicles	10
Furniture, Fixtures and Equipment	5
Right To Use Assets	5 - 20

6. Deferred Outflow/Inflows of Resources

Deferred outflows and inflows of resources are reported in the statement of financial position as described below:

A *deferred outflow of resources* is a consumption of a government's net position (a decrease in assets in excess of any related decrease in liabilities or an increase in liabilities in excess of any related increase in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

- Deferred outflows of resources for refunding - Reported in the government-wide financial statement of net position, this 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.
- Deferred outflows of resources for pension - Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results 1) differences between projected and actual earnings on pension plan investments; 2) changes in actuarial assumptions; 3) differences between expected and actual actuarial experiences and 4) changes in the District's proportional share of pension liabilities. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The deferred outflows resulting from differences between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The remaining pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.

Note 1 - Summary of Significant Accounting Policies (continued)

E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)

6. Deferred Outflow/Inflows of Resources (continued)

- Deferred outflows of resources for OPEB - Reported in the government wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of 1) differences between projected and actual earnings on OPEB plan investments; 2) changes in actuarial assumptions; 3) differences between expected and actual actuarial experiences and 4) changes in the District's proportional share of OPEB liabilities. The deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net post-employment benefit liability in the next fiscal year. The deferred outflows resulting from differences between projected and actual earnings on postemployment plan investments will be amortized over a closed five-year period. The remaining postemployment related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with post-employment benefits through the post-employment benefit plan.

A *deferred inflow of resources* is an acquisition of a government's net position (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The District has four items that qualify for reporting in this category:

- Deferred inflows of resources for unavailable revenues - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes and leases arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows of resources for pension - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from 1) changes in actuarial assumptions; 2) differences between expected and actual actuarial experiences and 3) changes in the District's proportional share of pension liabilities. These pension related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.
- Deferred inflows of resources for OPEB - Reported in the government wide financial statement of net position, this deferred inflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of 1) differences between projected and actual earnings on OPEB plan investments; 2) changes in actuarial assumptions; 3) differences between expected and actual actuarial experiences and 4) changes in the District's proportional share of OPEB liabilities. The deferred inflows of resources related to postemployment benefits resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net post-employment benefit liability in the next fiscal year. The deferred inflows resulting from differences between projected and actual earnings on postemployment plan investments will be amortized over a closed five-year period. The remaining postemployment related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with post-employment benefits through the post-employment benefit plan.
- Deferred inflows of resources for leases - Reported in the government-wide and proprietary fund financial statements, this deferred inflow results from lease agreements where the District is the lessor. This deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Note 1 - Summary of Significant Accounting Policies (continued)

E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)

7. Long-Term Obligations

- In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type 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. Bond issuance costs are recognized as an expense in the period incurred.
- 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, including lease liabilities are 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.

8. Transactions Between Funds

Transactions which constitute reimbursements to a fund for expenditures or expenses initially made from that fund, which are properly attributable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditures or expenses in the fund that is reimbursed.

Other legally authorized transfers are treated as operating transfers and are included in the results of operations of the governmental funds.

9. Compensated Absences - Accumulated Vacation Pay and Sick Leave

The District maintains a policy allowing employees meeting established requirements to be compensated for unused sick leave at retirement. The estimated liability for accumulated sick leave is reported in the government-wide statement of net position for the portion that is not currently payable from available financial resources at year-end and is accounted for as an assigned fund balance in the governmental funds-general fund. Annual vacation time is granted to full-time employees assigned to the auxiliary salary schedule in positions normally requiring 12 months of service and non-duty days are allowed for certain employees on a 223 and 230 day work calendar. No more than 30 days may be accumulated.

10. Pensions

The fiduciary net position of the Teacher's 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 and deduction for TRS's fiduciary net position. Benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

Note 1 - Summary of Significant Accounting Policies (continued)

E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)

11. Other Post-Employment Accounting Policies

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.

12. Leases

Lessee: The District is a lessee for several noncancellable leases for property and equipment. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$400,000 or more.

At the commencement of a lease, the District measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The District is a lessor for noncancellable leases agreements. The District recognizes a lease receivable and a deferred revenue in the government-wide and proprietary fund financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Note 1 - Summary of Significant Accounting Policies (continued)

E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)

12. Leases (continued)

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

13. Subscription Based Information Technology Arrangements (SBITAs)

The District is under contract for various SBITAs for the right to use subscription assets (software). The SBITAs are noncancellable, and the District recognizes a SBITA liability and an intangible right to use SBITA asset in the governmentwide financial statements. The District recognizes SBITA liabilities with an initial, individual value of \$100,000 or more.

At the commencement of the SBITA, the District initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the sum of (1) the initial SBITA liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Key estimates and judgments related to SBITA include how the District determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments.

- The District uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA term includes the noncancellable period of the SBITA and payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability. SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position.

Note 1 - Summary of Significant Accounting Policies (continued)

E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)

14. Fund Balance

Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, provides more defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent.

The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance - Amounts that are not in spendable form or are required to be maintained intact. As such, the inventory and prepaid items have been properly classified in the Governmental Funds Balance Sheet (Exhibit C-1).

Restricted fund balance - Amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed fund balance - Amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. the Board of Trustees). To be reported as committed, amounts cannot be used for any other purposes unless the District takes the same highest level of action to remove or change the constraint. The District establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. A fund balance commitment is further indicated in the budget document as a commitment of the fund. In the Special Revenue Fund the District has committed 100 percent of *Campus Activity* related funds.

Assigned fund balance - Amounts the District intends or tentatively intends to use for a specific purpose. Assignment can be expressed by the District's Board of Trustees. For detail discussion on assigned fund balance as of June 30, 2023, see Note 14.

Unassigned fund balance - Amounts that are available for any purpose. Positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. The District has not adopted a policy stating which fund balance category is spent first when committed, assigned or unassigned fund balances are available. By default, the District will consider amounts to have been spent first out of committed funds, then assigned and finally unassigned funds. Board policy states that the District will strive to maintain an annual fund balance in the general operating fund in which the total fund balance is (except for nonspendable and restricted) 19 percent of the total operating expenditures. The debt service fund balance is targeted at 15 percent of the current year debt service requirements.

15. Use of Estimates

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

Note 1 - Summary of Significant Accounting Policies (continued)

E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)

16. Data Control Codes

The data control codes refer to the account code structure prescribed by TEA in the Financial Accountability System Resource Guide. TEA requires school districts to display these codes in the financial statements submitted to them in order to ensure accuracy in building a statewide database for policy development and funding plans.

17. Implementation of New Accounting Standards

GASB Statement No. 94 *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* was issued in March 2020 and is effective for periods beginning after June 15, 2022. This Statement addresses issues related to public private and public-public partnership arrangements (PPPs). The Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The requirements of this Statement are effective for periods beginning after June 15, 2022. The District has evaluated the effects of this standard and has determined that it does not impact the financial statements.

GASB Statement No. 96 *Subscription-Based Information Technology Arrangements* (SBITA), was issued in May 2020 and was effective for periods beginning after June 15, 2022. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The District has evaluated the effects of this standard and has determined that it does impact the financial statements. As such the District has incorporated such SBITAs into its capital assets and long-term liabilities on both the face of the financial statements and the note disclosures.

GASB issued Statement No. 99, *Omnibus 2022* was issued in April 2022. This Statement was issued to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The requirements of this Statement are effective immediately upon issuance, for periods beginning after June 15, 2022 and June 15, 2023, depending on the topical area.

Note 2 - Reconciliation of Government-wide and Fund Financial Statements

A. Reconciliation 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 and net pension liability, are not due and payable in the current period and are not reported as liabilities in the funds. Also, the property taxes receivable which is included as deferred in the fund financial statements are adjusted based on when the tax levy was made and adjusted for uncollectible amounts.

Note 2 - 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 position balance and the change in net position. The debt payments on retirement of debt are recorded as expenditures for fund basis financial statements but are a reduction of debt in the government wide financial statements. The capital asset additions are expenditures in the fund basis financial statements but are capitalized in the government-wide financial statements. The fund-basis financial statements do not include depreciation/amortization expense. The depreciation/amortization expense is a deduction to reconcile to the Government-Wide Statement of Activities. New debt issues are treated as other financing sources for fund-basis financial statements, but for the government-wide statements, those amounts are recorded as a liability. Property taxes are adjusted for the accrual basis and the unearned revenues are adjusted based on prior year levies and current year uncollectible amounts.

Note 3 - Stewardship, Compliance, and Accountability

A. Budgetary Data

The Board of Trustees adopts an annual "appropriated budget" for the General and Debt Service Funds and the Food Service Program included in the Special Revenue Fund. Budgets are prepared using the same method of accounting as for financial reporting. The District is required to present the adopted and final annual amended budgeted revenues and expenditures for all funds and programs that have "appropriated budgets." The General Fund budget report appears in the Required Supplementary Information section as Exhibit G-1 where the District compares the final annual amended budget to actual revenues and expenditures. Per TEA regulatory requirements, the Debt Service Fund and the Food Service Program are required to be reported with the annual original budget, amended budget, and actual revenues and expenditures. These schedules are included as Other Supplementary Information at the end of the Financial Section of the School District's Annual Financial and Compliance Report in Exhibit H-1 and H-2.

The Capital Projects Fund budget is prepared on a project-basis based on the proceeds available from bond issues and planned expenditures. Capital Projects Fund balance, which represents unexpended appropriations, is re-appropriated in the subsequent fiscal year's budget until available funds for acquisition and construction of facilities have been utilized. Each major construction contract is approved based on the existing availability of bond proceeds.

Note 3 - Stewardship, Compliance, and Accountability (continued)

A. Budgetary Data (continued)

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

1. Prior to June 19th, 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. At least ten days public notice of the meeting must be given.
3. Prior to July 1, 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. During the year, amendments are presented to the Board at its regular meetings. 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. Because the District has a policy of careful budgetary control, several amendments were necessary during the year. All supplemental appropriations must be within limits of available revenues and fund balance.
4. Each budget is controlled by a budget manager at the expenditure function/object level. All budget appropriations lapse at year-end.

B. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in order to reserve that portion of the applicable appropriation, is used in all governmental funds. Encumbrances outstanding at year-end are commitments that do not constitute expenditures or liabilities. Since under Texas law, appropriations lapse at the end of each fiscal year, outstanding encumbrances are appropriately provided for in the subsequent fiscal year's budget to provide for the liquidation of the prior commitments. Outstanding encumbrances as of June 30, 2023, are \$3,245,623 for general fund, \$2,891,890 for special revenue funds, \$97,761,963 for capital projects funds, \$17,488 for enterprise fund and \$8,586 for custodial funds.

Note 4 - Deposits (Cash) and Investments

A. Deposits (Cash)

Deposits and investment transactions of the District are regulated by State statutes through provisions of Chapter 23, Subchapter E, Sections 23.71 through 23.8 (the School Depository Act) of the Texas Education Code and other Code sections referenced therein and through provisions of the Texas Revised Civil Statutes, Title 47, Articles 2529c, and 2548a regarding security for District funds in depository institutions.

In accordance with applicable statutes, the District has a depository contract with an area bank (Depository). All depository contracts have an initial term of two years and may be renewed for three additional two year terms. Depository contracts are awarded on the basis of competitive bids received from area banks and can be awarded to more than one bank if the bids received are relatively equal.

The District may place funds with the Depository in interest and non-interest bearing accounts. Statutes and the depository contract require that all funds in the depository institution be fully secured by federal depository insurance or a combination of federal depository insurance and acceptable collateral securities and/or an acceptable surety bond.

Note 4 - Deposits (Cash) and Investments (continued)

A. Deposits (Cash) (continued)

The collateral securities must be delivered to the District or placed with an independent trustee institution with safekeeping receipts delivered to the District. In accordance with State statutes pertaining to lawful collateralization of District deposits, safekeeping receipts are issued in the name of the Depository with proper indication that the collateral securities are pledged by the Depository to secure funds of the District.

Acceptable collateral securities include direct obligations of the United States of America (U.S.), bonds of any agency of the U.S. (except Farmers Home Administration Insured Notes), Bonds of the State of Texas or of any county, school district, city, or town of the State of Texas as authorized by the Public Funds Collateral Act (Chapter 2257, Texas Government Code).

The District must approve all collateral securities prior to the security being pledged.

All demand and time deposits in the depository bank were entirely covered by federal depository insurance and by acceptable collateral securities held in the District's name by an agent of the District at year-end in accordance with provisions of the depository contract.

At June 30, 2023, the carrying amount of the District's deposits including money market accounts was \$32,882,064 and the bank balance was \$35,471,414. The District deposits in Wells Fargo were secured by \$32,798,345 of pledged collateral and \$250,000 of FDIC coverage. In addition, certificates of deposit were secured by \$109,595,526 of pledged collateral and FDIC coverage at various other institutions.

B. Investments

The Board of Trustees of the District has adopted a written investment policy (the "Investment Policy") regarding the investment of its funds as defined in the Public Funds Investment Act (Chapter 2256, Texas Government Code). The Public Funds Investment Act (the "Act") requires an annual audit of investment practices. Audit procedures in this area, conducted as part of the audit, disclosed that in the area of investment practices, management reports, and establishment of appropriate policies, the District was in substantial compliance with the requirements of the Act. Additionally, the investments and investment practices of the District are in compliance with the Boards' investment policies.

The Investment Policy emphasizes safety of principal and liquidity, addresses investment diversification, yield, and maturity, and addresses the quality and capability of investment personnel. The Investment Policy includes a list of authorized investment instruments, a maximum allowable stated maturity of any individual investment and the maximum average dollar weighted maturity allowed for fund groups. In addition, it includes an "Investment Strategy Statement" that specifically addresses each fund's investment options and describes the priorities of suitability of investment type, preservation and safety of principal, liquidity, marketability, diversification and yield.

The District is authorized to invest in the following investment instruments provided that they meet the guidelines of the Investment Policy:

1. Obligations of the United States or its agencies and instrumentalities;
2. Direct obligations of the State of Texas, or its agencies and instrumentalities;
3. Other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States, or its agencies and instrumentalities;
4. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; and have a stated maturity no longer than ten years;

Note 4 - Deposits (Cash) and Investments (continued)

B. Investments (continued)

5. Certificates of deposit fully collateralized and guaranteed or insured by the FDIC;
6. Repurchase agreements fully collateralized (102%), pledged to and held in the District's name, and deposited at the time the investment is made with the District or with a third party selected and approved by the District, with a defined termination date, and placed through a primary government securities dealer;
7. Commercial paper having a stated maturity of 270 days or fewer and a rating of not less than A-1/P-1 by two nationally recognized credit rating agencies; or a fully secured irrevocable letter of credit from a U.S. bank and one A-1/P-1 credit rating;
8. Money Market Mutual Funds approved by the Board, with its funds only in investments approved by the Investment Policy;
9. Public Funds Investment Pools approved by the Board, with its funds only in investments approved by the Investment Policy.

A summary of the District's cash and investments at June 30, 2023, are shown below.

	Cash	Certificates of Deposit	External Investment Pools	U.S. Government Securities	Commercial Obligations	Total
Governmental Funds						
General fund	\$ 10,701,902	\$ 24,051,996	\$ 31,260,590	\$ 182,575,610	\$ -	\$ 248,590,098
Special revenue fund	7,701,119	-	10,082,617	-	-	17,783,736
Debt service fund	95,420	-	4,350,219	17,828,305	13,118,341	35,392,285
Capital projects fund	10,220,822	41,235,204	27,987,288	343,550,383	6,984,289	429,977,986
Total Governmental Funds	28,719,263	65,287,200	73,680,714	543,954,298	20,102,630	731,744,105
Internal service fund	3,572,896	-	-	-	-	3,572,896
Total Governmental Activities	32,292,159	65,287,200	73,680,714	543,954,298	20,102,630	735,317,001
Business-Type Funds						
Enterprise fund	526,450	-	3,819,602	-	-	4,346,052
Fiduciary Funds	63,455	-	4,976,865	-	-	5,040,320
Total Cash and Investments	\$ 32,882,064	\$ 65,287,200	\$ 82,477,181	\$ 543,954,298	\$ 20,102,630	\$ 744,703,373

For reporting purposes cash deposits and money market are considered by the District as cash equivalents.

The District's investments are registered, or held by the District's agent in the District's name. Therefore, the District is not exposed to custodial credit risk. Custodial Credit risk for investments is the risk that, in event of the failure of the counterparty (e.g. broker dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The District's policy requires that a third-party custodian hold all securities owned by the District.

The District generally holds all investments to maturity. The District did not purchase any derivative investment products during the fiscal year 2023 nor participate in any reverse repurchase agreements or security lending agreements during the fiscal year 2023.

Note 4 - Deposits (Cash) and Investments (continued)

B. Investments (continued)

The following table includes the portfolio balance, credit rating, and percentage of the portfolio balance by investment type and weighted average days to maturity of investments held by the District as of June 30, 2023:

Investment Type	Fair Value	S&P Credit Quality Ratings	Percentage of Investments	Weighted Average Maturity (Days)
Certificates of Deposit	\$ 65,287,200	N/A N/A	9.17%	219
Local Government Investment Pools: *				
Logic	13,799,579	AAAm	1.94%	32
TexPool	59,868,377	AAAm	8.41%	25
TexSTAR	8,809,224	AAAm	1.24%	42
Total	<u>82,477,180</u>			
Investments-Securities:				
Securities of U.S. Government Agencies:				
Federal Home Loan Mortgage Corp	7,060,307	AA+	0.99%	22
Federal Home Loan Bank	220,219,405	A-1+	30.94%	293
	<u>227,279,712</u>			
U.S. Treasury Notes	316,674,587	N/A	44.49%	214
Total	<u>543,954,299</u>			
Corporate Obligations Short-Term:				
MUFG Bank	13,118,341	A-	1.84%	22
J.P. Morgan Securities LLC	6,984,289	A-1+	0.98%	6
Total	<u>20,102,630</u>			
Total Investments	<u>\$ 711,821,309</u>		<u>100.00%</u>	

* Per GASB 79, valued at amortized cost.

Investments' fair value measurements are as follows at June 30, 2023:

Investments	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Certificates of Deposit	\$ 65,287,200	\$ -	\$ 65,287,200	\$ -
Debt securities:				
U.S. Treasury Notes	316,674,587	-	316,674,587	-
U.S. Agency Securities	227,279,712	-	227,279,712	-
Corporate Obligations Short-Term	20,102,630	-	20,102,630	-
Total	<u>\$ 629,344,129</u>	<u>\$ -</u>	<u>\$ 629,344,129</u>	<u>\$ -</u>

Note 4 - Deposits (Cash) and Investments (continued)

B. Investments (continued)

Local Government Investment Pools

As of June 30, 2023, the District's investments included the Texas Local Government Investment Pool (TexPool), Local Government Investment Cooperative (LOGIC) and the Texas Short Term Asset Reserve Program (TexSTAR). The TexPool, LOGIC and TexSTAR investment pools' investments are not evidenced by securities that exist in physical or book entry form and, accordingly, do not have custodial risk.

TexPool policies require that local government deposits be used to purchase investments authorized by the Public Funds Investment Act of 1987, as amended. The Texas State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Federated Investors manages the daily operations of the pool under a contract with the Comptroller.

LOGIC is overseen by a Governing Board consisting of individuals from participating Government Entities in the pool. The business and affairs of LOGIC are managed by the Board. J.P. Morgan Asset Management provides investment management, fund accounting, transfer agency and custodial services for the pool and Hilltop Securities Inc. provides administrative, marketing and participant services. Together, these organizations bring to the LOGIC program a proven and noted track record in local government investment pool management.

TexSTAR is an investment pool managed by J.P. Morgan Fleming Asset Management (USA), Inc. (JPMFAM) and Hilltop Securities Asset Management, Inc. (HSAM). JPMFAM provides investment services and HSAM provides participant services and marketing. Custodial, transfer agency, fund accounting and depository services are provided by JPMorgan Chase Bank and/or its subsidiary J.P. Morgan Investor Services Co. TexSTAR will seek to maintain a credit rating no lower than AAA, AAAM, or the equivalent by at least one nationally recognized rating agency.

