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**BEAUMONT INDEPENDENT  
SCHOOL DISTRICT**

**ANNUAL FINANCIAL  
AND COMPLIANCE REPORT**

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

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***CPAs and Professional Consultants***



# BEAUMONT INDEPENDENT SCHOOL DISTRICT

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# BEAUMONT INDEPENDENT SCHOOL DISTRICT

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## CERTIFICATE OF BOARD

Beaumont Independent School District

Name of School District

Jefferson County

County

123-910

Co. - Dist. No.

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and approved for the fiscal year ended June 30, 2023, at a meeting of the Board of Trustees of such school district on November 16, 2023.

Matilda Dickman

President of the Board

Denise W. Spoon

Secretary of the Board



## **FINANCIAL SECTION**





## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Beaumont Independent School District

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beaumont 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, 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 other supplemental information such as the combining and individual nonmajor fund financial statements, required Texas Education Agency (TEA) schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

To the Board of Trustees  
Beaumont 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 other supplementary information, required TEA schedules, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the 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 16, 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.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas  
November 16, 2023



## **BEAUMONT INDEPENDENT SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the Beaumont 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.

#### **Financial Highlights**

The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$158,458,277 (*net position*). Of this amount, unrestricted net position amounted to a deficit of \$21,239,102. This deficit was caused by the net pension and net OPEB liabilities recognized in fiscal year 2023. This recognition of such liabilities does not affect the financial stability of the District nor does it change how the District conducts its financial decision making. Rather, the District is reflecting its portion of the liabilities that the State of Texas manages and operates.

- The District's total net position at year end increased by \$30,849,624, including a prior period adjustment. The significant increase was mainly due to increase in charges for services, operating grants and contributions, and property taxes.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$104,160,448, an increase of \$3,987,467, including a prior period adjustment, in comparison with the prior year.
- As of the close of the current fiscal year, unassigned fund balance for the general fund of \$55,270,664 is 34 percent of total general fund expenditures.

The District's total bonded debt decreased by \$25,955,000 (10 percent) during the current fiscal year.

#### **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 are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

#### **Government-wide Financial Statements**

The *Government-wide Financial Statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused sick leave).

The *Government-wide financial statements* of the District are principally supported by taxes and intergovernmental revenues (*governmental activities*).

## **BEAUMONT INDEPENDENT SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

The governmental activities of the District include Instruction, Instructional Resources and Media Services, Curriculum and Instructional Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Extracurricular Activities, General Administration, Facilities Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Interest on Long-term Debt, Debt Issuance Costs and Fees, Facilities Repairs and Maintenance, Payments to Fiscal Agent/Member Districts of SSA, and Other intergovernmental charges.

#### **Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District 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 District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, 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 District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and elementary and secondary school emergency relief fund (ESSER) III, all of which are considered to be major funds. Data from the nonmajor governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the financial statements. The District adopts an annual appropriated budget for its general fund, debt service fund, and the Child Nutrition program special revenue fund.

#### **Proprietary Fund**

The District maintains an individual internal service fund for Workers' Compensation. *Internal service funds*, one type of proprietary fund, are an accounting device used to accumulate and allocate costs internally among the District's various funds and functions. Because these services predominantly benefit governmental functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail.

#### **Fiduciary Fund**

The fiduciary funds are used to account for resources held for the benefit of the parties outside the government. *Fiduciary funds* are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District is the trustee or fiduciary for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's *fiduciary activities* are reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required Supplementary 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 required supplementary information relates to comparison of the original adopted budget, the final amended budget, and the actual amounts for the fiscal year. This is required supplementary information for the general fund and any major special revenue funds. The District's general fund is presented as required supplementary information. In addition, required supplementary information includes a schedule of the District's proportionate share of the Net Pension Liability - TRS, a schedule of District's contributions - TRS for the past eight years, a schedule of the District's proportionate share of the Net OPEB Liability - TRS, and a schedule of the District's OPEB contributions for the past five years.

**Other Information**

The combining and individual fund statements and schedules and other supplementary information are presented immediately following the required supplementary information.

**Government-wide Financial Analysis**

***Net Position***

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$158,458,277 at the close of the most recent fiscal year.

The largest portion of the District's net position \$159,710,774 reflects its investment in capital assets (e.g., land, buildings and improvements, furniture and equipment, construction in progress), less any outstanding related debt used to acquire those assets. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

As of June 30, 2023, the District's net position included the following:

	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022</b>
<b>Assets:</b>		
Current and other assets	\$ 146,442,035	\$ 149,613,953
Capital assets, net of depreciation and noncurrent assets	397,200,244	403,417,051
<b>Total Assets</b>	<b>543,642,279</b>	<b>\$553,031,004</b>
<b>Deferred Outflows of Resources:</b>		
Deferred charge on refunding	2,564,587	2,919,961
Deferred outflows - pension	21,087,848	13,279,289
Deferred outflows - OPEB	10,866,732	13,008,308
<b>Total Deferred Outflows of Resources</b>	<b>34,519,167</b>	<b>29,207,558</b>
<b>Liabilities:</b>		
Current liabilities	36,433,681	43,731,029
Long term liabilities	325,990,286	346,384,545
<b>Total Liabilities</b>	<b>362,423,967</b>	<b>390,115,574</b>
<b>Deferred Inflows of Resources:</b>		
Deferred inflows - pension	5,605,295	26,336,106
Deferred inflows - OPEB	51,673,907	38,178,229
<b>Total Deferred Inflows of Resources</b>	<b>57,279,202</b>	<b>64,514,335</b>
<b>Net Position:</b>		
Net investment in capital assets	159,710,774	130,575,876
Restricted	19,986,605	15,163,852
Unrestricted	(21,239,102)	(18,131,075)
<b>Total Net Position</b>	<b>\$ 158,458,277</b>	<b>\$ 127,608,653</b>

Net position is restricted for various purposes as follows:

	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022</b>
Federal and state programs	\$ 8,052,880	\$ 4,951,692
Debt service	11,933,725	10,212,160
	<b>\$ 19,986,605</b>	<b>\$ 15,163,852</b>

Unrestricted net position for governmental activities is the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. At the end of the current fiscal year, the District reports deficit balance in unrestricted net position of \$21,239,102 caused by the net pension and OPEB liabilities. The District's net position increased by \$30,849,624 during the current fiscal year. This is due to the increase in charges for services from Chapter 313 agreement revenues, slight increase in property tax values, and total significant decrease in total expenses due to closure of campuses as a result of the global COVID 19 pandemic.



**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Changes in Net Position**

The Net Position of the District increased by \$ 30.3 million for the year ended June 30, 2023. The total revenues from taxpayers, user service fees, grants and other sources for the District was \$275.6 million.

Total general revenues decreased by \$20.7 million compared to fiscal year 2022 due to significant decrease in state aid formula grants and insurance recoveries. Total expenses for the 2023 fiscal year were \$245.2million or \$25.7 million more than expenses of fiscal year 2022.

**Comparative Schedule of Changes in Net Position**

**For the Years Ended June 30, 2023 and 2022**

	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022</b>
<b>Program Revenues</b>		
Charges for services	\$ 8,249,837	\$ 495,988
Operating grants and contributions	83,228,948	38,323,620
<b>General Revenues</b>		
Property taxes	150,045,445	142,142,559
State Aid - Formula Grants	28,419,057	48,134,669
Investment earnings	4,334,714	359,649
Special items (insurance recoveries)	-	3,690,450
Other	1,305,182	10,518,854
<b>Total Revenues</b>	<b>275,583,183</b>	<b>243,665,789</b>
<b>Expenses</b>		
Instruction	115,321,061	102,639,348
Instructional resources and media services	1,328,008	1,241,925
Curriculum and staff development	2,077,221	1,210,069
Instructional leadership	7,788,983	7,125,220
School leadership	11,615,256	11,462,462
Guidance, counseling, and evaluation services	8,939,261	6,985,715
Social work services	742,606	610,230
Health services	2,897,781	2,518,283
Student transportation	4,474,333	4,759,547
Food service	11,527,424	9,968,210
Extracurricular activities	6,674,453	5,849,964
General administration	7,269,532	6,820,531
Plant, maintenance and operations	39,896,193	37,352,563
Security and monitoring services	8,813,597	3,435,858
Data processing services	4,161,643	3,974,574
Community services	2,032,538	1,718,474
Interest on long-term debt	7,381,522	9,712,190
Debt issuance costs and fees	273,116	295,371
Payments to fiscal agent/member districts of SSA	361,473	383,694
Payments to Juvenile Justice Alternative Education Programs	161,860	150,000
Other intergovernmental charges	1,504,959	1,365,505
<b>Total Expenses</b>	<b>245,242,820</b>	<b>219,579,733</b>
Increase (Decrease) in Net Position	30,340,363	24,086,056
<b>Beginning Net Position</b>	<b>127,608,653</b>	<b>103,522,597</b>
<b>Prior Period Adjustments *</b>	<b>509,261</b>	<b>-</b>
<b>Ending Net Position</b>	<b>\$ 158,458,277</b>	<b>\$ 127,608,653</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Governmental Activities**

Governmental activities increased the District's net position by \$ 30,340,363 for the year ended June 30, 2023. The increase was caused by the increase in property tax and other revenues. Charges for services increased by \$7.8 million due to Chapter 313 agreements. Property tax revenues increased by \$7.9 million due to the increase in property values. State and other grant revenue increased by \$44.9 million mainly due to increase in federal funding. Approximately 54 percent of the District's revenues came from property taxes, with an additional 10 percent derived from state funding formulas. Last fiscal year, 58 percent of the District's revenues came from property taxes and 20 percent came from state funding formulas.

**Governmental Revenues by Type**

Revenues are generated primarily from three sources. Property taxes, state-aid formula grants, and operating grants and contributions represent of total revenues. The remaining \$7,753,849 is generated from charges for services, investment earnings, extraordinary item, and other revenues.

	<b>Total Revenues</b>	<b>% of Total Revenues</b>
Property taxes	\$ 150,045,445	54.4%
State Aid - Formula Grants	28,419,057	10.3%
Operating grants and contributions	83,228,948	30.2%
Charges for services	8,249,837	3.0%
Investment earnings	4,334,714	1.6%
Special items (insurance recoveries)	-	
Other revenue	1,305,182	0.5%
<b>Total Revenues</b>	<b>\$ 275,583,183</b>	<b>100%</b>

Fiscal year 2023 expenses are \$25.7 million more than fiscal year 2022. Approximately 47 percent of the District's expenses were expended for instructional activities. When combined with student and other support services such as transportation, counseling and nursing, 71 percent of the District's expenses were spent on direct student services.

**Governmental Expenses by Type**

The primary functional expenses of the District are instruction, school leadership, food service, and plant maintenance and operations, which represent 73 percent or approximately \$178 million of total expenses. The remaining functional categories of expenses are each less than 4 percent of total expenses.

	<b>Total Expenses</b>	<b>% of Total Expenses</b>
Instruction	\$ 115,321,061	47.0%
School Leadership	11,615,256	4.7%
Food service	11,527,424	4.7%
Plant, maintenance and operations	39,896,193	16.3%
Other expenses	66,882,886	27.3%
<b>Total Expenses</b>	<b>\$ 245,242,820</b>	<b>100%</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Financial Analysis of the Government's Funds**

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

**Governmental Funds**

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 District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances increase of \$3,987,467 in comparison with the prior year. The increase in ending governmental fund balances is primarily due an increase in the General Fund and Nonmajor Governmental Fund balances.

The *general fund* is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$55,270,664 while total fund balance reached \$73,621,183. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 34 percent of total general fund expenditures, while total fund balance represents 45 percent of that same amount. The fund balance of the District's general fund increased by \$4,986,214 during the current fiscal year due to revenues being higher than expenditures as a result of the global COVID-19 pandemic. The District received more funding and had a decrease in spending due closure of campuses.

The *debt service fund* has a total fund balance of \$14,365,566, all of which is restricted for the retirement of funded indebtedness. The net increase in fund balance during the current year of \$1,227,690 was due to property taxes and state program revenues being higher than total principal and interest expenditures.

**General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget of the general fund can be briefly summarized as follows:

	<b>Budget</b>	
	<b>Original</b>	<b>Final Amended</b>
Total revenues	\$ 172,001,012	\$ 171,398,329
Total expenditures	172,301,012	180,640,668
Total other financing sources (uses)	300,000	1,279,683
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (7,962,656)</b>

The review of the final amended budget versus actual for the general fund reflected that expenditures were less than budgetary estimates. Budgetary estimates for the general fund related to state program revenues were more than actual amounts.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Capital Assets and Long-term Liabilities**

**Capital Assets**

The District's investment in capital assets for its governmental activities as of June 30, 2023 includes land, buildings and improvements, furniture and equipment, and construction in progress. The investment in capital assets for the current year was \$159,710,774. The following table summarizes the investment in capital assets as of June 30, 2023 and June 30, 2022:

	<b>2023</b>	<b>2022</b>
Land	\$ 14,059,880	\$ 14,359,040
Buildings and improvements	543,333,264	543,199,042
Furniture and equipment	17,810,719	16,137,985
Vehicles	18,860,080	18,471,266
Construction in progress	4,082,513	125,933
<b>Total</b>	<b>598,146,456</b>	<b>592,293,266</b>
Accumulated depreciation	(200,946,212)	(188,876,115)
<b>Net capital assets</b>	<b>\$ 397,200,244</b>	<b>\$ 403,417,151</b>

Additional information on the District's capital assets can be found in the notes to the financial statements.

**Long-term Liabilities**

At the end of the current fiscal year, the District had \$223,990,000 in bonded debt outstanding, a decrease of \$25,955,000 over the previous year. The District's bonds are sold and guaranteed through the Texas Permanent School Fund Guarantee Program or by a municipal bond insurance policy. The underlying rating of the bonds from Standard and Poor's is "BBB+" and from Moody's Investors Service is "Baa1" for general obligation debt. The District defeased a portion of its 2016 Refunding bonds in the amount of \$14 million.

Changes in general obligation bonds, for the fiscal year ended June 30, 2023 are as follows:

<b>Outstanding 07/01/22</b>	<b>Issued</b>	<b>Retired</b>	<b>Outstanding 06/30/23</b>
\$ 249,945,000	\$ -	\$ 25,955,000	\$ 223,990,000

Additional information on the District's long-term liabilities can be found in the notes to the financial statements.

**Economic Factors and Next Year's Budgets and Rates**

The Beaumont Independent School District adopted the following for 2023-2024:

- The maintenance and operations tax rate for fiscal year 2023-2024 is \$0.87940 while the debt service tax rate is \$0.25261 for a total tax rate of \$1.13201.
- The District adopted a General Fund budget for the year ending June 30, 2023 of \$171.8 million in revenues and expenditures.
- The Debt Service revenues are budgeted for \$40.4 million and expenditures are budgeted for \$40.4 million.
- The Child Nutrition budget is set for \$13.9 million in revenues and \$13.9 million in expenditures.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
***MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)***

The District continues adding programs and initiatives in an effort to promote student achievement. To assist with this the District was allotted \$25,428,686 in ESSER II and \$57,109,206 in ESSER III funds to assist with the student's learning loss due to COVID. ESSER II is scheduled to end September 30, 2023 and ESSER III is scheduled to end September 30, 2024.

**Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Financial Officer, Beaumont Independent School District Beaumont Independent School District, 3395 Harrison Avenue, Beaumont, Texas 77706.



## **BASIC FINANCIAL STATEMENTS**

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**June 30, 2023**

**Exhibit A-1**

<b>Data Control Codes</b>		<b>Governmental Activities</b>
	<b>Assets</b>	
1110	Cash and cash equivalents	\$ 105,405,929
1220	Property taxes receivables, net	6,867,028
1240	Due from other governments	25,599,122
1267	Due from fiduciary funds	-
1290	Other receivables, net	922,979
1300	Inventories	180,024
1410	Prepaid items	7,466,953
	Capital assets not subject to depreciation:	
1510	Land	14,059,880
1580	Construction in progress	4,082,513
	Capital assets net of depreciation:	
1520	Buildings and improvements, net	367,200,975
1530	Furniture and equipment, net	4,968,993
1531	Vehicles, net	6,887,883
<b>1000</b>	<b>Total Assets</b>	<b>543,642,279</b>
	<b>Deferred Outflows of Resources</b>	
	Deferred charge on refunding	2,564,587
	Deferred outflows - pension	21,087,848
	Deferred outflows - OPEB	10,866,732
<b>1700</b>	<b>Total Deferred Outflows of Resources</b>	<b>34,519,167</b>
	<b>Liabilities</b>	
2110	Accounts payable	6,743,059
2140	Interest payable	3,444,786
2150	Payroll deductions and withholdings	1,632,115
2160	Accrued wages payable	16,142,376
2177	Due to fiduciary funds	238,569
2180	Due to other governments	7,385,996
2300	Unearned revenue	846,780
	Noncurrent Liabilities:	
2501	Due within one year	14,901,636
2502	Due in more than one year	228,004,863
2540	Net Pension Liability	52,418,268
2545	Net Other Post-Employment Benefits (OPEB) Obligation	30,665,519
<b>2000</b>	<b>Total Liabilities</b>	<b>362,423,967</b>
	<b>Deferred Inflows of Resources</b>	
	Deferred inflows - pension	5,605,295
	Deferred inflows - OPEB	51,673,907
<b>2600</b>	<b>Deferred Inflows of Resources</b>	<b>57,279,202</b>
	<b>Net Position</b>	
3200	Net investment in capital assets	159,710,774
	Restricted for:	
3820	Federal and state programs	8,052,880
3850	Debt service	11,933,725
3900	Unrestricted	(21,239,102)
<b>3000</b>	<b>Total Net Position</b>	<b>\$ 158,458,277</b>