The value of District portions in TexPool, LOGIC and TexSTAR are the same as the value of the shares. The external pooled funds use amortized cost rather than fair value to report net position to compute share price. Accordingly, the fair value of the positions of the pooled funds is the same as the value of the external pool shares. The funds are structured similar to a money market mutual fund which allows shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are also adjusted on a daily basis. Such funds seek to maintain a constant net asset value of \$1, although this cannot be fully guaranteed. TexPool, LOGIC and TexSTAR pooled funds have a weighted average maturity of 25, 32 and 42 days respectively. However, the District can redeem its share position within one day when necessary.

The District invests in various types of investment securities at June 30, 2023. These include U.S. Government Agencies, Treasury Notes, certificates of deposit and commercial paper in which the carrying value reflect the fair value of the investments. The District estimates the fair value of the investments using inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Investment Risk

The risk exposure for governmental and business-type activities, major funds, the internal service fund, and fiduciary fund types of the District are not significantly greater than the deposit and investment risk of the overall primary government. The District's Investment Policy segregates the portfolios into strategic categories including:

1. General Fund
2. Debt Service Fund
3. Capital Projects Fund
4. Special Revenue and Other Special-Purpose Funds

Note 4 - Deposits (Cash) and Investments (continued)

B. Investments (continued)

The District's Investment Policy seeks to control credit risk. Such risk is controlled by investing only in instruments of the highest credit quality; pre-qualifying the brokers and financial institutions with whom the District conducts business; obtaining sufficient collateral when required; diversifying investments among security types, issuers, and maturity dates; limiting final and weighted average maturities; and closely monitoring credit ratings.

In accordance with GASB 79, TexPool, LOGIC and TexStar do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. Both pools do not impose any liquidity fees or redemption gates.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates may adversely affect the value of the investments. The District monitors interest rate risk utilizing weighted average maturity analysis. In accordance with the Investment Policy, the District reduces its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to no more than 365 days, with the exception of debt service and capital projects funds which are matched to a specific cash flow for liquidity. In addition, the District shall not directly invest in an individual security maturing more than three years from the date of purchase. All investments at year-end complied with the Investment Policy in regard to maximum maturity dates and weighted average maturity limitations.

Adjustment to Investment's Fair Value

The District's portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates have risen, the portfolio value will have declined. If interest rates have fallen, the portfolio value will have risen. Fair values of U.S. Treasury Notes, U.S. Government Agency Securities, certificates of deposit and short-term Corporate Obligations, are based on quoted market values. The investments are reported by the District at fair value in accordance with Governmental Accounting Standards. The amount of increase or decrease in the fair value of investments is included in investment income.

The District recorded a decrease in the fair value of investments for the year that is included in investment income.

	Governmental Funds	Proprietary Fund	Fiduciary Fund	Total
Interest income	\$ 23,741,626	\$ 117,087	\$ 208,137	\$ 24,066,850
Net decrease in fair value of investments	(2,207,735)	-	-	(2,207,735)
Total Investment Income	\$ 21,533,891	\$ 117,087	\$ 208,137	\$ 21,859,115

Note 5 - Property Taxes

Property taxes are levied by October 1st or within 60 days of receiving a certified roll in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1st of the year following the year in which imposed. On January 1st of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Appraised values are established by the Central Appraisal District (CAD) of Harris County, Texas. Taxes are levied by the District's Board of Trustees based on the appraised values received from Harris County Appraisal District. Billing and collection of tax levies are performed by the District.

Property tax rates, established in accordance with state law, are levied on real and personal property within the District's boundaries for use in financing general government and debt service expenditures. Tax rates levied to finance general government and debt service expenditures for the fiscal year were \$0.9643 and \$0.3045, respectively, based on an assessed property valuation of approximately \$38.0 billion resulting in an adjusted tax levy of approximately \$481.5 million. Allowances for uncollectible taxes are based on historical experience in collecting property 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.

Note 5 - Property Taxes (continued)

Governmental funds net property taxes receivable at June 30, 2023, consisted of the following:

	General Fund	Debt Service Fund	Totals
Delinquent Taxes:			
Current year levy	\$ 5,300,951	\$ 1,673,898	\$ 6,974,849
Prior years' levies	4,974,588	1,341,432	6,316,020
Total Delinquent Taxes	10,275,539	3,015,330	13,290,869
Penalty and interest on delinquent taxes	4,449,395	1,444,122	5,893,517
Total Delinquent Taxes and Penalty and Interest	14,724,934	4,459,452	19,184,386
Less allowance for uncollectible taxes	(4,841,502)	(1,392,863)	(6,234,365)
Net Property Taxes Receivable	<u>\$ 9,883,432</u>	<u>\$ 3,066,589</u>	<u>\$ 12,950,021</u>

Note 6 - Receivables Due From Other Governments

Receivables due from other governments at June 30, 2023, consisted of the following:

	General Fund	Special Revenue Fund	Total
Due From Other Governments			
Federal	\$ 1,519,402	\$ 17,356,136	\$ 18,875,538
State	5,305,415	483,072	5,788,487
Total Due from Other Governments	<u>\$ 6,824,817</u>	<u>\$ 17,839,208</u>	<u>\$ 24,664,025</u>

Note 7 - Payables Due To Other Governments

Payables due to other governments at June 30, 2023, consisted of the following:

	General Fund	Special Revenue Fund	Total
Due To Other Governments			
State:			
Texas Education Agency	\$ 83,396,037	\$ 417	\$ 83,396,454
Total Due To Other Governments	<u>\$ 83,396,037</u>	<u>\$ 417</u>	<u>\$ 83,396,454</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - Interfund Receivables, Payables and Transfers

Interfund balances consist of short-term lending/borrowing arrangements that result primarily from payroll, warehouse ordering, accounts payable and other regularly occurring charges that are paid by the general fund and then charged back to the appropriate other fund. Additionally, some lending/borrowing may occur between two or more governmental funds. Amounts due to/from other funds at June 30, 2023, consisted of the following:

	Interfund Receivables	Interfund Payables
Governmental Funds		
General fund	\$ 816,764	\$ 647,827
Special revenue fund	1,021,045	989,511
Capital projects fund	-	5,734
Total Governmental Funds	<u>1,837,809</u>	<u>1,643,072</u>
Proprietary Funds		
Enterprise fund	<u>46,299</u>	<u>241,036</u>
Total Proprietary Funds	<u>46,299</u>	<u>241,036</u>
Total - All Funds	<u>\$ 1,884,108</u>	<u>\$ 1,884,108</u>

Interfund transfers are defined as “flow of assets without equivalent flows of assets in return and without a requirement for repayment”. The District report the following transfers during the year ended June 30, 2023.

	Transfers In		
Transfer Out	Fund	Fund	Total
Debt Service Fund	\$ 30,380	\$ -	\$ 30,380
Capital Projects Fund	-	(30,380)	(30,380)
	<u>\$ 30,380</u>	<u>\$ (30,380)</u>	<u>\$ -</u>

Note 9 - Capital Assets

The District records assets based on historical costs and calculates depreciation/amortization on capital assets in accordance with GASB Statement 34. The District’s capitalization policy is to capitalize assets costing over \$5,000 and with a life expectancy of two years or more. Depreciation/amortization expense on capital assets not directly related to a specific function will be allocated to the functional expense categories. Allocation is based on the square feet of buildings that are related to a specific function.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (continued)

Exhibit F-1

Note 9 - Capital Assets (continued)

Capital asset activity for the governmental and business-type activities of the District for the year ended June 30, 2023, are as follows:

	Balance July 1, 2022, as restated	Additions	Retirements and Transfers	Balance June 30, 2023
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 26,837,367	\$ -	\$ (114,387)	\$ 26,722,980
Construction in progress	241,047,680	79,293,455	(218,225,728)	102,115,407
Total Capital Assets, Not Being Depreciated	267,885,047	79,293,455	(218,340,115)	128,838,387
Capital Assets Being Depreciated\Amortized:				
Buildings and improvements	1,063,130,840	-	186,194,368	1,249,325,208
Furniture and equipment	33,918,162	2,913,087	5,276,335	42,107,584
Vehicles	29,648,404	3,286,430	(1,286,894)	31,647,940
Right-to-use lease assets	3,254,593	-	-	3,254,593
Right-to-use subscription based assets	101,805	2,417,868	-	2,519,673
Total Capital Assets, Being Depreciated\Amortized at Historical Cost	1,130,053,804	8,617,385	190,183,809	1,328,854,998
Less: Accumulated Depreciation\Amortization:				
Buildings and improvements	(339,526,244)	(28,198,015)	15,341,306	(352,382,953)
Furniture and equipment	(25,735,692)	(2,402,168)	1,283,765	(26,854,095)
Vehicles	(19,120,210)	(1,935,437)	878,805	(20,176,842)
Right-to-use lease assets	(579,955)	(613,137)	-	(1,193,092)
Right-to-use subscription based assets	-	(816,744)	-	(816,744)
Total Accumulated Depreciation\Amortization	(384,962,101)	(33,965,501)	17,503,876	(401,423,726)
Governmental Activities Capital Assets, Net	\$ 1,012,976,750	\$ 53,945,339	\$ (10,652,430)	\$ 1,056,269,659
Business-type Activities				
Capital Assets being depreciated:				
Buildings and improvements	\$ -	\$ 13,764	\$ -	\$ 13,764
Furniture and equipment	241,118	-	-	241,118
Vehicles	246,042	-	-	246,042
Total Capital Assets, being Depreciated at historical cost	487,160	13,764	-	500,924
Less: Accumulated Depreciation for:				
Buildings and improvements	-	(29)	-	(29)
Furniture and equipment	(148,229)	(24,443)	-	(172,672)
Vehicles	(209,862)	(15,425)	-	(225,287)
Total Accumulated Depreciation	(358,091)	(39,897)	-	(397,988)
Business-type Activities Capital Assets, Net	\$ 129,069	\$ (26,133)	\$ -	\$ 102,936
Totals	\$ 1,013,105,819	\$ 53,919,206	\$ (10,652,430)	\$ 1,056,372,595

Note 9 - Capital Assets (continued)

Capital assets for Internal Service funds included in governmental activities were as follows:

	Balance
	June 30, 2023
Vehicles	\$ 147,500
Furniture & equipment	44,350
Accumulated depreciation/amortization	<u>(191,850)</u>
	<u>\$ -</u>

Depreciation/amortization expense of the governmental activities was charged to the functions/programs as follows:

	Depreciation/ Amortization Expense
Governmental Activities Depreciation/Amortization Expense:	
11 Instruction	\$ 26,694,178
34 Student transportation	1,581,677
35 Food services	397,154
36 Cocurricular/extracurricular activities	1,997,359
41 General administration	112,768
51 Facilities maintenance and operations	820,747
52 Security and monitoring services	166,958
53 Data processing services	2,057,182
81 Facilities acquisition and construction	<u>137,478</u>
Total Governmental Activities Depreciation/Amortization Expense	<u><u>\$ 33,965,501</u></u>
Business-type Activities Depreciation Expense:	
36 Cocurricular/extracurricular activities	\$ 13,554
51 Plant maintenance and operations	19,524
61 Community services	<u>6,819</u>
Total Business-type Activities Depreciation Expense	<u><u>\$ 39,897</u></u>

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (continued)

Exhibit F-1

Note 9 - Capital Assets (continued)

A summary of capital projects having construction in progress as of June 30, 2023, is scheduled as follows:

Description of Project	Construction in Progress at Cost	Approved Project Budget	Estimated Remaining Commitment
Memorial High	\$ -	\$ 5,375,718	\$ 5,375,718
Northbrook High	-	4,543,554	4,543,554
Spring Woods High	-	2,407,455	2,407,455
Stratford High	-	10,192,867	10,192,867
Guthrie Center	2,215,200	117,595,549	115,380,349
Landrum Middle	-	5,092,907	5,092,907
Memorial Middle	3,629,222	7,316,148	3,686,926
Northbrook Middle	1,735,505	11,813,613	10,078,108
Spring Branch Middle	1,196,785	4,475,000	3,278,215
Spring Forest Middle	-	2,034,047	2,034,047
Spring Oaks Middle	6,000	1,818,728	1,812,728
Spring Woods Middle	-	1,500,000	1,500,000
Buffalo Creek Elementary	-	834,612	834,612
Bunker Hill Elementary	37,960,996	40,755,296	2,794,300
Cedar Brook Elementary	-	1,500,689	1,500,689
Edgewood Elementary	-	250,000	250,000
Hollibrook Elementary	-	250,000	250,000
Housman Elementary	-	250,000	250,000
Hunters Creek Elementary	-	1,161,847	1,161,847
Meadow Wood Elementary	56,262	325,000	268,738
Memorial Drive Elementary	8,691,492	38,803,645	30,112,153
Nottingham Elementary	36,746,108	43,760,474	7,014,366
Ridgecrest Elementary	-	250,000	250,000
Shadow Oaks Elementary	-	250,000	250,000
Sherwood Elementary	666,197	38,177,489	37,511,292
Spring Branch Elementary	-	250,000	250,000
Spring Shadows Elementary	-	3,049,432	3,049,432
Treasure Forest Elementary	-	1,236,082	1,236,082
Valley Oaks Elementary	920,852	20,032,853	19,112,001
Westwood Elementary (new)	-	181,184	181,184
Woodview Elementary	7,264,534	44,291,073	37,026,539
Bear Blvd	127,430	560,612	433,182
Lion Lane	80,690	649,360	568,670
Panda Path	-	45,369	45,369
Tiger Trail	80,690	467,646	386,956
Wildcat Way	80,691	480,508	399,817
Tax Office	-	50,000	50,000
District Wide Programs	250,713	12,803,590	12,552,877
Wayne Schaper, Sr. Admin Bld	-	4,249,236	4,249,236
Transportation Facility	-	2,014,198	2,014,198
Other Warehouses	-	2,269,613	2,269,613
Athletic Complexes	-	4,105,647	4,105,647
Natatorium	133,243	1,265,122	1,131,879
East Transition Campus	-	12,578	12,578
South Transition Campus	-	833,563	833,563
West Support Center	-	93,568	93,568
	<u>\$ 102,115,407</u>	<u>\$ 441,386,548</u>	<u>\$ 339,271,141</u>

Note 10 - Long-Term Debt and Debt Service Requirements

The District issues general obligation bonds to provide funds for the renovation, acquisition, construction and equipment of major capital facilities. The general obligation bonds are direct obligations and pledge the full faith and credit of the District.

General long-term debt consists of bonds payable, leases, SBITAs and compensated absences. Bonds are payable solely from future revenues of the Debt Service Fund which consists principally of property taxes collected by the District, and investment income. Certain outstanding bonds may be redeemed at their par value prior to their normal maturity dates in accordance with the terms of the related bonds indentures. The District has never defaulted on any bond principal or interest payment. Debt service requirements for accrued compensated absences are generally payable from the General Fund when due.

On October 2, 2009 and December 7, 2010, the District issued Unlimited Tax Schoolhouse Bonds, Taxable Series 2009 and 2010, also known as direct payment Build America Bonds (BABS) which provides for a direct reimbursement of up to 35 percent of the interest paid on the bonds. The District received reimbursements totaling \$2,677,902 during the fiscal year.

In October 2022, the District issued \$307,375,000 of Unlimited Tax Schoolhouse Bonds Series 2022. The bonds bear interest at a rate of 4.25% – 5.00%. Proceeds from the sale of the Bonds will be used (i) for the construction, acquisition and equipment of school buildings in the District, including rebuilding nine elementary schools and one middle school; (ii) for the purchase of necessary sites for school buildings; (iii) for the purchase of school buses; (iv) for the construction, acquisition, and equipment of school buildings in the District, including middle school and high school career and technical education facilities; (v) for the acquisition, installment and update of technology equipment; and (vi) to pay the costs incurred in the issuance of the Bonds.

A summary of general long-term debt transactions of the District for the fiscal year ended June 30, 2023, follows:

	Balance July 1, 2022, As Restated	Issued and Additions	Retired and Refunded	Balance June 30, 2023	Due Within One Year
Bonds Payable					
General obligation bonds	\$ 795,815,000	\$ 307,375,000	\$ (82,390,000)	\$ 1,020,800,000	\$ 68,165,000
Plus premiums on bonds at issuance	71,056,058	17,691,706	(6,018,040)	82,729,724	-
Total Bonds Payable	866,871,058	325,066,706	(88,408,040)	1,103,529,724	68,165,000
Leases payable	2,690,508	-	(620,556)	2,069,952	648,345
Subscription based payable	101,805	608,149	(232,756)	477,198	171,700
Compensated absences	9,975,274	-	(149,573)	9,825,701	1,357,422
Total Long-Term Debt	\$ 879,638,645	\$ 325,674,855	\$ (89,410,925)	\$ 1,115,902,575	\$ 70,342,467

Note 10 - Long-Term Debt and Debt Service Requirements (continued)

Bonds Payable

Bonded debt, at June 30, 2023, is comprised of the following individual issues:

Series		Issue Amount	Interest Rate (%)	Matures	Amount Outstanding
2009B	BABS	\$ 62,085,000	5.89	2039	\$ 62,085,000
2010B	BABS	75,000,000	5.54 - 6.04	2039	75,000,000
2014A	Schoolhouse Bonds	31,390,000	3.50 - 5.00	2042	23,350,000
2014B	Refunding Bonds	63,520,000	3.00 - 5.00	2026	14,340,000
2015A	Refunding Bonds	65,795,000	2.00 - 5.00	2025	6,525,000
2015B	Refunding Bonds	153,550,000	4.00 - 5.00	2038	122,055,000
2018	Schoolhouse Bonds	132,345,000	3.50 - 5.00	2043	111,160,000
2019	Schoolhouse Bonds	230,880,000	2.63 - 5.00	2043	215,880,000
2020	Schoolhouse Bonds	155,630,000	1.75 - 5.00	2044	83,030,000
2022	Schoolhouse Bonds	307,375,000	4.25 - 5.00	2047	307,375,000
Total Bonds Payable					1,020,800,000
Plus Unamortized Premiums on Issuance					82,729,724
Total Bonds Payable					1,103,529,724
Less Current Portion					68,165,000
Long-Term Portion Bonds Payable					\$ 1,035,364,724

Note 10 - Long-Term Debt and Debt Service Requirements (continued)

Annual Debt Service Requirements

Annual requirements to amortize all bonded debt outstanding as of June 30, 2023, follow:

Fiscal Year	Principal	Interest	Total
2024	\$ 68,165,000	\$ 46,204,948	\$ 114,369,948
2025	65,080,000	42,796,698	107,876,698
2026	35,585,000	39,542,698	75,127,698
2027	33,685,000	37,740,933	71,425,933
2028	35,300,000	36,033,361	71,333,361
2029	36,990,000	34,260,779	71,250,779
2030	38,710,000	32,403,437	71,113,437
2031	46,425,000	30,537,408	76,962,408
2032	48,440,000	28,130,139	76,570,139
2033	50,380,000	25,902,321	76,282,321
2034	52,280,000	23,751,480	76,031,480
2035	54,270,000	21,538,112	75,808,112
2036	56,420,000	19,118,081	75,538,081
2037	58,585,000	16,594,226	75,179,226
2038	60,805,000	14,068,818	74,873,818
2039	52,190,000	11,426,013	63,616,013
2040	38,910,000	9,108,263	48,018,263
2041	39,830,000	7,590,300	47,420,300
2042	40,125,000	6,003,775	46,128,775
2043	41,730,000	4,413,825	46,143,825
2044	19,570,000	2,859,350	22,429,350
2045	15,085,000	2,129,625	17,214,625
2046	15,765,000	1,450,800	17,215,800
2047	16,475,000	741,375	17,216,375
Total	\$ 1,020,800,000	\$ 494,346,765	\$ 1,515,146,765
Less Current Portion	68,165,000		
Long-Term Portion	\$ 952,635,000		

The District is in compliance with all significant bond compliance requirements. As of June 30, 2023, the District had \$387.0 million authorized, but unissued bonds.

Note 11 - Leases

Lease Receivable

The District is leasing property for cell towers to a third party. The lease is for fifteen years and the District will receive monthly payments of \$5,182. The District recognized \$29,654 in lease revenue and \$32,530 in interest revenue during the current fiscal year related to this lease. As of June 30, 2023, the District's receivable for lease payments was \$720,506. Also, the District has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2023, the balance of the deferred inflow of resources was \$680,285.