**BEAUMONT INDEPENDENT SCHOOL DISTRICT**
**STATEMENT OF ACTIVITIES**
**For Year ended June 30, 2023**
**Exhibit B-1**

Data Control Codes	Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position
		Expenses	Charges for Services	Operating Grants and Contributions	Primary Government
					Governmental Activities
	<b>Governmental Activities:</b>				
11	Instruction	\$ 115,321,061	\$ 6,675,200	\$ 35,950,984	\$ (72,694,877)
12	Instructional resources and media services	1,328,008	11,001	232,442	(1,084,565)
13	Curriculum and staff development	2,077,221	1,300	1,532,849	(543,072)
21	Instructional leadership	7,788,983	-	4,562,346	(3,226,637)
23	School leadership	11,615,256	397,295	1,030,298	(10,187,663)
31	Guidance, counseling, and evaluation services	8,939,261	-	3,168,113	(5,771,148)
32	Social work services	742,606	-	604,759	(137,847)
33	Health services	2,897,781	53,404	5,432,614	2,588,237
34	Student transportation	4,474,333	-	276,494	(4,197,839)
35	Food service	11,527,424	743,358	13,730,537	2,946,471
36	Extracurricular activities	6,674,453	320,874	155,078	(6,198,501)
41	General administration	7,269,532	5,968	4,162,400	(3,101,164)
51	Facilities maintenance and operations	39,896,193	37,480	4,940,136	(34,918,577)
52	Security and monitoring services	8,813,597	1,118	4,303,748	(4,508,731)
53	Data processing services	4,161,643	-	1,114,996	(3,046,647)
61	Community services	2,032,538	2,645	2,031,154	1,261
72	Interest on long-term debt	7,381,522	194	-	(7,381,328)
73	Debt issuance costs and fees	273,116	-	-	(273,116)
93	Payments to fiscal agent/member districts of SSA	361,473	-	-	(361,473)
95	Payments to Juvenile Justice Alternative Education Programs	161,860	-	-	(161,860)
99	Other intergovernmental charges	1,504,959	-	-	(1,504,959)
<b>TG</b>	<b>Total Governmental Activities</b>	<b>\$ 245,242,820</b>	<b>\$ 8,249,837</b>	<b>\$ 83,228,948</b>	<b>(153,764,035)</b>

Data Control Codes		
	<b>General revenues:</b>	
	<b>Taxes:</b>	
MT	Property taxes, levied for general purposes	113,628,585
DT	Property taxes, levied for debt service	36,416,860
SF	State-aid formula grants	28,419,057
IE	Investment earnings	4,334,714
MI	Miscellaneous	1,305,182
TR	<b>Total General Revenues</b>	<b>184,104,398</b>
CN	Change in net position	30,340,363
NB	<b>Net Position - Beginning</b>	<b>127,608,653</b>
PA	Prior period adjustment	509,261
NE	<b>Net Position - Ending</b>	<b>\$ 158,458,277</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2023**

**Exhibit C-1**

Data Control Codes		General Fund	Debt Service	ESSER II	ESSER III	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>							
1110	Cash and cash equivalents	\$ 71,218,920	\$ 12,914,170	\$ 639,311	\$ 2,290,127	\$ 12,499,539	\$ 99,562,067
<b>Receivables:</b>							
1220	Property taxes - delinquent	17,629,056	4,980,216	-	-	-	22,609,272
1230	Allowance for uncollectible taxes (credit)	(11,913,152)	(3,829,092)	-	-	-	(15,742,244)
1240	Receivables from other governments	2,477,855	-	6,519,076	7,158,687	9,443,504	25,599,122
1260	Due from other funds	23,224,051	1,282,898	-	-	4,445,861	28,952,810
1290	Other receivables	727,575	171,653	-	-	23,751	922,979
1300	Inventories	-	-	-	-	180,024	180,024
1410	Prepaid items	7,350,519	-	-	-	-	7,350,519
<b>1000</b>	<b>Total Assets</b>	<b>\$ 110,714,824</b>	<b>\$ 15,519,845</b>	<b>\$ 7,158,387</b>	<b>\$ 9,448,814</b>	<b>\$ 26,592,679</b>	<b>\$ 169,434,549</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balance</b>							
<b>Liabilities</b>							
2110	Accounts payable	\$ 3,093,910	\$ -	\$ 150,522	\$ 1,056,237	\$ 658,427	\$ 4,959,096
2150	Payroll deduction and withholdings	1,537,973	-	-	-	94,142	1,632,115
2160	Accrued wages payable	13,052,035	-	93,388	1,235,110	1,761,843	16,142,376
2170	Due to other funds	6,811,515	-	6,914,477	7,157,467	7,199,122	28,082,581
2180	Payable to other governments	7,385,996	-	-	-	-	7,385,996
2300	Unearned revenue	-	141,334	-	-	705,446	846,780
<b>2000</b>	<b>Total Liabilities</b>	<b>31,881,429</b>	<b>141,334</b>	<b>7,158,387</b>	<b>9,448,814</b>	<b>10,418,980</b>	<b>59,048,944</b>
<b>Deferred Inflows of Resources</b>							
	Unavailable revenues - property taxes	5,212,212	1,012,945	-	-	-	6,225,157
<b>2600</b>	<b>Total Deferred Inflows of Resources</b>	<b>5,212,212</b>	<b>1,012,945</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,225,157</b>
<b>Fund Balance</b>							
<b>Non-Spendable:</b>							
3410	Inventories	-	-	-	-	180,024	180,024
3430	Prepaid items	7,350,519	-	-	-	-	7,350,519
<b>Restricted:</b>							
3450	Federal/State funds grant restrictions	-	-	-	-	7,872,856	7,872,856
3480	Retirement of long-term debt	-	14,365,566	-	-	-	14,365,566
<b>Committed:</b>							
3545	Other purposes	-	-	-	-	8,120,819	8,120,819
<b>Assigned</b>							
3590	Other purposes	16,485,927	-	-	-	-	16,485,927
3600	Unassigned	49,784,737	-	-	-	-	49,784,737
<b>3000</b>	<b>Total Fund Balances</b>	<b>73,621,183</b>	<b>14,365,566</b>	<b>-</b>	<b>-</b>	<b>16,173,699</b>	<b>104,160,448</b>
<b>4000</b>	<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 110,714,824</b>	<b>\$ 15,519,845</b>	<b>\$ 7,158,387</b>	<b>\$ 9,448,814</b>	<b>\$ 26,592,679</b>	<b>\$ 169,434,549</b>

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

**Exhibit C-2**

<b>Data Control Codes</b>	<b>Total Fund Balance, Governmental Funds</b>	<b>\$</b>	<b>104,160,448</b>
	Amounts reported for governmental activities in the statements of net position are different because:		
<b>1</b>	Capital assets used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds. Capital assets at historical cost, net of accumulated depreciation, where applicable.		397,200,244
<b>2</b>	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.)		6,225,157
<b>3</b>	Deferred charge on refunding		2,564,587
<b>4</b>	Deferred outflows relating to pension activities		21,087,848
<b>5</b>	Deferred outflows relating to other post employment benefits		10,866,732
	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:		
<b>6</b>	General obligation bonds		(223,990,000)
<b>7</b>	Premium/Discount on issuance		(11,849,180)
<b>8</b>	Accumulated accretion on capital appreciation bonds		(1,431,023)
<b>9</b>	Leases payable		(4,214,877)
<b>10</b>	Accrued compensated absences		(1,421,419)
<b>11</b>	Accrued interest payable		(3,444,786)
<b>12</b>	Net pension liability		(52,418,268)
<b>13</b>	Net other post employment benefit liability		(30,665,519)
<b>14</b>	Deferred inflows relating to pension activities		(5,605,295)
<b>15</b>	Deferred inflows relating to other post-employment benefits		(51,673,906)
<b>16</b>	Addition of Internal Service fund net position (see D-1)		3,067,534
<b>19</b>	<b>Total Net Position-Governmental Activities</b>	<b>\$</b>	<b>158,458,277</b>

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

**Exhibit C-3**

Data Control Codes	General Fund	Debt Service	ESSER II	ESSER III	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
5700 Local, intermediate, and out-of-state	\$ 124,315,070	\$ 36,877,903	\$ -	\$ -	\$ 2,720,443	\$ 163,913,416
5800 State program revenues	35,564,057	730,175	-	-	1,422,038	37,716,270
5900 Federal program revenues	9,376,467	-	15,569,864	17,358,365	36,565,100	78,869,796
<b>5020 Total Revenues</b>	<b>169,255,594</b>	<b>37,608,078</b>	<b>15,569,864</b>	<b>17,358,365</b>	<b>40,707,581</b>	<b>280,499,482</b>
<b>Expenditures</b>						
<b>Current:</b>						
0011 Instruction	82,500,551	-	6,024,218	9,031,352	18,845,689	116,401,810
0012 Instruction resources and media services	1,098,643	-	134,407	33,044	54,904	1,320,998
0013 Curriculum and instructional staff development	497,407	-	76,022	261,452	1,188,053	2,022,934
0021 Instructional leadership	3,313,075	-	789,206	1,855,366	1,849,053	7,806,700
0023 School leadership	10,160,316	-	243,424	252,399	878,177	11,534,316
0031 Guidance, counseling and evaluation services	5,857,358	-	159,826	1,771,720	1,159,688	8,948,592
0032 Social work services	176,361	-	15,399	243,449	335,070	770,279
0033 Health services	1,828,278	-	206,663	63,447	776,365	2,874,753
0034 Student transportation	4,169,763	-	146,671	97,620	-	4,414,054
0035 Food services	-	-	164,864	81,300	11,223,746	11,469,910
0036 Extracurricular activities	6,488,438	-	29,392	44,108	46,459	6,608,397
0041 General administration	6,701,848	-	145,849	204,179	9,672	7,061,548
0051 Facilities maintenance and operations	30,192,313	-	2,246,246	1,947,957	7,879,732	42,266,248
0052 Security and monitoring services	4,201,343	-	4,122,938	72,707	89,899	8,486,887
0053 Data processing services	3,084,622	-	1,028,256	37,519	1,281	4,151,678
0061 Community services	70,470	-	36,483	1,360,746	626,682	2,094,381
<b>Debt Service:</b>						
0071 Principal on long-term debt	997,818	25,955,000	-	-	-	26,952,818
0072 Interest on long-term debt	117,147	10,152,272	-	-	-	10,269,419
0073 Debt issuance costs and fees	-	273,116	-	-	-	273,116
<b>Capital Outlay:</b>						
0081 Facilities acquisition and construction	-	-	-	-	564,508	564,508
<b>Intergovernmental:</b>						
0093 Payments to Fiscal Agent/Member Districts of SSA	361,473	-	-	-	-	361,473
0095 Payments to Juvenile Justice Alt. Ed. Prgm.	161,860	-	-	-	-	161,860
0099 Other intergovernmental charges	1,504,959	-	-	-	-	1,504,959
<b>6030 Total Expenditures</b>	<b>163,484,043</b>	<b>36,380,388</b>	<b>15,569,864</b>	<b>17,358,365</b>	<b>45,528,978</b>	<b>278,321,638</b>
1100 Excess (deficiency) of revenues over expenditures	5,771,551	1,227,690	-	-	(4,821,397)	2,177,844
<b>Other Financing Sources (Uses)</b>						
7912 Sale of real or personal property	1,293,859	-	-	-	6,503	1,300,362
7915 Transfers in	-	-	-	-	2,588,457	2,588,457
8911 Transfers out	(2,588,457)	-	-	-	-	(2,588,457)
<b>7080 Total Other Financing Sources (Uses)</b>	<b>(1,294,598)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,594,960</b>	<b>1,300,362</b>
1200 Net change in fund balances	4,476,953	1,227,690	-	-	(2,226,437)	3,478,206
<b>0100 Fund Balance - July 1 (Beginning)</b>	<b>68,634,969</b>	<b>13,137,876</b>	<b>-</b>	<b>-</b>	<b>18,400,136</b>	<b>100,172,981</b>
1300 Prior period adjustment	509,261	-	-	-	-	509,261
<b>Fund Balance - July 1 (Beginning) as restated</b>	<b>69,144,230</b>	<b>13,137,876</b>	<b>-</b>	<b>-</b>	<b>18,400,136</b>	<b>100,682,242</b>
<b>3000 Fund Balance - June 30 (Ending)</b>	<b>\$ 73,621,183</b>	<b>\$ 14,365,566</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,173,699</b>	<b>\$ 104,160,448</b>

**BEAUMONT 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**

<b>Data Control</b>		
<b>Codes</b>		
	Net change in fund balances - total governmental funds (from C-3)	\$ 3,478,206
	Amounts reported for <i>governmental activities</i> in the statement of activities (B-1) are different because:	
	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 expense.	
1	Governmental funds capital outlays	6,482,588
2	Governmental funds depreciation expense	(12,393,342)
3	Net effect of other retirements and adjustments to capital assets	(306,053)
4	Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	478,632
5	Repayment of long-term debt principal is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.	25,955,000
6	Repayment of lease is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.	997,818
	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:	
7	Decrease in interest payable not recognized in fund statements	362,316
8	Decrease in accrued compensated absences	143,351
9	Amortization of premium/discount	2,914,339
10	Increase in accumulated accretion on capital appreciation bonds	(33,384)
11	Amortization of deferred charge on refunding	(355,374)
12	Changes in net pension liabilities and related deferred outflows and inflows of resources	(1,710,803)
13	Changes in net OPEB liabilities and related deferred outflows and inflows of resources	\$5,030,059
14	Internal service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities (see D-2).	(702,990)
	<b>Change in Net Position of Governmental Activities (See B-1)</b>	<b>\$ 30,340,363</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2023**

*Exhibit D-1*

	<b>Governmental Activities - Internal Service</b>
<b>Assets</b>	
<b>Current Assets:</b>	
Cash and cash equivalents	\$ 5,843,862
Prepaid Items	116,433
<b>Total Current Assets</b>	<u>5,960,295</u>
<b>Total Assets</b>	<u>5,960,295</u>
<b>Liabilities</b>	
<b>Current Liabilities:</b>	
Due to other funds	1,108,798
Accrued expenses	1,783,963
<b>Total Current Liabilities</b>	<u>2,892,761</u>
<b>Total Liabilities</b>	<u>2,892,761</u>
<b>Net Position</b>	
Unrestricted net position	<u>3,067,534</u>
<b>Total Net Position</b>	<u>\$ 3,067,534</u>

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

*Exhibit D-2*

	<b>Governmental Activities - Internal Service</b>
<b>Operating Revenues</b>	
Miscellaneous revenue from local sources	\$ 246,092
Interfund services provided	736,130
<b>Total Operating Revenues</b>	<u>982,222</u>
<b>Operating Expenses</b>	
Claims expense and other operating expenses	<u>1,685,212</u>
<b>Total Operating Expenses</b>	<u>1,685,212</u>
Change in Net Position	(702,990)
<b>Net Position - July 1 (Beginning)</b>	<u>3,770,524</u>
<b>Net Position - June 30 (Ending)</b>	<u><u>\$ 3,067,534</u></u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2023**

*Exhibit D-3*

	<b>Governmental Activities - Internal Service</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	
<b>Cash Flows from Operating Activities:</b>	
Cash receipts from interfund services provided	\$ 1,344,641
Cash payments for insurance claims	(1,249,436)
<b>Net Cash (Used for) Operating Activities</b>	<u>95,205</u>
 Net change in Cash and Cash Equivalents	 95,205
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>5,748,657</u>
<b>Cash and Cash Equivalents at End of Year</b>	<u><u>\$ 5,843,862</u></u>
 <b>Reconciliation to Balance Sheet</b>	
Cash and Cash Equivalents Per Cash Flow	<u>\$ 5,843,862</u>
 Cash and Cash Equivalents per Balance Sheet	<u><u>\$ 5,843,862</u></u>
 <b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>	
Operating (Loss)	\$ (702,990)
Change in Assets and Liabilities:	
(Increase) in Prepaid Items	(14,521)
Increase in Accrued Expenses	450,297
Increase (decrease) in Interfund Payables	<u>362,419</u>
<b>Net Cash (Used for) Operating Activities</b>	<u><u>\$ 95,205</u></u>



**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES AND NET POSITION**  
**June 30, 2023**

*Exhibit E-1*

	<u>Private Purpose Trust Funds</u>	<u>Custodial Fund</u>
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 52,154	\$ 75,390
Receivables:		
Due from other Funds	-	238,569
Other receivables	-	705
<b>Total Assets</b>	<u>\$ 52,154</u>	<u>\$ 314,664</u>
<b>Liabilities</b>		
Accounts payable	\$ -	\$ 5,870
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ 5,870</u>
<b>Net Position</b>		
Restricted for student scholarships and other activities	\$ 52,154	\$ 308,794
<b>Total Net Position</b>	<u>\$ 52,154</u>	<u>\$ 308,794</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Year Ended June 30, 2023**

*Exhibit E-2*

	<b>Private Purpose Trust Funds</b>	<b>Custodial Fund</b>
<b>Contributions</b>		
Gifts and contributions	\$ -	\$ 15,659
Revenues from student activities	-	538,942
<b>Total Contributions</b>	-	554,601
<b>Deductions</b>		
Payments for student activities	-	577,436
<b>Total Deductions</b>	-	577,436
Change in net position	-	(22,835)
<b>Net Position Beginning of Year</b>	52,154	331,629
<b>Net Position - Ending</b>	\$ 52,154	\$ 308,794

**Note 1 - Summary of Significant Accounting Policies**

The Beaumont Independent School District (the “District”) is an independent public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven-member Board of Trustees (the “Board”) elected by the registered voters of the District and has fiscal accountability over all activities within the jurisdiction of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in the Statement of Auditing Standards of the American Institute of Certified Public Accountants; and it complies with the requirements of the appropriate version of Texas Education Agency’s *Financial Accountability System Resource Guide* (the “Resource Guide”) and the requirements of contracts and grants of agencies from which it receives funds.

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

**A. Reporting Entity**

The District’s Board is elected by the public and it 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 considered an independent entity for financial reporting purposes and is considered a primary government as defined by GASB. As the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other, type of reporting entity.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* include programs supported primarily by taxes, charges to school districts for services, state funds, grants, and other intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to students or users who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Interfund activities between governmental funds and between governmental and proprietary funds appear as due to or due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position and as other resources and other uses on the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and on the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position. All interfund transactions between governmental funds and between governmental and internal service funds are eliminated on the government-wide statements. Interfund activities between governmental funds and fiduciary funds remain as due to or due from on the government-wide Statement of Net Position.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements while the custodial funds have no measurement of focus. 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 are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. With this measurement focus, only current assets, current liabilities, deferred inflows of resources, and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

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

Revenues from local sources consist primarily of property taxes and are recorded as revenue when received. The District considers property tax revenue available if they expect the revenue to be collected within 60 days of the end of the fiscal year. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as 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 District reports the following major governmental funds:

- The General Fund - The general fund is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
- Debt Service Fund - The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund. This is a budgeted fund and separate bank accounts are maintained.
- Elementary & Secondary School Emergency Relief Fund (ESSER II) – This fund accounts for the federal stimulus funds granted to the local education agencies through the Coronavirus Response and Relief Supplemental Appropriations Act of 2020 (CRRSA) to help safely reopen and sustain the safe operation of schools in addressing the impact of the coronavirus pandemic on students.
- Elementary & Secondary School Emergency Relief Fund (ESSER III) – This fund accounts for the federal stimulus funds granted to the local education agencies through the American Rescue Plan Act of 2021 (ARP) to support the District's instruction and operations in addressing the impact of the coronavirus pandemic on students.