Lease Payable

During the current fiscal year, the District did not enter into new leases. The following table lists lease payable and right to use assets as of June 30, 2023.

				Lease Liability			
Description	Start Date	End Date	Interest Rate	Original Amount	Liability as of June 30, 2023		
Evolve Data Center Solutions - contract for a cage in a data center	7/1/2021	6/30/2026	4.0%	\$ 451,969	\$ 281,930		
Phonoscape Lightwave - Capacity on Fiber Optic Network	7/1/2016	6/30/2026	4.7%	1,807,159	1,134,705		
Spring Branch Center Building Foundation - lease of Panda Path school building	9/1/2021	8/31/2026	4.0%	995,465	653,317		
				<u>\$ 3,254,593</u>	<u>\$ 2,069,952</u>		
				Right to Use Assets			
Description	Start Date	End Date	Interest Rate	Original Amount	Accumulated Amortization June 30, 2023	Net Balance June 30, 2023	
Evolve Data Center Solutions - contract for a cage in a data center	7/1/2021	6/30/2026	4.0%	\$ 451,969	\$ (180,788)	\$ 271,181	
Phonoscape Lightwave - Capacity on Fiber Optic Network	7/1/2016	6/30/2026	4.7%	1,807,159	(647,301)	1,159,858	
Spring Branch Center Building Foundation - lease of Panda Path school building	9/1/2021	8/31/2026	4.0%	995,465	(365,003)	630,462	
				<u>\$ 3,254,593</u>	<u>\$ (1,193,092)</u>	<u>\$ 2,061,501</u>	

The future principal and interest lease payments as of June 30, 2023, were as follows:

Fiscal Year	Principal	Interest	Payment
2024	\$ 648,345	\$ 77,801	\$ 726,146
2025	677,386	48,760	726,146
2026	707,737	18,409	726,146
2027	36,484	183	36,667
Total	<u>\$ 2,069,952</u>	<u>\$ 145,153</u>	<u>\$ 2,215,105</u>

Note 12 - SBITAs Liabilities

The District is under contract for noncancellable SBITAs that convey control of the right to use software. During the current fiscal year, the District entered into various agreements, the following table lists SBITAs payable and right to use assets as of June 30, 2023.

				SBITAs Liability		
Description	Start Date	End Date	Interest Rate	Original Amount	Liability as of June 30,2023	
Canvas	7/1/2022	6/30/2026	5.8%	\$ 608,149	\$ 477,198	
Discovery Ed	8/14/2017	8/13/2023	5.8%	101,805	-	
				<u>\$ 709,954</u>	<u>\$ 477,198</u>	
				Right to Use Assets		
Description	Start Date	End Date	Interest Rate	Original Amount	Accumulated Amortization June 30, 2023	Net Balance June 30,2023
Canvas	7/1/2022	6/30/2026	5.8%	\$ 768,289	\$ (153,658)	\$ 614,631
Crowdstike	1/1/2023	6/30/2026	5.8%	394,810	(43,868)	350,942
Stemscopes	8/1/2022	D	6.1%	219,269	(100,498)	118,771
IXL Learning	9/11/2022	9/11/2024	6.1%	1,035,500	(431,458)	604,042
Discovery Ed	8/14/2017	8/13/2023	5.8%	101,805	(87,262)	14,543
				<u>\$ 2,519,673</u>	<u>\$ (816,744)</u>	<u>\$ 1,702,929</u>

All amounts paid were previously included in the measurement of the subscription liability and there were no other related outflows of resources for the period such as variable payments or termination penalties. In addition, there were no commitments incurred prior to commencement of any SBITA term and there were no impairment losses related to SBITA assets.

The future principal and interest SBITA payments as of June 30, 2023, were as follows:

Fiscal Year	Principal	Interest	Payment
2024	\$ 171,700	\$ 91,571	\$ 263,271
2025	158,676	19,144	177,820
2026	146,822	10,020	156,842
Total	<u>\$ 477,198</u>	<u>\$ 120,735</u>	<u>\$ 597,933</u>

Note 13 - Deferred Outflows/Inflows of Resources and Unearned Revenue

Deferred Outflows of Resources

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. The deferred loss on refunding as of June 30, 2023 was \$5,471,796. Detailed discussions on deferred outflows for pension and OPEB are presented in Note 15 - Pension Plan and Other Post-Employment Benefits and Note 16 – Defined Other Post-Employment Benefit Plans.

Note 13 - Deferred Outflows/Inflows of Resources and Unearned Revenue (continued)

Deferred Inflows of Resources

Detailed discussions on deferred inflows for pension and OPEB are presented in Note 15 - Pension Plan, Other Post-Employment Benefits and Note 16 - Defined Other Post-Employment Benefit Plans, and Note 11 - Leases, which only affect the government-wide financial statements. Property taxes that have not been collected within 60 days of year-end are considered unavailable in the fund financial statements.

Unearned revenue at year-end represents funds received in advance for which expenditures have not been incurred as is the case with grant revenue. A summary of deferred inflows and unearned revenue are as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Deferred Inflows of Resources			
General fund - property taxes	\$ 11,848,219	\$ -	\$ 11,848,219
Debt service fund - property taxes	3,572,866	-	3,572,866
Enterprise fund - lease receivable	680,285	-	680,285
Unearned Revenue			
General fund	-	345,467	345,467
Unearned revenue on grants	-	116,782	116,782
Enterprise fund	-	15,400	15,400
Total Deferred Inflows of Resources and Unearned Revenue	<u>\$ 16,101,370</u>	<u>\$ 477,649</u>	<u>\$ 16,579,019</u>

Note 14 - Fund Balance

Fund Balance Classifications - Restricted, Committed and Assigned

According to District policy CE Local, the Board may establish assignments or commitments of fund balance from time to time in order to meet specific District needs. Assignments and commitments of fund balance shall be vetted and approved by the Board. Furthermore, commitments of fund balance shall be submitted to the Board for approval. The District assigns portions of the fund balance to indicate the administration's tentative plans for future use of financial resources. The assignment is determined by management at the end of each fiscal year.

A summary of restricted, committed and assigned fund balance as of June 30, 2023, for all governmental fund types follows:

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund
Restricted Fund Balance				
Grant funds	\$ -	\$ 11,387,596	\$ -	\$ -
Debt service	-	-	34,990,290	-
Capital acquisitions and obligations	-	-	-	409,694,702
Other:				
Advance Placement-Campus Awards	-	81,288	-	-
Instructional material allotment	-	85,410	-	-
State Funded	-	510,063	-	-
Locally Funded	-	238,472	-	-
Local technology	-	9,115,727	-	-
Donations - locally funded	-	6,395,813	-	-
PledgeCent	-	7,575	-	-
Total Other	-	16,434,348	-	-
Total Restricted	-	27,821,944	34,990,290	409,694,702
Committed Fund Balance				
Other:				
Campus activity	-	2,357,442	-	-
Total Committed	-	2,357,442	-	-
Assigned Fund Balance				
Capital equipment replacement	2,193,500	-	-	-
Other:				
Compensated absences	10,240,000	-	-	-
Natural disaster	13,918,000	-	-	-
Subsequent year expenditures	36,523,069	-	-	-
Total Other	60,681,069	-	-	-
Total Assigned	62,874,569	-	-	-
Totals	\$ 62,874,569	\$ 30,179,386	\$ 34,990,290	\$ 409,694,702

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS (continued)

Exhibit F-1

Note 15 - Revenues from Local, Intermediate and Out-of-State Sources

A summary of local revenues recorded in the governmental funds for the fiscal year ended June 30, 2023, follows:

	General	Special Revenue	Debt Service	Capital Projects	Total
Property taxes	\$ 352,181,846	\$ -	\$ 117,091,091	\$ -	\$ 469,272,937
Penalties, interest and other related tax income	2,527,810	-	598,098	-	3,125,908
Tuition and fees	1,825,071	-	-	-	1,825,071
Investment income	7,740,962	327,102	1,162,675	12,303,152	21,533,891
Food sales	-	2,292,310	-	-	2,292,310
Cocurricular activities	460,934	-	-	-	460,934
Insurance recovery	86,420	-	-	-	86,420
Other	974,396	7,648,207	-	-	8,622,603
Total	<u>\$ 365,797,439</u>	<u>\$ 10,267,619</u>	<u>\$ 118,851,864</u>	<u>\$ 12,303,152</u>	<u>\$ 507,220,074</u>

Note 16 - General Fund Federal Program Revenues

A summary of federal program revenues received in the General Fund for the fiscal year ended June 30, 2023, follows:

Program or Grant	Assistance Listing Number	Amount Recorded in General Fund
Indirect Costs:		
ESEA, Title X, Part C Education for the Homeless	84.196A	\$ 1,932
ESEA, Title I, Part A - Improving Basic Programs	84.010A	594,837
IDEA, Part B - Formula	84.027A	210,392
IDEA, Part B - Preschool ARP	84.173X	2,651
ESEA, Title II, Part A - Supporting Effective Instruction	84.367A	57,308
ESSER Grant	84.425D	1,999,894
ESSER Grant	84.425W	23,310
ESSER Grant	84.425U	4,572,304
Total Indirect Costs		<u>7,462,628</u>
Direct Costs:		
Medicaid Program	93.778	268,214
SHARS Program	n/a	7,607,893
Build America Bonds Subsidized Interest	n/a	2,677,902
ROTC	n/a	82,648
Total Direct Costs		<u>10,636,657</u>
Total Indirect and Direct Costs		<u>\$ 18,099,285</u>

Note 17 - Pension Plan and Other Post-Employment Benefits

Plan Description

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

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

Pension Plan Fiduciary Net Position

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

Benefits Provided

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

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

Note 17 - Pension Plan and Other Post-Employment Benefits (continued)

Contributions

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

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	
	Plan Fiscal Year	
	2023	2022
Member (Employee)	8.00%	8.00%
Non-employer contributing entity (State)	8.00%	7.75%
Employers	8.00%	7.75%

The following table shows annual contribution for the District for fiscal year 2023:

	Fiscal Year 2023	
	Contributions	
Employer (District)	\$	11,958,647
Employee (Member)		22,633,535
Non-employer contributing entity (State)		14,419,824

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

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

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

Note 17 - Pension Plan and Other Post-Employment Benefits (continued)

Contributions (continued)

In addition to the employer contributions listed above, there is an additional surcharge an employer is subject to.

- All public schools, charter schools, and regional educational service centers must contribute 1.5 percent of the member's salary beginning in fiscal year 2020, gradually increasing to 2 percent in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions

The total pension liability in the August 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.00%
Long-term expected Investment Rate of Return	7.00%
Municipal Bond Rate as of August 2020	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."
Last year ending August 31 in projection period	
(100 years)	2121
Inflation	2.30%
Salary Increases	2.95% to 8.95% including inflation
Benefit changes during the year	None
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions that are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2021. These assumptions are further described in the 2022 TRS ACFR.

Note 17 - Pension Plan and Other Post-Employment Benefits (continued)

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 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 those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payment 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2022 are summarized below:

Asset Class	Target Allocation ¹	Long-Term Expected Geometric Real Rate of Return ³	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.00%	4.60%	1.12%
Non-U.S. Developed	13.00%	4.90%	0.90%
Emerging Markets	9.00%	5.40%	75.00%
Private Equity ¹	14.00%	7.70%	1.55%
Stable Value			
Government Bonds	16.00%	1.00%	0.22%
Absolute Return ¹	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, Natural Resources and Infrastructure	6.00%	5.10%	0.37%
Commodities	0.00%	3.60%	0.00%
Risk Parity			
Risk Parity	8.00%	4.60%	0.43%
Leverage			
Cash	2.00%	3.00%	0.01%
Asset Allocation Leverage	-6.00%	3.60%	-0.05%
Inflation Expectation			2.70%
Volatility Drag ³			-0.91%
Expected Return	100.00%		8.21%

¹ Absolute Return includes Credit Sensitive Investments.

² Target allocations are based on the fiscal year 2022 policy model.

³ Capital Market Assumption from Aon Hewitt as of August 31, 2022.

Note 17 - Pension Plan and Other Post-Employment Benefits (continued))

Discount Rate Sensitivity Analysis

The following table presents the 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.

	Discount Rate		
	1% Decrease 6.00%	Current Rate 7.00%	1% Increase 8.00%
District's proportional share of the net pension liability	\$ 214,255,090	\$ 137,729,635	\$ 75,702,161

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2023, the District reported a liability of \$137,729,635 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 proportion of the net pension liability	0.2320%
District's proportionate share of the collective net pension liability	\$ 137,729,635
State's proportionate share that is associated with District	172,087,144
Total	<u><u>\$ 309,816,779</u></u>

The net pension liability was measured as of August 31, 2021 and rolled forward to 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 District's proportion of the collective net pension liability was 0.2320 percent which was an increase of 0.016 percent from its proportion measured as of August 31, 2021.

The General, Capital Projects and Special Revenue Funds are used to liquidate pension liabilities.

Note 17 - Pension Plan and Other Post-Employment Benefits (continued)

Change 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.

For the year ended June 30, 2023, the District recognized pension expense of \$17,267,855. The District also recognized an additional on-behalf revenue and expense of \$16,449,580 representing 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 pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,997,069	\$ (3,002,767)
Changes of assumption	25,663,513	(6,396,064)
Net difference between projected and actual earnings on pension plan investments	13,607,248	-
Changes in proportion and differences between District contributions and proportionate share of contributions	9,649,708	(1,967,680)
District contributions subsequent to the measurement date	9,611,099	-
Total	<u><u>\$ 60,528,637</u></u>	<u><u>\$ (11,366,511)</u></u>

Deferred outflows of resources resulting from District contributions subsequent to the measurement date in the amount of \$9,611,099 will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The net amounts of the District's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year	Pension Expense Amount
2024	\$ 10,188,039
2025	6,323,897
2026	2,615,185
2027	17,296,782
2028	3,127,124
	<u><u>\$ 39,551,027</u></u>

Note 18 - Defined Other Post-Employment Benefit Plans

A. 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.

B. OPEB Plan Fiduciary Net Position

Detail 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/Pages/about_publications.aspx ; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

C. 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.

The premium rates for retirees are reflected in the following table.

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

D. 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.

Note 18 - Defined Other Post-Employment Benefit Plans (continued)

D. Contributions (continued)

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25 percent of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.65 percent of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public 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.

	Contribution Rates	
	2023	2022
Member (employee)	0.65%	0.65%
Non-employer contributing agency (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private funding	1.25%	1.25%

The following table shows annual contribution for the District for fiscal year 2023:

	Fiscal Year 2023 Contributions
Employer (District) \$	2,516,857
Employee (Member)	1,838,984
Non-employer contributing agency (State)	4,650,637

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

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

E. 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: *Actuarial Assumptions can be found in the 2022 TRS ACFR, Note 9, page 77.*

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. All the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation and salary increases, used in the OPEB valuation were identical to those used in the respective TRS pension valuation. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2022.

Note 18 - Defined Other Post-Employment Benefit Plan (continued)

E. Actuarial Assumptions (continued)

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, 2020 TRS pension actuarial valuation that was rolled forward to August 31, 2021: (a) Rates of Mortality, (b) Rates of Retirement, (c) Rates of Termination, (d) Rates of Disability, (e) General Inflation, (f) Wage Inflation, and (g) Expected Payroll Growth.

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

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 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, 2021
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 claim costs.
Projected Salary Increases	3.05% to 9.05%, including inflation
Healthcare Trend Rate	The initial medical trend rates were 8.25% for Medicare retirees and 7.25% for non-Medicare retirees. The initial prescription drug trend was 8.25% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 13 years.
Election Rate	Normal Retirement: 62% participation rate prior to age 65 and 25% participation rate after age 65. Pre-65 retirees: 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Ad Hoc Post-Employment Benefit Changes	None

Note 18 - Defined Other Post-Employment Benefit Plan (continued)

F. Discount Rate

A single discount rate of 3.91 percent was used to measure the Total OPEB Liability. There was an increase of 1.96 percent in the discount rate since the previous year. 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 nonemployer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was 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, 2022 using the fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds

G. Discount Rate Sensitivity Analysis

Discount Rate – The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.91%) in measuring the Net OPEB Liability.

		Discount Rate		
		1% Decrease	Current Rate	1% Increase
		(2.91%)	(3.91%)	(4.91%)
District's proportional share of the net OPEB liability	\$	82,028,529	\$ 69,569,985	\$ 59,476,965

H. 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 \$69,569,985 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 proportion of the net OPEB liability	0.2906%
District's proportionate share of the collective net OPEB liability	\$ 69,569,985
State's proportionate share that is associated with District	84,864,451
Total	\$ 154,434,436

The Net OPEB Liability was measured as of August 31, 2021 and rolled forward to 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 District’s proportion of the Net OPEB Liability was based on the District’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 District’s proportion of the collective Net OPEB Liability was 0.2906 percent which was an increase of 0.0126 percent from its proportion measured as of August 31, 2021.

Note 18 - Defined Other Post-Employment Benefit Plan (continued)

H. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (continued)

The General, Capital Projects and Special Revenue Funds are used to liquidate pension liabilities.

Healthcare Cost Trend Rates – The following schedule shows the impact of the Net OPEB Liability if a healthcare trend rate that is 1% less than and 1% greater than the health trend rates assumed.

	Healthcare Cost Trend Rate		
	1% Decrease	Trend Rate	1% Increase
District's proportional share of the net OPEB liability	\$ 57,325,981	\$ 69,569,985	\$ 85,442,760

Changes Since the Prior Actuarial Valuation

The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability (TOL) since the prior measurement period:

- 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 of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

For the year ended June 30, 2023, the District recognized negative OPEB expense of \$7,164,790. The District also recognized negative on-behalf expense and revenue of \$12,042,951 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,867,845	\$ (57,958,042)
Changes of assumption	10,596,887	(48,333,087)
Net difference between projected and actual earnings on OPEB plan investments	207,230	-
Changes in proportion and differences between District contributions and the proportionate share of contributions	11,690,200	-
District contributions paid subsequent to the measurement date	2,075,338	-
Total	<u>\$ 28,437,500</u>	<u>\$ (106,291,129)</u>

Note 18 - Defined Other Post-Employment Benefit Plans (continued)

H. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (continued)

The \$2,075,338 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2024. The net amounts of the District's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	OPEB Expense Amount
2024	\$ (15,090,245)
2025	(15,089,494)
2026	(12,139,267)
2027	(8,145,179)
2028	(10,126,434)
Thereafter	(19,338,348)
	<u>\$ (79,928,967)</u>

I. Medicare Part D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended June 30, 2023, 2022, and 2021, the subsidy payments received by TRS-Care on-behalf of the District were \$1,458,577, \$1,111,628, and \$1,186,099, respectively. The information for the year ended June 30, 2023 is an estimate provided by the Teacher Retirement System. These payments are recorded as equal revenues and expenditures in the governmental funds financial statements of the District.

Note 19 - Risk Management

The District is exposed to various risks related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District's risk management program encompasses various means of protecting the District against loss by obtaining property, casualty, liability, health and workers compensation insurance coverage through commercial carriers. Settled claims have not exceeded insurance coverage in any of the previous three fiscal years. There has not been any significant reduction in insurance coverage from the previous year.

Health Care Coverage

The District sponsors a fully-insured insurance plan to provide health care benefits to staff members and their dependents. Partial staff member contributions are required for personal coverage and staff member contributions are required for coverage of dependents.

Note 19 - Risk Management (continued)

Letter of Credit

In June of 2019 Wells Fargo Bank, N.A, issued a Standby Letter of Credit (SBLC) for drawings of up to \$599,000 for the benefit of Liberty Mutual Insurance Company. The District is administering an Owner Controlled Insurance Program under which insurance policies were purchased from Liberty Mutual to insure risks on construction projects financed by the 2017 bond authorization. Liberty Mutual required the District to provide the SBLC as a condition of issuing the insurance policies. If the District does not make deductible or loss limit payments due under the terms of the insurance policies Liberty Mutual may draw against the SBLC. As of fiscal year end no amounts were drawn, or expected to be drawn, on the SBLC. The District intends to annually renew the SBLC with an ultimate expiration date in June 2025.

Workers' Compensation Aggregate Deductible

During the year ended June 30, 2023, Spring Branch ISD met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Workers Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members' injured employees.

Spring Branch ISD participates in the Fund's reimbursable aggregate deductible program. As such, the member is responsible for a certain amount of claims liability as outlined on the member's Contribution and Coverage Summary document. After the member's deductible has been met, the Fund is responsible for additional claims liability.

The Fund and its members are protected against higher than expected claims costs through the purchase of stop loss coverage for any claim in excess of the Fund's self-insured retention of \$2 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of August 31, 2022, the Fund carries a discounted reserve of \$50,747,775 for future development on reported claims and claims that have been incurred but not yet reported. For the year-ended June 30, 2023, the Fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions and reimbursable aggregate deductibles.

The Fund engages the services of independent auditors to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2022, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

Note 20 - Compensated Absences

Sick Leave Policy

The District has established policies regarding the compensation of employees for unused sick leave upon retirement from service. An employee who is eligible to retire under the state retirement system, who selects the retirement system annuity options available, and who has been employed by the District for a continuous period of at least five years at the time of retirement shall be reimbursed for each day of unused local sick leave at a rate based on a percentage of the employee's average salary over the ten continuous years preceding retirement. Compensation for unused sick leave is limited and based on the years employed with the District, which are used to calculate the number of days and salary amounts that will be paid upon retirement.

Note 20 - Compensated Absences (continued)

Sick Leave Policy (continued)

The District records the payments for sick leave as an expenditure in the General Fund. The District records a liability at year-end in the General Fund for payments to be made to employees who have given notice before the end of the fiscal year and the amounts will be paid out of current resources early in the following fiscal year. As of June 30, 2023, the General Fund did not report a liability.

The District estimates the long-term portion of the sick leave liability and records this amount in the government-wide financials as a long-term liability. The long-term liability for compensated absences was \$9,825,701 as of June 30, 2023. The management of the District has assigned a portion of the fund balance in the General Fund to pay for accrued sick leave liability.

Note 21 - Shared Service Arrangements

The District participates in a Shared Service Arrangement (SSA) for deaf education services with six other school districts. Approximately 16.9% of the students served by the SSA are attributable to the District. The District does not account for the revenues or expenditures for this program and does not disclose them in these financial statements. The District neither has a joint ownership interest in fixed assets purchased by the fiscal agent, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal contingencies that would give rise to a future additional benefit or burden to Spring Branch Independent School District. The fiscal agent manager is responsible for all financial activities of the SSA. The expenditures attributable to the District's participation for the year ended June 30, 2023 totaled \$507,445.

Note 22 - Litigation, Commitments and Contingencies

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any present legal proceedings will not have any adverse material effect on the accompanying financial statements.

The District received significant financial assistance from federal and state governmental agencies in the form of grants. The disbursements of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies and the TEA. Any disallowed claims resulting from such audits could become a liability of the General Fund. However, in the opinion of management, such disallowed claims, if any, will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at year-end.

Note 23 - Arbitrage

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of the amount earned on investments purchased with bond proceeds, over the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five-year anniversary date of the bond issue. The District has estimated \$1,409,369 arbitrage liability as of June 30, 2023.

Note 24 - Prior Period Adjustments

For the fiscal year ended June 30, 2023 the District recorded two prior period adjustments. The first was based on implementation of GASB 96 – SBITAs in the amount of \$160,140. The adjustment was a result of the District prepayment of the liability.

The second adjustment of \$71,450, for implementing a new Custodial fund – Property Tax Collection fund, which the District is contracted to make tax collection for neighboring tax entities.

Note 25 - Subsequent Events

The District received proceeds of \$172,000,000 million on August 24, 2023 from issuance of Unlimited Tax Schoolhouse Bonds Series 2023. Proceeds will be used for the construction acquisition and equipment of school buildings, for the purchase of necessary sites for school buildings, for the purchase of school buses, for the purchase of technology equipment, and to pay the costs incurred in the issuance of the bonds.

REQUIRED SUPPLEMENTARY INFORMATION



SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
Exhibit G-1

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ORIGINAL BUDGET, AMENDED FINAL (GAAP BASIS) AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended June 30, 2023
With Actual Totals for 2022**

Data Control Codes	Budgeted Amounts		Actual Amounts GAAP Basis	Variance With	2022 Actual	
	Original	Final Amended		Final Budget Positive (Negative)		
Revenues						
5700	Local and Intermediate Sources	\$ 362,402,792	\$ 367,644,327	\$ 365,797,439	\$ (1,846,888)	\$ 347,707,148
5800	State Program Revenues	35,503,922	40,979,539	42,897,185	1,917,646	36,297,167
5900	Federal Program Revenues	12,874,658	17,157,000	18,099,285	942,285	17,391,847
5020	Total Revenues	410,781,372	425,780,866	426,793,909	1,013,043	401,396,162
Expenditures						
Current:						
11	Instruction	213,221,637	203,251,778	198,223,758	5,028,020	195,694,172
12	Instructional Resources and Media Services	3,877,472	3,462,998	3,276,880	186,118	3,651,847
13	Curriculum and Instructional Staff Development	7,333,830	7,800,216	7,477,705	322,511	6,853,199
21	Instructional Leadership	8,012,150	8,051,486	7,341,111	710,375	7,157,604
23	School Leadership	23,030,983	22,520,951	22,027,414	493,537	21,503,907
31	Guidance, Counseling and Evaluation Services	17,988,331	18,544,000	18,025,516	518,484	16,300,193
32	Social Work Services	132,140	154,140	131,917	22,223	122,764
33	Health Services	4,496,450	4,512,786	4,231,416	281,370	4,205,361
34	Student Transportation	8,973,924	10,919,364	10,008,640	910,724	9,151,033
35	Food Services	89,600	91,026	16,823	74,203	138,103
36	Cocurricular/Extracurricular Activities	7,420,796	7,806,793	7,419,052	387,741	6,706,238
41	General Administration	11,881,105	11,442,406	10,728,427	713,979	10,302,124
51	Facilities Maintenance and Operations	29,607,872	29,916,688	28,309,548	1,607,140	26,974,238
52	Security and Monitoring Services	6,908,685	7,790,777	7,149,828	640,949	5,769,705
53	Data Processing Services	9,122,590	8,352,385	7,737,807	614,578	8,238,525
61	Community Services	1,560,550	1,608,938	1,368,166	240,772	1,338,803
71	Debt Service	-	850,000	726,146	123,854	506,151
81	Capital outlay	342,600	486,600	119,463	367,137	218,809
91	Contracted Instructional Services	74,894,174	84,284,463	80,261,074	4,023,389	64,424,029
99	Other Intergovernmental Charges	3,500,000	3,370,081	3,370,081	-	3,258,181
6030	Total Expenditures	432,394,889	435,217,876	417,950,772	17,267,104	392,514,986
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,613,517)	(9,437,010)	8,843,137	18,280,147	8,881,176
Other Financing Sources (Uses)						
7911	Issuance of Bonds	-	-	-	-	1,407,434
7912	Sale of Real and Personal Property	50,000	74,000	89,817	15,817	75,222
7940	Other resources	-	608,149	608,149	-	-
7080	Total Other Financing Sources (Uses)	50,000	682,149	697,966	15,817	1,482,656
1200	Net Change in Fund Balance	(21,563,517)	(8,754,861)	9,541,103	18,295,964	10,363,832
0100	Fund Balance - Beginning	127,803,111	127,803,111	127,803,111	-	117,439,279
1300	Prior-period adjustment	-	-	160,140	160,140	-
3000	Fund Balance - Ending	\$ 106,239,594	\$ 119,048,250	\$ 137,504,354	\$ 18,456,104	\$ 127,803,111

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgets and Budgetary Accounting

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures for the General and Debt Service Funds and the Food Service program included in the Special Revenue Fund before the beginning of the fiscal year. For the fiscal year beginning July 1st, the Texas Education Code requires the budget to be prepared not later than June 19th and adopted by June 30th of each year. The District’s administration determines budgetary funding priorities using a modified zero-based budgeting concept, which is consistent with GAAP. Final budget allocations are determined by the Board, which subsequently establishes a tax rate sufficient to support the approved budget. The annual budget, which is prepared on the modified accrual basis of accounting, must be adopted by the Board at a scheduled meeting after giving ten days public notice of the meeting. The District annually adopts legally authorized appropriated budgets for the General and Debt Service Funds and the Food Service program included in the Special Revenue Fund.

The District’s administration performs budget reviews during the year in which budget requirements are re-evaluated and revisions are recommended to the Board. The Board may approve amendments to the budget, which are required when a change is made to any one of the functional expenditure categories or revenue object accounts defined by the TEA. Expenditures may not legally exceed budgeted appropriations, as amended, at the function level by fund. Unexpended appropriations lapse at year-end.

Management may amend the budget without seeking Board approval if appropriations are not transferred between functions. During fiscal year 2023, General Fund budgeted appropriations were increased by \$2.8 million.

Special Revenue Reconciliation of the Food Service Programs

A reconciliation of the Food Service program to the Special Revenue Fund follows:

Special Revenue Fund Total Revenue	\$ 107,361,809
Food Service Program Revenue	<u>(23,015,875)</u>
Other local, state and federal Revenue	<u>\$ 84,345,934</u>
Special Revenue Fund Total Expenditures	\$ 101,137,536
Food Service Program Expenditures	<u>(20,655,362)</u>
Other local, state and federal Expenditures	<u>\$ 80,482,174</u>

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
Exhibit G-2
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Teacher Retirement System of Texas
For the Last Nine Measurement Years Ended August 31 (1)

	2022	2021	2020	2019	2018
District's proportion of the net pension liability	0.2319953%	0.2159545%	0.2085450%	0.2152580%	20.9494100%
District's proportionate share of the net pension liability	\$ 137,729,635	\$ 54,995,975	\$ 111,692,491	\$ 111,897,876	\$ 115,310,682
State's proportionate share of the net pension liability associated with the District	172,087,144	81,236,331	170,470,072	158,387,000	174,521,390
Total	\$ 309,816,779	\$ 136,232,306	\$ 282,162,563	\$ 270,284,876	\$ 289,832,072
District's covered payroll (for Measurement Year)	\$ 271,845,654	\$ 260,870,242	\$ 250,420,467	\$ 232,079,599	\$ 224,739,409
District's proportionate share of the net pension liability as a percentage of it's covered payroll	50.66%	21.08%	44.60%	48.22%	51.31%
Plan fiduciary net position as a percentage of the total pension liability *	75.65%	88.79%	75.54%	75.24%	73.74%
Plan's net pension liability as a percentage of covered payroll *	112.72%	51.08%	110.36%	114.93%	126.11%
	2017	2016	2015	2014	
District's proportion of the net pension liability	0.2013303%	0.2124879%	0.2214700%	0.1516979%	
District's proportionate share of the net pension liability	\$ 64,374,610	\$ 80,295,999	\$ 78,286,839	\$ 40,520,606	
State's proportionate share of the net pension liability associated with the District	105,022,736	130,039,152	124,975,866	108,711,946	
Total	\$ 169,397,346	\$ 210,335,151	\$ 203,262,705	\$ 149,232,552	
District's covered payroll (for Measurement Year)	\$ 216,179,463	\$ 218,955,935	\$ 211,547,412	\$ 205,458,627	
District's proportionate share of the net pension liability as a percentage of it's covered payroll	29.80%	36.70%	37.00%	19.70%	
Plan fiduciary net position as a percentage of the total pension liability *	82.17%	78.00%	78.43%	83.25%	
Plan's net pension liability as a percentage of covered payroll *	75.93%	92.75%	91.94%	72.89%	

The amounts presented for each Plan year which ends the preceding August 31 of the District's fiscal year.

* Net pension liability is calculated using an new methodology and will be presented prospectively in accordance with GASB 68.

Note (1): Ten years of data should be presented in this schedule, but data was unavailable prior to 2014.
Net pension liability and related ratios will be presented prospectively as data becomes available.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT CONTRIBUTIONS - PENSION
Teacher Retirement System of Texas
Last Ten Fiscal Years

Exhibit G-3

	2023	2022	2021	2020	2019
Contractually required contributions	\$ 11,958,647	\$ 10,345,685	\$ 9,041,755	\$ 8,431,324	\$ 7,451,017
Contributions in relation to the contractual required contributions	<u>11,958,647</u>	<u>10,345,685</u>	<u>9,041,755</u>	<u>8,431,324</u>	<u>7,451,017</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 282,910,480	\$ 268,626,065	\$ 259,366,018	\$ 247,157,828	\$ 230,577,415
Contributions as a percentage of covered payroll	4.23%	3.85%	3.49%	3.41%	3.23%
	2018	2017	2016	2015	2014
Contractually required contributions	\$ 7,018,331	\$ 6,632,615	\$ 6,730,805	\$ 6,034,880	\$ 3,683,688
Contributions in relation to the contractual required contributions	<u>7,018,331</u>	<u>6,632,615</u>	<u>6,730,805</u>	<u>6,034,880</u>	<u>3,683,688</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 223,647,790	\$ 216,419,381	\$ 218,152,461	\$ 210,359,614	\$ 203,842,425
Contributions as a percentage of covered payroll	3.14%	3.06%	3.09%	2.87%	1.81%

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION
Teacher Retirement System of Texas

Notes to Required

Changes of Assumptions

Assumptions, methods, and plan changes which are specific to the Pension Trust Fund were updated from the prior year's report. The net pension liability increased significantly since the prior measurement date due to a change in the following actuarial assumptions:

- The single discount rate as of August 31, 2018 was a single blended rate of 6.907 percent. That has changed to the long-term rate of 7.25 percent as of August 31, 2019.
- There was no change to the discount rate for the measurement year ended August 31, 2020 or 2021.
- The discount rate changed from 7.25% to 7.00% from measurement year 2021 through 2022.
- With the enactment of SB 3 by the 2019 Texas legislature, an assumption has been made about how this would impact future salaries. It is assumed that eligible active members will each receive \$2,700 increase in fiscal year 2020. This is an additional to the salary increase expected based on the actuarial assumptions.

Changes in Benefit Terms

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

Other Information

Effective September 1, 2014, employers who did not contribute to Social Security for TRS-eligible employees were required to contribute an additional 1.5% of TRS-eligible compensation which nearly doubled the District's contributions into the Plan. Because the District's proportional share of the plan is determined by its proportional share of contributions, the District recognized a corresponding increase in its share of net pension liability.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
Teacher Retirement System of Texas
For the Last Six Measurement Years Ended August 31 (1)

Exhibit G-4

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
District's proportion of the net OPEB liability	0.2905528%	0.2779996%	0.2776532%	0.2762276%
District's proportionate share of the OPEB liability	\$ 69,569,985	\$ 107,236,856	\$ 105,548,504	\$ 130,631,462
State's proportionate share of the net OPEB liability associated with the District	<u>84,864,451</u>	<u>143,673,489</u>	<u>141,831,888</u>	<u>173,579,991</u>
Total	<u><u>\$ 154,434,436</u></u>	<u><u>\$ 250,910,345</u></u>	<u><u>\$ 247,380,392</u></u>	<u><u>\$ 304,211,453</u></u>
District's covered payroll (for Measurement Year)	\$ 271,845,654	\$ 260,870,242	\$ 250,420,467	\$ 232,079,599
District's proportionate share of the OPEB liability as a percentage of it's covered payroll	25.59%	41.11%	42.15%	56.30%
Plan fiduciary net position as a percentage of the total OPEB liability *	11.52%	6.18%	4.99%	2.66%
Plan's net OPEB liability as a percentage of covered payroll *	59.10%	100.13%	101.46%	135.21%

The amounts presented for each Plan year which ends the preceding August 31 of the District's fiscal year.

	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability	0.2728760%	0.2615663%
District's proportionate share of the OPEB liability	\$ 136,249,530	\$ 113,745,362
State's proportionate share of the net OPEB liability associated with the District	<u>190,879,970</u>	<u>167,667,465</u>
Total	<u><u>\$ 327,129,500</u></u>	<u><u>\$ 281,412,827</u></u>
District's covered payroll (for Measurement Year)	\$ 224,739,409	\$ 216,179,463
District's proportionate share of the OPEB liability as a percentage of it's covered payroll	60.60%	52.62%
Plan fiduciary net position as a percentage of the total OPEB liability *	1.57%	0.91%
Plan's net OPEB liability as a percentage of covered payroll *	146.64%	132.55%

The amounts presented for each Plan year which ends the preceding August 31 of the District's fiscal year.

* Net OPEB liability is calculated using an new methodology and will be presented prospectively in accordance with GASB 75.

Note (1): Ten years of data should be presented in this schedule, but data was unavailable prior to plan year 2017.
Net OPEB liability and related ratios will be presented prospectively as data becomes available.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
Exhibit G-5
SCHEDULES OF DISTRICT CONTRIBUTIONS - OPEB
Teacher Retirement System of Texas
Last Seven Fiscal Years (1)

	2023	2022	2021	2020
Contractually required contributions	\$ 2,516,857	\$ 2,320,669	\$ 2,155,387	\$ 2,084,951
Contributions in relation to the contractual required contributions	<u>2,516,857</u>	<u>2,320,669</u>	<u>2,155,387</u>	<u>2,084,951</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 282,910,480	\$ 268,626,065	\$ 259,366,018	\$ 247,157,828
Contributions as a percentage of covered payroll	0.89%	0.86%	0.83%	0.84%
	2019	2018	2017	
Contractually required contributions	\$ 1,983,973	\$ 1,802,591	\$ 1,360,173	
Contributions in relation to the contractual required contributions	<u>1,983,973</u>	<u>1,802,591</u>	<u>1,360,173</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
District's covered payroll	\$ 230,577,415	\$ 223,647,790	\$ 216,419,381	
Contributions as a percentage of covered payroll	0.86%	0.81%	0.63%	

Note (1): Ten years of data should be presented in this schedule, but data was unavailable prior to 2017.
Net pension liability and related ratios will be presented prospectively as data becomes available.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTAL OPEB INFORMATION

Teacher Retirement System of Texas

Notes to Required Supplementary Information - OPEB

Changes of Assumptions

The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability (TOL) since the prior measurement period:

- The discount rate changed from 3.69 percent as of August 31, 2018 to 2.63 percent as of August 31, 2019. This change increased the TOL.
- The discount rate changed from 2.63 percent as of August 31, 2019 to 2.33 percent as of August 31, 2020. This change increased the TOL.
- The discount rate changed from 2.63 percent as of August 31, 2020 to 1.95 percent as of August 31, 2021. This change increased the TOL.
- The health care trend rates were reset to better reflect the plan's anticipated experience. This change increased the TOL.
- The participation rate for pre-65 retirees was lowered from 70 percent to 65 percent. The participation rate for post-65 retirees was lowered from 75 percent to 50 percent. 25 percent of pre-65 retirees are assumed to discontinue their coverage at age 65. There was no lapse assumption in the prior valuation. These changes decreased the TOL.
- The percentage of retirees who are assumed to have two-person coverage was lowered from 20 percent to 15 percent. In addition, the participation assumption for the surviving spouses of employees that die while actively employed was lowered from 20 percent to 10 percent. These changes decreased the TOL.
- Change of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

Changes in Benefit Terms

Effective January 1, 2018, only one health plan option will exist (instead of three), and all retirees will be required to contribute monthly premiums for coverage. The health plan changes triggered changes to several of the assumptions, including participation rates, retirement rates, and spousal participation rates. This change in plan benefits significantly lowered the OPEB liability and had an immediate effect on the OPEB expenses recognized by participating entities.

The 85th Legislature, Regular Session, passed the following statutory changes in House Bill 3976 which became effective on September 1, 2017:

- Created a high-deductible health plan that provides a zero cost for generic prescriptions for certain preventive drugs and provides a zero premium for disability retirees who retired as a disability retiree on or before January 1, 2017 and are not eligible to enroll in Medicare.
- Created a single Medicare Advantage plan and Medicare prescription drug plan for all Medicare eligible participants.
- Allowed the System to provide other, appropriate health benefit plans to address the needs of enrollees eligible for Medicare.
- Allowed eligible retirees and their eligible dependents to enroll in TRS-Care when the retiree reaches 65 years of age, rather than waiting for the next enrollment period.
- Eliminated free coverage under TRS-Care, except for certain disability retirees enrolled during Plan Years 2018 through 2021, requiring members to contribute \$200 per month toward their health insurance premiums. There were no changes of benefit terms since the prior Measurement Date.