**Note 1 - Summary of Significant Accounting Policies (continued)**

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

The District reports the following nonmajor governmental funds:

- Special Revenue Funds - These funds account for resources restricted to or committed for specific purposes by a grantor, or for resources that are committed for specific purposes by the Board. Most federal and some state financial assistance is accounted for in a special revenue fund and sometimes unused balances must be returned to the grantor at the close of specified project periods.
- Capital Projects Funds – The proceeds from long-term financing and revenues and expenditures related to the acquisition, construction, or renovations as well as furnishing and equipping capital facilities are accounted for in this fund.

Additionally, the District reports the following fund types:

- Internal Service Funds - These funds are used to account for financing of goods or services provided by one department to other departments of the District on a cost-reimbursement basis. The District operates the Workers' Compensation internal service fund.
- Private purpose trust funds – These funds are used to account for donations for scholarships funds that are received by the District that are to be awarded to current and former students for post-secondary education purposes.
- Custodial Funds - The District accounts for resources held for others in custodial funds. This fund uses the economic resources measurement focus and accrual basis. The District's Custodial Fund is the Student Activity.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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. The principal operating revenues of the District's internal service fund are charges to the funds and/or employees for self-funded health services. Operating expenses for the internal service fund include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**D. Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, investment pools, and short-term investments with original maturities of one year or less from the date of acquisition.

For purposes of the statement of cash flows for proprietary funds, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

The District's investment pools are valued and reported at amortized cost, which approximates fair value. The District categorizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. 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*.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**E. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District 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 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to the property to secure the payment of all taxes, penalties, and interest ultimately imposed.

Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the fiscal year.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible tax receivables within the General and Debt Service Funds 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.

**F. Inventories and Prepaid Items**

Inventories of supplies on the balance sheet are stated at weighted average cost and they include consumable maintenance, instructional, office, athletic, and transportation items. Supplies are recorded as expenditures when they are consumed. Inventories of food commodities which are received at no cost are recorded as revenue at market value supplied by the Texas Department of Agriculture when received, and as expenditure when consumed. At year end, the commodities inventory is recorded to inventory. A portion of fund balance is classified as nonspendable to reflect minimum inventory quantities considered necessary for the District's continuing operations.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**G. Capital Assets**

Capital assets, which include land, buildings, and furniture and equipment are reported in the applicable governmental 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 in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value at the date of donation.

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.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**G. Capital Assets (continued)**

Buildings, and furniture and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<b>Assets</b>	<b>Years</b>
Building	20 - 60
Buildings and Improvements	*
Furniture and Equipment	5 - 10
Automobiles and Trucks	3 - 5
Buses	10 - 12

\* Remaining life of building or 20 years whichever is less

**H. Compensated Absences**

Compensated absences are absences for which employees will be paid, such as sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

The District has a vacation pay policy for twelve-month employees whereby eligible employees hired prior to July 1, 2001, shall receive vacation of ten to twenty days dependent upon the number of years of service. Effective July 1, 2001, a person hired by the District, or promoted by the District to a position normally requiring 240 days of service, earns vacation days during the first full year of employment on a pro rata basis depending on the date of hire; thereafter, 12 days of paid vacation are earned between July 1 to June 30 of each school year. All vacation days are forfeited if not taken by December 31 of each year; therefore, management believes that the liability for unused vacation days on June 30, 2022 is not material to the financial statements.

**I. 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 or proprietary fund type Statement of Net Position. Premiums and discounts are presented as a component of liabilities while deferred charges on refundings are presented as deferred outflows of resources. Both items are deferred and amortized over the life of the related debt using the straight-line method. Long-term debt is reported net of the applicable premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**J. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents 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) changes in actuarial assumptions; 2) differences between expected and actual actuarial experiences and 3) 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 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.
- Deferred outflows of resources for post-employment benefits – 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 pension plan investments and 2) changes in the District's proportional share of pension liabilities. The deferred outflows of resources related to post-employment 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 outflows resulting from differences between projected and actual earnings on OPEB plan investments will be amortized over a closed five-year period. The remaining 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.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position (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 three 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 arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow or 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) 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 inflows 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 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.



**Note 1 - Summary of Significant Accounting Policies (continued)**

**J. Deferred Outflows/Inflows of Resources (continued)**

- Deferred inflows of resources for post-employment benefits – Reported in the government wide financial statement of net position, these deferred inflows result primarily from 1) changes in actuarial assumptions and 2) differences between expected and actual actuarial experiences. These post-employment 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.

**K. Pensions**

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

**L. Other Post-Employment Benefits.**

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

**M. Net Position**

Net Position on the Statement of Net Position includes the following:

- Net investment in capital assets - this component of net position consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt will be included in this component of net position.
- Restricted for federal and state programs - this component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets, which are restricted by federal and state granting agencies.
- Restricted for Debt Service - this component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. The assets arise from bond issuances which have constraints placed on them by the bond covenants for the purpose of future debt service payments.
- Unrestricted net position - this component of net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**N. Fund Balance**

The fund balance in governmental funds has been classified as follows to describe the nature and relative strength of the spending constraints:

- *Non-spendable fund balance* - Represents amounts that are not in spendable form, such as inventory and prepaids, or are required to be maintained intact.
- *Restricted fund balance* - Represents amounts constrained to specific purposes by their providers, such as grantors, bondholders, and higher levels of government, through constitutional provisions, or by enabling legislation.
- *Committed fund balance* - Represents amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority, i.e., Board of Trustees. To be reported as committed, amounts cannot be used for any other purpose unless the District's Board of Trustees approves the changes by Board Resolution. The fund balance of the campus activity fund is committed for use at the campuses per board policy. The fund balance of the capital projects fund is committed for the new Transportation building, security vestibules, and other ongoing projects approved by the Board.
- *Assigned fund balance* - Represents amounts the District intends to use for a specific purpose. Intent can be expressed by the District or by an official or body to which the Board of Trustees delegates the authority. The Board of Trustees has delegated this authority. The fund balance of the General Fund is assigned for programs and initiatives to promote student achievement once ESSER funds have been expended.
- *Unassigned fund balance* - Represents 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. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Trustees or the District Fund Managers have provided otherwise in their commitment or assignment actions.

In the fund financial statements, certain governmental funds report restrictions of the entire fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Since the entire fund balance is restricted for these funds, all assets are in essence restricted for their specified purpose.

When the District incurs an expense for which it may use either restricted or unrestricted resources, it uses the restricted resources first unless unrestricted resources will have to be returned because they were not used. Since Internal Service Funds support the operations of governmental funds, they are consolidated with the governmental funds in the government-wide financial statements. The expenditures of governmental funds that create the revenues of internal service funds are eliminated to avoid "grossing up" the revenues and expenses of the District as a whole.

The District sponsors self-insured plans to provide workers' compensation benefits to employees. Revenues of these Internal Service Funds are received from both the District's governmental and proprietary funds. Expenses are comprised of claims incurred during the fiscal year, professional and contracted services, and other miscellaneous expenses.

The General Fund is contingently liable for liabilities of these funds.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**O. Data Control Codes**

The Data Control Codes refer to the account code structure prescribed by the Texas Education Agency (the “TEA”) in the Resource Guide. The TEA requires school districts to display these codes in the financial statements filed with the Agency in order to ensure accuracy in building a statewide data base for policy development and funding plans.

In accordance with the Resource Guide, the District has adopted and installed an accounting system which meets at least the minimum requirements prescribed by the Texas State Board of Education and approved by the State Auditor. Specifically, the District’s accounting system uses codes and the code structure presented in the Resource Guide. Mandatory codes are recorded in the order provided in the Resource Guide.

**P. Use of Estimates**

The presentation of financial statements, in conformity with 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.

**Q. Implementation of New Accounting Standards**

**The following GASB pronouncements were effective during fiscal year 2023:**

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. No subscription arrangements met the criteria as of June 30, 2023.

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 - Deposits and Investments**

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

On June 30, 2023, the carrying amount of the District's cash deposits (cash and interest-bearing accounts) was \$5,984,199 and the bank balance was \$6,785,814. The District's cash deposits on June 30, 2023, were entirely covered by FDIC Insurance or by pledged collateral held by the District's agent bank in the District's name.

**Investments:** The District's investment policy is in accordance with the Public Funds Investment Act (Government Code Chapter 2256). Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds.

The State Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. It requires the District to adopt, implement, and publicize an investment policy. The investment policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the United States Treasury, certain United States agencies, and obligations of the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. Management of the District believes it is in compliance with the requirements of the Act and with local policies. The District's temporary investments consist of balances held by the Texas Local Government Investment Pool (TexPool) and Lone Star Investment Pool (LSIP).

TexPool is a public funds investment pool created by the Texas Treasury Safekeeping Trust Company (Trust Company) to provide a safe environment for the placement of local government funds in authorized short-term, fully collateralized investments, including direct obligations of, or obligations guaranteed by, the United States or State of Texas or their agencies; federally insured certificates of deposit issued by Texas banks or savings and loans; and fully collateralized direct repurchase agreements secured by United States Government agency securities and placed through a primary government securities dealer.

The Trust Company was incorporated by the State Treasurer by authority of the Texas Legislature as a special purpose trust company with direct access to the services of the Federal Reserve Bank to manage, disburse, transfer, safe keep, and invest public funds and securities more efficiently and economically. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. TexPool uses amortized cost rather than fair value to report net position to compute share prices. The fair value of the position in TexPool is the same as the value of TexPool shares. Accordingly, the District's investments in TexPool are stated at amortized cost, which approximates fair value. TexPool is currently rated AAAM by Standard and Poor's. This rating indicates excellent safety and a superior capacity to maintain principal value and limit exposure to loss.

**Note 2 - Deposits and Investments (continued)**

LSIP is a Texas public investment pool sponsored by the Texas Association of School Boards (TASB) for investment of funds by state and local government entities, primarily local school districts. The Board has entered into an agreement with First Public, LLC (First Public), a Texas limited liability company and a member of the National Association of Securities Dealers, Securities Investor Protection Corporation, and Municipal Securities Rulemaking Board, pursuant to which First Public serves as administrator of LSIP's operations. American Beacon Advisors, Fort Worth, Texas, and Standish Mellon Asset Management Company, LLC, Pittsburgh, Pennsylvania, provide investment management services to LSIP regarding the investment and reinvestment of the pool's assets. The fund's credit quality is excellent as its portfolio is composed of U. S. government and U. S. agency securities. Investments in LSIP provide for investment in securities with maturities and returns generally greater than money market instruments. LSIP is marked-to-market daily to maintain an accurate net asset value. The District's fair value in LSIP is the same as the value of the pool shares. LSIP is currently rated AAA by Standard and Poor's. This rating indicates excellent safety and a superior capacity to maintain principal value and limit exposure to loss.

At June 30, 2023, the District's cash and investment balances, the weighted average maturity, and the credit ratings of these investments were as follows:

	<b>Carrying Value</b>	<b>Weighted Average Maturity (Days)</b>	<b>Credit Rating</b>
<b>Governmental Activities</b>			
Cash and deposits	\$ 5,856,654	N/A	N/A
<b>Investments</b>			
Local Government Investment Pools			
TexPool	4,242,201	26	AAAm
Lone Star Corporate Overnight Fund	2,819,944	65	AAA
Lone Star Corporate Overnight Plus Fund	89,116,372	65	AAA
Lone Star Government Overnight Fund	3,370,758	96	AAA
<b>Total Investments</b>	<u>99,549,275</u>	64	
<b>Total Governmental Activities</b>	<u>105,405,929</u>		
<b>Fiduciary Funds</b>			
Cash and Deposits	127,544	N/A	N/A
<b>Total Fiduciary Funds</b>	<u>127,544</u>		
<b>Total</b>	<u>\$ 105,533,473</u>		

Due to the immediate availability of the funds, the District's temporary investments at June 30, 2023 are included in cash and cash equivalents. Local government investment pools are recorded at amortized cost which approximates fair value. Texpool and Lone Star do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. The pools do not impose any liquidity fees or redemption gates.

**Note 2 - Deposits and Investments (continued)**

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

**Interest Rate Risk:** Interest rate risk is the risk that changes in interest rates may adversely affect the value of investments. To limit the risk that changes in interest rates will adversely affect the fair value of the investments. The district monitors interest rate risk utilizing weighted average maturity (WAM) analysis. The District requires its investment portfolio to have maturities of less than one year on a WAM basis. However, specific to the District's debt service funds, maturities longer than one year are authorized within legal limits and as long as sufficient investment liquidity to timely meet debt service payment obligations is maintained. The long-term investment the District currently holds, which has no call options, is due when the debt instrument is due and the District intends to hold the investment until maturity, thereby reducing its risk of loss due to changes in the fair value of the investment.

At June 30, 2023, the District's exposure to interest risk as measured by the segmented time distribution by investment type is summarized below:

	Amortized Cost	Investment Maturity in Years	
		Less than 1	
Local Government Investment Pools:			
TexPool	\$ 4,242,201	\$	4,242,201
Lone Star Corporate Overnight Fund	2,819,944		2,819,944
Lone Star Corporate Overnight Plus Fund	89,116,372		89,116,372
Lone Star Government Overnight Fund	3,370,758		3,370,758
	<u>\$ 99,549,275</u>	<u>\$</u>	<u>99,549,275</u>

**Credit Risk:** To limit the risk that an issuer or other counterparty to an investment will not fulfill its obligations, the District limits investments in commercial paper, corporate bonds, mutual bond funds, public funds investment pools to those that have received top ratings issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2023, the District's investments in Texas Pool and Lone Star were rated AAAM and AAA, respectively.

**Custodial Credit Risk:** State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The District's policy regarding deposits is in accordance with this law.

**Concentration of Credit Risk:** For temporary investments, to limit the risk of loss attributed to the magnitude of a government's investment in a single issuer, the District's policy states that the portfolio must be diversified. Concentration of Credit Risk is not applicable to investment pools since the purpose of these pools is to diversify the District's investment portfolio.

**Note 3 - Receivables and Unearned Revenue**

Receivables as of June 30, 2023, for the District's individual major and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Debt Service	ESSER II	ESSER III	Nonmajor Governmental Funds	Total
Property Taxes	\$ 17,629,056	\$ 4,980,216	\$ -	\$ -	\$ -	\$ 22,609,272
Due from other governments	2,477,855	-	6,519,076	7,158,687	9,443,504	19,080,046
Other	727,575	171,653	-	-	23,751	922,979
Gross Receivables	20,834,486	5,151,869	6,519,076	7,158,687	9,467,255	42,612,297
Less allowance for doubtful accounts	(11,913,152)	(3,829,092)	-	-	-	(15,742,244)
<b>Net Total Receivables</b>	<b>\$ 8,921,334</b>	<b>\$ 1,322,777</b>	<b>\$ 6,519,076</b>	<b>\$ 7,158,687</b>	<b>\$ 9,467,255</b>	<b>\$ 26,870,053</b>

Other receivables are reported at gross value. Management has determined that an allowance for doubtful accounts is not necessary for fair presentation.

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the fiscal year 2023, the various components of unearned revenues reported in the governmental funds were as follows:

	Unearned
Unearned federal revenue	\$ 34,663
Unearned state and local revenue	812,117
	<b>\$ 846,780</b>

**Note 4 - Interfund Receivables, Payables, and Transfers**

Interfund balances consist of short-term lending/borrowing arrangements that result from normal operations and are cleared out periodically. Additionally, some lending/borrowing may occur between two or more nonmajor governmental funds.

The composition of interfund balances and transfers as of June 30, 2023, is as follows:

	Interfund Receivable	Interfund Payable	Net
<b>Governmental Activities:</b>			
General Fund	\$ 23,224,051	\$ 6,811,515	\$ 16,412,536
Debt Service	1,282,898	-	1,282,898
ESSER II	-	6,914,477	(6,914,477)
ESSER III	-	7,157,467	(7,157,467)
Nonmajor Governmental Funds	4,445,861	7,199,122	(2,753,261)
Nonmajor Internal Service Funds	-	1,108,798	(1,108,798)
<b>Total Governmental Activities</b>	<b>28,952,810</b>	<b>29,191,379</b>	<b>(238,569)</b>
Fiduciary Funds	238,569	-	238,569
<b>Total</b>	<b>\$ 29,191,379</b>	<b>\$ 29,191,379</b>	<b>\$ -</b>

  

Transfer Out	Transfer In	Amount
General Fund	Nonmajor Governmental Funds	\$ 2,588,457
Total		<b>\$ 2,588,457</b>

The purpose of the transfer from General Fund to Capital Projects Fund is to use Chapter 313 funds for ongoing District projects. The purpose of the transfer from the General Fund to the Child Nutrition Fund is for the District's portion of new cafeteria furniture.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**Exhibit F-1**

**Note 5 - Capital Assets**

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

Governmental Activities:

	Balance July 01, 2022	Additions	Transfers	(Retirements)	Balance June 30, 2023
<b>Governmental Capital Assets</b>					
Capital assets, not being depreciated:					
Land	\$ 14,359,040	\$ -	\$ -	\$ (299,160)	\$ 14,059,880
Construction in progress	125,833	4,090,902	(134,222)	-	4,082,513
Total capital assets, not being depreciated	14,484,873	4,090,902	(134,222)	(299,160)	18,142,393
Capital assets, being depreciated:					
Buildings and improvements	543,199,042	-	134,222	-	543,333,264
Furniture and equipment	16,137,985	1,845,938	-	(173,204)	17,810,719
Vehicles	18,471,266	545,748	-	(156,934)	18,860,080
Total capital assets, being depreciated	577,808,293	2,391,686	134,222	(330,138)	580,004,063
Less accumulated depreciation for:					
Buildings and improvements	(165,946,058)	(10,186,231)	-	-	(176,132,289)
Furniture and equipment	(12,124,440)	(883,597)	-	166,311	(12,841,726)
Vehicles	(10,805,617)	(1,323,514)	-	156,934	(11,972,197)
Total accumulated depreciation	(188,876,115)	(12,393,342)	-	323,245	(200,946,212)
<b>Governmental Capital Assets</b>	<b>\$ 403,417,051</b>	<b>\$ (5,910,754)</b>	<b>\$ -</b>	<b>\$ (306,053)</b>	<b>\$ 397,200,244</b>

Depreciation expense was charged to functions/programs of the District as follows:

Function	Depreciation Expense
<b>Governmental Activities:</b>	
Instruction	\$ 6,110,116
Instructional resources and media services	69,573
Curriculum and staff development	106,542
Instructional leadership	411,154
School leadership	607,476
Guidance, counseling and evaluation services	471,294
Social work services	40,568
Health services	146,784
Student transportation	232,474
Food Services	604,084
Extracurricular activities	348,043
General administration	376,530
Plant maintenance and operations	2,194,216
Security and monitoring services	446,977
Data processing services	227,511
<b>Total Governmental Activities</b>	<b>\$ 12,393,342</b>



**Note 6 - Compensated Absences and Other Sick Leave Benefits**

The balance of accumulated unpaid vacation and sick leave at June 30, 2023 was \$1,421,419 and is presented as other long-term liabilities in these financial statements.