OTHER SUPPLEMENTARY INFORMATION

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
ORIGINAL BUDGET, AMENDED FINAL AND ACTUAL
DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2023
With Actual Totals for 2022

Exhibit H-1

Page 1 of 2

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final Amended</u>	<u>Actual Amounts GAAP Basis</u>
Revenues			
Local, intermediate and out-of-State	\$ 116,915,000	\$ 119,363,000	\$ 118,851,864
State program revenues	500,000	1,595,816	1,595,816
Total Revenues	<u>117,415,000</u>	<u>120,958,816</u>	<u>120,447,680</u>
Expenditures			
Debt Service:			
Principal on long-term debt	78,255,000	82,390,000	82,390,000
Interest on long-term debt	38,828,531	39,245,361	39,245,361
Bond issuance costs and fees	311,000	311,000	23,104
Total Expenditures	<u>117,394,531</u>	<u>121,946,361</u>	<u>121,658,465</u>
Excess (deficiency) revenues over expenditures	20,469	(987,545)	(1,210,785)
Other Financing Sources (Uses)			
Transfers in	-	30,381	30,380
Total Other Financing Sources and (Uses)	<u>-</u>	<u>30,381</u>	<u>30,380</u>
Net Change in fund balance	20,469	(957,164)	(1,180,405)
Fund Balance - Beginning	<u>36,170,695</u>	<u>36,170,695</u>	<u>36,170,695</u>
Fund Balance - Ending	<u>\$ 36,191,164</u>	<u>\$ 35,213,531</u>	<u>\$ 34,990,290</u>

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
ORIGINAL BUDGET, AMENDED FINAL AND ACTUAL
DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2023
With Actual Totals for 2022

Exhibit H-1

Page 2 of 2

	Variance With Final Budget	2022 Actual
Revenues		
Local, intermediate and out-of-State	\$ (511,136)	\$ 109,932,576
State program revenues	-	373,252
Total Revenues	<u>(511,136)</u>	<u>110,305,828</u>
Expenditures		
Debt Service:		
Principal on long-term debt	-	71,335,000
Interest on long-term debt	-	38,818,437
Bond issuance costs and fees	287,896	22,025
Total Expenditures	<u>287,896</u>	<u>110,175,462</u>
Excess (deficiency) revenues over expenditures	<u>(223,240)</u>	<u>130,366</u>
Other Financing Sources (Uses)		
Transfers in	(1)	-
Total Other Financing Sources and (Uses)	<u>(1)</u>	<u>-</u>
Net Change in fund balance	(223,241)	130,366
Fund Balance - Beginning	-	36,040,329
Fund Balance - Ending	<u>\$ (223,241)</u>	<u>\$ 36,170,695</u>

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROGRAM BALANCES -
ORIGINAL BUDGET, AMENDED FINAL AND ACTUAL - FOOD SERVICE PROGRAM
For the Fiscal Year Ended June 30, 2023
With Actual Totals for 2022

Exhibit H-2

Page 1 of 2

	Budgeted Amounts		Actual
	Original	Final Amended	Amounts GAAP Basis
Revenues			
Local, intermediate and out-of-state	\$ 734,000	\$ 2,393,000	\$ 2,637,571
State program revenues	90,000	90,000	88,569
Federal program revenues	20,580,000	18,888,000	19,289,735
Total Revenues	21,404,000	21,371,000	22,015,875
Expenditures			
Food Services	22,145,400	21,093,440	19,841,720
Facilities maintenance and operations	830,200	930,200	776,041
Security and monitoring services	38,400	38,400	37,601
Total Expenditures	23,014,000	22,062,040	20,655,362
Excess (deficiency) revenues over expenditures	(1,610,000)	(691,040)	1,360,513
Other Financing Sources (Uses)			
Sale of real and personal property	20,000	53,000	52,879
Total Other Financing Sources (Uses)	20,000	53,000	52,879
Net change in fund balance	(1,590,000)	(638,040)	1,413,392
Fund Balance - Beginning	9,974,204	9,974,204	9,974,204
Fund Balance - Ending	\$ 8,384,204	\$ 9,336,164	\$ 11,387,596

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROGRAM BALANCES -
ORIGINAL BUDGET, AMENDED FINAL AND ACTUAL - FOOD SERVICE PROGRAM
For the Fiscal Year Ended June 30, 2023
With Actual Totals for 2022

Exhibit H-2

Page 2 of 2

	<u>Variance With Final Budget</u>	<u>2022 Actual</u>
Revenues		
Local, intermediate and out-of-state	\$ 244,571	\$ 459,759
State program revenues	(1,431)	28,056
Federal program revenues	401,735	22,272,990
Total Revenues	<u>644,875</u>	<u>22,760,805</u>
Expenditures		
Food Services	1,251,720	17,507,886
Facilities maintenance and operations	154,159	758,322
Security and monitoring services	799	34,115
Total Expenditures	<u>1,406,678</u>	<u>18,300,323</u>
Excess (deficiency) revenues over expenditures	<u>2,051,553</u>	<u>4,460,482</u>
Other Financing Sources (Uses)		
Sale of real and personal property	(121)	46,637
Total Other Financing Sources (Uses)	<u>(121)</u>	<u>46,637</u>
Net change in fund balance	2,051,432	4,507,119
Fund Balance - Beginning	<u>-</u>	<u>5,467,085</u>
Fund Balance - Ending	<u>\$ 2,051,432</u>	<u>\$ 9,974,204</u>



REQUIRED TEA SCHEDULE

Compliance schedules (Exhibits J-1 and J-4) are required by the Texas Education Agency and are not a required disclosure in the Annual Comprehensive Financial Report.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
For the Year Ended June 30, 2023

Exhibit J-1
Page 1 of 2

Fiscal Year	Tax Year	1		2		3 Assessed/Appraised Value for School Tax Purposes	10 Beginning Balance 7/1/22	20 Current Year's Total Levy
		Maintenance	Tax Rates	Debt Service	Total			
2014 and prior	2013 and prior	Various		Various	Various	Various	\$ 1,276,233	\$ -
2015	2014	\$ 1.0900		\$ 0.3045	\$ 1.3945	\$ 22,906,404,805	351,676	-
2016	2015	1.0900		0.3045	1.3945	26,149,492,965	369,812	-
2017	2016	1.0900		0.3045	1.3945	28,777,091,646	471,311	-
2018	2017	1.0900		0.3045	1.3945	29,887,294,371	552,804	-
2019	2018	1.0900		0.2845	1.3945	30,702,462,675	658,019	-
2020	2019	1.0165		0.3045	1.3210	32,460,980,636	941,383	-
2021	2020	1.0028		0.3045	1.3073	34,101,726,842	1,348,634	-
2022	2021	0.9998		0.3045	1.3043	34,957,178,563	4,873,742	-
2023	2022	0.9643		0.3045	1.2688	37,949,016,105	-	481,497,116
1000 Totals							<u>\$ 10,843,614</u>	<u>\$ 481,497,116</u>

8000 - Taxes Refunded

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
For the Year Ended June 30, 2023

Exhibit J-1
Page 2 of 2

Fiscal Year	Tax Year	31 Maintenance and Operations Collections	32 Debt Service Collections	33 Total Collections	40 Entire Year's Adjustments	50 Ending Balance 6/30/23
2014 and prior	2013 and prior	\$ 142,185	\$ 33,664	\$ 175,849	\$ (52,838)	\$ 1,047,546
2015	2014	24,421	6,822	31,243	20,645	341,078
2016	2015	22,811	6,385	29,196	79,704	420,320
2017	2016	14,124	8,714	22,838	(12,327)	436,146
2018	2017	26,611	12,561	39,172	(12,322)	501,310
2019	2018	64,244	20,903	85,147	(30,409)	542,463
2020	2019	(11,237)	(1,089)	(12,326)	(229,223)	724,486
2021	2020	(443,135)	(129,476)	(572,611)	(900,377)	1,020,868
2022	2021	(1,688,743)	(370,291)	(2,059,034)	(5,650,972)	1,281,804
2023	2022	<u>356,288,642</u>	<u>118,233,626</u>	<u>474,522,268</u>	<u>-</u>	<u>6,974,848</u>
1000 Totals		<u>\$ 354,439,923</u>	<u>\$ 117,821,819</u>	<u>\$ 472,261,742</u>	<u>\$ (6,788,119)</u>	<u>13,290,869</u>
				Penalty and interest receivable on taxes		<u>5,893,517</u>
				Total taxes receivable per Exhibit C-1		<u>\$ 19,184,386</u>
		<u>\$ 215,990</u>				

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT*Exhibit J-4***COMPENSATORY EDUCATION PROGRAM AND BILINGUAL EDUCATION PROGRAM COMPLIANCE RESPONSES****For the Year Ended June 30, 2023**

Data		
Codes	Section A: Compensatory Education Programs	Responses
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.	\$ 30,133,517
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30)	\$ 15,701,468
	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.	\$ 8,253,126
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year.	\$ 4,245,847

STATISTICAL SECTION

(Unaudited)

The statistical section of the Spring Branch Independent School District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's economic condition and overall financial health. To assist financial statement users, the information contained within this section is categorized as follows:

Financial Trends

These schedules contain trend information to show how the District's financial performance and position have changed over time.

Revenue Capacity

These schedules contain information to help assess the factors affecting the District's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help assess the affordability of the District's current debt burden and its ability to issue additional debt in the future.

Demographic and Economic Information

These schedules provide demographic and economic indicators to help in understanding the environment in which the District operates and to facilitate in comparisons over time.

Operating Information

These schedules provide information about the District's operations and resources to assist in using the financial statement information to better understand and assess the District's economic condition.



SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

General Information Regarding the District

(Unaudited)

General

Spring Branch Independent School District, encompassing about 44 square miles, is located in Harris County, a Gulf Coast County in Southeast Texas. The District is located approximately 10 miles from downtown Houston and includes part of the City of Houston and the incorporated villages of Bunker Hill, Hedwig, Hilshire, Hunters Creek, Piney Point and Spring Valley. Interstate Highway 10 (I.H. 10) runs east-west through the center of the District and Interstate 610, the inner loop, forms the District's eastern boundary.

Education

The Spring Branch Independent School District serves approximately 33,500 students in 25 elementary, 7 traditional middle, 4 traditional high, 2 charter, 5 pre-kindergarten and 3 special campuses. The District's schools are well-known for academics and an outstanding college preparatory program.

Economy

Harris County and the Houston Metropolitan area comprise a leading region of business development in the nation. The economy is based on petrochemicals, tourism, shipping, refining, chemicals, space exploration, medical research, manufacturing and education. The West Houston area, of which the District is a major component, is recognized as one of the most active centers of business and industrial development in the region. Industry in the District includes manufacturers of oil field machinery and equipment, fabricated metals, lumber, plastic and rubber products, tools and nonelectric machinery.

Numerous shopping centers, malls, other retail establishments and a wide variety of service oriented businesses are located within the District, and offer a complement to industry within the District.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

Table 1

Page 1 of 2

	2023	2022	2021	2020	2019
Governmental Activities:					
Net investment in capital assets	\$ 365,359,283	\$ 314,049,336	\$ 270,125,553	\$ 225,319,596	\$ 181,212,480
Restricted	47,313,039	45,734,253	39,121,886	39,676,558	40,362,752
Unrestricted	(91,873,143)	(108,655,023)	(128,162,558)	(105,599,585)	(97,298,339)
Total Governmental Activities Net Position	\$ 320,799,179	\$ 251,128,566	\$ 181,084,881	\$ 159,396,569	\$ 124,276,893
Business-Type Activities:					
Net investment in capital assets	\$ 102,936	\$ 149,071	\$ 120,176	\$ 87,292	\$ 114,973
Unrestricted	3,964,124	2,979,125	1,899,402	2,678,267	2,723,990
Total Business-Type Activities Net Position	\$ 4,067,060	\$ 3,128,196	\$ 2,019,578	\$ 2,765,559	\$ 2,838,963
Primary Government:					
Net investment in capital assets	\$ 365,462,219	\$ 314,198,407	\$ 225,406,888	\$ 225,406,888	\$ 181,327,453
Restricted	47,313,039	45,734,253	39,676,558	39,676,558	40,362,752
Unrestricted	(87,909,019)	(105,675,898)	(102,921,318)	(102,921,318)	(94,574,349)
Total Primary Government Net Position	\$ 324,866,239	\$ 254,256,762	\$ 183,104,459	\$ 162,162,128	\$ 127,115,856

* As restated for implementation of GASB 68 in Fiscal Year 2015, the District did not restate prior to 2014.

** Includes implementation of GASB 75 in Fiscal Year 2018, the District did not restate prior periods.

Source: The Statement of Net Position for Spring Branch Independent School District

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

Table 1

Page 2 of 2

	2018**	2017	2016	2015	2014*
Governmental Activities:					
Net investment in capital assets	\$ 144,407,966	\$ 102,444,943	\$ 69,514,589	\$ 48,556,852	\$ 31,340,087
Restricted	41,203,585	39,416,425	35,418,382	34,427,839	35,185,387
Unrestricted	(133,796,297)	30,193,017	18,268,978	20,625,708	12,023,486
Total Governmental Activities Net Position	\$ 51,815,254	\$ 172,054,385	\$ 123,201,949	\$ 103,610,399	\$ 78,548,960
Business-Type Activities:					
Net investment in capital assets	\$ 131,178	\$ 178,044	\$ 210,747	\$ 232,945	\$ 176,312
Unrestricted	2,061,598	1,682,378	1,194,419	990,458	1,032,359
Total Business-Type Activities Net Position	\$ 2,192,776	\$ 1,860,422	\$ 1,405,166	\$ 1,223,403	\$ 1,208,671
Primary Government:					
Net investment in capital assets	\$ 144,539,144	\$ 102,622,987	\$ 69,725,336	\$ 48,789,797	\$ 31,516,399
Restricted	41,203,585	39,416,425	35,418,382	34,427,839	35,185,387
Unrestricted	(131,734,699)	31,875,395	19,463,397	21,616,166	13,055,845
Total Primary Government Net Position	\$ 54,008,030	\$ 173,914,807	\$ 124,607,115	\$ 104,833,802	\$ 79,757,631

* As restated for implementation of GASB 68 in Fiscal Year 2015, the District did not restate prior to 2014.

** Includes implementation of GASB 75 in Fiscal Year 2018, the District did not restate prior periods.

Source: The Statement of Net Position for Spring Branch Independent School District

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Table 2
Page 1 of 4

	2023	2022	2021	2020	2019
Expenses					
Governmental Activities:					
Instruction	\$ 268,384,472	\$ 247,677,247	\$ 260,149,036	\$ 268,839,993	\$ 234,722,680
Instructional resources and media services	3,767,422	3,953,222	3,958,358	3,786,825	3,897,560
Curriculum and instructional staff development	13,006,525	11,557,355	9,782,180	11,639,686	10,395,067
Instructional leadership	7,887,633	7,626,635	7,725,295	7,075,713	6,941,358
School leadership	22,091,380	21,240,692	21,645,150	23,117,862	21,475,508
Guidance, counseling, and evaluation services	24,261,716	21,452,688	20,691,243	19,316,645	16,858,291
Social work services	129,289	170,510	182,760	211,337	143,425
Health services	4,574,993	4,277,210	4,448,323	4,583,605	4,177,526
Student transportation	12,050,108	10,871,667	9,981,785	10,381,878	10,801,503
Food services	18,689,008	16,731,806	13,540,924	15,863,808	17,604,854
Cocurricular/extracurricular activities	10,219,356	9,201,555	8,635,191	8,721,830	8,229,674
General administration	10,733,209	10,032,603	9,918,824	9,972,097	12,886,945
Plant maintenance and operations	37,180,455	35,503,673	34,309,085	32,707,469	31,416,621
Security and monitoring services	6,910,409	5,961,978	5,963,087	5,753,602	4,768,930
Data processing services	10,951,740	11,307,496	22,589,357	10,815,413	10,542,995
Community services	4,592,614	3,878,573	1,957,161	2,277,797	2,393,819
Interest on long-term debt	39,813,551	32,627,773	29,139,200	30,444,451	24,697,652
Bond issuance costs and fees	2,280,282	11,540	1,702,707	704,049	703,044
Facilities repairs and maintenance	6,384,612	2,453,020	17,017,257	10,467,783	10,896,450
Purchase of WADA	80,261,074	64,424,029	59,724,360	39,442,568	84,582,729
Payments related to shared service arrangements	507,445	469,338	496,366	505,942	463,835
Other intergovernmental charges	3,370,081	3,258,181	3,181,412	3,160,915	3,195,108
Total Governmental Activities	588,047,374	524,688,791	546,739,061	519,791,268	521,795,574
Business-Type Activities:					
Athletic rentals/concessions	674,718	653,687	571,228	656,589	423,420
After school programs	-	-	-	-	-
Employee childcare	978,130	1,320,187	2,138,941	1,456,390	1,369,333
Community education	-	-	77	37,653	235,839
Fine arts	1,050	7,007	2,413	98,844	120,439
Facility rentals	133,421	117,662	6,139	333,334	584,159
Summer school	272,412	169,212	125,088	195,980	331,579
Other	-	-	55,553	86,152	35,213
Total Business-Type Activities	2,059,731	2,267,755	2,899,439	2,864,942	3,099,982
Total Expenses	590,107,105	526,956,546	549,638,500	522,656,210	524,895,556

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Table 2
Page 2 of 4

	2018	2017	2016	2015	2014
Expenses					
Governmental Activities:					
Instruction	\$ 149,201,257	\$ 217,226,205	\$ 222,799,157	\$ 197,208,116	\$ 199,239,989
Instructional resources and media services	2,461,202	3,620,703	3,720,503	3,657,049	3,544,567
Curriculum and instructional staff development	7,657,095	9,113,423	8,517,401	7,482,753	7,912,503
Instructional leadership	4,733,573	5,101,858	5,290,951	4,103,909	3,226,808
School leadership	13,637,365	20,535,843	20,409,339	19,705,964	19,099,504
Guidance, counseling, and evaluation services	10,954,681	15,111,937	14,583,275	14,245,108	13,143,594
Social work services	137,913	161,589	172,201	94,149	96,337
Health services	2,566,683	4,030,789	3,784,085	3,548,314	3,411,881
Student transportation	7,725,356	9,936,767	9,561,908	9,045,577	8,763,517
Food services	13,974,314	17,528,355	17,848,073	16,419,940	16,287,375
Cocurricular/extracurricular activities	6,477,887	7,582,955	7,332,319	7,122,368	6,724,772
General administration	7,215,439	9,504,505	9,151,327	7,788,096	7,534,880
Plant maintenance and operations	27,151,071	30,801,530	30,387,638	29,605,740	29,776,709
Security and monitoring services	2,672,749	3,926,287	3,708,907	3,457,287	3,234,400
Data processing services	7,151,303	8,817,215	11,220,442	8,504,287	8,119,198
Community services	1,165,671	2,420,472	4,891,557	4,310,416	4,310,606
Interest on long-term debt	24,731,864	26,390,567	28,193,805	32,434,481	35,188,228
Bond issuance costs and fees	879,365	1,249,427	1,079,090	1,366,830	725,628
Facilities repairs and maintenance	2,337,289	6,014,174	5,514,826	3,798,885	5,838,853
Purchase of WADA	75,118,321	51,059,269	29,649,359	8,199,477	-
Payments related to shared service arrangements	475,908	419,250	312,788	378,141	346,466
Other intergovernmental charges	3,058,519	2,870,107	2,647,310	2,359,997	2,088,199
Total Governmental Activities	371,484,825	453,423,227	440,776,261	384,836,884	378,614,014
Business-Type Activities:					
Athletic rentals/concessions	561,370	753,147	958,611	1,004,163	1,185,289
After school programs	-	-	-	69,331	73,027
Employee childcare	1,263,112	1,363,637	1,635,564	1,629,226	1,581,070
Community education	220,866	239,448	309,211	377,020	343,753
Fine arts	129,529	115,441	137,140	138,667	158,233
Facility rentals	568,117	483,485	76,330	50,383	46,437
Summer school	279,700	336,090	300,660	388,620	287,325
Other	66,380	60,662	-	-	-
Total Business-Type Activities	3,089,074	3,351,910	3,417,516	3,657,410	3,675,134
Total Expenses	374,573,899	456,775,137	444,193,777	388,494,294	382,289,148

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Table 2

Page 3 of 4

	2023	2022	2021	2020	2019
Program Revenues					
Governmental Activities:					
Charges for Services:					
Instruction	\$ 2,511,407	\$ 2,201,712	\$ 1,730,131	\$ 2,009,577	\$ 2,663,683
Food services	2,310,397	447,003	165,268	1,658,745	2,136,694
Cocurricular/extracurricular activities	460,934	447,029	267,757	387,840	420,087
Other activities	288,060	392,779	390,551	391,211	326,168
Operating grants and contributions	<u>125,442,062</u>	<u>109,715,647</u>	<u>90,983,334</u>	<u>88,431,358</u>	<u>83,652,278</u>
Total Governmental Activities	<u>131,012,860</u>	<u>113,204,170</u>	<u>93,537,041</u>	<u>92,878,731</u>	<u>89,198,910</u>
Business-Type Activities:					
Charges for Services:					
Athletic rentals/concessions	691,852	633,018	646,754	439,574	778,353
After school programs	-	-	-	-	-
Employee childcare	1,638,787	2,263,121	1,273,151	1,161,682	1,517,776
Community education	-	-	-	22,786	120,788
Fine arts	19,617	17,122	12,858	101,062	124,245
Facility rentals	307,564	280,079	39,083	521,056	918,471
Summer school	223,688	179,383	174,038	116,478	232,173
Other	-	-	-	-	468
Total Business-Type Activities	<u>2,881,508</u>	<u>3,372,723</u>	<u>2,145,884</u>	<u>2,362,638</u>	<u>3,692,274</u>
Total Program Revenues	<u>133,894,368</u>	<u>116,576,893</u>	<u>95,682,925</u>	<u>95,241,369</u>	<u>92,891,184</u>
Net (Expense)/Revenue					
Governmental Activities	(457,034,514)	(411,484,621)	(453,202,020)	(426,912,537)	(430,592,358)
Business-Type Activities	<u>821,777</u>	<u>1,104,968</u>	<u>(753,555)</u>	<u>(502,304)</u>	<u>827,332</u>
Total Net (Expense)/Revenue	<u>(456,212,737)</u>	<u>(410,379,653)</u>	<u>(453,955,575)</u>	<u>(427,414,841)</u>	<u>(429,765,026)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property taxes, levied for general purposes	358,682,532	340,699,972	335,089,791	322,754,632	333,684,809
Property taxes, levied for debt service	118,729,534	109,713,540	107,652,910	102,886,193	91,540,055
Investment earnings	21,533,891	1,471,357	2,124,055	10,369,005	8,950,494
State aid - formula grants - unrestricted	23,824,229	18,491,817	21,075,188	23,955,821	68,724,464
Grants and contributions not restricted to specific programs	-	-	-	-	-
Miscellaneous	3,774,801	11,151,620	8,347,566	2,454,149	2,153,586
Transfers	-	-	(5,793)	(387,587)	3,895
Total Governmental Activities	<u>526,544,987</u>	<u>481,528,306</u>	<u>474,283,717</u>	<u>462,032,213</u>	<u>505,057,303</u>
Business-Type Activities:					
Investment earnings	117,087	3,650	1,781	41,313	57,790
Transfers	-	-	5,793	387,587	(3,895)
Total Business-Type Activities	<u>117,087</u>	<u>3,650</u>	<u>7,574</u>	<u>428,900</u>	<u>53,895</u>
Total General Revenues and Other Changes in Net Position	<u>\$ 526,662,074</u>	<u>\$ 481,531,956</u>	<u>\$ 474,291,291</u>	<u>\$ 462,461,113</u>	<u>\$ 505,111,198</u>
Change in Net Position					
Governmental Activities	\$ 69,510,473	\$ 70,043,685	\$ 21,081,697	\$ 35,119,676	\$ 72,461,639
Business-Type Activities	<u>938,864</u>	<u>1,108,618</u>	<u>(745,981)</u>	<u>(73,404)</u>	<u>881,227</u>
Total Primary Government	<u>\$ 70,449,337</u>	<u>\$ 71,152,303</u>	<u>\$ 20,335,716</u>	<u>\$ 35,046,272</u>	<u>\$ 73,342,866</u>

Source: The Statement of Activities for Spring Branch Independent School District

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Table 2
Page 4 of 4

	2018	2017	2016	2015	2014
Program Revenues					
Governmental Activities:					
Charges for Services:					
Instruction	\$ 2,593,049	\$ 2,090,639	\$ 2,016,736	\$ 2,051,797	\$ 1,830,851
Food services	1,605,942	2,532,920	2,583,162	2,638,425	2,911,703
Cocurricular/extracurricular activities	372,481	491,668	470,036	452,040	434,228
Other activities	397,362	335,580	599,271	458,925	318,651
Operating grants and contributions	<u>8,318,950</u>	<u>69,635,811</u>	<u>74,156,964</u>	<u>66,824,342</u>	<u>62,114,750</u>
Total Governmental Activities	<u>13,287,784</u>	<u>75,086,618</u>	<u>79,826,169</u>	<u>72,425,529</u>	<u>67,610,183</u>
Business-Type Activities:					
Charges for Services:					
Athletic rentals/concessions	766,874	833,989	1,009,738	847,067	1,001,533
After school programs	-	-	-	69,910	79,330
Employee childcare	1,352,288	1,401,180	1,642,583	1,712,809	1,727,317
Community education	141,584	202,130	228,618	336,324	343,947
Fine arts	125,232	116,046	121,010	120,290	139,471
Facility rentals	907,042	888,125	205,453	92,193	92,193
Summer school	211,077	298,846	301,236	419,530	287,328
Other	4,200	58,635	72,391	72,391	72,391
Total Business-Type Activities	<u>3,508,297</u>	<u>3,798,951</u>	<u>3,581,029</u>	<u>3,670,514</u>	<u>3,743,510</u>
Total Program Revenues	<u>16,796,081</u>	<u>78,885,569</u>	<u>83,407,198</u>	<u>76,096,043</u>	<u>71,353,693</u>
Net (Expense)/Revenue					
Governmental Activities	(508,507,790)	(296,398,207)	(373,597,058)	(368,350,732)	(317,226,701)
Business-Type Activities	408,315	709,877	229,119	252,998	86,100
Total Net (Expense)/Revenue	<u>(508,099,475)</u>	<u>(295,688,330)</u>	<u>(373,367,939)</u>	<u>(368,097,734)</u>	<u>(317,140,601)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property taxes, levied for general purposes	316,739,144	304,304,218	279,933,694	245,907,769	219,095,170
Property taxes, levied for debt service	94,916,596	92,453,632	82,966,419	72,539,219	64,498,113
Investment earnings	3,369,856	1,224,540	1,404,857	805,188	533,462
State aid - formula grants - unrestricted	20,397,035	25,863,767	12,443,554	15,862,285	25,180,349
Grants and contributions not restricted to specific programs	-	-	-	-	70,640
Miscellaneous	2,106,092	3,342,888	3,808,118	2,358,333	2,258,065
Transfers	108,881	-	(15,000)	-	-
Total Governmental Activities	<u>437,637,604</u>	<u>427,189,045</u>	<u>380,541,642</u>	<u>337,472,794</u>	<u>311,635,799</u>
Business-Type Activities:					
Investment earnings	22,012	8,215	3,250	1,628	1,320
Transfers	(108,881)	-	15,000	-	-
Total Business-Type Activities	<u>(86,869)</u>	<u>8,215</u>	<u>18,250</u>	<u>1,628</u>	<u>1,320</u>
Total General Revenues and Other Changes in Net Position	<u>\$ 437,550,735</u>	<u>\$ 427,197,260</u>	<u>\$ 380,559,892</u>	<u>\$ 337,474,422</u>	<u>\$ 311,637,119</u>
Change in Net Position					
Governmental Activities	\$ (70,870,186)	\$ 130,790,838	\$ 6,944,584	\$ (30,877,938)	\$ (5,590,902)
Business-Type Activities	321,446	718,092	247,369	254,626	87,420
Total Primary Government	<u>\$ (70,548,740)</u>	<u>\$ 131,508,930</u>	<u>\$ 7,191,953</u>	<u>\$ (30,623,312)</u>	<u>\$ (5,503,482)</u>

Source: The Statement of Activities for Spring Branch Independent School District

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Table 3
Page 1 of 2

	2023	2022	2021	2020	2019
General Fund					
Nonspendable	\$ 4,622,632	\$ 4,645,535	\$ 4,038,635	\$ 2,805,675	\$ 2,688,471
Assigned	62,874,569	47,288,016	43,843,020	47,176,381	12,205,335
Unassigned	70,007,153	75,869,560	69,557,624	87,110,204	114,995,420
Total General Fund	<u>\$ 137,504,354</u>	<u>\$ 127,803,111</u>	<u>\$ 117,439,279</u>	<u>\$ 137,092,260</u>	<u>\$ 129,889,226</u>
All Other Governmental Funds					
Non-spendable, Reported in:					
Special Revenue Fund	\$ 128,330	\$ 27,364	\$ 223,503	\$ 1,486	\$ 387,793
Capital Projects Fund	-	-	-	-	47,484
Restricted, Reported in:					
Special Revenue Fund	27,821,944	21,566,697	16,501,877	15,241,337	13,943,396
Debt Service Fund	34,990,290	36,170,695	36,040,329	36,732,847	36,598,724
Capital Projects Fund	409,694,702	164,572,366	261,224,290	299,578,819	146,502,610
Committed, Reported in:					
Special Revenue Fund	2,357,442	2,436,503	2,617,158	1,624,180	1,396,610
Total All Other Governmental Funds	<u>\$ 474,992,708</u>	<u>\$ 224,773,625</u>	<u>\$ 316,607,157</u>	<u>\$ 353,178,669</u>	<u>\$ 198,876,617</u>

Source: The Balance Sheet - Governmental Funds for Spring Branch Independent School District

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Table 3
Page 2 of 2

	2018	2017	2016	2015	2014
General Fund					
Nonspendable	\$ 2,883,058	\$ 2,456,182	\$ 2,552,419	\$ 2,229,910	\$ 3,104,807
Assigned	20,834,023	20,834,023	20,834,022	23,332,944	23,005,277
Unassigned	59,380,209	62,470,752	42,833,493	37,229,167	32,383,083
Total General Fund	<u>\$ 83,097,290</u>	<u>\$ 85,760,957</u>	<u>\$ 66,219,934</u>	<u>\$ 62,792,021</u>	<u>\$ 58,493,167</u>
All Other Governmental Funds					
Non-spendable, Reported in:					
Special Revenue Fund	\$ 336,758	\$ 175,058	\$ 148,550	\$ 164,932	\$ 232,365
Capital Projects Fund	-	-	-	-	-
Restricted, Reported in:					
Special Revenue Fund	13,637,011	12,477,094	10,606,545	17,293,713	14,721,636
Debt Service Fund	36,976,948	36,506,260	36,767,956	32,256,942	33,926,414
Capital Projects Fund	170,940,126	34,651,372	60,015,777	99,784,699	99,592,990
Committed, Reported in:					
Special Revenue Fund	1,337,627	1,163,506	1,068,571	939,615	891,434
Total All Other Governmental Funds	<u>\$ 223,228,470</u>	<u>\$ 84,973,290</u>	<u>\$ 108,607,399</u>	<u>\$ 150,439,901</u>	<u>\$ 149,364,839</u>

Source: The Balance Sheet - Governmental Funds for Spring Branch Independent School District

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Table 4
Page 1 of 4

	2023	2022	2021	2020	2019
Revenues					
Local, intermediate, and out-of-state	\$ 507,220,074	\$ 470,888,526	\$ 458,188,196	\$ 445,206,440	\$ 445,283,613
State programs	46,612,929	39,617,775	39,974,582	49,814,289	85,838,346
Federal programs	113,171,694	107,937,791	65,879,072	45,794,217	51,698,340
Total Revenues	667,004,697	618,444,092	564,041,850	540,814,946	582,820,299
Expenditures					
Current:					
Instruction	246,665,160	243,002,764	233,282,843	221,926,842	199,037,115
Instructional resources and media services	3,843,985	4,134,878	3,942,342	3,629,705	3,672,277
Curriculum and instructional staff development	13,694,792	12,666,040	9,637,594	11,036,244	9,884,338
Instructional leadership	8,153,451	8,204,098	7,569,483	6,591,812	6,656,169
School leadership	22,897,621	22,374,681	21,421,277	21,505,240	20,219,861
Guidance, counseling, and evaluation services	24,998,669	22,509,679	20,475,586	18,201,239	16,011,903
Social work services	132,678	177,338	179,390	202,860	135,100
Health services	4,712,360	4,503,504	4,447,057	4,262,723	3,918,229
Student transportation	13,431,953	9,885,126	11,090,171	8,678,831	11,573,515
Food services	20,075,139	17,886,944	12,979,057	15,021,420	16,819,281
Cocurricular/extracurricular activities	8,519,420	7,633,424	6,975,253	6,654,583	6,252,150
General administration	10,804,734	10,377,792	9,704,696	9,481,651	12,425,527
Plant maintenance and operations	37,334,961	35,822,670	34,065,300	31,551,075	30,487,464
Security and monitoring services	7,507,490	6,168,224	6,101,200	5,377,463	4,756,041
Data processing services	9,652,937	10,563,564	21,081,844	9,060,840	8,834,758
Community services	3,409,059	2,739,593	1,920,605	2,001,176	2,220,441
Principal on long-term debt	83,243,312	71,899,085	72,140,000	70,204,379	61,895,893
Interest on long-term debt	39,391,774	38,955,373	37,124,460	33,601,545	31,465,236
Other debt service expenditures	2,070,629	22,025	29,944	1,720,143	134,131
Facilities acquisition and construction	88,383,338	103,764,735	213,460,812	111,832,032	25,916,253
Contracted instructional services	80,261,074	64,424,029	59,724,360	39,442,568	84,582,729
Payments related to shared service arrangements	507,445	469,338	496,366	505,942	463,835
Other intergovernmental charges	3,370,081	3,258,181	3,181,412	3,160,915	3,195,108
Total Expenditures	733,062,062	701,443,085	791,031,052	635,651,228	560,557,354
Excess (deficiency) of revenues over (under) expenditures	(66,057,365)	(82,998,993)	(226,989,202)	(94,836,282)	22,262,945

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Table 4
Page 2 of 4

	2018	2017	2016	2015	2014
Revenues					
Local, intermediate, and out-of-state	\$ 427,274,546	\$ 412,359,365	\$ 374,574,649	\$ 333,343,368	\$ 296,858,984
State programs	41,390,909	43,327,729	31,638,445	31,557,522	40,550,933
Federal programs	45,304,744	44,419,757	45,213,192	44,868,724	43,242,824
Total Revenues	513,970,199	500,106,851	451,426,286	409,769,614	380,652,741
Expenditures					
Current:					
Instruction	195,594,272	189,890,757	189,965,945	181,897,891	175,826,794
Instructional resources and media services	3,593,594	3,526,116	3,624,098	3,679,025	3,522,081
Curriculum and instructional staff development	9,745,723	8,875,891	8,261,645	7,631,740	7,920,098
Instructional leadership	6,561,751	4,979,322	5,178,684	4,116,595	3,275,003
School leadership	20,153,963	20,068,272	20,044,199	19,567,055	19,098,113
Guidance, counseling, and evaluation services	14,950,464	14,776,624	14,343,673	14,161,861	13,149,995
Social work services	189,913	159,707	171,325	99,324	96,211
Health services	3,854,994	3,943,138	3,688,453	3,605,544	3,407,619
Student transportation	8,891,976	8,433,770	8,101,827	7,856,932	7,773,279
Food services	15,829,535	17,542,765	17,486,097	17,276,176	16,044,845
Cocurricular/extracurricular activities	6,345,894	5,837,853	5,591,591	5,706,472	5,502,637
General administration	9,129,043	9,452,811	9,000,550	7,713,782	7,473,402
Plant maintenance and operations	31,549,665	30,358,633	30,436,189	29,248,155	29,275,234
Security and monitoring services	3,819,229	3,811,672	3,539,830	3,729,648	3,161,314
Data processing services	7,335,860	7,445,706	9,708,220	7,283,712	7,045,325
Community services	2,028,972	2,337,115	4,688,707	4,355,275	4,298,963
Principal on long-term debt	66,225,344	58,784,906	47,529,575	33,742,051	23,590,671
Interest on long-term debt	30,588,005	31,928,976	31,951,216	35,914,471	37,671,807
Other debt service expenditures	1,098,040	2,238,892	1,615,608	1,080,591	416,706
Facilities acquisition and construction	9,505,604	25,681,202	44,057,147	34,976,755	26,872,674
Contracted instructional services	75,118,321	51,059,269	29,649,359	8,199,477	-
Payments related to shared service arrangements	475,908	419,250	312,788	378,141	346,466
Other intergovernmental charges	3,058,519	2,870,107	2,647,310	2,359,997	2,088,199
Total Expenditures	525,644,589	504,422,754	491,594,036	434,580,670	397,857,436
Excess (deficiency) of revenues over (under) expenditures	(11,674,390)	(4,315,903)	(40,167,750)	(24,811,056)	(17,204,695)

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Table 4
Page 3 of 4

	2023	2022	2021	2020	2019
Other Financing Sources (Uses)					
Refunding bonds issued	\$ -	\$ -	\$ -	\$ -	\$ 32,295,000
Issuance of capital related debt (regular bonds)	307,375,000	-	155,630,000	230,880,000	-
Premium/discount from issuance of bonds	17,691,706	-	14,370,101	25,808,396	-
Sale of real and personal property	142,696	121,859	163,786	40,559	173,243
Proceeds from leases	-	1,407,434	-	-	-
Proceeds from SBITA	608,149	-	-	-	-
Transfers in	30,380	-	167,552	783,647	1,612,645
Transfers out	(30,380)	-	(173,345)	(1,171,234)	(1,608,750)
Payment to refunded bond escrow agent	-	-	-	-	(32,295,000)
Total Other Financing Sources (Uses)	325,817,551	1,529,293	170,158,094	256,341,368	177,138
 Net Change in fund balances	 \$ 259,760,186	 \$ (81,469,700)	 \$ (56,831,108)	 \$ 29,352,166	 \$ (94,659,144)

Debt Service as a Percentage of Noncapital Expenditures	19.01%	18.49%	18.51%	19.49%	17.25%
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Note: Significant negative changes in fund balance are generally associated with facilities, acquisition and construction projects.

Source: Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Table 4
Page 4 of 4

	2018	2017	2016	2015	2014
Other Financing Sources (Uses)					
Refunding bonds issued	\$ -	\$ 51,595,000	\$ 219,345,000	\$ 116,510,000	\$ -
Issuance of capital related debt (regular bonds)	132,345,000	-	-	31,390,000	60,990,000
Premium/discount from issuance of bonds	14,734,693	1,563,309	30,040,499	13,045,954	2,315,790
Sale of real and personal property	77,329	54,508	166,962	94,461	118,887
Proceeds from leases	-	-	-	1,500,093	-
Other Sources (Uses)	-	-	-	-	-
Transfers in	126,026	77,341	-	72,290	41,605
Transfers out	(17,145)	(77,341)	-	(1,491,174)	-
Payment to refunded bond escrow agent	-	(52,990,000)	(247,789,300)	(130,936,563)	-
Total Other Financing Sources (Uses)	147,265,903	222,817	1,763,161	30,185,061	63,466,282
 Net Change in fund balances	 <u>\$ 169,528,848</u>	 <u>\$ (11,451,573)</u>	 <u>\$ (2,552,742)</u>	 <u>\$ (9,982,689)</u>	 <u>\$ 38,655,226</u>

Debt Service as a Percentage of Noncapital Expenditures 18.72% 19.54% 17.32% 16.86% 18.15%

Note: Significant negative changes in fund balance are generally associated with facilities, acquisition and construction projects.