	Balance June 30, 2022	Additions	Deductions - Payments to Participants	Balance June 30, 2023
Compensated absences payable	\$ 1,564,770	\$ -	\$ (143,351)	\$ 1,421,419

**Note 7 - Long-term Liabilities**

The District's long-term liabilities consist of bond indebtedness and compensated absences. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund.

**Changes in Long-term Liabilities**

Long-term liability activities for the fiscal year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023	Due Within One Year
General Obligation Bonds	\$ 249,945,000	\$ -	\$ 25,955,000	\$ 223,990,000	\$ 12,460,000
Premiums on bonds	14,763,519	-	2,914,339	11,849,180	-
Accumulated accretion on capital appreciation bonds	1,397,639	33,384	-	1,431,023	-
Loan payable	5,212,695	-	997,818	4,214,877	\$ 1,020,217
Accrued compensated absences	1,564,770	-	143,351	1,421,419	1,421,419
<b>Total Governmental Long-term Liabilities</b>	<b>\$ 272,883,623</b>	<b>\$ 33,384</b>	<b>\$ 30,010,508</b>	<b>\$ 242,906,499</b>	<b>\$ 14,901,636</b>

**General Obligation Bonds**

General Obligation Bonds outstanding, at June 30, 2023, are comprised of the following:

Issue	Original Issuance Amount	Interest Rate (%)	Maturity Date	Debt Outstanding
<b>General Obligation Bonds:</b>				
Unlimited Tax Qualified School Construction Bonds, Series 2010	\$ 14,450,000	0.00%	2/15/2026	\$ 2,895,000
Unlimited Tax School Building Bonds, Series 2010B	59,490,000	4.49% to 5.81%	2/15/2038	52,335,000
Unlimited Tax Refunding Bonds, Series 2012	8,070,000	2.00% to 3.00%	2/15/2038	40,000
Unlimited Tax Refunding Bonds, Series 2016	132,155,000	3.00% to 5.00%	2/15/2037	82,760,000
Unlimited Tax Refunding Bonds, Series 2017	107,040,000	3.00% to 5.00%	2/15/2038	85,960,000
				<u>\$ 223,990,000</u>

In April 2023, the District defeased a portion of the Unlimited Tax Refunding Bonds, Series 2016. A total of \$14,279,751 was placed into escrow. The bonds were defeased on April 3, 2023 and as such no defeased debt remain outstanding as of June 30, 2023. The related deferred loss on refunding and premium were removed along with the principal of these bonds.

The defeased bonds will be paid off on February 15, 2026. \$14,025,00 of Series 2016 will be called on that date.

**Note 7 - Long-term Liabilities (continued)**

**General Obligation Bonds (continued)**

Debt service requirements to maturity for the General Obligation Bonds are as follows:

<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Totals</b>
2024	\$ 12,460,000	\$ 9,186,095	\$ 21,646,095
2025	13,010,000	8,611,365	21,621,365
2026	12,945,000	8,767,140	21,712,140
2027	10,660,000	8,148,998	18,808,998
2028	11,140,000	6,859,206	17,999,206
2029 - 2033	84,020,000	24,828,457	108,848,457
2034 - 2038	79,755,000	8,645,088	88,400,088
	<u>\$ 223,990,000</u>	<u>\$ 75,046,349</u>	<u>\$ 299,036,349</u>

**Loan Payable**

The District also entered into a loan payable agreement for the purchase of buses in the amount of \$9,943,273. Interest accrues at a rate of 2.245% annual and the maturity date is fiscal year 2027. Principal and interest requirements are as follows:

<b>Year Ending</b>	<b>Principal</b>	<b>Interest</b>
2024	\$ 1,020,217	\$ 94,747
2025	1,042,121	71,843
2026	1,066,539	48,425
2027	1,086,000	24,481
	<u>\$ 4,214,877</u>	<u>\$ 239,496</u>

**Capital Appreciation Bonds**

A portion of the bonds sold in the Series 2012 bond issues were capital appreciation bonds commonly referred to as "premium compound interest bonds." The District annually records the appreciation of the bond principal for the accreted value of the bonds through maturity of the issue. The interest of these bond series will be paid upon maturity. The following table summarizes the significant features of the individual bonds, by issue:

<b>Series</b>	<b>Accreted Value</b>	<b>Original Bond Principal</b>	<b>Accreted Interest</b>	<b>Maturity Value</b>	<b>Maturity Dates</b>
2012 Refunding	<u>\$ 1,439,469</u>	<u>\$ 40,000</u>	<u>\$ 1,431,023</u>	<u>\$ 1,545,000</u>	2026 and 2027

**Prior Years' Refunding of Long-Term Debt**

In prior years, the District defeased certain general obligation debt by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the refunded debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in the District's financial statements. At June 30, 2023, there are no defeased bonds outstanding.

**Note 7 - Long-term Liabilities (continued)**

**Deferred charge on refunding**

The balance of deferred charge on refunding at June 30, 2023 was \$2,564,587 and is presented as a deferred outflow of resources in the Statement of Net Position:

	<b>Balance July 01, 2022</b>	<b>Retirements</b>	<b>Recognized Amortization</b>	<b>Balance June 30, 2023</b>
Deferred charge on refunding	<u>\$ 2,919,961</u>	<u>\$ 166,039</u>	<u>\$ 189,335</u>	<u>\$ 2,564,587</u>

**Note 8 - Revenues from Local, Intermediate, and Out-of-State Sources**

During the current year, revenues from local and intermediate sources consisted of the following:

	<b>General Fund</b>	<b>Debt Service</b>	<b>Nonmajor Governmental Funds</b>	<b>Total</b>
Property Taxes	\$ 113,281,510	\$ 36,285,303	\$ -	\$ 149,566,813
Foreign Trade Zone Revenue	1,297,649	-	-	1,297,649
Chapter 313 Agreement Revenue	3,191,985	-	-	3,191,985
Campus Activity	-	-	396,014	396,014
Food Service Activity	-	-	743,358	743,358
Extracurricular Activities	282,108	-	-	282,108
Investment Income	3,742,308	592,406	-	4,334,714
Local Grants	-	-	1,581,068	1,581,068
Rent	37,480	-	-	37,480
Other	2,482,030	194	3	2,482,227
	<u>\$ 124,315,070</u>	<u>\$ 36,877,903</u>	<u>\$ 2,720,443</u>	<u>\$ 163,913,416</u>

**Note 9 - General Fund Federal Revenues**

For the fiscal year ended June 30, 2023, the General Fund reports the following federal revenues:

<b>Program or Source</b>	<b>ALN</b>	<b>Amount</b>
SHARS	N/A	\$ 4,419,496
Build America Bonds - Federal Interest Subsidy	N/A	1,013,793
Navy JROTC	12.000	126,535
E-Rate	N/A	43,736
Indirect Costs:		
IDEA-B Formula	84.027A	186,401
IDEA-B Formula - ARP (COVID-19)	84.027X	24,504
ESEA, Title I, Part A - Improving Basic Programs	84.010A	395,431
Title I, Part D, Subpart D - Delinquent Programs	84.010A	1,937
Title I 1003 ESF-Focused Support Grant	84.010A	6,511
School Action Fund Continuation Grant	84.010A	37,905
School Action Planning	84.010A	6,735
Career and Technical - Basic Grant	84.048A	13,860
IDEA-C ECI	84.181A	56
Title II, Part A, Supporting Effective Instruction	84.367A	60,789
Title III, Part A, ELA	84.365A	11,863
Texas COVID Learning Acceleration Supports (TCLAS) Program (COVID-19)	84.425U	23,796
CRRSAA, ESSER II (COVID-19)	84.425D	1,949,849
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	84.425U	997,371
School Health Services	93.323	19,835
Title IV Part A Subpart 1	84.424A	36,064
		<u>\$ 9,376,467</u>

**Note 10 - Defined Benefit Pension Plan**

**A. 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 workload and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

**B. Pension Plan Fiduciary Net Position**

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at <https://www.trs.texas.gov/TRS%20Documents/acfr-2022.pdf>, or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

**C. 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 in under a previous rule. There are no automatic postemployment benefit changes, including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

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

In May 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (Senate Bill 12) that provides for gradual contribution increases from the state, participating employers, and active employees to make the pension fund actuarially sound. This action causing the pension fund to be actuarially sound, allowed the legislature to approve funding for a 13th check in September 2019. All eligible members retired as of December 31, 2018 received an extra annuity check in either the matching amount of their monthly annuity or \$2,000, whichever was less.

**Note 10 - Defined Benefit Pension Plan (continued)**

**D. 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.

		<b>Contribution Rates</b>	
		<b>Measurement Year</b>	
		<b>2023</b>	<b>2022</b>
Member		8.00%	8.00%
Non-employer contributing agency		8.00%	7.75%
Employers		8.00%	7.75%

  

		<b>Current Fiscal Year</b>	
		<b>Contributions</b>	
Employer (District)		\$	4,779,273
Employee (Member)			8,853,030
Non-employer Contributing Entity			
On-behalf Contributions (State)			6,057,772

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.

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.

**Note 10 - Defined Benefit Pension Plan (continued)**

**E. Actuarial Assumptions**

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

<b>Component</b>	<b>Result</b>
Valuation Date	August 31, 2021, rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term Expected Rate	7.00%
Municipal Bond Rate as of August 2020	3.91% - The 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	2121
(100 years)	
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 are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2021. For a full description of these assumptions please see the actuarial valuation report dated November 12, 2021.

**F. 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%. 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.

**Note 10 - Defined Benefit Pension Plan (continued)**

**F. Discount Rate (continued)**

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:

<b>Asset Class</b>	<b>Target Allocation<sup>2</sup></b>	<b>Long-Term Expected Geometric Real Rate of Return<sup>3</sup></b>	<b>Expected Contribution to Long-Term Portfolio Returns</b>
<b>Global Equity</b>			
USA	18.00%	4.60%	1.12%
Non-U.S. Developed	13.00%	4.90%	0.90%
Emerging Markets	9.00%	5.40%	0.75%
Private Equity <sup>1</sup>	14.00%	7.70%	1.55%
<b>Stable Value</b>			
Government Bonds	16.00%	1.00%	0.22%
Absolute Return <sup>1</sup>	0.00%	3.70%	0.00%
Stable Value Hedge Funds	5.00%	3.40%	0.18%
<b>Real Return</b>			
Real Estate	15.00%	4.10%	0.94%
Energy, Natural Resources & Infrastructure	6.00%	5.10%	0.37%
Commodities	0.00%	3.60%	0.00%
<b>Risk Parity</b>	8.00%	4.60%	0.43%
<b>Asset Allocation Leverage</b>			
Cash	2.00%	3.00%	0.01%
Asset Allocation Leverage	-6.00%	3.60%	-0.05%
Inflation Expectation			2.70%
Volatility Drag <sup>4</sup>			-0.91%
<b>Expected Return</b>	<b>100.00%</b>		<b>8.21%</b>

<sup>1</sup> Absolute Return includes Credit Sensitive Investments.

<sup>2</sup> Target allocations are based on the fiscal year 2022 policy model.

<sup>3</sup> Capital Market Assumptions come from Aon Hewitt as of August 31, 2022.

<sup>4</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns.

**G. 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.

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
District's proportional share of the net pension liability	\$ 81,542,950	\$ 52,418,268	\$ 28,811,346



**Note 10 - Defined Benefit Pension Plan (continued)**

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

At June 30, 2023, the District reported a liability of \$52,418,268 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	52,418,268
State's proportionate share of the net pension liability associated with the District		71,400,994
<b>Total</b>	<b>\$</b>	<b>123,819,262</b>

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 pension liability was 0.0883% which was an increase of 0.0013% from its proportion measured as of August 31, 2021.

All future statutorily required contributions will be made from the General Fund.

**Changes Since the Prior Actuarial Valuation**

There were no changes in assumptions since the prior measurement date.

For the year ended June 30, 2023, the District recognized pension expense of \$6,489,959. The District also recognized an additional on-behalf revenue and expense of \$6,825,126 representing 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 pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 760,061	\$ (1,142,818)
Changes of assumptions	9,767,229	(2,434,266)
Net difference between projected and actual earnings on pension plan investments	5,178,757	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,374,585	(2,028,211)
District contributions subsequent to the measurement date	4,007,216	-
<b>Total</b>	<b>\$ 21,087,848</b>	<b>\$ (5,605,295)</b>

**Note 10 - Defined Benefit Pension Plan (continued)**

**H. Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)**

***Changes Since the Prior Actuarial Valuation (continued)***

Deferred outflows of resources resulting from District contributions subsequent to the measurement date in the amount of \$4,007,216 will be recognized as a reduction of the net pension 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 pensions will be recognized in pension expense as follows:

<b>Fiscal Year</b>	<b>Pension Expense</b>
2024	\$ 3,224,961
2025	1,358,843
2026	347,146
2027	5,772,517
2028	771,870
	<u>\$ 11,475,337</u>

**Note 11 - 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 Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at [https://www.trs.texas.gov/TRS%20Documents/acfr\\_2022.pdf](https://www.trs.texas.gov/TRS%20Documents/acfr_2022.pdf), or 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.

**Note 11 - Defined Other Post-Employment Benefit Plans (continued)**

**C. Benefits Provided (continued)**

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

<b>TRS-Care Monthly Premium Rates</b>		
	<b>Medicare</b>	<b>Non-Medicare</b>
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.

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 .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.

	<b>Contribution Rates</b>	
	<b>Measurement Year</b>	
	<b>2023</b>	<b>2022</b>
Member	0.65%	0.65%
Non-employer contributing agency	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private funding	1.25%	1.25%
<b>Current Fiscal Year</b>		
<b>Contributions</b>		
Employer (District)	\$	1,175,835
Employee (Member)		718,157
Non-employer Contributing Entity		
On-behalf Contributions (State)		1,803,103

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.

**Note 11 - Defined Other Post-Employment Benefit Plans (continued)**

**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 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. In addition to the demographic assumptions, salary increases and inflation rates used for members of TRS are identical to the assumptions employed in the August 31, 2022 TRS annual pension actuarial valuation.

The rates of mortality, retirement, termination and disability incidence are identical to the assumptions used to value the pension liabilities of the Teacher Retirement System of Texas (TRS). The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017. The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables. The rates were projected on a fully generational basis using the ultimate improvement rates from mortality projection scale MP-2018.

**Additional Actuarial Methods and Assumptions:**

<b>Component</b>	<b>Result</b>
Valuation Date	August 31, 2021, rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.91% as of August 31, 2022
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs.
Projected Salary Increases	3.05% to 9.05% including inflation
Healthcare Trend Rates	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 Rates	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

**F. Discount Rate**

The plan is a pay-as-you-go plan. As such, a single discount rate must be used that is equal to the prevailing municipal bond rate. The single discount rate changed from 1.95 percent as of August 31, 2021 to 3.91 percent, as of August 31, 2022. This change increased the Total OPEB Liability. The following presents the Net OPEB Liability of the plan using the discount rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher, as well as what the Net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower, 2.91 percent or one percentage point higher, 4.91 percent, than the AA/Aa rate. The 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."

**Note 11 - Defined Other Post-Employment Benefit Plans (continued)**

**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 (2.91%)	Current Rate (3.91%)	1% Increase (4.91%)
District's proportionate share of the Net OPEB Liability:	\$ 36,157,079	\$ 30,665,519	\$ 26,216,651

**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 \$30,665,519 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ 30,665,519
State's proportionate share of the net OPEB liability associated with the District	37,407,116
<b>Total</b>	<u><u>\$ 68,072,635</u></u>

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 0.1281% which was a decrease of 0.0050% from its proportion measured as of August 31, 2021.

All future statutorily required contributions will be made from the General Fund.

*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		
	1% Decrease	Current	1% Increase
District's proportionate share of the Net OPEB Liability:	\$ 25,268,526	\$ 30,665,519	\$ 37,662,026

**Changes Since the Prior Actuarial Valuation**

The single discount rate changed from 1.95 percent as of August 31, 2021 to 3.91 percent, as of August 31, 2022. This change increased the Total OPEB Liability.

For the year ended June 30, 2023, the District recognized negative OPEB expense of \$3,856,515. The District also recognized negative on-behalf expense and revenue of \$5,308,372 for support provided by the State.

**Note 11 - 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)**

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:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actuarial economic experience	\$ 1,704,894	\$ (25,547,130)
Changes of assumptions	4,670,966	(21,304,578)
Net difference between projected and actual earnings on OPEB plan investments	91,344	-
Changes in proportion and difference between the District contributions and the proportionate share of contributions	3,420,210	(4,822,194)
Contributions paid to TRS subsequent to the measurement date	979,318	-
<b>Total</b>	<b>\$ 10,866,732</b>	<b>\$ (51,673,902)</b>

**Changes Since the Prior Actuarial Valuation (continued)**

The \$979,318 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, 2023. 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:

<b>Fiscal Year</b>	<b>OPEB Expense Amount</b>	<b>Balance of Deferred Outflows (Inflows)</b>
2024	\$ (7,349,948)	\$ (34,436,540)
2025	(7,349,617)	(27,086,923)
2026	(6,049,199)	(21,037,724)
2027	(4,288,659)	(16,749,065)
2028	(5,436,318)	(11,312,747)
<b>Thereafter</b>	<b>(11,312,747)</b>	<b>-</b>
	<b>\$ (41,786,488)</b>	

**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 \$604,775, \$426,115, and \$470,817, 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 12 - Risk Management**

**Property/Liability**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District's risk management program encompasses various means of protecting the District against loss by obtaining property, casualty, and liability coverage through commercial insurance carriers, and from participation in a risk pool. The District's participation in the risk pool is limited to payment of premiums.

**Health Insurance**

The Board of Trustees approved the district's participation in the Texas School Health Benefits Program. This is a premium-based plan; payments are made on a monthly basis for all covered employees.

**Workers' Compensation**

The District also provides workers' compensation to its employees through a self-insured plan which is accounted for in the Internal Service Fund. The Internal Service Fund charges the General Fund and other funds for premiums for the District's contribution. The District has an excess workers' compensation insurance policy that takes over after the District reaches its \$400,000 self-insured retention level and covers the District up to the statutory required limit. The District established the self-insurance plan for workers' compensation benefits as authorized by Section 504.011 of the Labor Code.

The costs associated with these self-insurance plans are reported as interfund transactions to the extent of amounts determined by the third-party administrators. Accordingly, they are treated as operating revenues of the Internal Service Funds and operating expenditures of the governmental and proprietary funds.

Estimates of claims payable and of claims incurred but not reported at June 30, 2023, are reflected as accrued expenses of the Fund. The liabilities include an amount for claims that have been incurred but were not reported until after June 30, 2023. Liability for claims is reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing the liabilities is an estimate. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors.

Changes in the balances of claims liabilities are as follows:

<b>Fiscal Year</b>	<b>Beginning of Year Accrual</b>	<b>Current Year Estimates</b>	<b>Claims Payments</b>	<b>End of Year Accrual</b>
June 30, 2023	\$ 1,333,666	\$ 1,699,733	\$ 1,249,436	\$ 1,783,963
June 30, 2022	1,532,560	1,037,710	1,236,604	1,333,666
June 30, 2021	1,703,025	559,664	730,129	1,532,560

**Note 13 - Shared Service Arrangements**

The District is fiscal agent for a Shared Service Arrangement ("SSA"), which provides services to the member districts listed below. All services are provided by the fiscal agents. The member districts provide the funds to the fiscal agents. According to guidance provided in TEA's Resource Guide, the District has accounted for the fiscal agent's activities of the SSA in the appropriate Special Revenue Funds and has accounted for these funds using Model 2 in the SSA section of the Resource Guide. Expenditures of the SSA are summarized below:

	<b>Local Services for the Deaf</b>
Beaumont ISD	\$ 359,692
Bob Hope School	19,539
Bridge City ISD	19,539
Buna ISD	7,986
East Chambers ISD	23,956
Hamshire-Fannett ISD	7,986
Hardin-Jefferson ISD	47,064
Kountze ISD	15,971
Little Cypress-Mauriceville CISD	51,481
Lumberton ISD	75,437
Nederland ISD	59,467
Newton ISD	11,554
Orangefield ISD	39,078
Port Arthur ISD	212,385
Port Neches-Groves ISD	106,530
Silsbee ISD	55,898
Spurger ISD	23,956
Vidor ISD	151,897
Warren ISD	19,539
West Orange-Cove CISD	31,093
Woodville ISD	11,554
	<u>\$ 1,351,602</u>

**Note 14 - Contingent Liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

The District is a defendant in various lawsuit arising in the normal course of operations. Although the outcome of these lawsuits is not presently determinable, in the opinion of management and the District's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

**Note 15 - 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 (1) the amount earned on investments purchased with bond proceeds over (2) 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 that it has no arbitrage liability as of June 30, 2023.



**Note 16 - Tax Abatements**

Currently, the District has seven (8) active Chapter 313 Agreements with several corporations for Limitation On Appraised Value of Property for School District Maintenance and Operations Taxes pursuant to the Chapter 313 of the Texas Tax Code, i.e., the Texas Economic Development Act, as set forth in Chapter 313 of the Texas Tax Code, as amended.

Value limitation agreements are a part of a state program, originally created in 2001 which allows school districts to limit the taxable value of an approved project for Maintenance and Operations (M&O) for a period of years specified in statute. The project(s) under the Chapter 313 agreement must be consistent with the state's goal to "encourage large scale capital investments in this state." Chapter 313 of the Tax Code grants eligibility to companies engaged in manufacturing, research and development, renewable electric energy production, clean coal projects, nuclear power generation and data centers.

In order to qualify for a value limitation agreement, each applicant has been required to meet a series of capital investment, job creation, and wage requirements specified by state law. At the time of the application's approval, the agreement was found to have done so by both the District's Board of trustees and the Texas Comptroller's Office, which recommended approval of the project. The application, the agreements and state reporting requirement documentation can be viewed at the Texas Comptroller's website: <https://www.comptroller.texas.gov/economy/local/ch313/agreement-docs.php>. The agreement and all supporting documentation was assigned Texas Comptroller Application number.

The following Chapter 313 Agreements are in effect:

Lucite International, Inc. (Application No. 211) first year's value limitation was tax year 2015. Fiscal year June 30, 2023 is the last of eight years that the \$30,000,000 value limitation is in effect. The project value is under the \$30,000,000 value limitation; therefore, there is no benefit to the District.

OCI Beaumont (Application No. 219) first year's value limitation was tax year 2015. The net benefit to the District is \$168,634 for fiscal year June 30, 2023. The value limitation for the current year was \$30,000,000, with a total project value of \$116,389,800. The applicant's M&O taxes were reduced by \$851,850.

Natgasoline LLC's (Application No. 311) first year's value limitation was tax year 2017. The net benefit to the District is \$1,090,760 for fiscal year June 30, 2023. The project value's value limitation is \$26,881,229 with a total project value of \$811,912,800. The applicant's M&O taxes have been reduced by \$6,138,240.

Air Liquide (assignment by Natgasoline) first year's value limitation was tax year 2020. The net benefit to the District is \$125,544 for fiscal year June 30, 2023. The project value's value limitation is \$3,118,771, with a total project value of \$94,194,462. The applicant's M&O taxes have been reduced by \$702,279.

BASF Corporation (Application No. 375) first year's value limitation was tax year 2017. The net benefit to the District is \$134,191 for fiscal year June 30, 2023. The project value's value limitation is \$30,000,000, with a total project value of \$87,312,900. The applicant's M&O taxes have been reduced by \$386,726.

Exxon (Application No. 1118) first year's value limitation was fiscal year 2020. The net benefit to the District is \$1,328,630 for fiscal year June 30, 2023. The project value's value limitation is \$30,000,000, with a total project value of \$248,318,400. The applicant's M&O taxes have been reduced by \$655,666.

Exxon (Application No. 1119) first year's value limitation was fiscal year 2021. The net benefit to the District is \$1,863,355 for fiscal year June 30, 2023. The project value's value limitation is \$30,000,000, with a total project value of \$713,373,700. The applicant's M&O taxes have been reduced by \$4,347,828.

Exxon (Application No. 1163) first year's value limitation will be fiscal year 2024. There was no current year value limitation, reduction in taxes or benefit/loss.

**Note 17 - Prior Period Adjustment**

The District's prior period adjustment to increase the general fund balance by \$509,261 and decrease unearned revenue by the same amount was a correction for payments received and earned in prior years.



## **REQUIRED SUPPLEMENTARY INFORMATION**



**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the Year Ended June 30, 2023**

**Exhibit G-1**

Data Control Codes		Budgeted Amounts			Variance with Final Budget - Positive (Negative)
		Original	Final	Actual Amounts, GAAP Basis	
Revenues					
5700	Local revenues	\$ 124,709,095	\$ 123,999,379	\$ 124,315,070	\$ 315,691
5800	State program revenues	39,437,743	39,501,040	35,564,057	(3,936,983)
5900	Federal program revenues	7,854,174	7,897,910	9,376,467	1,478,557
5020	Total Revenues	172,001,012	171,398,329	169,255,594	(2,142,735)
Expenditures					
Current:					
0011	Instruction	87,025,463	84,977,619	82,500,551	2,477,068
0012	Instruction resources and media services	1,322,478	1,283,397	1,098,643	184,754
0013	Curriculum and instructional staff development	683,127	548,618	497,407	51,211
0021	Instructional leadership	3,451,751	3,534,446	3,313,075	221,371
0023	School leadership	10,386,929	10,306,625	10,160,316	146,309
0031	Guidance, counseling and evaluation services	6,208,581	6,186,770	5,857,358	329,412
0032	Social work services	297,374	297,374	176,361	121,013
0033	Health services	1,911,928	1,910,655	1,828,278	82,377
0034	Student transportation	5,652,865	5,488,865	4,169,763	1,319,102
0036	Extracurricular activities	5,899,350	6,557,803	6,488,438	69,365
0041	General administration	7,061,088	7,061,520	6,701,848	359,672
0051	Facilities maintenance and operations	30,857,802	36,399,475	30,192,313	6,207,162
0052	Security and monitoring services	3,044,024	5,956,456	4,201,343	1,755,113
0053	Data processing services	5,325,408	3,647,258	3,084,622	562,636
0061	Community services	201,164	201,790	70,470	131,320
Debt Service:					
0071	Principal on long-term debt	950,645	1,450,645	997,515	453,130
0072	Interest on long-term debt	164,320	164,320	117,450	46,870
Capital Outlay:					
0081	Facilities acquisition and construction	-	-	-	-
Intergovernmental:					
0093	Payments to Fiscal Agent/Member Districts of SSA	352,950	362,950	361,473	1,477
0095	Payments to Juvenile Justice Alt. Ed. Prgm.	150,000	161,860	161,860	-
0099	Other Intergovernmental Charges	1,353,765	4,142,222	1,504,959	2,637,263
6030	Total Expenditures	172,301,012	180,640,668	163,484,043	17,156,625
1100	Excess (deficiency) of revenues over expenditures	(300,000)	(9,242,339)	5,771,551	15,013,890
Other Financing Sources (Uses)					
7912	Sale of property	300,000	1,279,683	1,293,859	14,176
8911	Transfers Out	-	-	(2,588,457)	(2,588,457)
7080	Total Other Financing Sources (Uses)	300,000	1,279,683	(1,294,598)	(2,574,281)
1200	Net change in fund balances	-	(7,962,656)	4,476,953	12,439,609
0100	Fund Balances - Beginning	68,634,969	68,634,969	68,634,969	-
1300	Prior period adjustment	-	-	509,261	509,261
3000	Fund Balances - Ending	\$ 68,634,969	\$ 60,672,313	\$ 73,621,183	\$ 12,948,870

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY SCHEDULE**  
**BUDGETARY COMPARISON SCHEDULE**

**A. Budgets and Budgetary Accounting**

The District adopts annual appropriations type budgets for the General Fund, Child Nutrition Program Special Revenue Fund, and the Debt Service Fund using the same method of accounting as for financial reporting, as required by law. The remaining Special Revenue Funds (primarily federal grant programs) utilize a managerial type budget approved at the fund level by the Board of Trustees upon acceptance of the grants. These grants are subject to federal, state and locally imposed project length budgets and monitoring through submission of reimbursement reports. The General Fund Budget report is presented on Exhibit G-1, the Child Nutrition Program Special Revenue fund budget report and the Debt Service Fund budget report appear on Exhibit J-2 and J-3, respectively.

Expenditures may not legally exceed budgeted appropriations at the function or activity level. Expenditure requests which would require an increase in total budgeted appropriations must be approved by the Trustees through formal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available and estimated revenues. State law also prohibits amendment of the budget after fiscal year end. Supplemental appropriations were made to the General Fund during the fiscal year ended June 30, 2023, the Board of Trustees approved budget amendments to decrease or supplement appropriations as follows:

	<u>General Fund</u>	<u>Child Nutrition Program</u>
Amendments Approved	\$ (7,962,656)	\$ (2,867,023)

The amendments approved for the General Fund other than those to transfer funds between functions were to carry forward purchase orders from the prior fiscal year. In addition, there were various amendments approved to increase department and campus budgets due to increased costs as a result of inflation. There was an increase to the operating transfers out to the local capital projects fund for new building and maintenance projects, and an increase to the operating transfers out to Child Nutrition for the District’s portion of new cafeteria furniture.

The administrative level at which responsibility for control of budgeted appropriations begins is at the organizational level within each function of operations. The finance department reviews closely the expenditure requests submitted by the various organizational heads (principal and department heads) throughout the year to ensure proper spending compliance. No public funds of the District shall be expended in any manner other than as provided for in the budget adopted by the Board of Trustees. The official school budget was prepared for adoption for budgeted governmental fund types by June 30, 2021. The budget was formally adopted by the Board of Trustees at a duly advertised public meeting prior to the expenditure of funds. The final amended budget is filed with the Texas Education Agency (TEA) through inclusion in the annual financial and compliance report.

**B. Expenditures in Excess of Appropriations**

At the end of the current fiscal year, the District did not have expenditures in excess of appropriations for the legally adopted budgets.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**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**

**Exhibit G-2**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
District's proportion of the net pension liability	0.08829%	0.08704%	0.09110%	0.09030%	0.08820%
District's proportionate share of the net pension liability	\$ 52,418,268	\$ 22,168,095	\$ 48,796,352	\$ 46,931,929	\$ 48,541,296
State's proportionate share of the net pension liability associated with the District	71,400,994	35,584,879	73,637,438	72,192,659	82,093,947
<b>Total</b>	<b>\$ 123,819,262</b>	<b>\$ 57,752,974</b>	<b>\$ 122,433,790</b>	<b>\$ 119,124,588</b>	<b>\$ 130,635,243</b>
District's covered payroll (for Measurement Year)	\$ 104,210,518	\$ 137,900,137	\$ 104,672,783	\$ 98,328,720	\$ 97,745,584
District's proportionate share of the net pension liability as a percentage of its covered payroll	50.30%	16.08%	46.62%	47.73%	49.66%
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%

  

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
District's proportion of the net pension liability	0.09660%	0.08520%	0.07820%	0.05810%
District's proportionate share of the net pension liability	\$ 30,883,522	\$ 32,197,755	\$ 27,627,919	\$ 15,529,731
State's proportionate share of the net pension liability associated with the District	51,387,432	65,439,366	62,807,388	68,127,998
<b>Total</b>	<b>\$ 82,270,954</b>	<b>\$ 97,637,121</b>	<b>\$ 90,435,307</b>	<b>\$ 83,657,729</b>
District's covered payroll (for Measurement Year)	\$ 101,644,863	\$ 98,619,316	\$ 93,463,819	\$ 115,538,311
District's proportionate share of the net pension liability as a percentage of its covered payroll	30.38%	32.65%	29.56%	13.44%
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%
Plan's net pension liability as a percentage of covered payroll *				

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

Note: Ten years of data should be presented in this schedule, but data is unavailable prior to 2014.  
Net Pension Liability and related ratios will be presented prospectively as data becomes available

\* Per Teacher Retirement System of Texas' Annual Comprehensive Financial Report.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT CONTRIBUTIONS**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**  
**Last Nine Fiscal Years Ended June 30**

**Exhibit G-3**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Contractually required contributions	\$ 4,779,273	\$ 3,908,491	\$ 3,732,411	\$ 3,648,946	\$ 2,670,678
Contributions in relation to the contractual required contributions	4,779,273	3,908,491	3,732,411	3,648,946	2,670,678
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 110,699,372	\$ 103,811,001	\$ 104,947,801	\$ 103,934,656	\$ 98,273,936
Contributions as a percentage of covered payroll	4.32%	3.77%	3.56%	3.51%	2.72%

	<b>2018</b>	<b>* 2017</b>	<b>2016</b>	<b>2015</b>
Contractually required contributions	\$ 2,951,597	\$ 2,652,811	\$ 2,702,669	\$ 2,417,013
Contributions in relation to the contractual required contributions	2,951,597	2,652,811	2,702,669	2,417,013]
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 98,549,158	\$ 84,255,425	\$ 98,619,316	\$ 93,461,105
Contributions as a percentage of covered payroll	3.00%	3.15%	2.74%	2.59%

\* The District converted to a June 30th year-end during fiscal year 2017.

As such, 2017 only reflects ten months of contributions. Fiscal years 2016 and prior ended August 31st.



**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**

**Changes of Assumptions**

The single discount rate as of August 31, 2022 was 7.00 percent, which decreased by 0.25 percent from the rate as of August 31, 2021.

**Changes in Benefit Terms**

There were no changes of benefit terms that affected measurement of the total pension liability during the 2022 or 2021 measurement periods.

**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.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**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**

**Exhibit G-4**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
District's proportion of the net OPEB liability	0.12807%	0.13310%	0.13760%	0.13590%	0.13540%
District's proportionate share of the net OPEB liability	\$ 30,665,519	\$ 51,332,827	\$ 52,303,666	\$ 64,287,844	\$ 67,585,798
State's proportionate share of the net OPEB liability associated with the District	37,407,116	68,774,548	70,283,589	85,424,165	81,680,446
<b>Total</b>	<b>\$ 68,072,635</b>	<b>\$ 120,107,375</b>	<b>\$ 122,587,255</b>	<b>\$ 149,712,009</b>	<b>\$ 149,266,244</b>
District's covered payroll (for Measurement Year)	\$ 138,299,654	\$ 137,900,137	\$ 104,672,783	\$ 98,328,720	\$ 97,745,584
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	22.2%	37.2%	50.0%	65.4%	69.1%
Plan fiduciary net position as a percentage of the total OPEB liability *	11.52%	6.18%	4.99%	2.66%	1.57%
Plan's net OPEB liability as a percentage of covered payroll *	59.10%	100.13%	101.46%	135.21%	146.64%

Note: Ten years of data should be presented in this schedule, but data is unavailable prior to 2017.

	<b>2017</b>
District's proportion of the net OPEB liability	0.12620%
District's proportionate share of the net OPEB liability	\$ 54,875,362
State's proportionate share of the net OPEB liability associated with the District	78,005,031
<b>Total</b>	<b>\$ 132,880,393</b>
District's covered payroll (for Measurement Year)	\$ 101,644,863
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	54.0%
Plan fiduciary net position as a percentage of the total OPEB liability *	0.91%
Plan's net OPEB liability as a percentage of covered payroll *	132.55%

Note: Ten years of data should be presented in this schedule, but data is unavailable prior to 2017.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT OPEB CONTRIBUTIONS**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**  
**Last Six Fiscal Years Ended June 30**

**Exhibit G-5**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contributions	\$ 1,175,835	\$ 1,013,909	\$ 1,030,791	\$ 1,029,189	\$ 908,872
Contributions in relation to the contractual required contributions	<u>1,175,835</u>	<u>1,013,909</u>	<u>1,030,791</u>	<u>1,029,189</u>	<u>908,872</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 110,699,372	\$ 103,811,001	\$ 104,947,801	\$ 103,934,656	\$ 98,273,936
Contributions as a percentage of covered payroll	1.06%	0.98%	0.98%	0.99%	0.92%
	<u>2018</u>				
Contractually required contributions	\$ 945,863				
Contributions in relation to the contractual required contributions	<u>945,863</u>				
Contribution deficiency (excess)	<u>\$ -</u>				
District's covered payroll	\$ 98,549,158				
Contributions as a percentage of covered payroll	0.96%				

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY OPEB INFORMATION**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**

**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 was 3.91 percent, 1.95 percent, 2.33 percent, and 2.63 percent as of August 31, 2022, August 31, 2021, August 31, 2020, and August 31, 2019, respectively.
- During measurement year 2020, the participation rate for post-65 retirees was lowered from 50% to 40%. This change lowered the Total OPEB Liability.
- During measurement year 2020, the ultimate health care trend rate assumption was lowered from 4.50% to 4.25% as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered the Total OPEB Liability.
- During measurement year 2019, the health care trend rates were reset to better reflect the plan's anticipated experience. This change increased the TOL.
- During measurement year 2019, 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.
- During measurement year 2019, 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.
- Proportion of future female retirees assumed to be married and electing coverage for their spouse
- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.
- Percentage of Higher Education vested terminated members assumed to have terminated less than one year before the valuation date.