Source: Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund



SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Table 5

Fiscal Year Ended June 30,	Appraised Value		Less: Exemptions	Taxable Assessed Value	Total Direct Rate ¹
	Real Property Value	Personal Property Value			
2023	\$ 44,252,670,436	\$ 5,549,914,544	\$ 10,151,517,621	\$ 39,651,067,359	1.2688
2022	40,499,636,720	5,013,625,141	8,840,347,161	36,672,914,700	1.3043
2021	39,393,190,960	5,086,602,699	8,645,020,476	35,834,773,183	1.3073
2020	37,758,077,417	5,016,309,335	8,464,643,590	34,309,743,162	1.3210
2019	35,904,928,872	4,934,699,483	8,178,896,843	32,660,731,512	1.3945
2018	35,266,396,044	4,479,338,152	7,864,212,054	31,881,522,142	1.3945
2017	33,526,434,169	4,910,541,251	7,815,108,164	30,621,867,256	1.3945
2016	32,575,143,564	2,373,871,377	7,249,268,469	27,699,746,472	1.3945
2015	28,167,826,641	2,212,613,252	6,176,359,821	24,204,080,072	1.3945
2014	25,212,260,439	2,154,708,573	5,833,418,802	21,533,550,210	1.3945

¹ Tax Rates are per \$100 of taxable assessed value.

Source: Harris County Appraisal District provides the District's tax office with appraised values for properties within the District's taxing authority. Appraised value, which includes frozen tax levies less exemptions equals taxable assessed value.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

Table 6
Page 1 of 2

Taxing Authority	2023	2022	2021	2020	2019
Overlapping Rates:					
Bunker Hill Village, City of	\$ 0.2750	\$ 0.2750	\$ 0.2750	\$ 0.2770	\$ 0.2770
Harris County ¹	0.3872	0.4241	0.4375	0.4508	0.4641
Hedwig Village, City of	0.3394	0.3394	0.3749	0.3235	0.3067
Hilshire Village, City of	0.5776	0.5899	0.5901	0.5591	0.5684
Houston, City of	0.5336	0.5508	0.5618	0.5679	0.5883
Hunters Creek Village, City of	0.1941	0.1941	0.1941	0.1941	0.1841
Memorial Village Water Authority	0.0255	0.0264	0.0269	0.0275	0.0275
Piney Point Village, City of	0.2551	0.2551	0.2559	0.2551	0.2551
Spring Valley, City of	0.4050	0.4150	0.4250	0.4250	0.4300
Total	\$ 2.9925	\$ 3.0698	\$ 3.1412	\$ 3.0799	\$ 3.1012
District Direct Rates:					
Maintenance & Operations	\$ 0.9643	\$ 0.9998	\$ 1.0028	\$ 1.0165	\$ 1.1100
Interest & Sinking	0.3045	0.3045	0.3045	0.3045	0.2845
Total District Direct Rates	\$ 1.2688	\$ 1.3043	\$ 1.3073	\$ 1.3210	\$ 1.3945

¹ Includes Harris County, Harris County Department of Education, Harris County Flood Control District and the Port of Houston Authority

Source: Harris County Tax Assessor-Collector & Voter Registrar
hctax.net/Property/JurisdictionTaxRates

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

Table 6

Page 2 of 2

Taxing Authority	2018	2017	2016	2015	2014
Overlapping Rates:					
Bunker Hill Village, City of	\$ 0.2770	\$ 0.2770	\$ 0.2779	\$ 0.2829	\$ 0.2979
Harris County ¹	0.4611	0.4634	0.4654	0.4659	0.4663
Hedwig Village, City of	0.2719	0.2225	0.2103	0.1964	0.2086
Hilshire Village, City of	0.5022	0.4823	0.4881	0.5334	0.5743
Houston, City of	0.5842	0.5864	0.6011	0.6311	0.6388
Hunters Creek Village, City of	0.1841	0.1841	0.1841	0.1841	0.1841
Memorial Village Water Authority	0.0275	0.0280	0.0304	0.0346	0.0386
Piney Point Village, City of	0.2551	0.2551	0.2551	0.2551	0.2151
Spring Valley, City of	0.4335	0.4335	0.4500	0.4878	0.5128
Total	\$ 2.9966	\$ 2.9323	\$ 2.9624	\$ 3.0713	\$ 3.1365
District Direct Rates:					
Maintenance & Operations	\$ 1.0900	\$ 1.0900	\$ 1.0900	\$ 1.0900	\$ 1.0900
Interest & Sinking	0.3045	0.3045	0.3045	0.3045	0.3045
Total District Direct Rates	\$ 1.3945	\$ 1.3945	\$ 1.3945	\$ 1.3945	\$ 1.3945

¹ Includes Harris County, Harris County Department of Education, Harris County Flood Control District and the Port of Houston Authority

Source: Harris County Tax Assessor-Collector & Voter Registrar
hctax.net/Property/JurisdictionTaxRates

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
Table 7
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Fiscal Year 2023			Fiscal Year 2014		
	Assessed Value ¹	Rank	Percentage of Total Assessed Value ²	Assessed Value ¹	Rank	Percentage of Total Assessed Value ³
Conoco Phillips Co	\$ 432,029,258	1	1.18%			
MC Medical Campus LP	363,719,620	2	0.99%	209,744,229	2	1.13%
Energy Tower Investments Ltd	290,411,455	3	0.79%			
MNC LP/LLC	278,794,723	4	0.76%			
Metro National Corp	265,981,240	5	0.73%	566,119,523	1	3.04%
Memorial City Mall LP	264,682,520	6	0.72%			
ALKF LLC	227,324,981	7	0.62%			
Centerpoint Energy Inc	225,389,600	8	0.61%	107,097,680	6	0.57%
Memorial City Towers Ltd	188,127,491	9	0.51%	194,699,166	3	1.05%
TCH Energy Corridor Venture LLC	180,958,051	10	0.49%			
Behringer Havard				176,900,000	4	0.95%
MN Coxen LLC				143,940,286	5	0.77%
Energy Tower II				101,111,222	7	0.54%
Mitsubishi Caterpillar Forklift America Inc				97,694,039	8	0.52%
Town & Country Ptnr				89,339,662	9	0.48%
Walmart				85,789,566	10	0.46%
Totals	\$ 2,717,418,939		7.40%	\$ 1,772,435,373		9.52%

¹ Assessed (taxable) value equals appraised value after exemptions.

² Total assessed value tax year 2022 equals: \$ 39,651,067,359

³ Total assessed value tax year 2013 equals: \$ 21,533,550,210

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Table 8

Fiscal Year	Tax Levy For The Fiscal Year ¹	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Net Tax Levy		Amount	Percent of Total Tax Collections To Net Tax Levy
2023	\$ 481,497,116	\$ 474,522,268	98.55%	\$ -	\$ 474,522,268	98.55%
2022	450,295,508	451,072,738	100.17%	(3,719,115)	447,353,623	99.35%
2021	437,559,919	440,435,555	100.66%	(4,581,812)	435,853,742	99.61%
2020	422,518,612	423,288,111	100.18%	(1,789,227)	421,498,884	99.76%
2019	422,594,608	422,769,713	100.04%	(828,738)	421,940,975	99.85%
2018	410,627,080	412,048,609	100.35%	(1,998,892)	410,049,717	99.86%
2017	393,899,775	396,841,527	100.75%	(3,381,748)	393,459,779	99.89%
2016	359,939,555	360,374,126	100.12%	(998,149)	359,375,977	99.84%
2015	315,752,053	316,363,770	100.19%	(974,814)	315,388,956	99.89%
2014	281,227,618	282,051,822	100.29%	(1,147,955)	280,903,867	99.88%

¹ Appraised value less exemptions equal taxable assessed value. The beginning taxable value net of adjustments times the tax rate set by the District's Board of Trustees each fall equals the total net tax levy. The net tax levy for prior years reflects ongoing adjustments applied to that year's tax levy.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
Table 9
**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year ¹	Governmental Activities		Total Primary Government	Ratio of Debt to Assessed Value ¹	Debt Per Student ²
	General Obligation Bonds	Leases/SBITA Payable			
2023	\$ 1,103,529,724	\$ 2,547,150	\$ 1,106,076,874	2.79%	\$ 36,373
2022	866,871,058	2,690,508	869,561,566	2.37%	28,834
2021	943,788,724	-	943,788,724	2.63%	30,717
2020	854,675,443	-	854,675,443	2.49%	26,845
2019	675,008,810	214,379	675,223,189	2.07%	21,209
2018	744,562,827	495,272	745,058,099	2.34%	22,852
2017	669,614,603	770,616	670,385,219	2.19%	20,593
2016	734,543,380	1,040,522	735,583,902	2.66%	22,560
2015	776,752,997	1,305,097	778,058,094	3.21%	23,973
2014	784,530,061	1,548,229	786,078,290	3.65%	24,206

¹ See Table 5 for assessed value data.

² See Table 15 for student average daily attendance data.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Table 10

Fiscal Year	Gross Bonded Debt	Less Reserve for Retirement of Bonded Debt	Net Bonded Debt	Ratio of Net Bonded Debt To Assessed Value ¹	Net Bonded Debt Per Student ²
2023	\$ 1,103,529,724	\$ 19,469,190	\$ 1,084,060,534	2.73%	\$ 35,649
2022	866,871,058	24,157,566	842,713,492	2.30%	27,944
2021	943,788,724	22,620,009	921,168,715	2.57%	29,981
2020	854,675,443	24,434,511	830,240,932	2.42%	26,077
2019	675,008,810	27,239,206	647,769,604	1.98%	20,346
2018	744,562,827	26,765,920	717,796,907	2.25%	22,016
2017	669,614,603	24,663,287	644,951,316	2.11%	19,912
2016	734,543,380	18,582,403	715,960,977	2.58%	21,958
2015	776,752,997	20,231,386	756,521,611	3.13%	23,310
2014	784,530,061	14,984,741	769,545,320	3.57%	23,697

¹ See Table 5 for assessed value data.

² See Table 15 for student average daily attendance data.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT
June 30, 2023

Table 11

Taxing Body	Net Debt Amount	Outstanding As of	Percent Overlapping¹	Share of Debt
Overlapping:				
Bunker Hill Village, City of	\$ 10,600,000	6/30/2023	100.00%	\$ 10,600,000
Harris County	1,770,442,125	6/30/2023	7.03%	124,462,081
Harris County Dept of Education	13,865,000	6/30/2023	7.03%	974,710
Harris County Flood Control	797,615,000	6/30/2023	7.03%	56,072,335
Harris County Hospital District	70,970,000	6/30/2023	7.03%	4,989,191
Harris Co MUD #552	15,180,000	6/30/2023	100.00%	15,180,000
Hedwig Village, City of	4,300,000	6/30/2023	100.00%	4,300,000
Hilshire Village, City of	560,000	6/30/2023	100.00%	560,000
Houston, City of	2,930,515,000	6/30/2023	10.27%	300,963,891
Piney Point Village, City of	2,520,000	6/30/2023	95.56%	2,408,112
Port of Houston Authority	445,749,397	6/30/2023	7.03%	31,336,183
Spring Valley, City of	22,190,000	6/30/2023	100.00%	<u>22,190,000</u>
Total Net Overlapping Debt				<u>574,036,501</u>
Direct:				
Spring Branch Independent School Dist	1,106,076,874		100.00%	<u>1,106,076,874</u>
Total Direct and Overlapping Debt				<u>\$ 1,680,113,375</u>

¹ Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. The percentage of overlapping debt is estimated using taxable assessed property values. Percentages were estimated by determining the portion of the overlapping taxing authority's taxable assessed value that is within the District's boundaries and dividing it by the overlapping taxing authority's total taxable assessed value.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Table 12

Fiscal Year	Residential Units ¹	Total Assessed Value of Residential Units ¹	Personal Income ²	Average Assessed Value Per Residential Unit	Per Capita Income ²	Average Daily Attendance ³	Unemployment Rate ⁴
2023	47,245	\$ 28,224,743,620	*	\$ 597,412	*	30,409	6.5%
2022	46,560	27,122,219,665	\$ 311,430,719,000	582,522	\$ 65,869	30,605	6.5%
2021	45,062	26,916,284,983	\$ 291,723,832,000	597,317	60,183	30,725	6.5%
2020	44,564	26,274,474,949	285,160,839,000	589,590	55,129	31,838	8.4%
2019	44,166	25,089,467,484	282,809,166,000	568,072	53,266	31,837	3.8%
2018	43,705	24,685,355,513	265,351,328,000	564,818	56,474	32,604	4.4%
2017	43,291	23,214,885,369	250,502,446,000	536,252	53,188	32,554	5.3%
2016	43,001	21,223,254,889	233,826,878,000	493,553	51,186	32,606	5.5%
2015	42,816	18,569,606,282	249,989,500,000	433,707	55,088	32,455	4.8%
2014	42,494	16,521,857,706	252,694,912,000	388,804	56,896	32,474	5.4%

¹ Source: Harris County (Texas) Appraisal District

² Source: FRED Economic Research

³ Source: District Records

⁴ Source: TRACER of Texas Workforce Commission; Unemployment rate is for Harris County Texas Labor Market Information

* Information not yet available



SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
Table 13
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2023			2014		
	Employees	Rank	Percentage of Principal Employers	Employees	Rank	Percentage of Principal Employment
Wal-Mart Stores Inc	34,000	1	15.53%			
HEB	32,635	2	14.91%	30,000	1	17.19%
Houston Methodist	29,730	3	13.58%	19,175	3	10.99%
Memorial Hermann Healthcare System	27,089	4	12.37%	18,574	4	10.64%
University of Texas M.D. Anderson Cancer Center	23,040	5	10.52%	17,011	5	9.75%
Amazon	20,000	6	9.13%	19,504	2	11.17%
Kroger Company	15,000	7	6.85%			
Texas Children's Hospital	13,000	8	5.94%	14,197	8	8.13%
HCA Houston Healthcare	12,614	9	5.76%			
United Airlines	11,834	10	5.41%			
McDonald's Corp				15,550	6	8.91%
Shell Oil Co.				15,479	7	8.87%
Exxon Mobil Corp.				12,835	9	7.35%
National Oilwell Varco				12,211	10	7.00%
Total Employed	<u>218,942</u>		<u>100.00%</u>	<u>174,536</u>		<u>100.00%</u>

2023 Source: Houston New Comers Guides (2022) and Companies Website*

2014 Source: Annual Report 2014

<https://www.houstonchronicle.com/business/chron-100/article/Houston-s-biggest-employers-reflect-local-12989530.php>
<https://houstonnewcomerguides.com/top-houston-area-employers/>

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY POSITION
LAST TEN FISCAL YEARS

Table 14
Page 1 of 2

POSITION:	2023	2022	2021	2020	2019
Administrator	93.5	91.5	90.4	90.4	82.4
Assistant Principal	82.0	82.5	83.0	82.0	79.0
Athletic Director	4.0	4.0	4.0	4.0	4.0
Athletic Trainer	11.5	12.0	10.0	8.0	8.0
Bus Driver/Bus Attendants	203.0	200.0	204.0	224.0	232.1
Cafeteria Workers	242.8	246.8	249.7	261.9	283.3
Child Care Worker	53.3	63.2	80.8	70.1	58.8
Counselor	79.5	77.0	77.5	79.9	76.5
Crossing Guard	19.0	25.0	29.0	35.0	31.5
Custodial	164.0	170.0	195.0	200.0	197.0
Intervention Specialists	105.2	107.2	98.7	106.7	91.0
Librarian/Library Assistant	37.5	42.0	41.5	42.0	40.5
Maintenance	81.0	85.0	86.0	80.0	90.0
Nurse/Nurse Assistant	60.0	62.0	59.0	57.4	56.0
Other Auxiliary*	30.0	25.5	29.5	32.4	23.0
Other Professional **	397.4	369.5	313.8	307.3	253.4
Police Officer	42.0	40.0	40.0	36.0	36.0
Principal	46.0	46.0	46.0	48.0	48.0
Registrar	6.0	5.0	6.0	6.5	6.0
Secretary/Clerical	314.9	310.9	320.3	345.9	308.5
Social Worker	-	-	-	-	-
Teacher	2,213.6	2,198.3	2,207.5	2,211.2	2,117.0
Teacher Assistant	466.9	457.3	404.6	450.5	394.2
Technial/Cat 9 and Aux Tech	60.5	61.0	61.5	60.5	54.5
Total Employees	4,813.6	4,781.7	4,737.8	4,839.7	4,570.6

* Includes Warehouse Drivers, Child Nutrition Drivers, Telecommunications, and other technical auxiliary staff not otherwise listed.

** Includes Diagnosticians, Psychologists, Program Coordinators, Case Managers, Speech Pathologists and other professional staff not listed individually.

*** Methodology for grouping FTEs was updated for several categories.

Source: District Records

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY POSITION
LAST TEN FISCAL YEARS

Table 14
Page 2 of 2

POSITION:	2018	2017	2016	2015***	2014
Administrator	88.9	86.0	81.0	81.8	72.0
Assistant Principal	79.0	78.0	80.0	81.0	78.5
Athletic Director	4.0	4.0	4.0	4.0	4.0
Athletic Trainer	8.0	8.0	8.0	6.5	8.0
Bus Driver/Bus Attendants	237.5	239.0	232.0	221.5	157.0
Cafeteria Workers	278.0	270.0	299.0	294.0	384.0
Child Care Worker	51.9	65.0	75.0	67.0	85.0
Counselor	76.3	79.0	74.0	71.5	59.5
Crossing Guard	26.0	32.0	42.0	34.0	56.0
Custodial	200.0	205.0	206.0	207.0	209.0
Intervention Specialists	87.2	116.0	116.0	119.0	122.9
Librarian/Library Assistant	39.0	38.0	39.0	38.0	40.0
Maintenance	103.0	97.0	107.0	101.0	109.0
Nurse/Nurse Assistant	58.0	61.0	65.0	46.0	53.0
Other Auxiliary*	22.0	25.0	33.0	35.5	28.0
Other Professional **	226.1	219.0	217.0	193.1	154.5
Police Officer	30.0	31.0	31.0	32.0	24.0
Principal	46.0	46.0	47.0	44.5	45.5
Registrar	6.0	6.0	6.0	6.0	5.0
Secretary/Clerical	308.6	321.0	328.0	334.0	342.8
Social Worker	1.0	1.0	1.0	1	-
Teacher	2,123.6	2,133.0	2,230.0	2,136.3	2,188.5
Teacher Assistant	377.0	370.0	360.0	330.0	333.7
Technial/Cat 9 and Aux Tech	54.0	56.0	56.0	54.0	38.0
Total Employees	4,531.1	4,586.0	4,737.0	4,538.8	4,597.8

* Includes Warehouse Drivers, Child Nutrition Drivers, Telecommunications, and other technical auxiliary staff not otherwise listed.

** Includes Diagnosticians, Psychologists, Program Coordinators, Case Managers, Speech Pathologists and other professional staff not listed individually.

*** Methodology for grouping FTEs was updated for several categories.

Source: District Records

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Table 15
Page 1 of 2

Fiscal Year	Average Daily Attendance	Operating Expenditures ¹	Cost Per Student	Percentage Change	Governmental Activities Expenses
2023	30,409	\$ 520,468,611	\$ 17,116	6.94%	\$ 588,047,374
2022	30,605	489,807,230	16,004	2.24%	524,688,791
2021	30,725	480,965,868	15,654	16.72%	546,739,061
2020	31,838	427,002,618	13,412	-3.65%	519,791,268
2019	32,160	447,677,065	13,920	8.24%	521,795,574
2018	32,604	419,316,252	12,861	7.27%	371,484,825
2017	32,554	390,315,215	11,990	5.54%	453,423,227
2016	32,606	370,409,781	11,360	24.90%	440,776,261
2015	32,455	295,197,084	9,096	-6.17%	384,836,884
2014	32,474	314,795,540	9,694	4.12%	378,614,014

Source: Nonfinancial information from district records.

¹ Operating expenditures are total expenditures less debt service and capital outlay (to the extent capitalized for the government-wide statement of net position) and expenditures for capitalized assets included within the functional expenditures categories.