**Changes in Benefit Terms**

There were no significant benefit revisions since the prior evaluation for the 2022 measurement year. There were no changes in benefit terms in the 2021 measurement year.

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.

## **OTHER SUPPLEMENTARY INFORMATION**

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2023**

**Exhibit H-1**  
**Page 1 of 10**

Data Control Codes		205	211	224	225
		Head Start	ESEA Title I, A - Improving Basic Ed.	IDEA B - Formula	IDEA B - Preschool
	<b>Assets</b>				
1110	Cash and temporary investments	\$ -	\$ -	\$ 55,126	\$ -
	<b>Receivables:</b>				
1240	Receivables from other governments	1,955,183	2,773,187	1,305,413	26,404
1260	Due from other funds	-	-	-	-
1290	Other receivables	4,989	-	-	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<u>\$ 1,960,172</u>	<u>\$ 2,773,187</u>	<u>\$ 1,360,539</u>	<u>\$ 26,404</u>
	<b>Liabilities and Fund Balances</b>				
	<b>Liabilities:</b>				
2110	Accounts payable	\$ 75,858	\$ 111,488	\$ 69,178	\$ -
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	337,616	465,447	252,632	6,869
2170	Due to other funds	1,546,698	2,195,897	1,038,729	19,535
2300	Unearned revenues	-	355	-	-
<b>2000</b>	<b>Total Liabilities</b>	<u>1,960,172</u>	<u>2,773,187</u>	<u>1,360,539</u>	<u>26,404</u>
	<b>Fund Balance:</b>				
	<b>Non-Spendable:</b>				
3410	Inventories	-	-	-	-
	<b>Restricted:</b>				
3450	Federal/State funds grant restrictions	-	-	-	-
	<b>Committed:</b>				
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 1,960,172</u>	<u>\$ 2,773,187</u>	<u>\$ 1,360,539</u>	<u>\$ 26,404</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2023**

**Exhibit H-1**  
**Page 2 of 10**

		240	242	244	255
Data Control Codes		Child Nutrition	Summer Feeding Program	Vocational Ed. - Basic	ESEA Title II, A - Training and Recruiting
Assets					
1110	Cash and temporary investments	\$ 3,183,326	\$ -	\$ -	\$ -
Receivables:					
1240	Receivables from other governments	1,331,115	-	99,762	513,804
1260	Due from other funds	3,581,985	708,435	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	180,024	-	-	-
1000	Total Assets	\$ 8,276,450	\$ 708,435	\$ 99,762	\$ 513,804
Liabilities and Fund Balances					
Liabilities:					
2110	Accounts payable	\$ 273,835	\$ -	\$ 738	\$ 11,486
2150	Payroll deduction and withholdings payable	94,142	-	-	-
2160	Accrued wages payable	324,097	62,786	7,249	19,409
2170	Due to other funds	74,381	83,957	91,775	482,909
2300	Unearned revenues	33,662	-	-	-
2000	Total Liabilities	800,117	146,743	99,762	513,804
Fund Balance:					
Non-Spendable:					
3410	Inventories	180,024	-	-	-
Restricted:					
3450	Federal/State funds grant restrictions	7,296,309	561,692	-	-
Committed:					
3545	Other purposes	-	-	-	-
3000	Total Fund Balances	7,476,333	561,692	-	-
4000	Total Liabilities and Fund Balance	\$ 8,276,450	\$ 708,435	\$ 99,762	\$ 513,804

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2023**

**Exhibit H-1**  
**Page 3 of 10**

Data Control Codes		263	266	272 medicaid Administrative	279
		ESEA Title III, A - English Lang. Acquisition	ESSER	Claiming Program - MAC	TCLAS - ESSER III
	<b>Assets</b>				
1110	Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
	<b>Receivables:</b>				
1240	Receivables from other governments	36,531	-	9,674	23,875
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<u>\$ 36,531</u>	<u>\$ -</u>	<u>\$ 9,674</u>	<u>\$ 23,875</u>
	<b>Liabilities and Fund Balances</b>				
	<b>Liabilities:</b>				
2110	Accounts payable	\$ 2,984	\$ -	\$ -	\$ -
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	5,933	-	-	-
2170	Due to other funds	27,614	-	9,674	23,875
2300	Unearned revenues	-	-	-	-
<b>2000</b>	<b>Total Liabilities</b>	<u>36,531</u>	<u>-</u>	<u>9,674</u>	<u>23,875</u>
	<b>Fund Balance:</b>				
	<b>Non-Spendable:</b>				
3410	Inventories	-	-	-	-
	<b>Restricted:</b>				
3450	Federal/State funds grant restrictions	-	-	-	-
	<b>Committed:</b>				
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 36,531</u>	<u>\$ -</u>	<u>\$ 9,674</u>	<u>\$ 23,875</u>



**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2023**

**Exhibit H-1**  
**Page 4 of 10**

Data Control Codes		284	285	289	315
		IDEA B - Formula - ARP	IDEA B - Preschool ARP	Other Federally Funded Special Revenue Funds	SSA - IDEA - Part B, Discretionary
	<b>Assets</b>				
1110	Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
	<b>Receivables:</b>				
1240	Receivables from other governments	473,148	3,446	155,779	59,145
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	885	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<b>\$ 473,148</b>	<b>\$ 3,446</b>	<b>\$ 156,664</b>	<b>\$ 59,145</b>
	<b>Liabilities and Fund Balances</b>				
	<b>Liabilities:</b>				
2110	Accounts payable	\$ 16,818	\$ 3,171	\$ 4,959	\$ -
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	2,000	-	5,715	15,867
2170	Due to other funds	454,330	275	145,990	42,632
2300	Unearned revenues	-	-	-	646
<b>2000</b>	<b>Total Liabilities</b>	<b>473,148</b>	<b>3,446</b>	<b>156,664</b>	<b>59,145</b>
	<b>Fund Balance:</b>				
	<b>Non-Spendable:</b>				
3410	Inventories	-	-	-	-
	<b>Restricted:</b>				
3450	Federal/State funds grant restrictions	-	-	-	-
	<b>Committed:</b>				
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$ 473,148</b>	<b>\$ 3,446</b>	<b>\$ 156,664</b>	<b>\$ 59,145</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2023**

*Exhibit H-1*  
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Data Control Codes		340	410	429	435
		SSA - IDEA, Part C, Early Intervention (Deaf)	Instructional Materials Allotment	Technology Lending Grant	SSA - Regional Day School for the Deaf State
	<b>Assets</b>				
1110	Cash and temporary investments	\$ -	\$ 51,454	\$ 27,589	\$ -
	<b>Receivables:</b>				
1240	Receivables from other governments	1,061	-	113,210	562,767
1260	Due from other funds	-	4,238	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<u>\$ 1,061</u>	<u>\$ 55,692</u>	<u>\$ 140,799</u>	<u>\$ 562,767</u>
	<b>Liabilities and Fund Balances</b>				
	<b>Liabilities:</b>				
2110	Accounts payable	\$ -	\$ 1,622	\$ -	\$ -
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	-	-	-	145,923
2170	Due to other funds	1,025	-	113,613	413,793
2300	Unearned revenues	30	54,070	27,186	-
<b>2000</b>	<b>Total Liabilities</b>	<u>1,055</u>	<u>55,692</u>	<u>140,799</u>	<u>559,716</u>
	<b>Fund Balance:</b>				
	<b>Non-Spendable:</b>				
3410	Inventories	-	-	-	-
	<b>Restricted:</b>				
3450	Federal/State funds grant restrictions	6	-	-	3,051
	<b>Committed:</b>				
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<u>6</u>	<u>-</u>	<u>-</u>	<u>3,051</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 1,061</u>	<u>\$ 55,692</u>	<u>\$ 140,799</u>	<u>\$ 562,767</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2023**

**Exhibit H-1**  
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Data Control Codes		446	461	482	483
		State Local Funded Regional Day School Deaf - Local	Campus Activity Fund	Success Grant - Susser	Natatorium Swim Program
	<b>Assets</b>				
1110	Cash and temporary investments	\$ 169,579	\$ 671,729	\$ 35,528	\$ -
	<b>Receivables:</b>				
1240	Receivables from other governments	-	-	-	-
1260	Due from other funds	-	1,960	-	91
1290	Other receivables	-	-	17,877	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<u>\$ 169,579</u>	<u>\$ 673,689</u>	<u>\$ 53,405</u>	<u>\$ 91</u>
	<b>Liabilities and Fund Balances</b>				
	<b>Liabilities:</b>				
2110	Accounts payable	\$ 1,842	\$ 57,788	\$ -	\$ -
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	101,958	-	8,342	-
2170	Due to other funds	-	381,881	45,063	-
2300	Unearned revenues	65,779	-	-	91
<b>2000</b>	<b>Total Liabilities</b>	<u>169,579</u>	<u>439,669</u>	<u>53,405</u>	<u>91</u>
	<b>Fund Balance:</b>				
	<b>Non-Spendable:</b>				
3410	Inventories	-	-	-	-
	<b>Restricted:</b>				
3450	Federal/State funds grant restrictions	-	-	-	-
	<b>Committed:</b>				
3545	Other purposes	-	234,020	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<u>-</u>	<u>234,020</u>	<u>-</u>	<u>-</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 169,579</u>	<u>\$ 673,689</u>	<u>\$ 53,405</u>	<u>\$ 91</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2023**

*Exhibit H-1*  
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		484	485	487	488
<b>Data</b>					
<b>Control</b>					
<b>Codes</b>					
	<b>Assets</b>	<b>Campus After</b>	<b>Exxon-Mobil</b>	<b>Exxon-Mobil</b>	<b>Texas School</b>
		<b>School Program</b>	<b>Future Leaders</b>	<b>Reading Initiative</b>	<b>Ready</b>
1110	Cash and temporary investments	\$ 25,832	\$ 1,356	\$ 257,446	\$ 4,632
	<b>Receivables:</b>				
1240	Receivables from other governments	-	-	-	-
1260	Due from other funds	-	3,022	31,454	685
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<b>\$ 25,832</b>	<b>\$ 4,378</b>	<b>\$ 288,900</b>	<b>\$ 5,317</b>
	<b>Liabilities and Fund Balances</b>				
	<b>Liabilities:</b>				
2110	Accounts payable	\$ -	\$ -	\$ -	\$ -
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	-	-	-	-
2170	Due to other funds	-	-	-	-
2300	Unearned revenues	25,832	4,378	288,900	5,317
<b>2000</b>	<b>Total Liabilities</b>	<b>25,832</b>	<b>4,378</b>	<b>288,900</b>	<b>5,317</b>
	<b>Fund Balance:</b>				
	<b>Non-Spendable:</b>				
3410	Inventories	-	-	-	-
	<b>Restricted:</b>				
3450	Federal/State funds grant restrictions	-	-	-	-
	<b>Committed:</b>				
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$ 25,832</b>	<b>\$ 4,378</b>	<b>\$ 288,900</b>	<b>\$ 5,317</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2023**

*Exhibit H-1*  
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Data Control Codes		489	491	492	493
		Community Education Program	Misc Grants	Thomas Center - Scoreboard	DaVinci Minds Grant
	<b>Assets</b>				
1110	Cash and temporary investments	\$ 8,846	\$ -	\$ 45,772	\$ -
	<b>Receivables:</b>				
1240	Receivables from other governments	-	-	-	-
1260	Due from other funds	-	145	-	76,951
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<u>\$ 8,846</u>	<u>\$ 145</u>	<u>\$ 45,772</u>	<u>\$ 76,951</u>
	<b>Liabilities and Fund Balances</b>				
	<b>Liabilities:</b>				
2110	Accounts payable	\$ -	\$ -	\$ -	\$ -
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	-	-	-	-
2170	Due to other funds	-	-	-	-
2300	Unearned revenues	8,846	145	45,772	76,951
<b>2000</b>	<b>Total Liabilities</b>	<u>8,846</u>	<u>145</u>	<u>45,772</u>	<u>76,951</u>
	<b>Fund Balance:</b>				
	<b>Non-Spendable:</b>				
3410	Inventories	-	-	-	-
	<b>Restricted:</b>				
3450	Federal/State funds grant restrictions	-	-	-	-
	<b>Committed:</b>				
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 8,846</u>	<u>\$ 145</u>	<u>\$ 45,772</u>	<u>\$ 76,951</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2023**

**Exhibit H-1**  
**Page 9 of 10**

		495	498	499	
Data Control Codes		Texas Data Champions	District Incentive Program	Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds
Assets					
1110	Cash and temporary investments	\$ 2,648	\$ 6,292	\$ 39,527	\$ 4,586,682
Receivables:					
1240	Receivables from other governments	-	-	-	9,443,504
1260	Due from other funds	-	17,633	19,262	4,445,861
1290	Other receivables	-	-	-	23,751
1310	Inventories, at cost	-	-	-	180,024
1000	Total Assets	\$ 2,648	\$ 23,925	\$ 58,789	\$ 18,679,822
Liabilities and Fund Balances					
Liabilities:					
2110	Accounts payable	\$ -	\$ -	\$ 602	632,369
2150	Payroll deduction and withholdings payable	-	-	-	94,142
2160	Accrued wages payable	-	-	-	1,761,843
2170	Due to other funds	-	-	5,476	7,199,122
2300	Unearned revenues	2,648	23,925	40,913	705,446
2000	Total Liabilities	2,648	23,925	46,991	10,392,922
Fund Balance:					
Non-Spendable:					
3410	Inventories	-	-	-	180,024
Restricted:					
3450	Federal/State funds grant restrictions	-	-	11,798	7,872,856
Committed:					
3545	Other purposes	-	-	-	234,020
3000	Total Fund Balances	-	-	11,798	8,286,900
4000	Total Liabilities and Fund Balance	\$ 2,648	\$ 23,925	\$ 58,789	\$ 18,679,822

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2023**

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<b>Data Control Codes</b>		<b>Capital Projects</b>	<b>Total Nonmajor Governmental Funds</b>
	<b>Assets</b>		
1110	Cash and temporary investments	\$ 7,912,857	\$ 12,499,539
	<b>Receivables:</b>		
1240	Receivables from other governments	-	9,443,504
1260	Due from other funds	-	4,445,861
1290	Other receivables	-	23,751
1310	Inventories, at cost	-	180,024
<b>1000</b>	<b>Total Assets</b>	<b>\$ 7,912,857</b>	<b>\$ 26,592,679</b>
	<b>Liabilities and Fund Balances</b>		
	<b>Liabilities:</b>		
2110	Accounts payable	\$ 26,058	\$ 658,427
2150	Payroll deduction and withholdings payable	-	94,142
2160	Accrued wages payable	-	1,761,843
2170	Due to other funds	-	7,199,122
2300	Unearned revenues	-	705,446
<b>2000</b>	<b>Total Liabilities</b>	<b>26,058</b>	<b>10,418,980</b>
	<b>Fund Balance:</b>		
	<b>Non-Spendable:</b>		
3410	Inventories	-	180,024
	<b>Restricted:</b>		
3450	Federal/State funds grant restrictions	-	7,872,856
	<b>Committed:</b>		
3545	Other purposes	7,886,799	8,120,819
<b>3000</b>	<b>Total Fund Balances</b>	<b>7,886,799</b>	<b>16,173,699</b>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$ 7,912,857</b>	<b>\$ 26,592,679</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

**Exhibit H-2**  
**Page 1 of 10**

		205	211	224	225
Data Control Codes			ESEA Title I, A - Improving Basic Ed.		IDEA B - Preschool
		Head Start		IDEA B - Formula	
Revenues					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	4,209,094	8,944,300	3,473,318	66,251
5020	Total Revenues	4,209,094	8,944,300	3,473,318	66,251
Expenditures					
Current:					
0011	Instruction	3,057,258	6,492,754	3,023,684	66,251
0012	Instruction resources and media services	42,767	853	-	-
0013	Curriculum and instructional staff development	72,544	266,908	1,395	-
0021	Instructional leadership	161,629	946,624	109,476	-
0023	School leadership	232,052	207,182	-	-
0031	Guidance, counseling and evaluation services	-	468,565	338,763	-
0032	Social work services	335,070	-	-	-
0033	Health services	137,811	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	950	-	-
0051	Facilities maintenance and operations	141,232	86,009	-	-
0052	Security and monitoring services	11,995	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	17,594	474,455	-	-
Capital Outlay:					
0081	Facilities acquisition and construction	-	-	-	-
6030	Total Expenditures	4,209,952	8,944,300	3,473,318	66,251
1100	Excess (deficiency) of revenues over expenditures	(858)	-	-	-
Other Financing Sources (Uses)					
7912	Sale of real or personal property	858	-	-	-
7915	Transfers in	-	-	-	-
7080	Total Other Financing Sources and Uses	858	-	-	-
1200	Net change in fund balances	-	-	-	-
0100	Fund Balance - July 1 (Beginning)	-	-	-	-
3000	Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -



**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

**Exhibit H-2**  
**Page 2 of 10**

		240	242	244	255
Data Control Codes			Summer Feeding Program	Vocational Ed. - Basic	ESEA Title II, A - Training and Recruiting
Revenues					
5700	Local, intermediate, and out-of-state	\$ 743,307	\$ 51	\$ -	\$ -
5800	State program revenues	51,219	-	-	-
5900	Federal program revenues	13,693,607	7,790	389,137	1,136,332
5020	Total Revenues	14,488,133	7,841	389,137	1,136,332
Expenditures					
Current:					
0011	Instruction	-	-	285,183	314,912
0012	Instruction resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	-	-	-	572,646
0021	Instructional leadership	-	-	89,349	248,774
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	11,193,913	29,833	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	243,142	-	14,605	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	-
Capital Outlay:					
0081	Facilities acquisition and construction	-	-	-	-
6030	Total Expenditures	11,437,055	29,833	389,137	1,136,332
1100	Excess (deficiency) of revenues over expenditures	3,051,078	(21,992)	-	-
Other Financing Sources (Uses)					
7912	Sale of real or personal property	5,645	-	-	-
7915	Transfers in	66,457	-	-	-
7080	Total Other Financing Sources and Uses	72,102	-	-	-
1200	Net change in fund balances	3,123,180	(21,992)	-	-
0100	Fund Balance - July 1 (Beginning)	4,353,153	583,684	-	-
3000	Fund Balance - June 30 (Ending)	\$ 7,476,333	\$ 561,692	\$ -	\$ -

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

**Exhibit H-2**  
**Page 3 of 10**

		263	266	272	279
Data Control Codes		ESEA Title III, A - English Lang. Acquisition	ESSER	Medicaid Administrative Claiming Program - MAC	TCLAS - ESSER III
Revenues					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	276,031	152,556	162,362	144,921
5020	Total Revenues	276,031	152,556	162,362	144,921
Expenditures					
Current:					
0011	Instruction	124,040	-	-	97,093
0012	Instruction resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	50,116	-	-	11,401
0021	Instructional leadership	2,458	-	-	36,427
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	162,362	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	152,556	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	99,417	-	-	-
Capital Outlay:					
0081	Facilities acquisition and construction	-	-	-	-
6030	Total Expenditures	276,031	152,556	162,362	144,921
1100	Excess (deficiency) of revenues over expenditures	-	-	-	-
Other Financing Sources (Uses)					
7912	Sale of real or personal property	-	-	-	-
7915	Transfers in	-	-	-	-
7080	Total Other Financing Sources and Uses	-	-	-	-
1200	Net change in fund balances	-	-	-	-
0100	Fund Balance - July 1 (Beginning)	-	-	-	-
3000	Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

**Exhibit H-2**  
**Page 4 of 10**

Data Control Codes	284	285	289	315
	IDEA B - Formula - ARP	IDEA B - Preschool ARP	Other Federally Funded Special Revenue Funds	SSA - IDEA - Part B, Discretionary
<b>Revenues</b>				
5700 Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800 State program revenues	-	-	-	-
5900 Federal program revenues	567,972	3,947	3,207,428	129,048
<b>5020 Total Revenues</b>	<u>567,972</u>	<u>3,947</u>	<u>3,207,428</u>	<u>129,048</u>
<b>Expenditures</b>				
<b>Current:</b>				
0011 Instruction	527,537	3,947	2,566,441	129,048
0012 Instruction resources and media services	-	-	-	-
0013 Curriculum and instructional staff development	-	-	115,514	-
0021 Instructional leadership	8,226	-	9,780	-
0023 School leadership	-	-	-	-
0031 Guidance, counseling and evaluation services	32,209	-	161,858	-
0032 Social work services	-	-	-	-
0033 Health services	-	-	346,035	-
0034 Student transportation	-	-	-	-
0035 Food service	-	-	-	-
0036 Extracurricular activities	-	-	7,800	-
0041 General administration	-	-	-	-
0051 Facilities maintenance and operations	-	-	-	-
0052 Security and monitoring services	-	-	-	-
0053 Data processing services	-	-	-	-
0061 Community services	-	-	-	-
<b>Capital Outlay:</b>				
0081 Facilities acquisition and construction	-	-	-	-
<b>6030 Total Expenditures</b>	<u>567,972</u>	<u>3,947</u>	<u>3,207,428</u>	<u>129,048</u>
1100 Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
7912 Sale of real or personal property	-	-	-	-
7915 Transfers in	-	-	-	-
<b>7080 Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net change in fund balances	-	-	-	-
<b>0100 Fund Balance - July 1 (Beginning)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>3000 Fund Balance - June 30 (Ending)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

*Exhibit H-2*  
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		340	410	429	435
Data Control Codes		SSA - IDEA, Part C, Early Intervention (Deaf)	Instructional Materials Allotment	Technology Lending Grant	SSA - Regional Day School for the Deaf State
Revenues					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ 2,600	\$ -
5800	State program revenues	-	358,858	177,334	834,627
5900	Federal program revenues	1,006	-	-	-
5020	Total Revenues	1,006	358,858	179,934	834,627
Expenditures					
Current:					
0011	Instruction	1,006	358,858	13,000	702,017
0012	Instruction resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	-	-	89,030	-
0021	Instructional leadership	-	-	-	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-	60,380
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	72,230
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	77,904	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	-
Capital Outlay:					
0081	Facilities acquisition and construction	-	-	-	-
6030	Total Expenditures	1,006	358,858	179,934	834,627
1100	Excess (deficiency) of revenues over expenditures	-	-	-	-
Other Financing Sources (Uses)					
7912	Sale of real or personal property	-	-	-	-
7915	Transfers in	-	-	-	-
7080	Total Other Financing Sources and Uses	-	-	-	-
1200	Net change in fund balances	-	-	-	-
0100	Fund Balance - July 1 (Beginning)	6	-	-	3,051
3000	Fund Balance - June 30 (Ending)	\$ 6	\$ -	\$ -	\$ 3,051

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

**Exhibit H-2**  
**Page 6 of 10**

		446	461	482	483
Data Control Codes		State Local Funded Regional Day School Deaf - Local	Campus Activity Fund	Success Grant - Susser	Natatorium Swim Program
Revenues					
5700	Local, intermediate, and out-of-state	\$ 1,351,602	\$ 396,014	\$ 53,404	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	-	-	-	-
5020	Total Revenues	1,351,602	396,014	53,404	-
Expenditures					
Current:					
0011	Instruction	969,524	-	-	-
0012	Instruction resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	8,499	-	-	-
0021	Instructional leadership	236,310	-	-	-
0023	School leadership	-	438,943	-	-
0031	Guidance, counseling and evaluation services	97,913	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	4,523	-	53,404	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	2,754	-	-	-
0051	Facilities maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	32,079	-	-	-
Capital Outlay:					
0081	Facilities acquisition and construction	-	-	-	-
6030	Total Expenditures	1,351,602	438,943	53,404	-
1100	Excess (deficiency) of revenues over expenditures	-	(42,929)	-	-
Other Financing Sources (Uses)					
7912	Sale of real or personal property	-	-	-	-
7915	Transfers in	-	-	-	-
7080	Total Other Financing Sources and Uses	-	-	-	-
1200	Net change in fund balances	-	(42,929)	-	-
0100	Fund Balance - July 1 (Beginning)	-	276,949	-	-
3000	Fund Balance - June 30 (Ending)	\$ -	\$ 234,020	\$ -	\$ -

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

**Exhibit H-2**  
**Page 7 of 10**

	484	485	487	488
<b>Data</b>				
<b>Control</b>				
<b>Codes</b>	<b>Campus After</b>	<b>Exxon-Mobil</b>	<b>Exxon-Mobil</b>	<b>Texas School</b>
	<b>School Program</b>	<b>Future Leaders</b>	<b>Reading Initiative</b>	<b>Ready</b>
<b>Revenues</b>				
5700 Local, intermediate, and out-of-state	\$ -	\$ 4,732	\$ 88,047	\$ 140
5800 State program revenues	-	-	-	-
5900 Federal program revenues	-	-	-	-
<b>5020 Total Revenues</b>	<b>-</b>	<b>4,732</b>	<b>88,047</b>	<b>140</b>
<b>Expenditures</b>				
<b>Current:</b>				
0011 Instruction	-	4,732	85,050	-
0012 Instruction resources and media services	-	-	-	-
0013 Curriculum and instructional staff development	-	-	-	-
0021 Instructional leadership	-	-	-	-
0023 School leadership	-	-	-	-
0031 Guidance, counseling and evaluation services	-	-	-	-
0032 Social work services	-	-	-	-
0033 Health services	-	-	-	-
0034 Student transportation	-	-	-	-
0035 Food service	-	-	-	-
0036 Extracurricular activities	-	-	-	-
0041 General administration	-	-	-	-
0051 Facilities maintenance and operations	-	-	-	-
0052 Security and monitoring services	-	-	-	-
0053 Data processing services	-	-	-	-
0061 Community services	-	-	2,997	140
<b>Capital Outlay:</b>				
0081 Facilities acquisition and construction	-	-	-	-
<b>6030 Total Expenditures</b>	<b>-</b>	<b>4,732</b>	<b>88,047</b>	<b>140</b>
1100 Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Other Financing Sources (Uses)</b>				
7912 Sale of real or personal property	-	-	-	-
7915 Transfers in	-	-	-	-
<b>7080 Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
1200 Net change in fund balances	-	-	-	-
<b>0100 Fund Balance - July 1 (Beginning)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3000 Fund Balance - June 30 (Ending)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

*Exhibit H-2*  
*Page 8 of 10*

	489	491	492	493
<b>Data Control Codes</b>	<b>Community Education Program</b>	<b>Misc Grants</b>	<b>Thomas Center - Scoreboard</b>	<b>DaVinci Minds Grant</b>
<b>Revenues</b>				
5700 Local, intermediate, and out-of-state	\$ -	\$ -	\$ 4,539	\$ 1,281
5800 State program revenues	-	-	-	-
5900 Federal program revenues	-	-	-	-
<b>5020 Total Revenues</b>	<u>-</u>	<u>-</u>	<u>4,539</u>	<u>1,281</u>
<b>Expenditures</b>				
<b>Current:</b>				
0011 Instruction	-	-	-	-
0012 Instruction resources and media services	-	-	-	-
0013 Curriculum and instructional staff development	-	-	-	-
0021 Instructional leadership	-	-	-	-
0023 School leadership	-	-	-	-
0031 Guidance, counseling and evaluation services	-	-	-	-
0032 Social work services	-	-	-	-
0033 Health services	-	-	-	-
0034 Student transportation	-	-	-	-
0035 Food service	-	-	-	-
0036 Extracurricular activities	-	-	4,539	-
0041 General administration	-	-	-	-
0051 Facilities maintenance and operations	-	-	-	-
0052 Security and monitoring services	-	-	-	-
0053 Data processing services	-	-	-	1,281
0061 Community services	-	-	-	-
<b>Capital Outlay:</b>				
0081 Facilities acquisition and construction	-	-	-	-
<b>6030 Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>4,539</u>	<u>1,281</u>
1100 Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
7912 Sale of real or personal property	-	-	-	-
7915 Transfers in	-	-	-	-
<b>7080 Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net change in fund balances	-	-	-	-
<b>0100 Fund Balance - July 1 (Beginning)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>3000 Fund Balance - June 30 (Ending)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

**Exhibit H-2**  
**Page 9 of 10**

		495	498	499	
Data Control Codes		Texas Data Champions	District Incentive Program	Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds
Revenues					
5700	Local, intermediate, and out-of-state	\$ -	\$ 5,968	\$ 68,758	\$ 2,720,443
5800	State program revenues	-	-	-	1,422,038
5900	Federal program revenues	-	-	-	36,565,100
5020	Total Revenues	-	5,968	68,758	40,707,581
Expenditures					
Current:					
0011	Instruction	-	-	23,354	18,845,689
0012	Instruction resources and media services	-	-	11,284	54,904
0013	Curriculum and instructional staff development	-	-	-	1,188,053
0021	Instructional leadership	-	-	-	1,849,053
0023	School leadership	-	-	-	878,177
0031	Guidance, counseling and evaluation services	-	-	-	1,159,688
0032	Social work services	-	-	-	335,070
0033	Health services	-	-	-	776,365
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	11,223,746
0036	Extracurricular activities	-	-	34,120	46,459
0041	General administration	-	5,968	-	9,672
0051	Facilities maintenance and operations	-	-	-	637,544
0052	Security and monitoring services	-	-	-	89,899
0053	Data processing services	-	-	-	1,281
0061	Community services	-	-	-	626,682
Capital Outlay:					
0081	Facilities acquisition and construction	-	-	-	-
6030	Total Expenditures	-	5,968	68,758	37,722,282
1100	Excess (deficiency) of revenues over expenditures	-	-	-	2,985,299
Other Financing Sources (Uses)					
7912	Sale of real or personal property	-	-	-	6,503
7915	Transfers in	-	-	-	66,457
7080	Total Other Financing Sources and Uses	-	-	-	72,960
1200	Net change in fund balances	-	-	-	3,058,259
0100	Fund Balance - July 1 (Beginning)	-	-	11,798	5,228,641
3000	Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ 11,798	\$ 8,286,900



**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2023**

*Exhibit H-2*  
*Page 10 of 10*

		699	
Data Control Codes		Capital Projects	Total Nonmajor Governmental Funds
	<b>Revenues</b>		
5700	Local, intermediate, and out-of-state	\$ -	\$ 2,720,443
5800	State program revenues	-	1,422,038
5900	Federal program revenues	-	36,565,100
<b>5020</b>	<b>Total Revenues</b>	-	<b>40,707,581</b>
	<b>Expenditures</b>		
	<b>Current:</b>		
0011	Instruction	-	18,845,689
0012	Instruction resources and media services	-	54,904
0013	Curriculum and instructional staff development	-	1,188,053
0021	Instructional leadership	-	1,849,053
0023	School leadership	-	878,177
0031	Guidance, counseling and evaluation services	-	1,159,688
0032	Social work services	-	335,070
0033	Health services	-	776,365
0034	Student transportation	-	-
0035	Food service	-	11,223,746
0036	Extracurricular activities	-	46,459
0041	General administration	-	9,672
0051	Facilities maintenance and operations	7,242,188	7,879,732
0052	Security and monitoring services	-	89,899
0053	Data processing services	-	1,281
0061	Community services	-	626,682
	<b>Capital Outlay:</b>		
0081	Facilities acquisition and construction	564,508	564,508
<b>6030</b>	<b>Total Expenditures</b>	<b>7,806,696</b>	<b>45,528,978</b>
1100	Excess (deficiency) of revenues over expenditures	(7,806,696)	(4,821,397)
	<b>Other Financing Sources (Uses)</b>		
7912	Sale of real or personal property	-	6,503
7915	Transfers in	2,522,000	2,588,457
<b>7080</b>	<b>Total Other Financing Sources and Uses</b>	<b>2,522,000</b>	<b>2,594,960</b>
1200	Net change in fund balances	(5,284,696)	(2,226,437)
<b>0100</b>	<b>Fund Balance - July 1 (Beginning)</b>	<b>13,171,495</b>	<b>18,400,136</b>
<b>3000</b>	<b>Fund Balance - June 30 (Ending)</b>	<b>\$ 7,886,799</b>	<b>\$ 16,173,699</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**June 30, 2023**

**Exhibit H-3**  
**Page 1 of 2**

<b>Data Control Codes</b>	<b>836 Alex Durley Scholarship</b>	<b>837 Joe H Tonahill Scholarship</b>	<b>838 Mike Taylor Scholarship</b>	<b>839 Charles Weinbaum Scholarship</b>	<b>841 Paul A Brown Scholarship</b>
<b>Assets</b>					
Current Assets:					
1110 Cash and cash equivalents	\$ 17,819	\$ 20,491	\$ 3,553	\$ 1,058	\$ 5,733
Receivables:					
1260 Due from other Funds	-	-	-	-	-
1290 Other receivables	-	-	-	-	-
<b>1000 Total Assets</b>	<b>\$ 17,819</b>	<b>\$ 20,491</b>	<b>\$ 3,553</b>	<b>\$ 1,058</b>	<b>\$ 5,733</b>
<b>Liabilities</b>					
Current Liabilities:					
2110 Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
<b>2000 Total Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Position</b>					
Restricted for student scholarships and other activities	\$ 17,819	\$ 20,491	\$ 3,553	\$ 1,058	\$ 5,733
<b>3800 Total Net Position</b>	<b>\$ 17,819</b>	<b>\$ 20,491</b>	<b>\$ 3,553</b>	<b>\$ 1,058</b>	<b>\$ 5,733</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**June 30, 2023**

**Exhibit H-3**  
**Page 2 of 2**

<b>Data Control Codes</b>	<b>842 Wells, Peyton, Greenburg &amp; Hunt</b>	<b>843 Gulf Coast Area Association of School Boards</b>	<b>Total Private Purpose Trust Funds</b>	<b>865 Student Activity Account</b>	<b>Total Custodial Fund</b>
<b>Assets</b>					
Current Assets:					
1110 Cash and cash equivalents	\$ 1,500	\$ 2,000	\$ 52,154	\$ 75,390	\$ 75,390
Receivables:					
1260 Due from other Funds	-	-	-	238,569	238,569
1290 Other receivables	-	-	-	705	705
<b>1000 Total Assets</b>	<b>\$ 1,500</b>	<b>\$ 2,000</b>	<b>\$ 52,154</b>	<b>\$ 314,664</b>	<b>\$ 314,664</b>
<b>Liabilities</b>					
Current Liabilities:					
2110 Accounts payable	\$ -	\$ -	\$ -	\$ 5,870	\$ 5,870
<b>2000 Total Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,870</b>	<b>\$ 5,870</b>
<b>Net Position</b>					
Restricted for student scholarships and other activities					
3800	\$ 1,500	\$ 2,000	\$ 52,154	\$ 308,794	\$ 308,794
<b>Total Net Position</b>	<b>\$ 1,500</b>	<b>\$ 2,000</b>	<b>\$ 52,154</b>	<b>\$ 308,794</b>	<b>\$ 308,794</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Year Ended June 30, 2023**

**Exhibit H-4**  
**Page 1 of 2**

	836	837	838	839	841
	Alex Durley Scholarship	Joe H Tonahill Scholarship	Mike Taylor Scholarship	Charles Weinbaum Scholarship	Paul A Brown Scholarship
<b>Contributions</b>					
Gifts and contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues from student activities	-	-	-	-	-
<b>Total Contributions</b>	-	-	-	-	-
<b>Deductions</b>					
Scholarships awarded					
Payments for student activities	-	-	-	-	-
<b>Total Deductions</b>	-	-	-	-	-
Change in net position	-	-	-	-	-
<b>Net Position Beginning of Year</b>	17,819	20,491	3,553	1,058	5,733
<b>Net Position - Ending</b>	\$ 17,819	\$ 20,491	\$ 3,553	\$ 1,058	\$ 5,733

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Year Ended June 30, 2023**

**Exhibit H-4**  
**Page 2 of 2**

	842	843		865	
	Wells, Peyton, Greenburg & Hunt	Gulf Coast Area Association of School Boards	Total Private Purpose Trust Funds	Student Activity Account	Total Custodial Fund
<b>Contributions</b>					
Gifts and contributions	\$ -	\$ -	\$ -	\$ 15,659	\$ 15,659
Revenues from student activities	-	-	-	538,942	538,942
<b>Total Contributions</b>	-	-	-	554,601	554,601
<b>Deductions</b>					
Non-operating expenses	-	-	-	577,436	577,436
<b>Total Deductions</b>	-	-	-	577,436	577,436
Change in net position	-	-	-	(22,835)	(22,835)
<b>Net Position Beginning of Year</b>	1,500	2,000	52,154	331,629	331,629
<b>Net Position End of Year</b>	<u>\$ 1,500</u>	<u>\$ 2,000</u>	<u>\$ 52,154</u>	<u>\$ 308,794</u>	<u>\$ 308,794</u>