² Teachers per Table 14

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Table 15
Page 2 of 2

Fiscal Year	Cost Per Student	Percentage Change	Teaching Staff ²	Student to Teacher Ratio	Percentage of Students in Free/Reduced Lunch Program
2023	\$ 19,338	12.80%	2,214	13.74	56.94%
2022	17,144	-3.66%	2,198	13.92	57.02%
2021	17,795	8.99%	2,208	13.92	57.06%
2020	16,326	0.62%	2,211	14.40	61.27%
2019	16,225	42.40%	2,117	15.19	61.36%
2018	11,394	-18.20%	2,124	15.35	61.92%
2017	13,928	3.03%	2,133	15.26	59.93%
2016	13,518	14.01%	2,230	14.62	58.12%
2015	11,858	1.70%	2,136	15.19	55.94%
2014	11,659	5.13%	2,188	14.84	58.41%

Source: Nonfinancial information from district records.

¹ Operating expenditures are total expenditures less debt service and capital outlay (to the extent capitalized for the government-wide statement of net position) and expenditures for capitalized assets included within the functional expenditures categories.

² Teachers per Table 14



SPRING BRANCH INDEPENDENT SCHOOL DISTRICT*Table 16***TEACHER BASE SALARIES****LAST TEN FISCAL YEARS**

Fiscal Year	Minimum Salary¹	Maximum Salary¹	County Average Salary²	Statewide Average Salary²
2023	\$ 62,000	\$ 83,775	\$ 67,525	\$ 65,052
2022	59,000	87,875	62,356	58,887
2021	58,000	86,625	60,675	57,641
2020	57,000	85,400	60,160	57,091
2019	54,000	84,462	57,423	54,122
2018	52,000	81,000	56,943	53,334
2017	50,000	81,000	55,888	52,525
2016	50,000	81,000	59,791	51,892
2015	48,000	79,738	54,284	50,715
2014	47,000	77,416	52,356	49,692

¹ Source: District records² Source: Texas Education Agency website<https://rptsvr1.tea.texas.gov/adhocrpt/adpeb.html>

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 17
Page 1 of 10

Building:	2023	2022	2021	2020	2019
HIGH SCHOOLS					
Memorial (1962)					
Square Footage	311,115	311,115	311,115	311,115	311,115
Capacity	2,516	2,516	2,516	2,516	2,516
Enrollment	2,555	2,531	2,577	2,607	2,620
Northbrook (1974)					
Square Footage	394,609	394,609	394,609	394,609	394,609
Capacity	2,477	2,477	2,477	2,477	2,477
Enrollment	2,610	2,622	2,573	2,674	2,578
Spring Woods (1964)					
Square Footage	349,382	349,382	349,382	349,382	349,382
Capacity	2,098	2,098	2,098	2,098	2,098
Enrollment	2,113	2,105	2,086	2,157	2,150
Stratford (1974)					
Square Footage	323,500	323,500	323,500	323,500	323,500
Capacity	1,923	1,923	1,923	1,923	1,923
Enrollment	2,272	2,229	2,192	2,151	2,137
MIDDLE SCHOOLS					
Landrum (1956) / (2021)					
Square Footage	178,731	238,215	178,731	178,731	178,731
Capacity	954	1,000	954	954	954
Enrollment	967	926	973	1,046	1,042
Memorial (1963)					
Square Footage	195,328	195,328	195,328	195,328	195,328
Capacity	1,441	1,441	1,441	1,441	1,441
Enrollment	1,281	1,350	1,362	1,358	1,336
Northbrook (1973)					
Square Footage	203,020	203,020	203,020	203,020	203,020
Capacity	1,004	1,004	1,004	1,004	1,004
Enrollment	913	881	946	917	885
Spring Branch (1953)					
Square Footage	226,188	226,188	226,188	226,188	226,188
Capacity	1,122	1,122	1,122	1,122	1,122
Enrollment	1,074	1,122	1,129	1,159	1,082
Spring Forest (1967)					
Square Footage	192,559	192,559	192,559	192,559	192,559
Capacity	1,094	1,094	1,094	1,094	1,094
Enrollment	962	957	953	990	916
Spring Oaks (1967)					
Square Footage	192,544	192,544	192,544	192,544	192,544
Capacity	896	896	896	896	896
Enrollment	644	673	692	728	717
Spring Woods (1961)					
Square Footage	200,776	200,776	200,776	200,776	200,776
Capacity	1,032	1,032	1,032	1,032	1,032
Enrollment	814	871	901	910	876

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 17
Page 2 of 10

Building:	2018	2017	2016	2015	2014
HIGH SCHOOLS					
Memorial (1962)					
Square Footage	311,115	311,115	311,115	311,115	311,115
Capacity	2,516	2,516	2,516	2,516	2,516
Enrollment	2,669	2,638	2,650	2,602	2,567
Northbrook (1974)					
Square Footage	394,609	394,609	394,609	394,609	394,609
Capacity	2,477	2,477	2,477	2,477	2,477
Enrollment	2,517	2,444	2,333	2,258	2,119
Spring Woods (1964)					
Square Footage	349,382	349,382	349,382	349,382	349,382
Capacity	2,098	2,098	2,098	2,098	2,098
Enrollment	2,165	2,172	2,213	2,131	2,094
Stratford (1974)					
Square Footage	323,500	323,500	323,500	323,500	323,500
Capacity	1,923	1,923	1,923	1,923	1,923
Enrollment	2,148	2,113	2,124	1,934	2,010
MIDDLE SCHOOLS					
Landrum (1956) / (2021)					
Square Footage	178,731	178,731	178,731	178,731	178,731
Capacity	954	954	954	954	954
Enrollment	1,053	1,073	1,062	1,047	740
Memorial (1963)					
Square Footage	195,328	195,328	195,328	195,328	195,328
Capacity	1,441	1,441	1,441	1,441	1,441
Enrollment	1,348	1,381	1,370	1,377	1,411
Northbrook (1973)					
Square Footage	203,020	203,020	203,020	203,020	203,020
Capacity	1,004	1,004	1,004	1,004	1,004
Enrollment	879	939	961	991	627
Spring Branch (1953)					
Square Footage	226,188	226,188	226,188	226,188	226,188
Capacity	1,122	1,122	1,122	1,122	1,122
Enrollment	1,112	1,091	1,127	1,193	1,163
Spring Forest (1967)					
Square Footage	192,559	192,559	192,559	192,559	192,559
Capacity	1,094	1,094	1,094	1,094	1,094
Enrollment	897	850	839	832	804
Spring Oaks (1967)					
Square Footage	192,544	192,544	192,544	192,544	192,544
Capacity	896	896	896	896	896
Enrollment	712	765	768	782	820
Spring Woods (1961)					
Square Footage	200,776	200,776	200,776	200,776	200,776
Capacity	1,032	1,032	1,032	1,032	1,032
Enrollment	876	949	949	925	938

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 17
Page 3 of 10

Building:	2023	2022	2021	2020	2019
ELEMENTARY SCHOOLS					
Buffalo Creek (1997)					
Square Footage	82,179	82,179	82,179	82,179	82,179
Capacity	688	688	688	688	688
Enrollment	441	439	438	491	507
Bunker Hill (1956)					
Square Footage	65,335	65,335	65,335	65,335	65,335
Capacity	773	773	773	773	773
Enrollment	739	672	654	614	620
Cedar Brook (1993)					
Square Footage	82,179	82,179	82,179	82,179	82,179
Capacity	688	688	688	688	688
Enrollment	657	670	647	702	726
Edgewood (2011)					
Square Footage	109,000	109,000	109,000	109,000	109,000
Capacity	791	791	791	791	791
Enrollment	539	518	587	629	627
Frostwood (2014) / (1960)					
Square Footage	110,145	110,145	110,145	110,145	110,145
Capacity	750	750	750	750	750
Enrollment	798	762	741	773	713
Hollibrook (2010)					
Square Footage	112,095	112,095	112,095	112,095	112,095
Capacity	882	882	882	882	882
Enrollment	660	708	712	764	743
Housman (2011)					
Square Footage	101,561	101,561	101,561	101,561	101,561
Capacity	717	717	717	717	717
Enrollment	354	382	408	505	526
Hunters Creek (1954) / (2021)					
Square Footage	61,937	107,686	61,937	61,937	61,937
Capacity	634	700	634	634	634
Enrollment	604	618	577	615	655
Meadow Wood (2011)					
Square Footage	95,278	95,278	95,278	95,278	95,278
Capacity	683	683	683	683	683
Enrollment	657	653	588	550	491
Memorial Drive (1949)					
Square Footage	58,614	58,614	58,614	58,614	58,614
Capacity	466	466	466	466	466
Enrollment	394	392	392	419	426
Nottingham (1969)					
Square Footage	61,574	61,574	61,574	61,574	61,574
Capacity	568	568	568	568	568
Enrollment	717	650	593	608	497

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

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Building:	2018	2017	2016	2015	2014
ELEMENTARY SCHOOLS					
Buffalo Creek (1997)					
Square Footage	82,179	82,179	82,179	82,179	82,179
Capacity	688	688	688	688	688
Enrollment	552	582	619	636	657
Bunker Hill (1956)					
Square Footage	65,335	65,335	65,335	65,335	65,335
Capacity	773	773	773	773	773
Enrollment	641	658	677	697	702
Cedar Brook (1993)					
Square Footage	82,179	82,179	82,179	82,179	82,179
Capacity	688	688	688	688	688
Enrollment	795	854	891	898	898
Edgewood (2011)					
Square Footage	109,000	109,000	109,000	109,000	109,000
Capacity	791	791	791	791	791
Enrollment	641	660	679	750	769
Frostwood (2014) / (1960)					
Square Footage	110,145	110,145	110,145	110,145	110,145
Capacity	750	750	750	750	750
Enrollment	707	704	707	701	687
Hollibrook (2010)					
Square Footage	112,095	112,095	112,095	112,095	112,095
Capacity	882	882	882	882	882
Enrollment	763	804	842	830	799
Housman (2011)					
Square Footage	101,561	101,561	101,561	101,561	101,561
Capacity	717	717	717	717	717
Enrollment	534	554	559	587	573
Hunters Creek (1954) / (2021)					
Square Footage	61,937	61,937	61,937	61,937	61,937
Capacity	634	634	634	634	634
Enrollment	673	643	664	669	643
Meadow Wood (2011)					
Square Footage	95,278	95,278	95,278	95,278	95,278
Capacity	683	683	683	683	683
Enrollment	505	509	517	501	508
Memorial Drive (1949)					
Square Footage	58,614	58,614	58,614	58,614	58,614
Capacity	466	466	466	466	466
Enrollment	447	454	458	466	470
Nottingham (1969)					
Square Footage	61,574	61,574	61,574	61,574	61,574
Capacity	568	568	568	568	568
Enrollment	509	532	473	445	555

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 17
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Building:	2023	2022	2021	2020	2019
ELEMENTARY SCHOOLS (continued)					
Pine Shadows (2012)					
Square Footage	118,167	118,167	118,167	118,167	118,167
Capacity	913	913	913	913	913
Enrollment	768	752	740	778	770
Ridgecrest (2010)					
Square Footage	111,352	111,352	111,352	111,352	111,352
Capacity	960	960	960	960	960
Enrollment	711	700	735	801	793
Rummel Creek (2016) / (1962)					
Square Footage	106,260	106,260	106,260	106,260	106,260
Capacity	750	750	750	750	750
Enrollment	822	811	787	796	738
Shadow Oaks (2011)					
Square Footage	118,314	118,314	118,314	118,314	118,314
Capacity	871	871	871	871	871
Enrollment	461	501	549	641	648
Sherwood (1968)					
Square Footage	69,371	69,371	69,371	69,371	69,371
Capacity	538	538	538	538	538
Enrollment	460	427	449	450	451
Spring Branch (2011)					
Square Footage	101,897	101,897	101,897	101,897	101,897
Capacity	737	737	737	737	737
Enrollment	493	525	482	604	599
Spring Shadows (1968)					
Square Footage	96,664	96,664	96,664	96,664	96,664
Capacity	830	830	830	830	830
Enrollment	600	618	576	669	614
Terrace (1973)					
Square Footage	74,349	74,349	74,349	74,349	74,349
Capacity	702	702	702	702	702
Enrollment	383	378	391	368	391
Thornwood (1973)					
Square Footage	69,038	69,038	69,038	69,038	69,038
Capacity	548	548	548	548	548
Enrollment	408	389	396	405	430
Treasure Forest (1996)					
Square Footage	82,179	82,179	82,179	82,179	82,179
Capacity	688	688	688	688	688
Enrollment	405	429	467	479	498
Valley Oaks (2015)/(1956)					
Square Footage	117,872	117,872	117,872	117,872	117,872
Capacity	810	810	810	810	810
Enrollment	876	813	738	772	722

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 17
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Building:	2018	2017	2016	2015	2014
ELEMENTARY SCHOOLS (continued)					
Pine Shadows (2012)					
Square Footage	118,167	118,167	118,167	118,167	118,167
Capacity	913	913	913	913	913
Enrollment	755	737	824	813	827
Ridgecrest (2010)					
Square Footage	111,352	111,352	111,352	111,352	111,352
Capacity	960	960	960	960	960
Enrollment	760	768	865	903	839
Rummel Creek (2016) / (1962)					
Square Footage	106,260	106,260	32,768	72,615	72,615
Capacity	750	750	720	760	760
Enrollment	737	706	695	679	694
Shadow Oaks (2011)					
Square Footage	118,314	118,314	118,314	118,314	118,314
Capacity	871	871	871	871	871
Enrollment	665	724	723	706	685
Sherwood (1968)					
Square Footage	69,371	69,371	69,371	69,371	69,371
Capacity	538	538	538	538	538
Enrollment	456	479	455	452	445
Spring Branch (2011)					
Square Footage	101,897	101,897	101,897	101,897	101,897
Capacity	737	737	737	737	737
Enrollment	566	634	669	632	670
Spring Shadows (1968)					
Square Footage	96,664	96,664	96,664	96,664	96,664
Capacity	830	830	830	830	830
Enrollment	695	733	758	814	743
Terrace (1973)					
Square Footage	74,349	74,349	74,349	74,349	74,349
Capacity	702	702	702	702	702
Enrollment	396	395	465	486	480
Thornwood (1973)					
Square Footage	69,038	69,038	69,038	69,038	69,038
Capacity	548	548	548	548	548
Enrollment	431	426	380	489	477
Treasure Forest (1996)					
Square Footage	82,179	82,179	82,179	82,179	82,179
Capacity	688	688	688	688	688
Enrollment	570	551	627	647	638
Valley Oaks (2015)/(1956)					
Square Footage	117,872	117,872	117,872	72,240	72,240
Capacity	810	810	810	716	716
Enrollment	670	619	573	631	632

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 17
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Building:	2023	2022	2021	2020	2019
ELEMENTARY SCHOOLS (continued)					
Westwood (2011)					
Square Footage	98,264	98,264	98,264	98,264	98,264
Capacity	871	871	871	871	871
Enrollment	409	434	483	506	521
Wilchester (2011)					
Square Footage	123,253	123,253	123,253	123,253	123,253
Capacity	906	906	906	906	906
Enrollment	844	803	810	842	821
Woodview (1958)					
Square Footage	86,114	86,114	86,114	86,114	86,114
Capacity	716	716	716	716	716
Enrollment	525	562	527	587	564
PRE-KINDERGARTEN CENTERS					
Bear Blvd (2001)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	251	278	200	318	294
Lion Lane (2001)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	226	217	186	281	322
Panda Path (2001-Leased Space)					
Square Footage	15,618	15,618	15,618	15,618	15,618
Capacity	136	136	136	136	136
Enrollment	176	160	148	200	211
Tiger Trail (2001)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	313	290	233	327	345
Wildcat Way (2002)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	302	301	226	337	371
OTHER CAMPUSES					
Bendwood (1958)					
Square Footage	38,830	38,830	38,830	38,830	38,830
Capacity	440	440	440	440	440
Enrollment	50	48	32	46	44
Cornerstone Academy (2018) / (1951)					
Square Footage	**	**	**	**	**
Capacity	**	413	413	413	413
Enrollment	**	371	361	373	377

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 17
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Building:	2018	2017	2016	2015	2014
ELEMENTARY SCHOOLS (continued)					
Westwood (2011)					
Square Footage	98,264	98,264	98,264	98,264	98,264
Capacity	871	871	871	871	871
Enrollment	589	621	660	670	658
Wilchester (2011)					
Square Footage	123,253	123,253	123,253	123,253	123,253
Capacity	906	906	906	906	906
Enrollment	793	796	777	735	747
Woodview (1958)					
Square Footage	86,114	86,114	86,114	86,114	86,114
Capacity	716	716	716	716	716
Enrollment	620	645	646	666	643
PRE-KINDERGARTEN CENTERS					
Bear Blvd (2001)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	315	293	295	290	348
Lion Lane (2001)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	304	252	251	394	309
Panda Path (2001-Leased Space)					
Square Footage	15,618	15,618	15,618	15,618	15,618
Capacity	136	136	136	136	136
Enrollment	203	98	144	137	168
Tiger Trail (2001)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	305	249	241	248	309
Wildcat Way (2002)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	326	288	274	287	286
OTHER CAMPUSES					
Bendwood (1958)					
Square Footage	38,830	38,830	38,830	38,830	38,830
Capacity	440	440	440	440	440
Enrollment	37	41	49	47	39
Cornerstone Academy (2018) / (1951)					
Square Footage	**	**	**	**	**
Capacity	413	413	413	413	413
Enrollment	373	382	381	370	369

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

Table 17
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Building:	2023	2022	2021	2020	2019
OTHER CAMPUSES (continued)					
The Guthrie Center (1972)					
Square Footage	83,614	83,614	83,614	83,614	83,614
Capacity	326	326	326	326	326
Enrollment	n/a	n/a	n/a	n/a	n/a
School of Choice (2018) / (1951)					
Square Footage	**	**	**	**	**
Capacity	**	494	494	494	494
Enrollment	**	140	127	151	160
Spring Branch Education Center (1951) / (2016 Transition) **					
Square Footage	170,052	170,052	170,052	170,052	170,052
Capacity	907	n/a	n/a	n/a	n/a
Enrollment	510	n/a	n/a	n/a	n/a
Westchester Academy (1967)					
Square Footage	294,963	294,963	294,963	294,963	294,963
Capacity	1,012	1,012	1,012	1,012	1,012
Enrollment	890	866	924	965	1,014

** Spring Branch Education Center facility houses Cornerstone & School of Choice.
 Square footage is for entire complex.

Note: Capacity does not include temporary buildings. Guthrie and School of Choice students are included in numbers for their home campus. The source of square footage and capacity is district records.

SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

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Building:	2018	2017	2016	2015	2014
OTHER CAMPUSES (continued)					
The Guthrie Center (1972)					
Square Footage	83,614	83,614	83,614	83,614	83,614
Capacity	326	326	326	326	326
Enrollment	n/a	n/a	n/a	n/a	n/a
School of Choice (2018) / (1951)					
Square Footage	**	**	**	**	**
Capacity	494	494	494	494	494
Enrollment	187	169	n/a	n/a	n/a
Spring Branch Education Center (1951) / (2018) **					
Square Footage	170,052	170,052	94,467	268,780	268,780
Capacity	n/a	n/a	n/a	n/a	n/a
Enrollment	n/a	n/a	n/a	n/a	n/a
Westchester Academy (1967)					
Square Footage	294,963	294,963	294,963	294,963	294,963
Capacity	1,012	1,012	1,012	1,012	1,012
Enrollment	1,031	1,023	1,014	973	936

** Spring Branch Education Center facility houses Cornerstone & School of Choice.
 Square footage is for entire complex.

Note: Capacity does not include temporary buildings. Guthrie and School of Choice students are included in numbers for their home campus. The source of square footage and capacity is district records.



SPRING BRANCH INDEPENDENT SCHOOL DISTRICT
REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS
For the Year Ended June 30, 2023

Schedule L-1

SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF3	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	Yes
	<p>(If the school district was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments.) Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued.</p> <p>Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued.</p>	
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?	Yes
SF8	Did the school board members discuss the school district's property values at a board meeting within 120 days before the school district adopted its budget?	Yes
SF9	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end.	\$ -0-

NOTE: This schedule is to be included as part of the annual financial audit report (AFR) submission on the required due date and published as a part of the school district's AFR. This schedule should be submitted in the data feed file and submitted as an Adobe Acrobat portable document file (pdf).