## **REQUIRED TEA SCHEDULES**

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

*Exhibit J-1*  
*Page 1 of 2*

	1	2	3	10
	Tax Rates		Net Assessed/Appraised	Beginning
Last Ten	Maintenance	Debt Service	Value For School	Balance
Fiscal Years			Tax Purposes	7/1/2022
2014 and prior	Various	Various	Various	\$ 2,646,816
2015	1.040000	0.275000	9,775,170,418	541,115
2016	1.040000	0.275000	9,648,331,407	598,935
2017	1.040000	0.275000	9,871,550,494	656,620
2018	1.040000	0.254050	10,268,422,996	706,179
2019	1.040000	0.254050	10,406,282,292	893,353
2020	0.970000	0.254050	11,237,308,760	1,087,591
2021	0.966400	0.254050	11,348,705,039	1,295,069
2022	0.908900	0.252610	11,829,425,735	3,135,043
2023	0.908900	0.252610	14,514,599,524	-
<b>1000 Totals</b>				<b>\$ 11,560,721</b>

8000 Taxes refunded under Section 26.115(c), Tax Code, for tax refunds issued for immediate homestead exemptions pursuant to Senate Bill (SB) 8, 87-2



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

*Exhibit J-1*  
*Page 2 of 2*

	20	31	32	40	50
<b>Last Ten Fiscal Years</b>	<b>Current Year's Total Levy</b>	<b>Maintenance Total Collections</b>	<b>Debt Service Total Collections</b>	<b>Entire Year's Adjustments</b>	<b>Ending Balance 6/30/2023</b>
2014 and prior	\$ -	\$ 139,700	\$ 26,788	\$ (61,090)	\$ 2,419,238
2015	-	32,267	8,532	(2,908)	497,408
2016	-	43,739	11,566	(2,769)	540,861
2017	-	54,942	14,528	(2,600)	584,550
2018	-	76,175	19,341	(3,349)	607,314
2019	-	116,813	28,535	(13,564)	734,441
2020	-	180,505	47,275	(16,490)	843,321
2021	-	162,892	42,822	(143,185)	946,170
2022	-	371,387	103,219	(945,918)	1,714,519
2023	<u>151,123,958</u>	<u>110,686,720</u>	<u>35,617,003</u>	<u>(912,914)</u>	<u>3,907,321</u>
<b>1000 Totals</b>	<b><u>\$ 151,123,958</u></b>	<b><u>\$ 111,865,140</u></b>	<b><u>\$ 35,919,609</u></b>	<b><u>\$ (2,104,787)</u></b>	<b><u>\$ 12,795,143</u></b>
Penalty and interest receivable on taxes					<u>9,814,129</u>
<b>Total taxes receivable per Exhibit C-1</b>					<b><u>\$ 22,609,272</u></b>
		<u>\$ 23,965</u>			

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**CHILD NUTRITION PROGRAM FUND**  
**For the Year Ended June 30, 2023**

*Exhibit J-2*

	<b>Budgeted Amounts</b>		<b>Actual Amounts, GAAP Basis</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Local revenues	\$ 513,831	\$ 513,831	\$ 743,307	\$ 229,476
State program revenues	56,845	56,845	51,219	(5,626)
Federal program revenues	11,656,945	11,664,991	13,693,607	2,028,616
<b>Total Revenues</b>	<u>12,227,621</u>	<u>12,235,667</u>	<u>14,488,133</u>	<u>2,252,466</u>
<b>Expenditures</b>				
<b>Current:</b>				
Food services	11,959,976	14,807,045	11,193,913	3,613,132
Facilities maintenance and operations	267,645	295,645	243,142	52,503
<b>Total Expenditures</b>	<u>12,227,621</u>	<u>15,102,690</u>	<u>11,437,055</u>	<u>3,665,635</u>
<b>Other Financing Sources</b>				
Sale of real or personal property	-	-	5,645	5,645
Transfers in	-	-	66,457	66,457
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>72,102</u>	<u>72,102</u>
Net change in fund balances	-	(2,867,023)	3,123,180	5,990,203
<b>Fund Balances - Beginning</b>	<u>4,353,153</u>	<u>4,353,153</u>	<u>4,353,153</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ 4,353,153</u>	<u>\$ 1,486,130</u>	<u>\$ 7,476,333</u>	<u>\$ 5,990,203</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**DEBT SERVICE FUND**  
**For the Year Ended June 30, 2023**

*Exhibit J-3*

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts, GAAP Basis</u>	
<b>Revenues</b>				
Local and intermediate sources	\$ 39,370,841	\$ 38,499,332	\$ 36,877,903	\$ (1,621,429)
State program revenues	-	871,509	730,175	(141,334)
<b>Total Revenues</b>	<u>39,370,841</u>	<u>39,370,841</u>	<u>37,608,078</u>	<u>(1,762,763)</u>
<b>Expenditures</b>				
<b>Debt Service:</b>				
Principal on long-term debt	29,198,569	29,198,569	25,955,000	3,243,569
Interest on long-term debt	10,152,272	10,152,272	10,152,272	-
Bond issuance costs and fees	20,000	20,000	273,116	(253,116)
<b>Total Expenditures</b>	<u>39,370,841</u>	<u>39,370,841</u>	<u>36,380,388</u>	<u>2,990,453</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>1,227,690</u>	<u>1,227,690</u>
Net change in fund balances	-	-	1,227,690	1,227,690
<b>Fund Balances - Beginning</b>	<u>13,137,876</u>	<u>13,137,876</u>	<u>13,137,876</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ 13,137,876</u>	<u>\$ 13,137,876</u>	<u>\$ 14,365,566</u>	<u>\$ 1,227,690</u>

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

<b>Data Codes</b>	<b>Section A: Compensatory Education Programs</b>	<b>Responses</b>
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.	\$ 21,590,983
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30)	\$ 17,486,044
<b>Section B: Bilingual Education Programs</b>		
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.	\$ 1,314,057
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PIC 25)	\$ 1,047,870

**BEAUMONT 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	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  (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 <b>to not have made</b> 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.  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.	Yes
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	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.	\$ 1,431,023

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).



## **FEDERAL AWARDS SECTION**





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

To the Board of Trustees  
Beaumont Independent School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beaumont 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 District's basic financial statements, and have issued our report thereon dated November 16, 2023.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

To the Board of Trustees  
Beaumont Independent School District

**Purpose of this Report**

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

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas  
November 16, 2023

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees  
Beaumont Independent School District

**Report on Compliance for Each Major Federal Program**

***Opinion On Each Major Program***

We have audited Beaumont Independent School District’s (the “District”) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District’s major federal programs for the year ended June 30, 2023. The District’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District’s complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***Basis for Opinion On Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control Over Compliance**

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

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

To the Board of Trustees  
Beaumont Independent School District

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

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

*Whitley Penn LLP*

Houston, Texas  
November 16, 2023

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2023**

**I. Summary of Auditors' Results**

**Financial Statements**

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

**Federal Awards**

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

**Identification of major programs:**

Name of Federal Program or Cluster Assistance Listing Number ( ALN)

**U.S. Department of Agriculture**

*Child Nutrition Cluster:*

<i>National School Lunch Program</i>	10.555
<i>Supply Chain Assistance</i>	10.555
<i>COVID-19 Summer Feeding Program</i>	10.559
<i>Summer Feeding Program</i>	10.559
<i>Fresh Fruits and Vegetable</i>	10.582
<i>School Breakfast Program</i>	10.553

**U.S. Department of Education:**

<i>CARES Act, Section 18003 - Elementary and Secondary School Emergency Relief Fund (ESSER) Grant (COVID-19)</i>	84.425D
<i>Texas COVID Learning Acceleration Supports (TCLAS) Program - ESSER III (COVID-19)</i>	84.425U
<i>CRRSAA, ESSER II (COVID-19)</i>	84.425D
<i>American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER III) Fund</i>	84.425U

**U.S. Department of Health & Human Services:**

<i>Emergency Connectivity Fund</i>	32.009
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*Head Start Cluster:*

<i>Head Start - 2022</i>	93.600
<i>Head Start - 2023</i>	93.600
<i>Head Start - 2022 ARP Funds</i>	93.600
<i>Head Start - 2021 (COVID-19)</i>	93.600
<i>Head Start - 2022 (COVID-19)</i>	93.600

Dollar Threshold Considered Between Type A and Type B Federal Programs	\$2,201,783
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Auditee qualified as low risk auditee?	Yes
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**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
***SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)***  
***For the Year Ended June 30, 2023***

**II. Financial Statement Findings**

No current findings were noted.

**III. Federal Award Findings and Questioned Costs**

There are no federal awards findings during the current fiscal year.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2023**

**Exhibit K-1**  
**Page 1 of 2**

(2A)	(1)	(2)	(3)
Pass Through Entity Identifying Number	Federal Grantor/ Pass-Through Grantor/ Program Title	District Fund Number	Federal Assistance Listing Number Federal Expenditures and Indirect Costs
	<b>U.S. Department of Defense</b>		
	<b>Direct Program:</b>		
N/A	Naval JROTC	199	12.000 \$ 126,535
	<b>Total U.S. Department of Defense</b>		<b>126,535</b>
	<b>U.S. Department of Education</b>		
	<b>Passed Through Texas Education Agency:</b>		
226600011239106000	IDEA-B Formula	224	84.027A 116,099
236600011239106000	IDEA-B Formula	224	84.027A 3,543,620
226610011239106610	IDEA-B Preschool	225	84.173A 2,243
236610011239106000	IDEA-B Preschool	225	84.173A 64,008
225350011239105000	IDEA-B Formula - ARP GY 2022 (COVID-19)	284	84.027X 119,299
235350011239105000	IDEA-B Formula - ARP GY 2023 (COVID-19)	284	84.027X 473,148
225360011239105000	IDEA-B Preschool - ARP GY 2022 (COVID-19)	285	84.173X 804
235360011239105000	IDEA-B Preschool - ARP GY 2023 (COVID-19)	285	84.173X 3,172
226600111239106673	IDEA-B Discretionary - Deaf	315	84.027A 4,601
236600111239106673	IDEA-B Discretionary - Deaf	315	84.027A 124,447
	Total Special Education Cluster (ALN 84.027, 84.173)		4,451,441
	<b>Title I Part A and Title I Part D:</b>		
21610101123910	ESEA, Title I, Part A - Improving Basic Programs	211	84.010A 2,292,582
22610101123910	ESEA, Title I, Part A - Improving Basic Programs	211	84.010A 6,007,509
22610141123910	Title I 1003 School Improvement	211	84.010A 90,022
23610141123910	Title I 1003 School Improvement	211	84.010A 50,406
23610103123910	Title I, Part D, Subpart D - Delinquent Programs	211	84.010A 38,818
226101577110074	Title I 1003 ESF-Focused Support Grant	211	84.010A 15,384
216101477110005	School Action Fund Continuation Grant GY 2021	211	84.010A 155,274
236101627110002	School Action Fund Continuation Grant GY 23 123	211	84.010A 318,520
236101627110003	School Action Fund Continuation Grant GY 23 128	211	84.010A 205,529
216101627110029	School Action Fund Planning	211	84.010A 73,057
216101627110028	School Action Fund Planning	211	84.010A 145,718
	Total ALN 84.010		9,392,819
22420006123910	Career and Technical - Basic Grant	244	84.048A 41,835
23420006123910	Career and Technical - Basic Grant	244	84.048A 361,162
	Total ALN 84.048		402,997
233911011239103911	IDEA-C ECI	340	84.181A 1,062
22694501123910	Title II, Part A, Supporting Effective Instruction	255	84.367A 399,361
23694501123910	Title II, Part A, Supporting Effective Instruction	255	84.367A 797,760
	Total ALN 84.367		1,197,121
22671001123910	Title III, Part A, ELA	263	84.365A 178,351
23671001123910	Title III, Part A, ELA	263	84.365A 109,543
	Total ALN 84.365		287,894
20521001123910	CARES Act, Section 18003 - Elementary and Secondary School Emergency Relief Fund (ESSER) Grant (COVID-19)	266	84.425D 152,556
21528042123910	Texas COVID Learning Acceleration Supports (TCLAS) Program - ESSER III (COVID-19)	279	84.425U 168,717
21521001123910	CRRSAA, ESSER II (COVID-19)	281	84.425D 17,519,713
21528001123910	American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER III) Fund	282	84.425U 18,355,736
	Total ALN 84.425		36,196,722



**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2023**

**Exhibit K-1**  
**Page 2 of 2**

(2A)	(1)	(2)	(3)
Pass Through Entity Identifying Number	Federal Grantor/ Pass-Through Grantor/ Program Title	District Fund Number	Federal Assistance Listing Number Federal Expenditures and Indirect Costs
	<b>U.S. Department of Education (continued)</b>		
	<b>Passed Through Texas Education Agency: (continued)</b>		
	<b>Title I Part A and Title I Part D: (continued)</b>		
69552202	LEP Summer School	289	84.369A \$ 17,508
22680101123910	Title IV Part A Subpart 1	289	84.424A 292,111
23680101123910	Title IV Part A Subpart 1	289	84.424A 376,958
	Total ALN 84.424		<u>669,069</u>
	<b>Total U.S. Department of Education</b>		<u><b>52,616,633</b></u>
	<b>U.S. Department of Health &amp; Human Services</b>		
	<b>Direct Program:</b>		
06CH011239	Head Start - 2022	205	93.600 468,776
06CH011239	Head Start - 2023	205	93.600 3,059,107
06CH011239	Head Start - 2022 ARP Funds	205	93.600 509,053
06CH011239	Head Start - 2021 (COVID-19)	205	93.600 19,539
06CH011239	Head Start - 2022 (COVID-19)	205	93.600 152,619
	Total Head Start Cluster (ALN 93.600)		<u>4,209,094</u>
	<b>Passed Through Texas Education Agency:</b>		
39352201123910	School Health Support Grant (COVID-19)	289	93.323 365,870
	<b>Passed Through Texas Health and Human Services:</b>		
HHS000537900024	Medicaid Administrative Claiming Program – MAC	272	93.778 162,362
	Total Medicaid Cluster (ALN 93.778)		<u>162,362</u>
	<b>Total U.S. Department of Health &amp; Human Services</b>		<u><b>4,737,326</b></u>
	<b>Federal Communications Commission</b>		
	<b>Passed Through Universal Service Administrative Co.:</b>		
ECF222118628	Emergency Connectivity Fund	289	32.009 2,210,880
	<b>Total Federal Communications Commission</b>		<u><b>2,210,880</b></u>
	<b>U.S. Department of Agriculture</b>		
	<b>Passed Through the Texas Department of Agriculture:</b>		
	Cash assistance:		
806780706	Child and Adult Care Program	240	10.558 31,583
	Non Cash Assistance (Commodities):		
CE00654	National School Lunch Program	240	10.555 754,278
	Cash Assistance:		
CE00654	Supply Chain Assistance	240	10.555 402,366
00654	COVID-19 Summer Feeding Program	240	10.559 163,255
806780706	Summer Feeding Program	242	10.559 7,790
806780706	Fresh Fruits and Vegetable	240	10.582 55,148
	<b>Passed Through Texas Education Agency:</b>		
	Cash assistance:		
71402301	School Breakfast Program	240	10.553 2,958,962
71302301	National School Lunch Program	240	10.555 9,328,015
	Total Child Nutrition Cluster (ALN 10.553, 10.555, 10.559, 10.582)		<u>13,669,814</u>
	<b>Total U.S. Department of Agriculture</b>		<u><b>13,701,397</b></u>
	<b>Total Expenditures of Federal Awards</b>		<u><b>\$ 73,392,771</b></u>

**Note 1 - Basis of Accounting**

The District accounts for all awards under federal programs in the General and Certain Special Revenue Funds in accordance with the Texas Education Agency's Financial Accountability System Resource Guide. These programs are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for these funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the liability is incurred, if measurable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement. Pass-through entity identifying numbers are presented where available.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned. Generally, unused balances are returned to the grantor at the close of specified project periods. The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 2 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

**Note 3 - Reconciliation to Basic Financial Statements**

The following is a reconciliation of expenditures of federal awards program per Exhibit K-1 and expenditures reported on Exhibit C-3:

Total Expenditures of Federal Awards on Exhibit K-1	\$ 73,392,771
Build America Bonds - Federal Interest Subsidy	1,013,793
Medicaid SHARS	4,419,496
E-Rate	43,736
Total Federal Revenue - Exhibit C-3	<u>\$ 78,869,796</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)**

*Exhibit K-2*

**Note 4 - General Fund Expenditures**

Federal Awards reported in the general fund are summarized as follows:

Federal Revenue reported in the General Fund

Medicaid SHARS	\$ 4,419,496
Build America Bonds - Federal Interest Subsidy	1,013,793
Naval JROTC	126,535
E-Rate	43,736
Indirect Costs:	
IDEA-B Formula	186,401
IDEA-B Formula - ARP (COVID-19)	24,504
ESEA, Title I, Part A - Improving Basic Programs	395,431
Title I, Part D, Subpart D - Delinquent Programs	1,937
Title I 1003 ESF-Focused Support Grant	6,511
School Action Fund Continuation Grant	37,905
School Action Planning	6,735
Career and Technical - Basic Grant	13,860
IDEA-C ECI	56
Title II, Part A, Supporting Effective Instruction	60,789
Title III, Part A, ELA	11,863
Texas COVID Learning Acceleration Supports (TCLAS) Program (COVID-19)	23,796
CRRSAA, ESSER II (COVID-19)	1,949,849
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	997,371
School Health Support Grant (COVID-19)	19,835
Title IV Part A Subpart 1	36,064
Total Federal Revenue reported in the General Fund	<u>\$ 9,376,467</u>

## **BEAUMONT INDEPENDENT SCHOOL DISTRICT**

### ***SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS***

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

Federal regulations, Title 2 U.S. Code of Federal Regulations Section 200.511 states, "The auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings." The summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit's schedule of findings and questioned costs and
- All audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected.

#### **I. Prior Year Findings**

There were no findings in fiscal year 2023.

## **BEAUMONT INDEPENDENT SCHOOL DISTRICT**

### ***CORRECTIVE ACTION PLAN***

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

Federal regulations, Title 2 U.S. Code of Federal Regulations §200.511 states, "At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in §200.516 Audit findings, a corrective action plan to address each audit finding included in the current year auditor's reports."

#### **I. Corrective Action Plan**

Not Applicable

